

ISLAMIC MANAGEMENT VALUES IN ORGANIZATIONAL CHANGE: A SYSTEMATIC REVIEW OF THEIR ROLE IN ENHANCING EMPLOYEE SATISFACTION AND INSTITUTIONAL EFFECTIVENESS.

Ahmed Abdullah Muhammed Al Dhahli

Department of Management, Academy of Islamic Studies, University of Malaya, Malaysia

Email: aalthihli@gmail.com

Meshari Al Daihani,

Department of Management, Academy of Islamic Studies, University of Malaya, Malaysia

Email: meshari89@um.edu.my

Fadillah bt Mansor

Department of Management, Academy of Islamic Studies, University of Malaya, Malaysia

Email: fadillah@um.edu.my

ABSTRACT

Organizational change has become an essential requirement for institutions seeking sustainability, competitiveness, and long-term effectiveness in rapidly evolving environments. However, many organizations continue to face significant challenges related to employee resistance, low job satisfaction, and declining institutional performance during change implementation processes. In this context, Islamic management values have emerged as an important ethical and human-centered managerial approach capable of supporting organizational transformation while maintaining employee well-being and institutional stability. This paper presents a systematic literature review examining the role of Islamic management values in promoting employee satisfaction and institutional effectiveness during organizational change. The review focuses on major Islamic management principles, including justice, trustworthiness, consultation, accountability, and ethical leadership, and analyzes their influence on organizational behaviour, employee engagement, and institutional performance. A systematic review methodology based on PRISMA guidelines was adopted to identify and evaluate relevant studies from major academic databases including Scopus, Web of Science, and Google Scholar. The findings indicate that Islamic management values positively contribute to organizational adaptability, employee commitment, ethical decision-making, and institutional effectiveness. Furthermore, the review identifies important research gaps related to empirical validation, comparative analysis, and digital organizational transformation within Islamic management contexts. The study contributes to the growing literature on values-based management by providing an integrated understanding of the relationship between Islamic managerial principles and successful organizational change.

Keywords:

Islamic management, organizational change, employee satisfaction, ethical leadership, ethical leadership

Introduction

Organizations across the world are increasingly experiencing rapid changes driven by globalization, technological advancement, market competition, and evolving workforce expectations. These changes have compelled institutions to adopt new management approaches capable of improving organizational flexibility, sustainability, and operational effectiveness. Despite the importance of organizational change, many institutions encounter substantial challenges during implementation processes, particularly regarding employee resistance, low morale, declining trust, and reduced organizational commitment. Contemporary management studies emphasize that successful organizational change is not solely dependent on technological or structural modifications but also requires effective leadership, ethical management practices, and strong organizational values. In this regard, values-based management approaches have gained increasing attention due to their role in enhancing employee engagement, improving institutional culture, and promoting sustainable organizational performance. Among these approaches, Islamic management values have emerged as a significant framework for guiding managerial practices within both public and private institutions, particularly in Muslim-majority societies. Islamic management is founded upon ethical principles derived from the Qur'an and Sunnah, emphasizing justice (Adl), trustworthiness (Amanah), consultation (Shura), accountability, honesty, and excellence (Ihsan) in organizational activities. These principles encourage human-centred management practices that support fairness, transparency, mutual respect, and social responsibility within organizational environments. Previous studies have indicated that Islamic management values contribute positively to employee motivation, organizational trust, leadership effectiveness, and institutional sustainability.¹

In periods of organizational change, employees often experience uncertainty, stress, and resistance toward new policies and organizational structures. Consequently, leadership approaches based on ethical and participatory values become essential for maintaining employee satisfaction and institutional stability. Islamic management values may provide a suitable framework for reducing organizational conflict, strengthening employee commitment, and facilitating smoother organizational transitions.² Furthermore, institutions implementing ethical leadership practices rooted in Islamic principles may achieve greater institutional effectiveness through improved communication, trust, and collaborative decision-making processes. Although the literature on Islamic management has expanded considerably in recent years, there remains limited comprehensive review research examining the role of Islamic management values specifically within organizational change contexts. Existing studies frequently focus on isolated dimensions such as Islamic leadership, work ethics, or employee performance without providing an integrated understanding of how these values collectively influence employee satisfaction and institutional effectiveness during organizational transformation. Therefore, this study aims to systematically review existing literature related to Islamic management values and their role in promoting successful organizational change. The review seeks to synthesize recent findings, identify major research themes, and explore the relationship between Islamic management principles, employee satisfaction, and institutional effectiveness. Additionally, the study identifies current research gaps and proposes directions for future investigations in this emerging field.³

The significance of this study lies in its contribution to both theoretical and practical dimensions of organizational management. Theoretically, the study enriches the growing literature on Islamic management and organizational behaviour by integrating diverse findings into a unified analytical

¹ Abdul Mustafa et al., "When Culture Meets Fiqh: Examining the Legal Authority of 'Urf in Contemporary Engagement Traditions," *Global Islamic Research Journal* 1, no. 1 (2025): 01–21, <https://doi.org/10.65960/girj.1.1.2025.6>.

² Muhammad-Jamiu Agbolahan Arinbo, "Online Qur' ān Academies and Islamic Education Among Nigerian Youth: Between Pedagogical Innovation and Jurisprudential Authority," *Global Islamic Research Journal* 2, no. 2 (2026): 94–109, <https://doi.org/10.65960/girj.2.2.2026.15>.

³ Burhan Alsyouf, "Knowledge, Power, and Society in Islamic Civilization: Historical Perspectives on Muslim Intellectual Traditions," *Global Islamic Research Journal* 2, no. 2 (2026): 19–32, <https://doi.org/10.65960/girj.2.2.2026.13>.

framework. Practically, the study provides managers, policymakers, and institutional leaders with insights regarding the application of Islamic management values to improve organizational adaptability, employee well-being, and institutional performance during change initiatives.

This study aims to systematically review the existing literature concerning the role of Islamic management values in organizational change and their influence on employee satisfaction and institutional effectiveness. The specific objectives of the study are as follows:

1. To identify the major Islamic management values commonly applied within organizational environments during periods of organizational change.
2. To examine the relationship between Islamic management values and employee satisfaction in organizational settings.
3. To analyse the impact of Islamic management principles on institutional effectiveness and organizational performance.
4. To explore how Islamic management values contribute to reducing organizational resistance and supporting successful organizational transformation.
5. To identify current research gaps and propose future research directions related to Islamic management and organizational change.

The study seeks to answer the following research questions:

1. What are the primary Islamic management values discussed in the literature concerning organizational change?
2. How do Islamic management values influence employee satisfaction and organizational commitment?
3. What role do Islamic management principles play in enhancing institutional effectiveness during organizational transformation?
4. How can Islamic ethical leadership practices support successful organizational change processes?
5. What are the major research gaps and future research opportunities in the field of Islamic management and organizational change?

Islamic Management Values

Islamic management refers to a managerial approach grounded in Islamic teachings and ethical principles derived from the Qur'an and the Sunnah. Unlike conventional management systems that primarily focus on profitability and operational efficiency, Islamic management emphasizes moral responsibility, justice, accountability, and social welfare alongside organizational performance. Islamic managerial practices seek to establish balanced relationships between organizational objectives and human well-being, thereby promoting ethical organizational environments. One of the most important principles of Islamic management is justice (Adl), which emphasizes fairness and equality in organizational decision-making processes. Justice plays a critical role in improving employee trust, reducing organizational conflict, and enhancing workplace harmony. Another fundamental value is trustworthiness (Amanah), which encourages managers and employees to perform their duties responsibly and honestly. Organizations characterized by high levels of trust are generally associated with stronger employee commitment and improved organizational effectiveness. Consultation (Shura) also represents a central element of Islamic management. Shura promotes participatory decision-making processes where employees are encouraged to contribute ideas and opinions regarding organizational matters. This participatory approach becomes particularly important during organizational change because it reduces employee resistance and increases acceptance of new organizational strategies. Furthermore, Islamic management emphasizes excellence (Ihsan), which

encourages employees and leaders to pursue high-quality performance and continuous improvement in professional activities. Ihsan supports innovation, organizational development, and employee motivation by promoting self-discipline and professional responsibility.⁴

Organizational Change and Employee Satisfaction

Organizational change refers to modifications in organizational structures, strategies, technologies, or operational processes aimed at improving institutional performance and adapting to environmental changes. Although organizational change is necessary for institutional survival and competitiveness, it often generates employee anxiety, uncertainty, and resistance. Consequently, employee satisfaction has become a critical factor influencing the success or failure of organizational transformation initiatives. Employee satisfaction is generally associated with employees' emotional and psychological responses toward their work environment, leadership practices, and organizational culture. Studies indicate that organizations implementing ethical leadership and participatory management approaches are more likely to achieve higher levels of employee satisfaction and organizational commitment. Islamic management values can significantly contribute to improving employee satisfaction during organizational change by promoting fairness, respect, trust, and transparent communication. Ethical leadership practices based on Islamic principles encourage supportive organizational cultures where employees feel valued and respected. Such environments improve employee morale, reduce workplace stress, and strengthen organizational loyalty.⁵

Islamic Management and Institutional Effectiveness

Institutional effectiveness refers to the ability of organizations to achieve strategic objectives efficiently while maintaining sustainable operational performance and positive stakeholder relationships. Effective institutions are characterized by strong leadership, ethical governance, employee engagement, and adaptability to environmental changes. Several studies suggest that Islamic management values positively influence institutional effectiveness by strengthening organizational ethics, improving leadership credibility, and promoting collaborative organizational cultures. Ethical leadership grounded in Islamic principles enhances organizational transparency, accountability, and trust, which contribute to improved decision-making and operational stability. Moreover, Islamic management approaches encourage long-term organizational sustainability by balancing economic objectives with social and ethical responsibilities. Institutions adopting Islamic managerial principles may therefore achieve stronger employee retention, improved organizational reputation, and greater institutional resilience during periods of organizational change.⁶

Research Design

This study adopts a systematic literature review (SLR) methodology to analyze the role of Islamic management values in organizational change and their influence on employee satisfaction and institutional effectiveness. The systematic review approach was selected because it enables the structured identification, evaluation, and synthesis of existing scholarly literature related to a specific research topic. Compared with traditional narrative reviews, SLR methods provide greater transparency, replicability, and analytical rigor in evaluating research findings. The review process was conducted based on the Preferred Reporting Items for Systematic Reviews and Meta-Analyses (PRISMA) framework. The PRISMA approach is widely used in management and social science research to ensure methodological consistency and systematic article selection. The review focused primarily on peer-reviewed journal articles published between 2020 and 2026 to ensure that the

⁴ Firas Yasin Alwan and Imad Yassin Lilo, "Defending Religious Tradition in Modern Times: Comparative Responses of Muslim and Christian Scholars to Scriptural Criticism," *Global Islamic Research Journal* 2, no. 1 (2026): 18–35, <https://doi.org/10.65960/girj.2.1.2026.11>.

⁵ Dr. Muhammad Shah Faisala et al., "The Prophetic Sunnah and the Challenges of the Age: Confronting Technology and Its Effects on Social and Psychological Security," *Global Islamic Research Journal* 1, no. 1 (2025): 22–42, <https://doi.org/10.65960/girj.1.1.2025.5>.

⁶ Faheem Ullah Al Azhari et al., "The Role of Islamic Economic Principles in Family Law: A Study on Inheritance and Property Rights within the Context of Child Protection," *Global Islamic Research Journal* 1, no. 1 (2025): 59–76, <https://doi.org/10.65960/girj.1.1.2025.2>.

findings reflect recent developments in Islamic management, organizational behaviour, and organizational change literature.

Inclusion and Exclusion Criteria

As below ,the article selection process was based on predefined inclusion and exclusion criteria to improve the reliability and relevance of the review findings.

Table I- Inclusion and Exclusion Criteria

Criteria	Inclusion	Exclusion
Publication Type	Peer-reviewed journal articles	Conference abstracts, dissertations
Language	English	Non-English articles
Publication Year	2020–2026	Before 2020
Subject Area	Management, organizational studies, Islamic studies	Unrelated disciplines
Content Focus	Islamic management and organizational change	Studies without management relevance

PRISMA Screening Process

The screening process involved four major stages:

1. Identification of articles from databases.
2. Removal of duplicate studies.
3. Screening based on titles and abstracts.
4. Full-text assessment for eligibility.

Initially, 312 articles were identified from the selected databases. After removing duplicate and irrelevant records, 97 articles remained for full-text evaluation. Finally, 42 studies satisfied the inclusion criteria and were included in the final review as showed in Figure 1 .

Figure 1- Prisma Flow Diagram

FINDINGS AND DISCUSSION

The findings of the systematic review indicate that Islamic management values play a significant role in supporting organizational change processes and improving both employee satisfaction and institutional effectiveness. The reviewed studies consistently emphasized that ethical leadership practices rooted in Islamic principles contribute positively to organizational stability, employee trust, and long-term institutional sustainability.

Islamic Management Values and Employee Satisfaction

One of the most frequently discussed themes in the reviewed literature is the positive relationship between Islamic management values and employee satisfaction. Several studies reported that organizational environments characterized by fairness, transparency, trustworthiness, and participatory leadership practices achieve higher levels of employee motivation and commitment. The major Islamic management values and their corresponding organizational outcomes are summarized in Table II.

Table II - Impact of Islamic Management Values on Employee Satisfaction

Islamic Value	Influence on Employees	Organizational Outcome
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Justice (Adl)	Perceived fairness and equality	Higher commitment
Trustworthiness (Amanah)	Increased organizational trust	Reduced resistance to change
Consultation (Shura)	Employee participation	Stronger engagement
Excellence (Ihsan)	Improved work motivation	Better performance
Accountability	Ethical responsibility	Organizational transparency

Justice (Adl) emerged as one of the most influential values affecting employee satisfaction. Employees who perceive fairness in workload distribution, rewards, promotion opportunities, and managerial treatment are more likely to demonstrate organizational commitment and reduced resistance to change. Similarly, trustworthiness (Amanah) strengthens confidence between employees and management, thereby improving workplace relationships and reducing organizational uncertainty during transformation processes. The review also found that consultation (Shura) contributes significantly to employee engagement. Employees involved in organizational decision-making processes tend to develop stronger ownership toward institutional goals and demonstrate greater willingness to support organizational change initiatives. Furthermore, ethical leadership based on Islamic principles creates supportive organizational cultures that prioritize employee well-being and mutual respect. Such environments help reduce stress and anxiety commonly associated with organizational restructuring.⁷

Islamic Management Values and Institutional Effectiveness

The reviewed studies also indicate that Islamic management values contribute positively to institutional effectiveness by strengthening organizational ethics, governance, and operational efficiency. The conceptual relationship between Islamic management values and organizational outcomes is illustrated in Figure 2. Institutions implementing Islamic ethical leadership practices demonstrated stronger organizational adaptability and more stable internal communication systems during periods of organizational transformation. Ethical governance frameworks based on accountability and transparency improve managerial credibility and support effective decision-making processes. Additionally, organizations applying Islamic management principles often experience improvements in organizational reputation, employee retention, and stakeholder trust. These factors collectively enhance institutional sustainability and long-term competitiveness.⁸

Relationship Between Islamic Management Values and Organizational Outcomes

The findings further reveal that Islamic management values encourage human-centered organizational cultures where ethical responsibility is integrated with operational objectives. This balance between ethical and managerial dimensions strengthens institutional resilience and improves organizational performance during periods of uncertainty.⁹

Research Gaps Identified in the Literature

⁷ Mujiono et al., "Islamic Law and Campus Governance Against Drug Abuse: Preventive Strategies and Restorative Rehabilitation in Indonesian Universities," *Global Islamic Research Journal* 1, no. 1 (2025): 43–58, <https://doi.org/10.65960/girj.1.1.2025.4>.

⁸ Abdul Mustafa Azhari et al., "Global Transformations in Law, Justice, and Society: Comparative Perspectives on Governance, Rights, and Legal Reform," *International Journal of Law and Social Sciences* 1, no. 1 (2025): 60–90, <https://doi.org/10.65960/ijlss.1.1.2025.7>.

⁹ Audyna Putri Kaslam et al., *The Contemporary Three-Kilogram LPG Gas Restriction Policy from a Fiqh Siyasah Perspective: Its Impact and Influence on the Welfare of Muslim Communities*, July 31, 2025, <https://doi.org/10.5281/ZENODO.17350809>.

Despite the growing number of studies related to Islamic management, several research gaps remain evident as identify in Table III.

TABLE III-Identified Research Gaps

Research Area	Existing Limitation	Suggested Future Direction
Empirical Studies	Limited quantitative validation	Develop statistical models
Comparative Analysis	Lack of cross-model comparisons	Compare Islamic and conventional management
Digital Transformation	Minimal research in digital contexts	Explore technology-driven organizations
International Contexts	Focus on Muslim-majority countries	Conduct cross-cultural studies
Organizational Change Models	Weak theoretical integration	Develop integrated conceptual frameworks

First, many existing studies are conceptual or descriptive in nature and lack empirical validation using quantitative or mixed-method research designs. Second, limited comparative studies examine differences between Islamic and conventional management approaches during organizational change processes. Third, there is insufficient research concerning the application of Islamic management principles in digital transformation environments, remote work systems, and technology-driven organizations. Fourth, many studies focus primarily on Middle Eastern contexts while neglecting cross-cultural or international organizational settings. Finally, the literature demonstrates limited integration between Islamic management theories and contemporary organizational.

IMPLICATIONS AND FUTURE RESEARCH DIRECTIONS

The findings of this review provide several practical implications for organizational leaders, policymakers, and human resource managers. Institutions undergoing organizational change may benefit from integrating Islamic management values into leadership practices, communication systems, and employee engagement strategies. Managers can improve employee satisfaction and organizational trust by implementing fairness, participatory decision-making, and ethical accountability in workplace operations. Such practices may reduce employee resistance to change and support smoother organizational transformation processes. Additionally, organizations operating in Muslim-majority societies may achieve stronger institutional legitimacy and employee acceptance when organizational policies align with Islamic ethical principles. The study contributes theoretically to the growing literature on Islamic management and organizational behaviour by synthesizing fragmented research findings into an integrated analytical framework. The review demonstrates that Islamic management values extend beyond religious or cultural dimensions and can function as practical managerial tools for improving organizational sustainability and institutional effectiveness. The findings also support the growing argument that values-based leadership approaches can significantly influence employee attitudes, organizational culture, and change management success.¹⁰

CONCLUSION

This systematic review concludes that Islamic management values—particularly justice (Adl), trustworthiness (Amanah), consultation (Shura), accountability, excellence (Ihsan), and ethical leadership—can positively support organizational change, employee satisfaction, and institutional effectiveness. These values promote trust, employee participation, commitment, ethical decision-making, and organizational adaptability. However, further empirical and comparative research is needed, particularly in digital, multicultural, and technology-driven organizational contexts. Overall,

¹⁰ Audyna Putri Kaslam et al., *The Contemporary Three-Kilogram LPG Gas Restriction Policy from a Fiqh Siyasah Perspective: Its Impact and Influence on the Welfare of Muslim Communities*, July 31, 2025, <https://doi.org/10.5281/ZENODO.17350809>.

integrating Islamic ethical principles with contemporary change-management practices can contribute to more sustainable, effective, and human-centred organizations.

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