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# THE IMPACT OF HUMAN RESOURCE MANAGEMENT PRACTICES AND ORGANIZATIONAL CULTURE ON ORGANIZATIONAL CITIZENSHIP BEHAVIOR IN INDONESIAN SHARIA BANKS

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Abstract:

The research investigates the effect of Human Resource Management (HRM) practices and organizational culture on Organizational Citizenship Behavior (OCB), with organizational commitment as a mediating factor. The study aims to explore viable solutions and recommendations for improving OCB in Sharia Banks located in the Special Capital Region of Jakarta (DKI Jakarta). This study uses a quantitative approach using a questionnaire survey given to 260 permanent employees who work at Sharia Banks in DKI Jakarta. The collected data were analyzed using SEM-PLS to test the relationship between various variables. The findings of this study revealed that HRM practices and organizational culture have significant direct and indirect effects on OCB through the mediating role of organizational commitment. The results also showed that the proposed model achieved a good model fit, and HRM practices and organizational behavior have an indirect impact on OCB mediated by employee organizational commitment. In addition, the magnitude of the indirect impact of HRM practices was found to be significantly greater than the direct impact.

Keywords: HRM practices, Organizational Behavior, Organizational Citizenship Behavior, Organizational Commitment

Abstrak:

Penelitian ini menyelidiki pengaruh praktik Manajemen Sumber Daya Manusia (MSDM) dan perilaku organisasi terhadap Perilaku Kewargaan Organisasi (OCB), dengan komitmen organisasi sebagai faktor mediasi. Penelitian ini bertujuan untuk mengeksplorasi solusi dan rekomendasi yang layak untuk meningkatkan OCB di Bank Syariah yang berlokasi di Daerah Khusus Ibukota Jakarta (DKI Jakarta). Penelitian ini menggunakan pendekatan kuantitatif dengan menggunakan survei kuesioner yang diberikan kepada 260 karyawan tetap yang bekerja di Bank Syariah di DKI Jakarta. Data yang terkumpul dianalisis dengan menggunakan SEM-PLS untuk menguji hubungan antara berbagai variabel. Temuan dari penelitian ini mengungkapkan bahwa praktik-praktik MSDM dan perilaku organisasi memiliki pengaruh langsung dan tidak langsung yang signifikan terhadap OCB melalui peran mediasi komitmen organisasi. Hasil penelitian juga menunjukkan bahwa model yang diusulkan mencapai kecocokan model yang baik, dan bahwa praktik-praktik MSDM dan perilaku organisasi memiliki dampak tidak langsung terhadap OCB yang dimediasi oleh komitmen organisasi karyawan. Selain itu, besarnya dampak tidak langsung dari praktik-praktik MSDM ditemukan secara signifikan lebih besar daripada dampak langsung.

Kata kunci: Praktik Manajemen Sumber Daya Manusia, Perilaku Organisasi, Perilaku Kewargaan Organisasi, Komitmen Organisasi

#### A. INTRODUCTION

Indonesia, with its large Muslim population, has enormous potential for the development of the Islamic finance industry. Alongside countries like United Arab Emirates (UAE), Bahrain, Malaysia, and Saudi Arabia, Indonesia is one of the most advanced countries in terms of Islamic finance<sup>1</sup>. The country's strong Islamic values and supportive government

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<sup>&</sup>lt;sup>1</sup>Batorshyna et al., "The Interplay Between the Global Islamic Finance and Economic Growth of Muslim Countries," *Financial and Credit Activities: Problems of Theory and Practice* 3, no. 38 (2021), hlm. 231.

regulations have helped the emergence of Islamic banks and organizations dedicated to meeting the need for Shariah-compliant products and services<sup>2</sup>. The presence of Sharia banking, which is based on principles rooted in fairness, ethical investments, and communal values<sup>3</sup>, offers an alternative banking system that diverges from speculative activities. This contributes to the diversity of banking options available to the community. The growth of Sharia banking aims to provide benefits to the community while also making a significant contribution to the Indonesian economy<sup>4</sup>. This growth is in line with key national policies, including the National Medium-Term Development Plan (RPJMN) 2020-2024, the Indonesian Sharia Economic and Financial Masterplan 2019-2024, and the Indonesian Banking Development Roadmap. These policies are integral components of a broader strategic plan aimed at advancing the Indonesian economy. Therefore, maintaining consistency between the direction of sharia banking development and national policies is critical<sup>5</sup>. Nonetheless, when it concerns with the national growth and market share, Sharia banking in Indonesia still remains behind conventional banking<sup>6</sup>. Despite the great progress that Sharia banking has made in recent years, it still currently has a relatively small market share compared to conventional banking in terms of total assets and overall market share<sup>7</sup>. According to the data from the Financial Services Authority (Otoritas Jasa Keuangan, 2022), Sharia banking's proportion to total assets in Indonesian conventional banking remains less than 10% when compared to the entire national banking sector.

The Share Contribution of Sharia Banking to Total Banking Assets in Indonesia shown in Figure 1. Based on the data presented in Figure 1, national banking represents the largest share of total assets, while sharia banking has a smaller but growing share. The overall assets of the national banking sector exceed IDR 11 trillion. Sharia Commercial Banks (BUS) hold the highest proportion of Islamic banking, followed by Sharia Business Units (UUS) and Sharia Rural Banks (BPRS). This leads to tighter competition in the service sector between one bank and another, both sharia and conventional, to maintain its existence. Such situations and conditions trigger each bank to determine corporate management strategies and policies, including human resource management (HRM) practices. Besides, the ability of an organization to respond to change is one of the capabilities that need attention to achieve organizational goals<sup>8</sup>. effectiveness of an organization is not only measured by the quantitative results of all companies, but also by measuring how well and the degree to which an organization can manage its human resources.

<sup>&</sup>lt;sup>2</sup>Faizi Zaini, Dr. Mohd Sollehudin Bin Shuib, and Dr. Muhammad bin Ahmad, "The Prospect of Sharia Banking in Indonesia (Opportunities, Challenges and Solutions)," *International Journal of Business Management and Economic Review* 02, no. 04 (2019), hlm. 01–14.

<sup>&</sup>lt;sup>3</sup>Batorshyna et al., "The Interplay Between the Global Islamic Finance and Economic Growth of Muslim Countries."

<sup>&</sup>lt;sup>4</sup>Zaini, Bin Shuib, and bin Ahmad, "The Prospect of Sharia Banking in Indonesia (Opportunities, Challenges and Solutions)."

<sup>&</sup>lt;sup>5</sup>M. Zidny Nafi' Hasbi and Mohammad Amin, "Analisis Pengaruh Rasio Profitabilitas Terhadap Tingkat Kemampuan Pengeluaran Zakat Pada BUSN Devisa," *Jurnal Akuntansi Manajemen Bisnis dan Teknologi* 1, no. 2 (2021), hlm. 89–102.

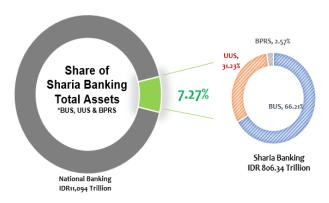
<sup>&</sup>lt;sup>6</sup>Zulfikar Hasan, "Market Share Islamic Banking In Indonesia," *IQTISHADUNA: Jurnal Ilmiah Ekonomi Kita* 8, no. 1 (2019), hlm. 124–137.

<sup>&</sup>lt;sup>7</sup>Ibid.

<sup>&</sup>lt;sup>8</sup>Shivani Thapliyal Patiraj Kumaria, "Studying the Impact of Organizational Citizenship Behavior on Organizational Effectiveness," *Prabandhan: Indian Journal of Management* 4, no. 1,2017 (2017), hlm. 9–21.

The good Human Resource management (HRM) can increase perceptions of fairness, involvement, and also employee commitment to an organization to deal with all the changes that occur and can support the achievement of the goals of the organization<sup>9</sup>.

Figure 1. The Share Contribution of Sharia Banking to Total Banking Assets in Indonesia



Data source: OJK 2022

In addition, as pointed out by Harvey & Turnbull<sup>10</sup> an organization's competitive advantage is more commonly derived from its human resources than its technological components. Therefore, to meet the challenges presented by intense competition and dynamic change, organizations must prioritize good human resource management (HRM). Furthermore, Zaman, et al., highlights that business which manages its human capital has a great impact on its overall success<sup>11</sup>. Jisun & Hasnain found that the implementation of HRM methods within a company has a direct influence on employees' commitment and behavior towards the organization they are affiliated with<sup>12</sup>.

Building upon the previous research, the novelty of our research in the realm of the Islamic finance industry in Indonesia lies in the holistic exploration of the complex relationships between Human Resource Management (HRM) practices, organizational culture, Organizational Citizenship Behavior (OCB), and the mediating role of organizational commitment. For certain reasons, we chose to include organizational commitment as a moderating component in our analysis. First and primarily, organizational commitment is critical in connecting Human Resource Management (HRM) practices and corporate culture with Organizational Citizenship Behaviour (OCB). It represents a key measure of employee attachment and engagement with the organization, and has the potential to influence how HRM practices and organizational culture

<sup>&</sup>lt;sup>9</sup>Tahsin Farzana Jisun and Afreen Ahmad Hasnain, "Determining the Relationship between Human Resource Management ( HRM ) Practices and Employee Behavior & Commitment," no. April (2020).

<sup>&</sup>lt;sup>10</sup>Harvey Geraint and Peter Turnbul, "Ricardo Flies Ryanair: Strategic Human Resource Management and Competitive Advantage in a Single European Aviation Market," *Human Resource Management Journal* 30, no. 3 (2020), hlm. 65.

<sup>&</sup>lt;sup>11</sup>Abu Saleh Mohammad Sohel-Uz-Zaman, Umana Anjalin, and Rashidul Islam Khan, "Human Capital Management: Understanding Its Implications Over the Business," *International Journal of Economics, Finance and Management Sciences* 7, no. 5 (2019), hlm. 170.

 $<sup>^{12} \</sup>rm{Jisun}$  and Hasnain, "Determining the Relationship between Human Resource Management ( HRM ) Practices and Employee Behavior & Commitment."

influence OCB. Second, by using organizational commitment as a mediator, we can reveal the underlying mechanisms or pathways that explain how these facts interact. Therefore, the aim of this study is to investigate the impact of Human Resource Management (HRM) practices and organizational culture on Organizational Citizenship Behavior (OCB), mediated by organizational commitment, within the context of Sharia banking in Indonesia.

Based on the aims of this study the framework of this research is represented visually. This representation serves as a conceptual model that displays the relationships and interactions between the variables or factors related to this research topic.

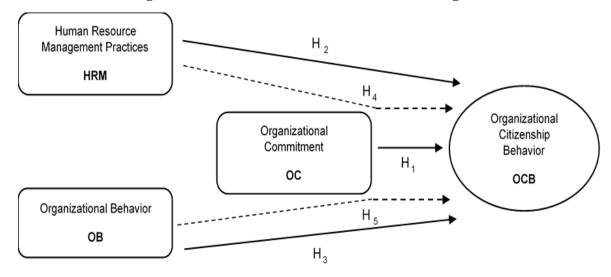


Figure 2. The Research Framework of Thinking

Data source: Author, 2023

Figure 2 presents the conceptual framework of thinking in this research, where the dashed line indicates that Human Resource Management (HRM) Practices and Organizational Behavior is mediated by Organizational Commitment on Organizational Citizenship Behavior. The research conducted by Peter & Eunice<sup>13</sup>, Maria, et al<sup>14</sup>., took all the variables to be combined into the current research model, namely HRM practices and organizational commitment and their impact on employee OCB. Meanwhile, Nikpour<sup>15</sup> and Organ<sup>16</sup> took the organizational commitment function model as a mediator role of organizational culture to determine the gap between the three studies and prove whether or not there is an indirect effect of organizational culture on OCB mediated by organizational commitment. Based on the previous

<sup>&</sup>lt;sup>13</sup>Peter Ihionkhan and Aigbomian Eunice, "The Influence of Human Resource Management Practices on Organizational Commitment: A Study of Manufacturing Organizations in Nigeria," *Indian Journal of Commerce & Management Studies. www.scholarshub.net.* (2014).

<sup>&</sup>lt;sup>14</sup>MaríA Zayas-ortiz et al., "Relationship between Organizational Commitments and Organizational Citizenship Behaviour in a Sample of Private Banking Employees," *International Journal of Sociology and Social Policy* 35, no. January (2015), hlm. 91–106.

<sup>&</sup>lt;sup>15</sup>Amin Nikpour, "The Impact of Organizational Culture on Organizational Performance: The Mediating Role of Employee's Organizational Commitment," *International Journal of Organizational Leadership* 6, no. 1 (2017), hlm. 65–72.

<sup>&</sup>lt;sup>16</sup>Dennis W Organ, "Organizational Citizenship Behavior: It's Construct Clean-Up Time Organizational Citizenship Behavior: It's Construct Clean-Up Time," *Human Performance*, no. January 2012 (2009), hlm. 37–41.

theories and research results, and referring to the problem formulation that occurs in Islamic banking, the researchers were motivated to develop five hypotheses:

H1: There is a positive influence between Organizational Commitment and Organizational Citizenship Behavior.

H2: There is a positive influence between HRM practices and Organizational Citizenship Behavior.

H3: There is a positive influence between Organizational Behavior and Organizational Citizenship Behavior.

H4: There is a positive influence between HRM practices and Organizational Citizenship Behavior, mediated by Organizational Commitment.

H5: There is a positive influence between Organizational Behavior and Organizational Citizenship Behavior, mediated by Organizational Commitment.

### **B. METHOD**

The population in this study were all organic employees of 9 Islamic Commercial Banks located in DKI Jakarta, totaling 11,200 employees. The required sample size for this research follows the minimum sample size requirement for the Structural Equation Modeling (SEM) analysis using SmartPLS (v.3.2.9) software, which is equal to or greater than five times the number of formative dimensions used to measure a particular latent construct in the structural model. The number of dimensions used in this research is 52, so the minimum sample size is 5 x 51 or 255 samples or respondents. The sampling technique used is simple random sampling, where each element in the population has an equal chance of being selected.

Primary data in this study were obtained from respondents' answers to the questionnaires that had been distributed. Meanwhile, secondary data was obtained from publication materials consisting of information and data related to Sharia Banks published or owned by the bank itself, as well as regulatory publications containing studies and statistical data published by the authorities. The primary data collection technique used in this research is distributing questionnaires to the respondents who are included in the sample using the technique of measuring scales or Likert scales. The Likert scale is suitable for measuring respondents' opinions, attitudes, or perceptions regarding a particular phenomenon. The answer alternatives range from a scale of 1-5, Strongly Agree (5), Agree (4), Neutral (3), Disagree (2), and Strongly Disagree (1). After the number of questionnaire respondents meets the target sample size, the data will be analyzed descriptively and the research results will be concluded.

In this study, researchers used the research instruments shown in Table 1 to measure and assess factors related to Human Resource Management Practices, Organizational Behavior, Organizational Commitment, and Organizational Citizenship Behavior. The variables and dimensions of the instruments are based on established theories and previous research, providing a solid framework for data collection and analysis in this study.

Table 1. Variable Instrument for Investigating HRM Practices, Organizational Behavior, Commitment, OCB

No.	Variable		Dimensions	Theories Referenced
1.	Human	1.	Training and Development	17
	Resource	2.	Rewards and Recognition	18
	Management	3.	Organizational Communication	
	Practices	4.	Teamwork	
	(HRM)	5.	Performance Appraisal	
			Satisfaction	
2.	Organizational	1.	Mission	19
	Behavior (OB)	2.	Consistency	
		3.	Involvement	
		4.	Adaptability	
3.	Organizational	1.	Affective commitment to change	20
	Commitment	2.	Continue commitment to change	
	(OC)	3.	Normative commitment to	
			change	
4.	Organizational	1.	Altruism	21
	Citizenship	2.	Sportsmanship	
	Behavior	3.	Conscientiousness	
	(OCB)	4.	Courtesy	
		5.	Civic Virtue	

Data Source: Author, 2023

In analyzing the data, the following SEM-PLS steps included: assessing the measurement model's reliability and validity using factor loadings, average variance extracted (AVE), and the Fornell-Larcker criterion for convergent and discriminant validity; investigating the structural relationships between HRM practices, organizational culture, organizational commitment, and OCB and determining the significance of path coefficients; and evaluating the mediating role of organizational commitment by scrutinizing path coefficients.

### C. RESULT AND DISCUSSION

This study investigates the impact of HRM Practices and Organizational Behavior on Organizational Citizenship Behavior, with Organizational Commitment as the mediating variable. This research focuses on Islamic Commercial Banks in DKI Jakarta. In this study, the results obtained from the PLS-SEM analysis were analyzed. Researchers also conducted reliability and validity tests on indicators and research variables. Confirmatory factor analysis

<sup>&</sup>lt;sup>17</sup>John P Meyer and Lynne Herscovitch, "Commitment in The Workplace Toward A General Model," Human Resource Management Review (2001): 299–326, www.HRmanagementreview.com.

<sup>&</sup>lt;sup>18</sup>Peter and Eunice, "The Influence of Human Resource Management Practices on Organizational Commitment: A Study of Manufacturing Organizations in Nigeria."

<sup>&</sup>lt;sup>19</sup>Nikpour, "The Impact of Organizational Culture on Organizational Performance: The Mediating Role of Employee's Organizational Commitment."

<sup>&</sup>lt;sup>20</sup>Natalie J. Allen and John P. Meyer, "The Measurement and Antecedents of Affective, Continuance and Normative Commitment to the Organization," Journal of Occupational Psychology 63, no. 1 (1990), hlm. 1–18.

<sup>&</sup>lt;sup>21</sup>S. P. Robbins and T. A. Judge, Organization Behavior, 16th Edition. (Pearson education, Inc., 2015).

(CFA) is used for validity testing, while composite reliability (CR) and analysis of variance extracted (AVE) are used for reliability testing.

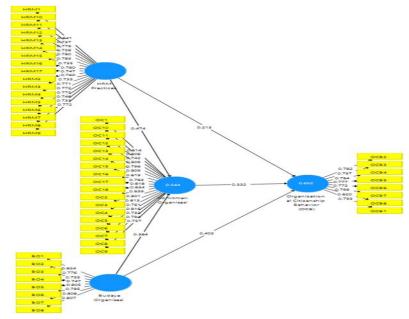


Figure 3. The Path Diagram of the Research Model

Source: Primary data processed using SmartPLS

Figure 3 shows the research model's path diagram, which demonstrates the interactions between the research's important variables: Human Resource Management (HRM) Practices, Organizational Behavior (OB), Organizational Commitment (OC), and Organizational Citizenship Behavior (OCB). After outlining the path diagram of the research model and presenting the hypotheses, the model is tested using Partial Least Squares Structural Equation Modeling (PLS-SEM)

### 1. Hypothesis Test (Path Cooficient)

**Table 3. Hypothesis Testing Results for Direct Effects (Path Coefficients)** 

No	Hypothesis	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
1	Organizational Culture → Organizational Commitment	0.384	0.383	0.090	4.259	0.000
2	Organizational Culture → Organizational Citizenship Behavior (OCB)	0.402	0.394	0.092	4.391	0.000
3	HRM Practices → Organizational Commitment	0.474	0.474	0.085	5.557	0.000
4	HRM Practices → Organizational Citizenship Behavior (OCB)	0.213	0.219	0.098	2.168	0.031
5	Organizational Commitment → Organizational Citizenship Behavior (OCB)	0.332	0.328	0.109	3.034	0.003

Source: Primary data processed using SmartPLS

Table 3 displays the Hypothesis Test findings, highlighting the direct impacts in the structural model via path coefficients. Each row represents a different hypothesis including

variables such as organizational culture, human resource management practices, organizational commitment, and organizational citizenship behavior (OCB). For each path, the table shows the original path coefficient values (O), the mean values across samples (M), and the standard deviation (STDEV). T statistics (O/STDEV) are also calculated to determine the importance of the path coefficients, with p-values reflecting the level of statistical significance. The findings show that all hypotheses have p-values less than a predetermined threshold (e.g., 0.05), indicating statistically significant correlations between the variables under consideration.

**Table 4. Hypothesis Testing Results for Indirect Effects (Path Coefficients)** 

Hypothesis	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ( O/STDEV )	P Values
Organizational Culture → Organizational Commitment → Organizational Citizenship Behavior (OCB)	0.127	0.127	0.055	2.312	0.021
HRM Practices → Organizational Commitment → Organizational Citizenship Behavior (OCB)	0.157	0.154	0.055	2.835	0.005

Data source: Author, 2023

Table 4 shows the indirect effects of Organizational Culture and HRM Practices on Organizational Commitment to Organizational Citizenship Behavior (OCB). The findings emphasize the statistical relevance of these effect.

**Table 5. Hypothesis Testing Results for Total Effect (Path Coefficients)** 

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ( O/STDEV )	P Values
Organizational Culture → Organizational Commitment	0.384	0.383	0.090	4.259	0.000
Organizational Culture → Organizational Citizenship Behavior (OCB)	0.529	0.522	0.091	5.846	0.000
HRM Practices → Organizational Commitment	0.474	0.474	0.085	5.557	0.000
HRM Practices → Organizational Citizenship Behavior (OCB)	0.370	0.373	0.094	3.956	0.000
Organizational Commitment → Organizational Citizenship Behavior (OCB)	0.332	0.328	0.109	3.034	0.003

Source: Primary data processed using SmartPLS

Table 5 represents the overall impact of Organizational Culture and HRM Practices on Organizational Commitment and Organizational Citizenship Behavior (OCB), as well as the interplay between Organizational Commitment and OCB. All hypotheses have p-values less than a certain threshold (e.g., 0.05), showing that there are significant total effects between the variables tested.

#### 2. Mediation Test Results (using Formula) > 1.96

Table 6. Mediation Test Results (using Formula) with Significance Threshold > 1.96

Mediation Effect	a x b	$a^2$	$b^2$	SEa <sup>2</sup>	SEb <sup>2</sup>	Z
Organizational Culture →	0.1275	0.1475	0.1102	0.090	0.109	2.47900777
Organizational Commitment →						

Organizational Citizenship Behavior (OCB)						
HRM Practices → Organizational Commitment → Organizational Citizenship Behavior (OCB)	0.1574	0.2247	0.1102	0.085	0.109	2.67311836
Data source: Author, 2023						

Table 6 calculates the mediation effect's significance as the ratio of the mediation effect to the square root of the sum of squared standard errors. The Z statistics for both tested hypotheses, Organizational Culture to Organizational Commitment to Organizational Citizenship Behavior (OCB) and HRM Practices to Organizational Commitment to OCB, above the threshold of 1.96, indicating statistically significant mediation effects. The explaination from the result of

### 3. organizational Citizenship Behavior

measuring will be discussed through the paraghraphs below.

Various definitions of OCB emphasize that OCB is a voluntary activity that goes beyond job requirements but has a beneficial impact on the achievement of organizational goals<sup>22</sup>. Organizational citizenship behavior (OCB) refers to behavior that goes beyond formal job obligations and contractual agreements to benefit the organization<sup>23</sup>. OCB aims to enhance organizational effectiveness and is not directly tied to the organization's reward system. Employees naturally put efforts to support the organization based on their own initiative, without expecting explicit rewards from the organization for their actions<sup>24</sup>. In essence, OCB reflects spontaneous actions taken by employees to contribute to the improvement of the business, even in the absence of formal duties.

Furthermore, OCB in an organization can contribute to the welfare of the work environment and transformation in HRM actions<sup>25</sup>. According to Organ the OCB five dimensions are altruism, conscientiousness, benevolence, courtesy, and sportsmanship<sup>26</sup>. First, altruism refers to the attitude of employees who voluntarily serve others in the organization, even though there is no direct relationship. Second, sportsmanship is defined as employees' tolerance of a less ideal organizational environment, where they do not complain about these conditions. Third, conscientiousness refers to an individual's readiness to perform activities, positions, and responsibilities that go beyond the organization's expectations. Fourth, courtesy summarizes employees' readiness to help colleagues in solving work-related problems. Lastly, civic virtue includes employees' voluntary participation in macro issues. Finally, civic virtue includes employees' voluntary participation in macro-level organizational functions, including both professional (administrative) and social (employee relations) aspects. These dimensions

<sup>&</sup>lt;sup>22</sup>Hamsani Hamsani, Devi Valeriani, and Nizwan Zukhri, "Work Status, Satisfaction and Organizational Citizenship Behavior: A Case Study on Bangka Islamic Bank, Province of Bangka Belitung," *International Review of Management and Marketing* 9, no. 3 (2019), hlm. 1–8.

<sup>&</sup>lt;sup>23</sup>Ivana Veli, "Organizational Citizenship Behavior- Definition, Determinants And Effects," *Engineering Management* 3, no. 1 (2017), hlm. 40–51.

<sup>&</sup>lt;sup>24</sup>Hamsani, Valeriani, and Zukhri, "Work Status, Satisfaction and Organizational Citizenship Behavior: A Case Study on Bangka Islamic Bank, Province of Bangka Belitung."

<sup>&</sup>lt;sup>25</sup>Ibid.,

<sup>&</sup>lt;sup>26</sup>Veli, "Organizational Citizenship Behavior- Definition, Determinants And Effects."

collectively describe the multifaceted nature of OCB and its significance in fostering a positive and supportive organizational climate.

### 4. Organizational Commitment

According to Jufrizen et al., organizational commitment refers to the condition in which employees establish a strong affiliation with their organization, form a deep connection with the organization's goals, and express a desire to maintain their active involvement within the company<sup>27</sup>. Employees who have high commitment will show positive attitudes and behaviors, have a defender spirit, strive to continue to create achievements, and are eager to help realize organizational goals<sup>28</sup>. In short, organizational commitment has an important role to increase the desire of employees in achieving the vision, mission, goals, and objectives that have been set by the organization.

The organizational commitment will create a "sense of belonging" from within employees to the organization where they are. Meyer & Herscovitch define commitment as a mindset that supports the process of change that occurs in an organization<sup>29</sup>, where the mindset is divided into three categories based on their support for organizational change, namely: 1) affective commitment to change, a condition in which employees show a sense of acceptance of organizational goals because the employee feels they have conformity with the goals and values that apply in the organization; 2) continued commitment to change, which is the strong desire of employees to stay in the organization and support change because it avoids losses that arise if they leave the organization or changes are not made; and 3) normative commitment to change, which is the desire of employees who support change because employees feel they have responsibilities and obligations that must be done to their organization<sup>30</sup>.

# 5. Human Resource Management Practices

Human resource management practices are a series of policies needed to carry out HR management which includes the selection process, training, performance appraisal, compensation, and matters that encourage employee participation in decision-making<sup>31</sup>. According to Zehir, et al., islamic human resource management paradigm includes human resource management practices which mean employee compliance based on the Qur'an and Sharia, therefore sharia human resource management means human capital management in all

<sup>&</sup>lt;sup>27</sup>Dinda Nurmala and Hanifah Jasin, "Effect of Moderation of Work Motivation on the Influence of Organizational Culture On Organizational Commitment and Employee Performance," *International Journal of Business Economics (IJBE)* 2, no. 2 (2021), hlm. 86–98.

<sup>&</sup>lt;sup>28</sup>Priyankan Jain and Taranjeet Duggal, "Transformational Leadership, Organizational Commitment, Emotional Intelligence and Job Autonomy: Empirical Analysis on the Moderating and Mediating Variables," *Management Research Review* 41, no. 9 (2018), hlm. 46.

<sup>&</sup>lt;sup>29</sup>John P. Meyer and Lynne Herscovitch, "Commitment in the Workplace: Toward a General Model," *Human Resource Management Review* 11, no. 3 (2001), hlm. 299–326.

<sup>&</sup>lt;sup>30</sup>Zayas-ortiz et al., "Relationship between Organizational Commitments and Organizational Citizenship Behaviour in a Sample of Private Banking Employees."

<sup>&</sup>lt;sup>31</sup>Yousef Abdallat et al., "The Impact of Human Resource Management Practices on Organizational Performance in Construction Companies in Jordan," *International Journal of Business Innovation and Research* 1, no. 1 (2020), hlm. 1.

organizational devices based on Islamic principles<sup>32</sup>. Based on the definition of human resource the practice of human resource management is the practice of formal policies designed by an organization to attract employees, motivate, develop, and retain employees to encourage organizational effectiveness and resilience.

Peter & Eunice mentioned the dimensions of human resource management are divided into five dimensions<sup>33</sup>: 1) Training and Development, as a process to improve employee performance through debriefing skills, learning and also expanding employee knowledge. This process is carried out and planned by the organization to improve the quality of employees to achieve organizational goals<sup>34</sup>. 2) Confession and Appreciation (Rewards and Recognition), it will create a sense of comfort and security for employees so that they have a commitment to their work and make the work done by these employees can be enjoyed which in turn will create a commitment to the organization; 3) Communication in Organizations (Organizational Communication), in which a person or group of employees exchange information in various ways and areas to achieve organizational goals; 4) Team work, it carried out between units in the organization, employees tend to have good behavior compared to work environments that do not have teamwork. 5) Performance Appraisal Satisfaction, Long, et al., stated that performance appraisals are carried out to evaluate performance improvements to achieve organizational and employee effectiveness<sup>35</sup>. Where human resources in an organization need to be evaluated periodically by superiors and then the results of the evaluation need to be communicated back to the employees concerned. The process can be a development for individual employees to work more effectively and can increase their contribution to the organization.

The Researchers who focus on the level of satisfaction perceived by employees towards the performance appraisal process provided by the organization's management. An effective assessment is defined as an assessment where the evaluation process is fair. Based on some of the results of previous research that have been presented, it can be understood that with job appraisal satisfaction, employees will have a high desire to work in the organization, and the results will affect employee commitment to continue to contribute to the organization.

### 6. Organizational Culture

Organizational Behavior is a value of trust and rules that can be identified from an organization and its members in it<sup>36</sup>. Furthermore, organizational behavior can positively drive organizational members to achieve productive performance. Behavior is defined as a collection of guidelines, foundations, norms of beliefs, views, expectations, and behavior of members in an

<sup>&</sup>lt;sup>32</sup>Cemal Zehir et al., "Strategic Human Resource Management and Firm Performance: The Mediating Role of Entrepreneurial Orientation," *Procedia - Social and Behavioral Sciences* 235, no. October (2016), hlm. 372–381.

<sup>&</sup>lt;sup>33</sup>Ihionkhan and Eunice, "The Influence of Human Resource Management Practices on Organizational Commitment: A Study of Manufacturing Organizations in Nigeria."

<sup>&</sup>lt;sup>34</sup>Susan E. Jackson, Randall S. Schuler, and Kaifeng Jiang, "An Aspirational Framework for Strategic Human Resource Management," *Academy of Management Annals* 8, no. 1 (2014): 1–56.

<sup>&</sup>lt;sup>35</sup>Choi Sang Long et al., "A Review on Performance Appraisal System: An Ineffective and Destructive Practice?," *Middle East Journal of Scientific Research* 14, no. 7 (2013), hlm. 887–891.

<sup>&</sup>lt;sup>36</sup>Wagner Jhon A and Jhon R Hollenbeck, *Organizational Behavior; Securing Competitive Advantage*, 1st Editio. (Newyork: Routledge, 2021).

organization<sup>37</sup>. A behavior that has been formed and is also deeply rooted will become a habit of employees in carrying out their daily work so that it is not visible and takes a long time to change. In contrast, more visible and relative norms of behavior can still be changed. Based on the results of Hadi & Tentama's research an important factor that affects organizational commitment is the organizational behavior itself<sup>38</sup>. This happens because organizational behavior is important in the process of internalization and also adaptation to external conditions<sup>39</sup>.

Invented a model called the Denison Model in which four main factors are taken into account in organizational behavior. Each of these factors has three variables that become a benchmark, namely: 1) Mission, which is the long-term direction and purpose of an organization in the future to provide clear direction for employees. The variables of the mission consist of vision, strategic direction, also goals, and objectives; 2) Consistency, will identify the value and also the system that is the basis of strong behavior in an organization, so consistency will ensure the existing system always creates an increase in the value of an organization. A company with good performance must do something consistently. The variables of consistency consist of core values, agreement, and coordination & Integration; 3) Involvement, where the factor speaks of commitment, a sense of belonging, and also a responsibility to the role given to each employee in the organization<sup>40</sup>. Variables that affect involvement factors are empowerment, teamwork, and capability development 4) Adaptability generally refers to the process of a company or organization addressing market demands and then implementing them into concrete actions in the business environment. The higher the performance of the company, the higher the adaptive attitude, of course. In order to achieve this, organizations need to achieve creating change, consumer focus, and organizational learning processes.

# 7. The implication of the findings on the development of practice and theory

After examining the relationships among the variables of HRM practices, organizational behavior, organizational commitment, and organizational citizenship behavior, the results revealed that HRM practices and organizational behavior have both direct and indirect effects on organizational citizenship behavior through the mediating role of organizational commitment. The proposed model demonstrated a good fit. These findings were compared and analyzed in previous studies whose findings indicated a positive and significant impact of organizational commitment on organizational citizenship behavior. It is consistent with the results of Rosario-Hernández et al., who also found a significant relationship between organizational commitment and OCB<sup>41</sup>. Similarly, the other study also found a positive and significant impact of organizational behavior on employees' organizational commitment. This finding aligns with

<sup>&</sup>lt;sup>37</sup>Ibid.

<sup>&</sup>lt;sup>38</sup>Fatwa Tentama Nizarwan Hadi, "Affective Commitment, Continuance Commitment and Normative Commitment in Reflecting Organizational Commitment," *American International Journal of Business Management (AIJBM)* 3, no. 8 (2020), hlm. 148–156.

<sup>&</sup>lt;sup>39</sup>Daniel R. Denison and Aneil K. Mishra, "Toward a Theory of Organizational Culture and Effectiveness," *Organization Science* 6, no. 2 (1995), hlm. 204–223.

<sup>40</sup>Ibid..

<sup>&</sup>lt;sup>41</sup>Zayas-ortiz et al., "Relationship between Organizational Commitments and Organizational Citizenship Behaviour in a Sample of Private Banking Employees."

the conclusions of Mutlaq & Rahman<sup>42</sup> and Peter A. I. & Eunice E. A.,<sup>43</sup> that HRM practices influence organizational citizenship behavior.

In addition, these findings are in line with the Nikpour<sup>44</sup> study, which highlighted the role of organizational commitment as a mediator between organizational culture and organizational performance. They also support the findings of Rosario-Hernández et al., 45 which suggest organizational commitment drives employee efforts toward success and the sustainability of the company's business. The concept of organizational citizenship behavior encompasses work behaviors that promote operational efficiency and effectiveness within an organization, as defined by Organ. Therefore, this research reinforces the findings of previous studies and provides a basis for further exploration of similar topics. Based on the findings, it is clear that HRM practices play a crucial role in affecting organizational commitment and organizational citizenship behavior. Therefore, Sharia banks might consider the following implementation tips to improve their HRM practices; 1) Emphasis on Training and Development: Investing in employee training and development programs can help them improve their skills and competences, which can lead to higher work satisfaction, organizational commitment, and a favorable impact on organizational citizenship behavior; 2) Improve Programs of Reward and Recognition: Implementing effective reward and recognition systems that acknowledge and respect employees' contributions can enhance organizational commitment and build a culture of proactive behavior and citizenship; 3) Improve Organizational Communication: Clear and honest communication within the organization can promote employee engagement, trust, and dedication, positively influencing their citizenship behavior. 4) Encourage Teamwork and Collaboration: Fostering teamwork and collaboration can foster a sense of camaraderie among employees, leading to increased levels of commitment and a greater readiness to engage in citizenship behaviors that benefit the firm as a whole. However, it is important to acknowledge the limitations of this study, the future research on organizational citizenship behavior should strive to address these limitations by incorporating larger and more diverse samples, expanding the geographic scope, and employing more robust sampling techniques. Such advancements will contribute to a more comprehensive understanding and practical application of theoretical concepts in the field of the Islamic banking industry.

#### **D. CONCLUSION**

This study investigates the impact of HRM practices and Organizational Behavior on Organizational Citizenship Behavior (OCB) in Islamic Commercial Banks in DKI Jakarta, with Organizational Commitment (OC) as a moderating variable. Using Partial Least Squares Structural Equation Modeling (PLS-SEM), this study found that HRM Practices and Organizational Behavior have substantial direct and indirect effects on OCB through the

<sup>&</sup>lt;sup>42</sup>Mutlaq Alqahtani Mnahi and Mohd Fitri Bin Rahman, "Examining The Role of HRD Practices towards Organizational Citizenship Behavior: The Mediating Role of Affective Organizational Commitment," *International Journal of Social Science and Economic Research* 1, no. 10 (2016), hlm. 50.

<sup>&</sup>lt;sup>43</sup>Ihionkhan and Eunice, "The Influence of Human Resource Management Practices on Organizational Commitment: A Study of Manufacturing Organizations in Nigeria."

<sup>&</sup>lt;sup>44</sup>Nikpour, "The Impact of Organizational Culture on Organizational Performance: The Mediating Role of Employee's Organizational Commitment."

<sup>&</sup>lt;sup>45</sup>Zayas-ortiz et al., "Relationship between Organizational Commitments and Organizational Citizenship Behaviour in a Sample of Private Banking Employees."

mediating role of Organizational Commitment. These findings confirm previous research on the advantageous relationship between OC and OCB, which emphasizes the importance of employee commitment in creating excellent organizational behavior. This study provides practical recommendations to improve HRM practices in Islamic banks and advance scientific understanding of the function of Organizational Commitment in shaping employee behavior in the Islamic banking environment. Future research ought to conquer limitations in order to provide a more comprehensive knowledge of Organizational Citizenship Behavior in Islamic banking environments.

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