

The Impact of Muslim Personality Traits on Sales Performance in Islamic Banks

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Abstract: The aim of the current research is to deepen the sales performance in Islamic banks from an Islamic perspective. Regardless of decades of ongoing analysis and rising importance, research on Sales performance has ignored religious elements essential in daily life responsibilities. Islamic personality traits remain largely unstudied. Therefore, this research examines The Impact of Muslim Personality Traits on Sales Performance in Islamic Banks of Karachi, Pakistan. Likert-scale Questionnaire survey was used for collecting data from 250 customers. Taqwa, Forgiveness and truth have been used as variables. Reliability, Factor and regression techniques have been applied for estimation. Result shows that all factors are reliable, grouping of questionnaire items are accurate and there is significant positive effect of Taqwa, forgiveness and truth on sales performance.

Keywords: Muslim Personality Traits, Sales Performance, Taqwa, Forgiveness, Truth, Promise.

I. INTRODUCTION

The introduction of paper contains the nature of research work, purpose of work, and the contribution of this paper. It contains the references of the previous work done. This template is in Word document, provides authors with most of the formatting specifications required by the author for preparation of their research paper. Islamic managing an account industry is ponder as a rising industry with noteworthy advance and keeps on playing a principle financial capacity inside the economy. This is the beginning of an incredible change where Shariah consistent and premium free keeping money could at last be accessible to a vast Muslims population in the nation. Islam is an entire lifestyle. It offers answers to everything perspectives so religions' part has turned out to be more obvious and noteworthy in day by day life undertakings. In this manner, Islamic identity attributes likewise makes awesome effects on deals execution. The genuine Islamic identity as characterized by the Quran and Sunnah shows an extensive diagram of the manner by which the prophet (SAAS) and his mates lived.

Organization that needs to be effective in business it is of the most astounding significance to be ready to recognize and confirm the salesman identity foreseeing of elite in offering items. Sales representative personality characteristics have been characterized by Churchill et. al (2002) as mental qualities that enhance a man's capacity to perform. In accordance with this view, an immense number of studies have been directed in connection to see the effect of identity characteristics on Sales Performance ^[1] but yet the territory in regards to Muslim identity towards deals execution in Pakistan isn't tended to yet. Therefore, this investigation endeavors to determine the Sales effecting in Islamic banks in view of Taqwa ^[2], forgiveness & truth in Karachi, Pakistan

Taqwa intends to stay away from Allah's discipline by doing what He orders and maintain a strategic distance from what He disallows (Al-Sharawi, 2004). Ali (1997) clarified that "Taqwa is the dread of running counter to the will of Allah; it is similar to the adoration for Allah; for we dread to annoy those we cherish; it brings about right lead, and the individuals who engage it are the individuals who might do right". Whoever accepts and watches Allah's principles in his security as in his open life is a man with Taqwa (Al-Atrash, 2002). Taqwa includes every single great deed and it is Allah's suggestion for all Prophets and people when all is said in done (Al-Qurtobi, 2000). Al-Sharawi (2004) demonstrated that verses 2:3-4 and 2:177 clarify the qualities of individuals who have Taqwa. Qur'an characterizes Taqwa through depicting the attributes of the Muttaqeen as in the accompanying verses (2:1-4), (2:177) and (3:133-136) (Al-Atrash, 2002).

¹Lily Wisker (2015), Fauzilah bt Salleh and Abdul Razak bin Kamaruddin (2011)

²Those who believe in Allah and the Last Day ask thee for no exemption from fighting with their goods and persons. And Allah knoweth well those who do their duty. (Surah At-Tawba, 44)

With these convictions the exploration needs to answer the accompanying inquiries:

- 1) To what degree does the Taqwa influence their business execution of sales personal?
- 2) To what degree does the forgiveness influence their business execution of sales personal?
- 3) To what degree does truth influence their business execution of sales personal?

Whatever remains of the paper is composed as takes after: The following segment examines the literature review. Part 3 portrays the methodology, trailed by the data analysis in Section 4. The last part gives the conclusion of the investigation and proposal for future research.

II. REVIEW OF LITERATURE

Many researchers have been published, however, there are more to be covered on sales performance. This research by using Muslim personality traits as variable will add to this developing literatures.

A. Theoretical Background

Numerous past examinations demonstrate the effect of identity qualities on sales performance; however for Islamic identity characteristics there are few. Sales performance is currently and yet again clarifies as the quality and amount of offers shut in a distinct time. However, the writing gives a few points of view on assessing sales performance. Wiley and Carolyn (1997) relate identity as one's capacity to execute the task that he or she has the correct individual qualities, the precise mental capacity for selling. Notably Maslow (1970), Dion, Easterling and Miller (1995), Hollenbeck, Williams and Klein (1988) and Wiley and Carolyn (1997) have likewise inspected the relationship amongst identity and employment execution have by and large displayed various outcomes. For this reason, Muslim personality traits towards sales performance may affect possibly.

B. Empirical Studies

Mostly empirical studies suggest that personality traits have positive effect on sales performance. Below are some reviews of selected data researches.

Fauzilah bt Salleh and Abdul Razak bin Kamaruddin (2011) distinguish The Effects of Personality Factors on Sales Performance of Takaful (Islamic Insurance) Agents in Malaysia by utilizing survey. Self-efficiency, self-monitoring, locus of control, sales target accomplished and individual points of interest has been utilized as variables. They finished up the outcome utilizing the mean and standard deviation of each item. Result demonstrates that higher the self-efficiency and the self-monitoring of sales representatives, the higher target they can accomplish while locus of control demonstrated a negative correlation with performance of sales representative.

Lily Wisker (2015) recognizes the Impact of extraversion, agreeableness and emotional stability on Sales Performance: This was a Comparative Study amongst Muslim and Non-Muslim Managers in Malaysia which was finished by review utilizing organized questionnaires. Extraversion, agreeableness and emotional stability were utilized as factors. Emotional stability is observed to be a positive indicator of the sales performance in the two samples. The impact of extraversion and agreeableness on sales performance was not huge for both Muslim and non-Muslim samples.

Reynaldi Abryan Zainal Abidin (2016) researches the impact of worker identity on sales performance in light of extrovert and introvert type of of identity (case study: employee at Allianz life insurance in Manado). Result demonstrates that representatives who have self observer identity are having great execution and effective on meeting the everyday target; employees or specialists extrovert identity are likewise performing great and fruitful in meeting the day by day target. The distinction is that the more outgoing workers reacted with more conclusions or answers amid the meeting.

Sushil Punwatkar and Dr. Manoj Varghese examined Impact of Competencies on Sales Performance. They gathered information from 250 respondents. The result demonstrates that product knowledge, convincing skill, objection handling and interpersonal ability are the significant skills influencing sales representative's presentation.

Harri Terho • Liisa Kairisto-Mertanen • Danny Bellenger • Wesley Johnston (2013) examined the Salesperson Goal Orientations and the Selling Performance Relationship. They choose goal orientation, experience, adaptive selling and salesperson performance. The investigation demonstrates that the analyzed factors are connected to salesman offering performance. Learning orientation is a noteworthy indicator of high offering sales. In addition this investigation urge

deals directors to search for learning focused staff and consider the more drawn out time span in overseeing and assessing them to boost long haul presentation of the sales personal.

Fariha Tabasum, Muhammad Ibrahim, Mehboob Rabbani and Muhammad Asif (2014) examine the Impact of Salesmen Personality on Customer Perception and Sales. The study was based on primary data. This exploration comprises of speculations testing to research the connections among factors like Sa2lesperson Personality, Personality Traits, Customer's Relation, Customer Perception and Sales. The outcome shows that the identity qualities of salesmen impact both client perception and sales.

Memory Magandini and Tendai Ngwenya (2015) examine the impacts of salesperson personality on sales performance of internet service provider in the telecommunication industry. They utilized self adequacy, locus of control, and proactive identity in deciding sales performance. They used secondary data. 35% of respondents showed that performance has an effect on achieving sales targets so self efficiency has positive impact. Other respondent showed that people with a positive attitude who has control in any situation has 86% chance of closing the deal so locus of control also affects sales performance. And 77% respondent agreed that proactive personality is important on maintaining relationship.

Said Echchakoui researches Personality Traits and Performance: The Mediating Role of Adaptive Behavior in Call Centers. Specialist utilized Conscientiousness, Agreeableness, Extraversion, Emotional Stability and Openness to Experience as factors. Researcher tests the proposed connections utilizing Partial Least Squares (PLS) way modeling. The findings demonstrate that Conscientiousness, Agreeableness, Extraversion, Emotional Stability and Openness to Experience are altogether having positive effect on the sales performance with clients. It additionally demonstrate that adaptive behavior significantly affects worker performance with clients while just three characteristics (Conscientiousness, Agreeableness and Emotional stability) positively affect Adaptive Behavior selling of the person.

Asiamah Yeboah, Owusu Alfred, Wilson Kwaku Nimsaah and Owusu Samuel (2014) ^[3] study the Relationship between Personality Traits and Sales Force Performance: A Case Study of Eden Micro Finance. They use organizational culture, Sales performance and personality traits. Findings demonstrate that there is factual significant connection between organizational culture, Sales performance and personality traits.

III. RESEARCH HYPOTHESIS

Following is the hypothesis that is formulated after reviewing the existing literature for this research.

HO1 = Taqwa has significant effect on sales performance.

HO2 = Forgivenesshas significant effect on sales performance.

HO3 = Trust has significant effect on sales performance.

IV. METHODOLOGY

This research is designed to analyze the effects of Taqwa (TA) , Forgiveness (FO) and Truth (TR) on Sales Performance in Islamic banks. Data collection was done by questionnaire using five point Likert scale ranging from 1=Strongly disagree to 5= Strongly Agree (Questionnaire attached in appendix). To better fit into the context of this study, the questionnaire is self constructed from book “The Ideal Muslim – The True Islamic Personality as Defined in Quran and Suunah” by Dr. Muhammad Ali al Hashimi ^[4] which was translated by Nasiruddin al Khattab. The questionnaire consists of 21 questions which has 4 sections that are Section A: Taqwa (6 Items), Section B: Forgiveness (5 Items), Section C: Truth (5 Items), Section D: Sales Performance (5 Items). The primary data was collected from 250 respondents who are working in sales in Islamic Banks. However, after data screening and data cleaning process, only 157 responses can be used for further analysis. As this study will be conducted through distributing questionnaires consists of closed ended questions to the customers, as such, the research can be classified as a quantitative research. SPSS version 24 was used to analyze data for the study. The result will be analysis by applying different analysis such as factor analysis, reliability analysis and Regression.

³The Relationship between Personality Traits and Sales Force Performance: A Case Study of Eden Micro Finance (2014). British Journal of Economics, Finance and Management Sciences 34 May 2014, Vol. 9 (1)

⁴ The Ideal Muslim – The True Islamic Personality as Defined in Quran and Suunah (1997). International Islamic Publishing House.

Reliability is the most common measure of how items are closely related as a group. It is said to be a measure of scale reliability.

Factor analysis was conducted preceding regression analysis in order to find the appropriate items for the analysis. The primary concept of factor analysis is to explain the correlations between variables.

Regression analysis is a quantitative research method used for analyzing variables, to know the association between dependent variable (Sales Performance) and independent variables (Taqwa, Forgiveness and Truth). The basic equation of regression model includes parameters (β), independent variables (TA, FO, TR) and the dependent variable (SP).

$$SP = \alpha + \beta_1 TA + \beta_2 FO + \beta_3 TR + \epsilon$$

Where: α constant, SP= Sales Performance, TA= Taqwa, FO= Forgiveness, TR= Truth and ϵ =error

Taqwa (devotion) implies, to fear, to abstain and to guard oneself from sins because of dread of Allah. Forgiveness is a noble character for not replying to, receiving, and granting forgiveness of a believer who had been hurt by others. Truth means not biased in implementing and enforcing the law, indiscriminating or favoring one of the parties to the dispute.

Sales performance can be examine as the salesman's sales performance (brilliance in making viable sales) which was measured by their sales target achieved including commission and bonus.

However there is a limitation of this research related to data collection. The data collection was done from employees who are working in Islamic banks, residing in Karachi (Pakistan). Thus, obtaining a typical sample in a short period of time is a bit difficult. Keeping that in mind, this study may not be suitable for generalizing towards all the employees in Pakistan but it will make a base for a larger study that involves a more descriptive and increased sample with a larger variety in Pakistan. Due to this limitation, further study is suggested on large sample size by considering more cities of Pakistan.

V. DATA ANALYSIS

This section estimates the data obtained from the questionnaire distributed to sales person of Islamic banks. Analysis is complete to describe the replies that were converting into quantitative from qualitative using Likert-scale. Results identified after analysis which help to answer research questions raised in the first chapter and will use for recommendations for the last chapter.

A. Reliability analysis:

Black (1999) said that “reliability is a sign of consistency between two measures of the identical thing”. Cronbach’s alpha reliability analysis is used for reliability of variable items used in questionnaire. Alpha is used for the correlation of each item with other item. The reliability is essential to find validity of variable items (Nunnally, 1978). In reliability analysis the value of Cronbach’s alpha should be greater than 0.5 or 0.7.

The result shows that Cronbach’s alpha of overall and individual variables are reliable because the values are greater than 0.7 and thus ensured reliability of all variable items (Ramayah, Et al, 2003). The Cronbach’s alpha value of overall variables is 0.947, 0.892 for Taqwa; 0.874 for Forgiveness; 0.886 for Truth and 0.919 for Sales performance, this shows that our questionnaire is 94.7% reliable and we will get reliable results for further analysis by using this questionnaire.

The results of Reliability Analysis are shown in Table 1.

TABLE 1: Results of Reliability Analysis

RELIABILITY ANALYSIS		
VARIABLES	NUMBER OF ITEMS	CRONBACH'S ALPHA
Taqwa	6	0.892
Forgiveness	5	0.874
Truth	5	0.886
Sales Performance	5	0.919
OVERALL	21	0.947

Source: Authors' Estimations by using SPSS 24.0

B. Kaiser-Meyer-Olkin (Kmo) And Bartlett's Tests Of Sampling Adequacy

Kaiser-Meyer-Olkin (KMO) and Bartlett's Tests are used for acceptability of our questionnaire. KMO is used to check the number of items necessary for grouping. KMO value should be greater than 0.50 in order to make grouping correct. The probability value of Bartlett's test should be less than 0.05 to be statistically significant.

The result shows that KMO value is 0.876 which is greater than 0.50, thus indicating that variables have sufficient items for grouping. The value of Bartlett's test indicates significance value i-e 0.000, which is less than 0.05. This result shows that the variables are highly correlated with each other, which provides basis for factor analysis.

Results of KMO and Bartlett's Test are shown in Table 2.

TABLE 2: Results of KMO and Bartlett's Test

KMO-MEYER-OLKIN MEASURE OF SAMPLING ADEQUACY (KMO)	BARTLETT'S TEST OF SPHERICITY	
	0.876	Approx. Chi-Square
df		210
P-value		0.000

Source: Authors' Estimations by using SPSS 24.0

C. Factor Analysis

Factor analysis is known to be the most common method used for classical multivariate analysis (Hair et al., 1998; Tabachnick and Fidell, 2001). Chatfield and Collins (1992) defined factor analysis as a data reduction method. Factor analysis explains the correlations between variable items. Factor analysis is done prior to the regression analysis in order to detect proper items for the analysis. Hair et al. (2010) argued that items that are cross-loaded on other items need to be removed. The items which show correlation with each other should be checked to know if they fit together and can be named as variable factor. The 21 items in the questionnaire were used for factor analysis to find the key factors.

Result shows four factors are extracted from 21 items and all variables items were located in their groups and there were no cross-loaded items. Hence no data reduction process needs to be run as there is no cross-loaded item. Factor 1 of table shows correlated items of Dependent variable "Sales Performance (SP)" while factor 2, 3 and 4 shows independent variable perception (CP), awareness (CA) and trust (CT) respectively. Taqwa (TA) , Forgiveness (FO) and Truth (TR)) respectively.

Results of Factor Analysis are shown below in Table 3.

TABLE 3: Principal Component Analysis (PCA)

Rotated Component Matrix Component				
ITEMS	SP	TA	FO	TR
Sales Performance 1	.770			
Sales Performance 2	.727			
Sales Performance 3	.768			
Sales Performance 4	.814			
Sales Performance 5	.727			
Taqwa 1		.680		
Taqwa 2		.745		
Taqwa 3		.804		
Taqwa 4		.695		
Taqwa 5		.744		
Taqwa 6		.545		

Forgiveness 1			.785	
Forgiveness 2			.814	
Forgiveness 3			.459	
Forgiveness 4			.843	
Forgiveness 5			.811	
Truth 1				.763
Truth 2				.691
Truth 3				.598
Truth 4				.666
Truth 5				.746

Source: Authors' Estimations by using SPSS 24.0

D. Regression Analysis

This analysis is used to know the significant effect of independent variables which are Taqwa (TA), Forgiveness (FO) and Truth (TR) on Sales Performance in Islamic banks.

Table 4: Results of Regression Analysis

Variables	Coefficients	t-stats	Prob.	V.I.F
Constant	0.055	-0.043	0.966	-
Taqwa (TA)	0.261	4.007	0.000	1.755
Forgiveness (FO)	0.203	2.403	0.017	1.519
Truth (TR)	0.423	5.745	0.000	1.903
Adj. R ²	0.523			
F-stats	64.834326			
F-stats (Prob.)	0.000 ^b			

Source: Authors' Estimations by using SPSS 24.0

Result shows that all independent variable have significant positive effect on sales performance in Islamic banks. The coefficient of Truth (TR) 0.423 is *highest effective independent variable* with probability of 0.000. The coefficient of Taqwa (TA) 0.261 is the *second effective independent variable* with probability of 0.000 and the coefficient of Forgiveness (FO) 0.203 is the *third effective independent variable* with probability of 0.017 towards sales performance.

Therefore, if Truth (TR), Taqwa (TA) and Forgiveness (FO) increase by 1 unit then sales performance increase by 0.423, 0.261 and 0.203 units respectively with other things remain constant.

Result also shows adjusted R² and F-statistics. Adjusted R² also called co-efficient of determination is used to forecast dependent variable through independent variables also called forecast fitness test. While F-statistics shows combine effect of independent variables on dependent variable. The adjusted R² is 0.523 indicating 52.3% of the variation of sales performance in Islamic banks explained by the three independent variables while the remaining 47.7% are some other variables which are not considered in this research.

The F-value of 64.834326 was statistically significant at the 0.000b significance level. *Variance inflation factor (VIF)* used to measure multi co-linearity, here all independent variables technically correlate minimum with each other that cannot need cure because it is under the value of 10 which can be neglected as it does not damages the model. The value for Truth (TR) VIF= 1.903, Taqwa (TA) VIF= 1.755 and Forgiveness (FO) VIF= 1.519.

This means that Truth (TR), Taqwa (TA) and Forgiveness (FO) are important factors in determining sales performance in Islamic banks. Therefore, null hypothesis developed in literature review is accepted.

VI. CONCLUSION

Islamic banking industry is growing rapidly in Pakistan. Therefore, this research studies the impact of Muslim Personality traits on Sales Performance in Islamic Banks by using questionnaire sample. A questionnaire consists of 21 items that has been *adapted* to collect data from sales people of Islamic banks located in Karachi, Pakistan. The data used for analysis collected from 176 respondents. Reliability, factor and regression analysis have been applied on collected data. Reliability

analysis shows that overall data is reliable. Factor analysis shows that all items are in proper form. Regression analysis shows that all the independent variables have positive significant effect on sales performance in Islamic banks. It is concluded that Taqwa, Forgiveness and Truth affect sales performance positively as these factors play significant role in sales performance.

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