

Closing the Gaps of Human Resource in Islamic Banks: Literature Review Analysis

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Abstract

The numbers of Islamic banks are increasing, with the aim of offering interest-free banking products. However, since the development of Islamic banks, negative concerns prevail because of the operational concerns: lack of qualified staff, lack of human resource policies, lack of planning and training to speed up Shari'ah bank business growth. In this scenario, it is imperative for Islamic banks to remove all negative concerns and find solutions for those specific key obstacles which are affecting Islamic bank credibility. To investigate key obstacle factors, this research sketched the issues from literature (research articles, existing survey findings, concepts, models, and theories) involved with human resource, and performance of employees in Islamic banking. After laying out the Human resource challenges from literature review, this research contributes by offering practical possibilities and theoretical consideration for the emergent issue of human resources of Islamic financial services.

Keywords: Islamic bank, human resource, training, organization ethic and commitment

Problem Statement

The main ingredient for gaining reputable position, long term success and managing customer relationships in a financial sector is investing in refined strategic human resources process (Ryals and Knox 2001, p.537). However, in context of Islamic banking, with limited understanding about how to conduct transactions from the Islamic perspective and about the technicalities of Shari'ah rulings, staff faced difficulties in advising customers about the characteristics of Islamic finance products (Kahf, 2002; Wilson, 2002; Tahir et al., 2004). Moreover another heavy criticism which is attached with this issue is that, due to the shortage of qualified and experienced staff, Islamic financial institutions hired staff from non-Islamic institutions. Along with the issue of training and hiring the staff, it was also seen as important to retain educated and trained Islamic bank staff by providing good opportunities and salary packages. If staff were not satisfied with their job or salary, they would leave the job and prefer to be associated with established banks (Parker, 2007). Islamic banking practitioners need to understand the importance and the essential role of HRM department, as they are only one that is in charge of creating rightly balance between human and technical side (Suliman, 2011).

Research Objective

- To review existing literature in regard to human resource issues in Islamic banking.
- To propose theoretical and conceptual factors to improve human resource performance and capability of Islamic banking.

1-Research Methodology

This research relies on exploratory method, as the purpose of this research is to figure out specific key gaps and challenges in existing data about Human resource of Islamic banking. Furthermore, to further investigate key current issues related to this specific topic, the data was mainly collected from secondary sources such as Bank Annual reports, newspapers and Journals.

There is a growing body of evidence that highlighted the challenges specifically shortage of Human resource in Islamic banks in general. In the literature it was concluded that some articles focused on individual case study of Islamic banks to discuss the linkage between the human capital and organizational performance. It is derived from the literature, that certain key organization dynamic factors such as professionalism, commitment, high-involvement, leadership, work environment, and collaboration influence the directions, rhythm, quality and activity of banking operational process.

But specifically for Islamic banking, religious sensitivity matters to a great extent so therefore in the literature researchers either incorporated Islamic work ethics conceptual and theoretical model to overcome those operational and managerial issues.

Based on the literature, this research extracted the issues and then suggested practical implications which can assist Islamic banks to improve the human resource performance. The research is not focusing on one specific country.

2-Literature Review

The central premise of this research was to review the existing literature related to Islamic bank human resource and point toward the gaps that needed to be bridged.

2.1-Shortage of Human Resource

The Islamic banking industry and its assets are growing, but the marketplace was found to be low on employees who have been trained in Shari'ah compliant banking system. Staff shortages and unqualified staff in Malaysian Islamic banks were found to be preventing it from becoming a hub for Islamic finance (Bokhari, 2008). The shortage of staff has led to many managers and staff of Islamic institutions being hired from non-Islamic institutions, meaning that they are not trained in Islamic financial business and culture (Tahir et al., 2004). Similarly, the research findings of Zainol et al. (2008) determined that the bankers in Islamic windows had low knowledge and little understanding of Islamic banking concepts, objectives and principles. Also, his analysis showed that a significant number of the respondents did not have extensive work experience or a related academic background before working with their respective banks.

According to Hussain AlQemzi, chief executive of the Dubai-based Noor Islamic Bank "We are in a situation where so much demand for talent is chasing very few people," He further stressed that, bank prominence in the sector will depend to a large extent on its finding professionals who are not only qualified, but have the relevant experience too (Bokhari, 2008).

In similar context, Abidi (2008) highlighted that there was a need for 18,000 staff in the Saudi Islamic banking sector. On the other hand, a management consultant estimated that in the Gulf countries Islamic banks will need to fill 30,000 new positions (Croonenberg, 2006). According to recent estimation by 2015, the Islamic financial services sector in UAE will double in size from approximately 10,000 current employees to 20,000 (Tehseen Consultancy, 2013).

It was expected that most of the jobs would be required in the areas of product development and sales rather than operational areas (Arabian Business, 2007).

Khniifer (2010) indicated toward key issue that the fresh young graduates in Islamic finance area see many closed doors in front of them. Eliminating graduates from recruitment process is basically a 'default' in the Islamic bank HR selection process (Khniifer, 2010). At the same time he pointed toward another issue that, Islamic financial institutions do not have the resources or the capital to initiate graduate training program (Khniifer, 2010). Moreover, recruitment agencies entertain job openings for the senior level but do not come near fresh graduates as they are not considered their main profitable resources (Khniifer, 2010).

2.2-Saudiazation and Emiratization

To fill the shortage of staff, banks in Saudi Arabia were directed to employ Saudi nationals in all bank branch manager positions in 1991. Because of that effort, one newly established full-fledged Islamic bank (Alinma Bank) and several conventional banks offering Islamic products (SABB, Saudi Hollandi Bank and National Commercial Bank) had 80%-87% Saudi employees (Annual Reports).

Similar to Saudi Arabia case, in 2000, the UAE forced domestic and foreign banks to increase their employment of UAE nationals (Emiratization policy). As a result of that policy, Dubai Islamic Bank also achieved 100% Emiratization at branch manager level and 98% Emiratization at its ladies branches, and 45% Emiratization across its operations (Ameinfo, 2010). Alongside that, the Dubai Islamic Bank started a six-month training program called Emirati and Sharjah Islamic Bank has launched three program for UAE national graduates – an internship program (Mehnat), Diploma graduates (Bedayati) and an intensive three year training program (Ruwad) – to provide practical training opportunities in the bank's branches.

2.3-Few Academic and Training Research Centers

In literature, a great extent of worrisome is reflected toward an issue that staffs of Islamic institutions were hired from conventional western banks and thus were not trained technically and professionally to conduct business from an Islamic perspective (Tahir et al., 2004; Al Jarhi, 2000). Islamic bankshire staff from conventional banks at higher financial package and train them through short courses and training (Ali, 2013). This is not a permanent solution; the Islamic banks must chalk out a long-term Human Resource Development strategy to meet the future demand of skilled human capital (Ali, 2013).

Some educational institutions that were found to be playing an important role in educating, organizing seminars, publishing journals and research papers on Islamic banking relevant issues included: Masters Business Administration (MBA) in CASS Business School, Markfield Institute of Higher Education, and certificate level courses at Chartered Institute of Management Accountants (CIMA), Durham University in the UK, International Islamic University in Pakistan, International Islamic University in Malaysia, and King Abdul Aziz University and Islamic Research Training Institution (IRTI) in Saudi Arabia. However, Hasan (2008) has pointed out that the publications from the Islamic Research Training Institute in Saudi Arabia were generally more informative than analytical or evaluative. Furthermore, his analyses also showed that the structure of the PhD program at International Islamic University Malaysia was not satisfactory.

Kasri (2010) study also observed number of problems in teaching Islamic economics effectively. Major problems include human resources provision, textbook availability, and non-standardized curriculum.

Rafik (2011) underlie some reasons which can cause Islamic finance education and learning problem in Indonesia, such as:

- (i) Lack of the formal institutions (academic degree) and informal institutions (short courses and training) in Islamic banking and finance. Some master programs in Islamic finance/banking are now opened by some private and government universities but an undergraduate program in Islamic bank is rarely found in the country.
- (ii) No Islamic banking and finance curriculum in all level of the national education system and lack of the books on Islamic banking and finance.

In order to create deep-rooted awareness of the significance and practice of Islamic banking, Iqbal (2006) recommended that introductory content about Islamic economics and Islamic banking should be included in the high-school Islamic studies course. He also believed that professionals from diverse backgrounds should engage in researching and promoting the concept of Islamic finance.

Consistent with previous findings, Tehseen Consultancy (2013) pointed toward an issue that UAE does not have any programs that target senior level leaders and they does not have institutions which provide research and analysis that advances and pushes the boundaries of the field.

Habshi and Zainal (2009) proposed holistic and well-balanced human capital development and training programs with acquired knowledge (learn formal) and revealed knowledge (revealed by Allah). The researchers believe that these knowledge workers will increase the value of the firms. Further they added that, to increase the workers' job satisfaction the bank will compensate with better compensation or job package.

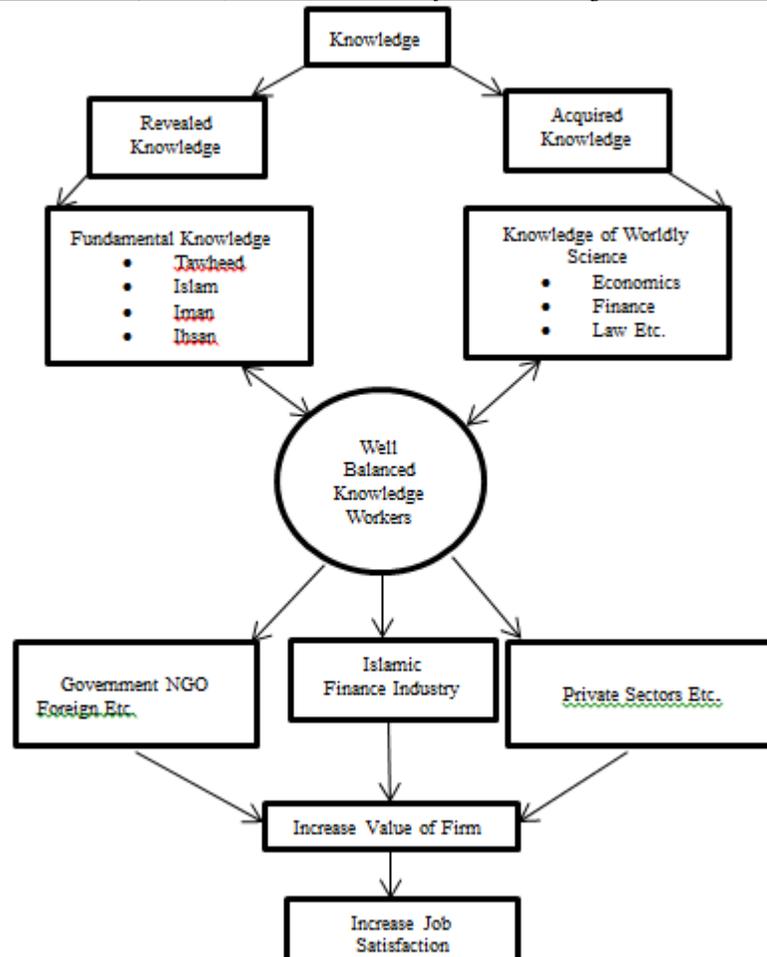


Figure1: A Holistic Approach to Human Capital Development(Habshi and Zainal, 2009)

2.4-Organization Culture Values

Fundamentally, all Muslims belief and practice about Islamic teachings from both undoubtful sources of Qur'an and Hadith (Muda et al., 2014). However as Tayeb (1997) highlighted that Saudi Arabia and Malaysia are Islamic countries, but there is a vast difference between them in the way in which the two societies are organized and the kind of culture, attitudes and practical behaviour. Such variations and differences are naturally reflected in the organizations operating in Muslim countries.

In regard to assess staff involvement in organizational activities, Rice and Essam (2001) suggested that Islamic banks should use a case study approach (employee interviews, focus group surveys and observation) to check integration of top management and to evaluate staff productivity, satisfaction and overall performance of the organizational environment within one culture.

2.5-Human Resourcepractices and Employee Commitment

Sabiret al. (2012) addressed the employee's attitude and sensitivity towards different Human Resource practices i.e. selection, training, job definition, career planning, and employee participation. For that matter, more than 18 banks were studied in Pakistan Peshawar. The findings reveal that human resource management practices are not only the important determinant of the employee commitment but can also play important role to improve the performance of employee.

Rehman (2013)study comprised sample of 236 Islamic Bank employees inBangladesh, the questionnaire focuses on Islamic human resource management practices and trust in organization. This study result shows that training and development has the highest score in building trust factor, reward system carries second highest, knowledge, understanding and practices of Islamic principles at third, and recruitment and selection at fourth significantly related to the trust. But performance appraisal is found having insignificant relationship on building trust factor.

Malang and Siswanto (2011) develops a model of organizational commitment dimension and the impact of psychological empowerment. It uses data from a sample of Islamic banking employees in Malang City–East

Java–Indonesia. The affective dimension (staff feeling) is the greatest factor of organizational commitment. The result shows that:

- (i) Organizational commitment between men and women are different. Male and Older employees' commitment level is higher than the level of female employees' organizational commitment. As for organizational commitment based on years of service have no significant difference between groups.
- (ii) Employee empowerment and Psychological empowerment: delegation of tasks undertaken by Islamic banking can effectively increase valued feeling and self-confidence. On both variables, Male employees feel more empowering compared with female employees. They enjoy the procedure of delegation of tasks as compared to female employees. Dimensions of self-determination have the most dominant contribution to the increase in psychological empowerment. Education and training program can be a major contribution and strategic program to enhance organizational commitment.

Farwa and Niazi (2013) investigated the relationship between intrinsic motivation and organizational commitment. Questionnaire survey was used as a primary data tool to gather information, which were individual employee of the Islamic Banks. The research was carried out on employees of Islamic banks mainly in two major cities of Pakistan: Islamabad and Rawalpindi. In total 280 questionnaires got back. The results of the research study show that there exists the relationship between intrinsic motivation and organizational commitment. The research results indicate that for intrinsic motivation and employee commitment demographic factors should be considered by the Human resource department while designing any policy, strategy, and procedure for the employees. Opportunities should be given to employees to make them motivated towards the occupation and organization, because opportunities also give an internal satisfaction to employees.

Kristano (2014) examine whether there is a difference in the organization commitment (affective, continuance and normative commitment) between the employees who works under the conventional banks and those who work under Islamic banks in Jakarta. Through convenience sampling, 342 questionnaires were collected. The results show that affective commitment from conventional bank employees and Islamic bank employees' is identical. On the other hand, continuance commitment and normative commitment from conventional bank employees is higher than continuance commitment and normative commitment from Islamic bank employees (Kristano, 2014).

Rababah et al. (2013) study Islamic banks in Aqaba city to find out how social responsibility influence, and focus on commitment toward human resources, customers, and local society. This research based on 93 questionnaire survey for analysis. This research finding shows that Islamic bank in Aqaba is not participating in social programs for employees outside of business hours; such as; sport activities, cultural, and entertainment centers, and for not participating enough in educating the families, and siblings of employees. Islamic bank in Aqaba is not caring enough about their customers' complaints, and suggestions, and for not making effort to solve them in timely manner. Along with this that above concerns, this study further advises Islamic bank in Aqaba to support local community colleges, and universities in a bigger way. Study advises Islamic bank in Aqaba to provide educational scholarships, grants, donations, financial assistances, and any other kind of helps to individuals in the society.

Adawaiya (2012) investigated the relationship between five human related aspects of Total Quality Management (top management commitment, reward and recognition, education and training, empowerment and customer focus) with Organizational Citizenship Behavior (OCB) of Islamic banks' employees in Indonesia located in Central Java. A self-administered questionnaire was used as the main instrument to obtain information from employees of Islamic banks. Of the 850 questionnaires sent out, 497 usable questionnaires were returned. This study suggested that every single person within the institutions, from top to bottom, must involve in Total Quality Management Program and strive for their best effort to minimize production waste.

Such practice should be maintained and continuously improved by the management of Islamic banks in Central Java in order to increase employees' extra-role behavior at work. 87.8% employees would voluntary provided constructive suggestions on how to improve their work groups. It is noticed that employee citizenship behavior, a form of behavior are not formally rewarded in a system.

2.6-Ethics and Organizational Commitment

Salem and Agil (2012), paper reviews the relationship of Islamic individual ethics and organizational commitment among employees of Libyan public banks. Questionnaire contained of five sections which were demographic characteristic, Islamic individuals' ethics, affective commitment (emotional feeling), continuance commitment (awareness of the costs associated with leaving the present organization) and normative commitment (feelings of social obligation). The data analyzed by using SPSS. The results confirmed that there is a positive relationship between Islamic individuals' ethics and three dimensions of commitment. Specifically, normative commitment correlates highly with Islamic individuals ethics than either affective and continuance commitment. This study recommended managers who aim to improve employees commitment should engage in more serious approach in establishing a higher degree of formal Islamic work ethic in their organization. Moreover, it must derive its main characteristics from the ethics infrastructure of Libyan laws and codes that are developed and enforced in Libyan public banks to promote ethical behaviour: transparency and improving governance (Salem, 2012).

The researcher also recommends that academic institutions in Libya should offer courses on ethics for undergraduate and postgraduate students that to provide them by correct work ethics before they work in organization (Salem, 2012).

Acquiring wealth and making profit does not violate Islamic principles, as long as wealth does not involve lying, discriminating, cheating, usury, and breaking promises (Bin Yusuf, 2010). Cheating one's employer in terms of quantity or quality of work disqualifies the halal (legal or legitimate) status of one's earnings (Nasr, 2010). Those engaging in unethical practices spark injustice, consequently violating the doctrine of brotherhood and unity (Saeed et al. 2001). Therefore, Rice (2006) extends the concept of benevolence, arguing that it incorporates the characteristics of helpfulness, honesty, forgiveness, responsibility, and loyalty.

In 2008, UAE mediadid heavy coverage about the charges against staff of corruption, bribery, paying irregular commissions and obtaining credit facility through Dubai Islamic Bank before lending those same facilities to entities and individuals at very high rates, this practice ruined the image, trust and confidence in the Islamic financial brand(AsharqAlAwsat:Al Nasser, 2009). Al Nasser (2009)¹ highlighted the issue that: "Islamic financial institutions pay no attention to the process of verifying applicant behaviour and moral conduct.....consolidate the characteristic of honesty by making up for its shortage in employees by creating a tight regulatory system to govern Islamic financial system internally and externally, along with strengthening the role of Islamic Shari'ah oversight to cover acts of fraud, deception, and the misuse of institutional resources, which is something that is conspicuously absent from some Islamic financial institutions" (AsharqAlawsat, 2009).

2.7-Job Stress, Motivation and Communication

Mohiuddin (2012) study has been conducted on some selected Islamic bank employees of Malaysia and Bangladesh. One tested questionnaire has been used to find out the relationships of religion with managerial expertise with respect to their educational qualification level, age, position, experiences. This study classified group into two different groups upon the basis of their relative degree of religious commitment. In general, Relatively Committed Muslims (RCMs- willing to sacrifice his wealth and body in order to satisfy Allah and His prophet) exhibit a different managerial attitude than Relatively Less Committed Muslims (RLCMs- All his actions are directed toward the life) and degree of religious commitment plays an important role in determining the degree of managerial efficiency.

- i. RCMs make more effective decisions than RLCMs. Focus more on consultation and Shura.
- ii. Significant differences between RCMs and RLCMs in relation to the joint effect of degree of religious commitment and age of the employee.
- iii. RCMs are more capable in effectively delegating their authority than RLCMs, as they know Prophet guideline about the appointment policy.
- iv. RCMs have strong motivation to actualize the objectives of their Islamic banks

The Islamic Managerial alternative as presented in this study formulates managerial attitudes in a religious framework (Figure 2). The Islamic model is flexible in a sense that willing to accommodate and accept western models which can lead to a better handling of issues within organizational boundaries only conditions are that it should not violate Islamic principles.

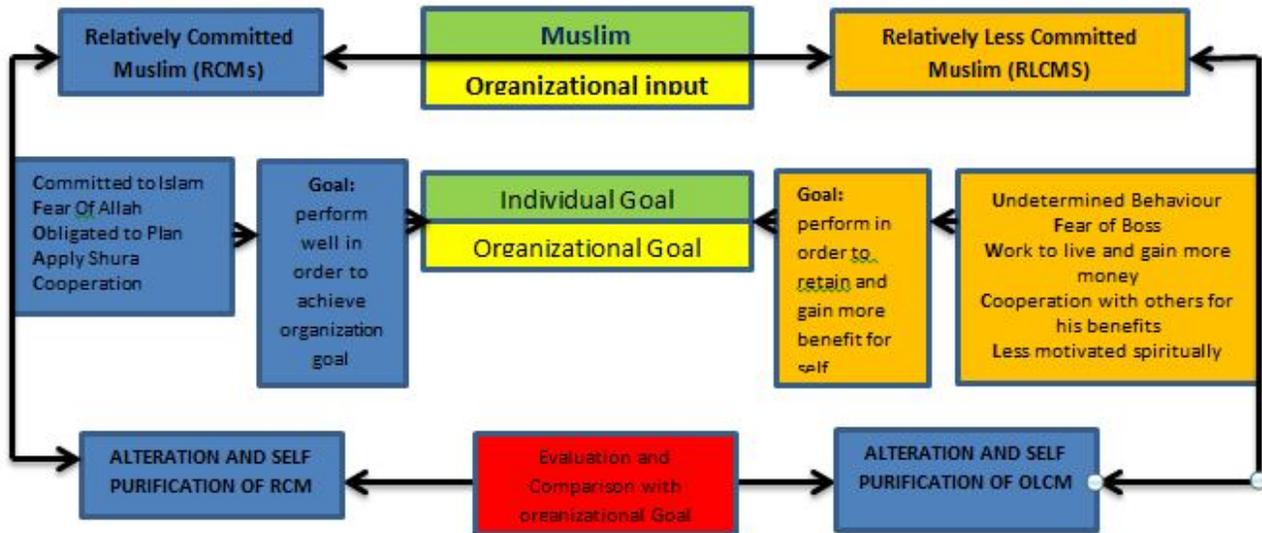


Figure 2: Islamic Managerial Framework (Mohiuddin, 2012)

Muda et al (2014) research collected sample of 47 respondents from two Islamic banks namely; Bank Muamalat and Bank MandiriSyariah. Both are located in the Indonesia Padang Sidempuan city, highly dense Muslim population. Using a quantitative methodology, this study concludes that the variables of job stress, motivation and communication do simultaneously affect the employees' performance at the two Islamic banks. Thus, it does offer some recommendations to stakeholders and policy makers:

- (i) The Islamic banks would see other factors that may influence employees' performance that can potentially occur
- (ii) Both Islamic banks need to enhance the communication ability that has a significant impact to the performance
- (iii) Central bank of Indonesia suggests creating policies to monitor and assess the performance of employees or institutions and help supporting program to encourage and boost employees' performance.

2.8-Service Delivery and Employee Training

The attitudes of employees in providing service to customers can make it difficult for competitors to copy the service (Doyle, 1989). Employees who have not been trained, or who have low levels of motivation, tend to deliver an inferior service that can be disastrous for the bank and its brands.

Saleh (2005) further highlighted that Islamic banks needed to satisfy customers from two perspectives: objective and subjective. Objective satisfaction is related to the product transaction: for example, did the customer receive the product before 1:00pm, as required? Was the Muḍārahah certificate completed on time? Subjective satisfaction is about the customer's satisfaction with the product. Examples of subjective satisfaction include: was the customer satisfied with call centre service; were their queries answered satisfactorily?; were customers satisfied with the bank's Murābahah car product?

The staff must have the ability to show confidence, efficiency and effectiveness in handling any transaction, and possess sufficient knowledge to provide solutions to concerns about the Islamic bank's products and services (Wilson, 2009; Dusuki and Abdullah, 2006).

A study indicated that Malaysian bankers in the Islamic window had little understanding of Islamic banking principles, having had neither work experience nor a related academic background (Zainol et al., 2008). Therefore, Zainol et al. (2008) suggested that both Islamic and conventional bank management should organize seminars and workshops for employees to encourage innovation in customer service and meeting the Malaysian government's objective of turning Malaysia into an Islamic financial hub in the region.

Another survey was conducted by Riphah Center of Islamic Business in 2008, over 60 banks in Karachi, 75% of senior bankers needed qualified staff in Islamic banking and finance, and 88% wanted their staff to be trained.

92% considered the organization benefited from training of their staff, while 90% indicated that training enhanced their capacity. 66% of respondents showed willingness to absorb candidates with MBA in Islamic Finance and Banking in their organization (Ahmad, 2009).

Dewa (2012) distribute questionnaires to Branch Managers, Heads of Department and Executives in one of the local Islamic bank in Klang Valley, to identify the main issue they were facing in which they need training. Ultimately the respondents are in agreement that lack of Sharī'ah knowledge causes difficulties to explain well to customers and limit contributions to the company in Islamic products development that initiate the need to undergo training and development. It is concluded that the most sought after training to improve job performance is the Sharī'ah knowledge related training. The conclusion indicates that it does not matter who deliver the training. The outcome of possessing the knowledge is crucial.

Al Zaabi (2007) from UAE perspective stressed strongly that the human resources departments of Islamic banks could launch scheduled training courses, print updated brochures and manuals, and conduct in-house inductions for employees to ensure that they receive sufficient information regarding the general terms and conditions of Islamic banking products and services.

To enhance the quality of Islamic banking service and its impact on the management, Saleh (2005) created a model with eight main elements:

- 1) Management Leadership and Commitment
- 2) Islamic Bank Strategic Direction; including vision, mission
- 3) Customer Focus as a Driving Force
- 4) Core Business through Sharī'ah Principles and Compliance
- 5) Quality Practice Tools and Methodologies
- 6) Bottom-up Contribution (from employees)
- 7) Competitive Infrastructure
- 8) Data Measurement, Analysis and Improvement

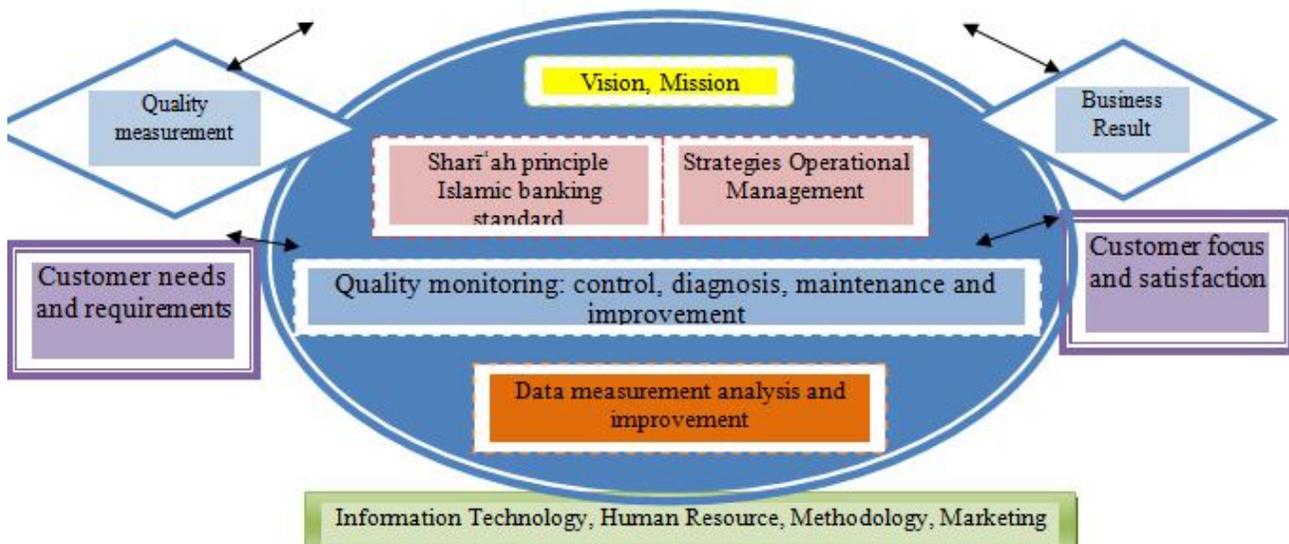


Figure 3: Islamic Banks' Quality Monitoring Source: Saleh (2005)

Othman and Lynn (2001) and Shahril et al. (2004) believed that the CARTER model (Compliance, Assurance, Reliability, Tangibility, Empathy, and Responsiveness) could be used to measure service quality, to understand customers' needs, and to improve Islamic banks' performance, environment, culture, locations and counter design. However, the main question Shahril et al. (2004) raised was that of who should be responsible for implementing service quality in Islamic banks: should it be the board of directors, the general manager, mid-management, or all of them?.

Dahlawi (2005) explicitly stated that Sharī'ah board should contribute to determining the conditions and criteria of employment that workers should meet in terms of ethics, conduct, and knowledge of Islamic banking. One of the functions of the Sharī'ah board is to approve the selection of the internal Sharī'ah auditors to make sure they are fit for the job. Periodic direct meetings should be organized between the Sharī'ah board and the workers, the various administrative sections, the leadership of the institution and the board of directors. The Sharī'ah training program should be supervised by the Sharī'ah board; the Sharī'ah board should participate in designing the training program and in conducting workshops, research and symposium.

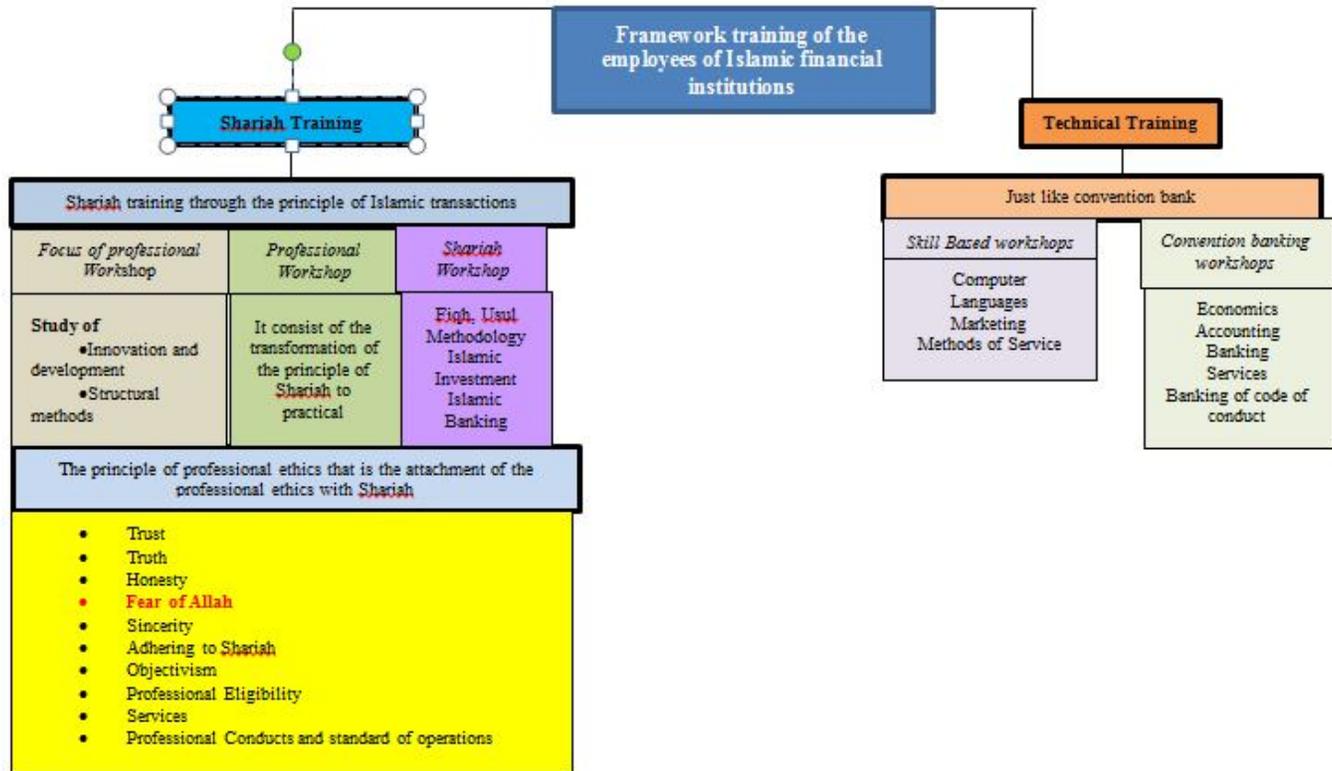


Figure 4: Modified from Dahlawi (2005)

2.9-Employee Turnover

Suliman (2011) paper examines the nature, strength and significance of the links between organizational climate and employee turnover in the UAE in Islamic banks. Using a self-administered questionnaire, 70 Islamic bank employees were surveyed. The study results revealed that corporate climate plays a significant role in the rate of staff turnover. As a component of corporate climate, Organizational justice found to be the most important factor in employee turnover. This research expect Islamic Finance managers to know that employees are no longer considering the salary only as a base to evaluate jobs, but they also look for developmental opportunities. High employee turnover is the consequences of HRM department not functioning well.

3-Findings- Discussion and Possibilities

This research has been initiated to fill the existing research gap and to explore the factors from the literature review and suggest practical implication to improve the productivity and credibility of Human Resource practices of Islamic banks.

Taken together the above context concerning the Human resource issues and employees commitment, it emerged that Islamic bank staff could provide distinctiveness to their brand by serious implementation of Islamic values, quality infrastructure, recognizing customer issues, improving communication, regular staff training, empowering employees, increasing motivation of staff.

The influential factors for enhancing the productivity of employees at Islamic banks are suggested below

1. Embedding Sharī'ah ethical values:Bank employee should practice Islamic mission and vision values (honesty, sincerity etc....) while delivering their duty (Saleh, 2005).

Dahlawi (2005) focusing on key Islamic values to be adopted at banks, this research also believes that all is needed but 'Taqwa' (consciousness of Allah) is the main element which can be focused during recruitment and training, job delivery process. As in Quran, Riba(interest/usury) verses are connected with 'Taqwa' characteristic (Surah Baqarah 278: Surah Al Imran 130:). Visionary Islamic leaders and sincere passionate employees are required to deliver and implement on objectives and goals consistent with Islamic guidelines (Salem and Agil, 2012; Mohiuddin, 2012; Dahlawi, 2005). If their Islamic characteristic and ethical values are high they would not cross the borderline even for short term interests (Al Nasser, 2009).

2. Elements of Quality: Shahril et al., (2004) raised questions that who should be responsible for implementing service quality in Islamic banks: should it be the board of directors, the general manager, mid-management, or all of them?. To trigger innovation, quality and consistency in Islamic banks performance, energy level of their employees from all levels should be synchronise. It is possible to achieve the goals with the effort of HR department to recruit right tuned candidate (Sabir et al. 2012; Adawaiya, 2012; Mohiuddin, 2012). Vigorously consultation and communication with Shari'ah department can ensure that recruitment and operational activities are according to Islamic values and laws (Dahlawi, 2005).

It is further suggested that, Total Quality Frameworks or Islamic Work Ethics models suggested by researchers need to be adopted and tested by Islamic banks (Habshi and Zainal, 2009; Saleh, 2005).

3. Individual Commitment Level matters or not: To measure commitment level (Affective, Normative, Continuance), this research suggested to conduct further investigation that whether, an individual employee with a high level of Islamic work ethics would tend to develop an affective commitment – deep connection and feelings toward an organization. It needs to be inquired that whether employees with low level of Islamic work ethics (normative commitment) and much lesser degree of attitude about Islamic work ethics would follow continuance commitment. According to Salem and Agil (2012), normative commitment correlates highly with Islamic individuals ethics than either affective and continuance commitment.

4. Increasing employees' commitment level: For increasing employees' commitment level, empower them by involving them in structuring products, strategies and participating in decision making (Malang and Siswanto, 2011). Based on Muda et al (2014) findings, this research suggest to seek feedback to stay on track; view negative feedback as information for improvement, value-added supervisory program should be constructed to recognize and measure each department's strengths and performance gaps and take necessary action to build skills in gap areas (Saleh, 2005).

5. Islamic Banks can benefit from staff training: Frontline staff need to be inform about products and should be skilled at handling complex customer requests, training can improve the TRUST factor in employees (Zainol et al. 2008; Rehman, 2013; Saleh, 2005; Dewa, 2012). Al Zaabi (2007) suggested brochures printed materials and in-house training workshops. This research believes that to evaluate staff training and staff service effectiveness it is dire important to set mechanisms to evaluate the training session.

Properly trained and well-informed staffs help to deliver a winning service. It is suggested that experienced Shari'ah advisors and senior Islamic bankers should share their experiences with graduates and employees of Islamic banks and conventional banks that offer Islamic products, so that they understand the operational and theoretical issues more clearly. Emphasis should be placed on training conventional Islamic branch/window staff because they have to serve both Islamic and conventional financial products, whereas staff of full-fledged Islamic banks has to focus solely on endorsing their Islamic product range. However, in both cases, front-line staff has to speak with credibility and conviction while offering an exclusive advisory service to customers about various Islamic products' features and terms and conditions of contracts. This would also be beneficial for those customers who were not satisfied with a simple statement that the products are Shari'ah-compliant, but wanted to understand the differences and the underlying cost and features of the product/service.

6. Long term Human Resource Strategy: Realizing the shortage of staff in the literature, Islamic banks HR and concern agencies need to design long term Human Resource Strategy for staff recruitment, training and development instead of quick fix options (Ali, 2013; Abidi, 2008; Tehseen Consultancy, 2013; Tahir et al., 2004; Jabnoun and Khalifa, 2005, Kahf, 2002; Wilson, 2002). Recruitment agencies could play active role in bridging the gap of human resource in Islamic banks (Khniifer, 2010).

The existing literature could be very influential in drawing attention to the claims that thousands of career opportunities were available in the Islamic finance industry.

In reality, however, Islamic banks have failed to provide suitable jobs and opportunities, especially for non-experienced Islamic finance graduates. This research believes that, this approach restricted the ability to bring change in Islamic bank brands and products. This research explicitly believes that banks websites can be used to pool right candidate (Table 1). However, this research observed that Islamic banks' websites have made no serious efforts to do so. As shown in Table below, that some Islamic bank websites in Saudi Arabia and UAE offered entry positions exclusive to nationals because of Emiratization and Saudiazation policy; some did not list any vacancies; or if they offered job positions, either they had long registration and application processes or the job requirements were so specific as to make it almost impossible for non-experienced candidates to apply for Islamic banking jobs.

Table 1: Job Vacancies on UAE and Saudi Arabia Islamic Banks' Websites

Islamic Banks in Saudi Arabia	Job Application Process
1) Bank AlBilad	No option of career- no vacancies
2) Alinma Bank	no vacancies- easy CV upload option
3) Al Rajhi Bank	no vacancies-Online registration for job application
4) Bank AlJazira	10 vacancies listed, in Arabic-Online registration for job application
Islamic Banks in UAE	Job Application Process
1) Ajman Bank	form on website, but vacancies not advertised
2) Sharjah Islamic Bank	Easy short form on website, only three vacancies advertised
3) Dubai Islamic Bank	no vacancies - Only email address
4) Emirates Islamic Bank	2 vacancies-Only email address
5) Abu Dhabi Islamic Bank	2 vacancies - Online registration for job application
6) Noor Bank	no vacancies-Online registration for job application
7) AlHilal Bank	Only email address – no vacancies

Source: Banks websites accessed on March 2015

The above concerns led to the conclusion that Islamic banks need to review their web recruitment policy by addressing a few questions:

- (i) Why do Islamic banks not use their websites to attract fresh, young candidates who have obtained degrees in fields related to Islamic banking and finance, law, marketing, and accounting from recognized colleges and universities?
- (ii) What is the success employment rate of Emiratization and Saudiazation policy through the web?
- (iii) Are long registration or application forms likely to make new candidates feel that the job opportunities for which they can apply are exciting and relevant?

7. Less opportunities for female: Furthermore, it was noticed that in such male dominated society there was less opportunities for women to acquire a job, in literature only two women have still made notable contributions to the Saudi banking sector. DrNahedTaher, a Saudi woman, was in charge of overseeing the 'Islamization' of National Commercial Bank business. Another Saudi woman in the Islamic finance sector is UK educated SheikhaAlSudairy, a manager at Islamic finance department of HSBC Bank (SABB) in Riyadh (Parker, 2008). In the UK, at a senior level, non-Muslims have contributed towards the development of Islamic banking. Kitty Ussher was Economic Secretary of the UK government's Islamic finance policy.

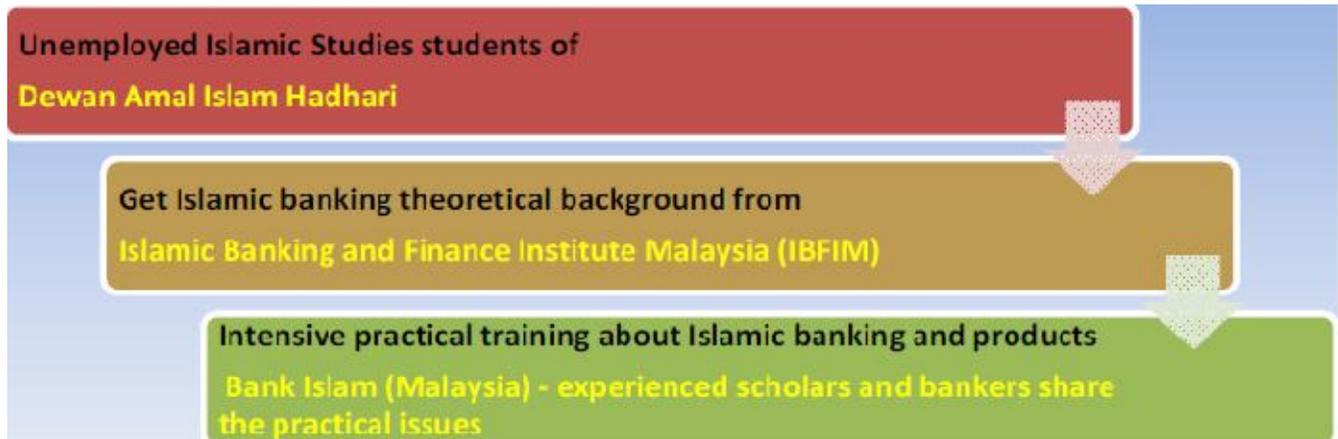
It is essential that women should be given the right opportunities, work environment and mindset so that they can participate and contribute in Islamic finance developmental and growth stages.

8. Human Capital gap and Academic institutions: Although few educational institutions are providing Master and PhD programs in the area of Islamic finance, finance and investment. However literature analysis indicated that Undergraduate program in Islamic bank are not offered, with that syllabus need to be reviewed, more real practical scenarios should be a part of curriculum (Iqbal, 2006; Hasan, 2008; Kasri, 2010; Rafik, 2011). Along with that, it would be useful to evaluate course content of universities and colleges offering Islamic finance courses. If the graduates would not be informed about the structure of product from Shari'ah perspective, then the gap in the market would remain.

Given the human resources crisis in the Islamic banking sector, there was found to be a great need to build an infrastructure to overcome the shortage of staff. This research believes that educational partnership with colleges and universities can close the Human capital gap in the market.

There has been a notable effort in Malaysia to provide opportunities for graduates. Malaysia utilized the skills and knowledge of unemployed Islamic studies graduates (*DewanAmal Islam Hadhari*) who received training from a recognized training institute (Islamic Banking and Finance Institute Malaysia – IBFIM). These trained graduates were then given experience at selected Islamic banking institutions, including the country’s largest full-fledged Islamic bank. Developing employment opportunities for Islamic studies or banking graduates through proper channels could be an example for other countries to follow to bridge the human resources gap in the Islamic banking sector.

Figure 5: Malaysia Trains Islamic Studies Students for Islamic Banks



9. Organization Citizenship Behaviour: If staff applies the knowledge they learnt from university they will feel ‘productive’ at work. In result, they will engage and “go above and beyond” normal 100% expectations. Making an extra effort practices such as Organization Citizenship Behaviour should be rewarded to improve Islamic bank brand experience (Adawaiya, 2012). For this perspective, Islamic banks need to design unique motivation mechanism for the task and activities (Farwa and Niazi, 2013). To strengthen its bond with its employees, Islamic banks can fulfill social contribution and responsibility to their employees (Rababah et al. 2013).

10. Retention: But if Islamic bank employees feel less engaged in the process or unsatisfied with organizational values they will just do their jobs, and not recommend to others, probably look for another job (Suliman, 2011). Retaining skilled and knowledgeable staffs are most concerned factor for Islamic banks. In regard to reduce anxiety and frustration of employee, listening employee concerns by setting up Grievance channel should be the primary way to connect with them.

Conclusion

Given the relative paucity of research on Islamic bank Human Resource Management, this research initiated to study the main factors discussed in literature review. This research strongly believes that usual practice of Human resource and gaps can threaten the productivity and competitiveness level of Islamic banks. Closing the loopholes in hiring, training and knowledge gaps in employees are the main concerns which need to be resolve and fix. This research believes that the remedy to improve the competitiveness level for Islamic banks human resource department has to adopt innovative yet proactive measurement and evaluation approach. It seems pertinent to address these matters in future research. Work in this area would further enhance understanding of Human resource department attitudes and would provide scope to refine Islamic banking hiring, recruitment and training process.

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