Islamic Bankers Green Behaviours and Its Impact on Green Banking Growth

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Research Highlights

This study focuses to categorise the types of green behaviours among Islamic bankers and the impact of these behaviours on the growth of green banking in Malaysia. The data was collected through a self-administrated survey questionnaire. McConnaughey’s (2014) behavioural framework was adopted as a measurement scale. The findings prove that all five types of behaviours (conservation, work sustainability, avoiding harm, influencing others and taking initiative) of Islamic bankers have a significant positive impact on the growth of green banking. Particularly, taking initiative was the most influential behaviour for the growth of green banking. The major limitation of this study is the data collection from limited participants which is not an ideal scenario to generalise these findings. The findings are robust to develop green banking regulations, to shape a better green behaviour of Islamic bankers and to enhance green banking growth in Malaysia.

The major findings of this study are represented in below figure.

Research Objectives

The past studies have analysed the relationship between green banking and sustainability, Shariah compliance and financing on green projects (Oyegunle and Weber, 2015; Syedul and...
Islam, 2017; Uddin and Ahmed, 2018; Khan and Mohomed, 2017; Julia et al, 2016; Uddin, 2016). The behavioural characteristics of Islamic bankers and its impact on the growth of green banking have largely remained unexplored in the literature. Therefore, this study aims to analyse the different green behaviours of Islamic bankers and the impact of each behaviour on the growth of green banking. Precisely, this study aims to elaborate Islamic bankers’ green behaviours and how do these behaviours influence the growth of green banking.

The extended objectives of this research include the analyses of the role of senior management, employees’ empowerment, training and rewards in shaping different green behaviours. It will help the management to enhance employees’ participation through information sharing in strategy development to achieve organizational goals and enhance its performance. The findings are expected to contribute to the development of green banking codes and regulations for sustainable growth of green banking. Based on the explored behaviours, Islamic bank managers may analyse the impact of corporate polices and practices on employees. The findings will assist Islamic bankers to show better green behaviour for consistent growth of green banking.

**Methodology**

The conceptual framework of this study comprises of two variables namely Islamic bankers’ green behaviour (IBsGB) which is an independent variable (predictor) and the the growth of green banking (GGB) which is a dependent variable (outcome). The data was collected from 55 Islamic bankers through a self-administrated survey questionnaire. The content of the questionnaire was designed using McConnaughy’s (2014) measurement scale for green behaviours. The questionnaire was divided into section ‘A’ and ‘B’. Section ‘A’ contained demographic variables of gender, age, religion, education level, rank and income per month. Section ‘B’ comprised of 26 item scale for the measurement of green behaviour. The respondents were provided with a 5-scale Likert option (strongly disagree =1 to strongly agree =5) to answer the listed items.

The hypotheses were tested using stepwise multiple regression analysis. The following regression model was deployed to analyse the impact of different behaviours on the growth of green banking.

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GGB = \alpha + \beta_1\text{IBsGB} + \beta_2\text{Cn} + \beta_3\text{WSn} + \beta_4\text{AHn} + \beta_5\text{TIn} + \beta_6\text{ION} + \varepsilon_n
\]

Where,
GBB represents growth of green banking, $\alpha$ denotes intercept term, $\beta$ denotes the regression coefficients, IBsGB, C, WS, AH, TI and IO represent Islamic bankers’ green behaviour, conservation, work sustainability, avoiding harm, taking initiative and influencing others.

**Results**

The demographic analysis shows that about 44.66% (21) respondents were male and 53.33% were females. Most of (56.36%) the respondents’ age ranged between 30 to 39 years. 72.72% respondents were muslims and 40% held a bachelor degree. About 61.61% were employed as an executive and majority (54.54%) of respondents’ income was between 3,001 to 5,000 Ringgit Malaysia per month.

The consistency between the two variables was measured using Cronbach’s alpha test. The findings show that the collected data was reliable as the alpha value was above the minimum criteria of 0.50 for all independent variables. The Pearson’s correlation test was done to detect the multicollinearity issues in the adopted scale. The test results prove that the measurement model does not suffer from multicollinearity issues as the values of each factor was below the minimum criteria of 0.80. The sampling adequacy of this research was measured through Kaiser-Meyer-Olkin (KMO) and Bartlett’s test. The results prove that the collected data was reliable for further factor analysis as KMO values were above the threshold value of 0.50 (Leech et al, 2005). The hypotheses were tested using stepwise multiple regression analysis. The summaries of regression, ANOVA and coefficients prove that all hypotheses were supported.

**Findings**

The stepwise multiple regression analysis revealed that Islamic bankers’ green behaviour has a significant positive impact on the growth of green banking. Similarly, results proved that all five types of green behaviours (conservation, work sustainability, avoiding harm, taking initiative and influencing others) have a significant positive impact on the growth of green banking in Malaysia. Especially, taking initiative behaviour was the most influencing type of green behaviour for the growth of green banking.
References


