

The Role of Islamic Values in Shaping the Character of Human Capital in the Workplace

Hajah Siti Nor Suriana binti Haji Abdul Talip

Universiti Islam Sultan Sharif Ali, Brunei Darussalam
suriana.talip@unissa.edu.bn

Syahnur Farhana binti Haji Shahlehi

Universiti Teknologi Brunei, Brunei Darussalam
syahnurbebek@gmail.com

Abstract

Human capital development is vital for national progress, particularly in Brunei Darussalam where the philosophy of Melayu Islam Beraja (MIB) places strong emphasis on nurturing citizens who are both competent and morally grounded. While traditional human capital theory highlights knowledge and technical skills, the ethical dimension of human capital, especially character development, has received limited scholarly attention in the Bruneian context. This study explores the role of Islamic values in developing the character of human capital in the workplace, focusing on the experiences of employees working within Brunei's Islamic environment. A qualitative research design is proposed, using semi-structured interviews to gather insights from employees who actively apply Islamic values such as *amanah*, *ihsan*, *adl*, *sidq* and *taqwa* in their professional lives. The study is expected to reveal that these values strengthen employees' ethical behavior, responsibility, discipline and interpersonal relationships, contributing to improved workplace harmony and performance. Findings are anticipated to highlight the importance of integrating Islamic values into organizational culture and human capital development strategies. The study aims to contribute meaningful insights to organizations, human resource practitioners and policy makers in Brunei as they strive to develop a skilled, ethical and value-driven workforce aligned with Wawasan Brunei 2035.

Keywords: *Islamic values, human capital, character development, workplace, Brunei Darussalam, Wawasan 2035*

A. INTRODUCTION

In contemporary organizational environments, human capital has become a central driver of productivity, innovation and sustainable economic growth (Bykova et al., 2024; Prasetyo & Kistanti, 2020; Shahlehi et al., 2020). While traditional human capital theory emphasizes the importance of knowledge, skills and competencies (Becker, 1975; Hj Talip & Wasiuzzaman, 2024), recent literature highlights that character, including ethical behavior, integrity and responsibility, is equally essential for workplace effectiveness (Adero & Odiyo, 2020; Smith & Kouchaki, 2021; Yazdankhah et al., 2022). In Muslim-majority societies, such as Brunei Darussalam (Brunei hereafter), character formation is closely tied to Islamic values, which provide a moral and spiritual foundation for both personal and professional conduct (Aldulaimi, 2016; Hasan, 2020; Noor & Mohammed, 2016).

Brunei is a nation guided by the philosophy of Melayu Islam Beraja (MIB), which emphasizes the integration of Islamic principles in governance, education and societal development. As the country progresses toward its national vision Wawasan Brunei 2035, the focus on developing highly skilled, educated and morally upright human capital is increasingly significant (Haji Shahlehi et al., 2025; Idris, 2025). Islamic values therefore play an important role in shaping not only the technical capabilities of employees but also their ethical character, workplace behavior and commitment to organizational responsibilities (Husin & Kernain, 2020; Murtaza et al., 2016; Riadi et al., 2025). This is supported by Tarip (2023), who found Brunei employees' ethical behavior grows through "spiritual heart" development, which is strengthened by supportive leadership and organizational culture. The study shows that Islamic values can directly encourage sincerity, integrity and responsibility in everyday work.

In essence, Islamic teachings encourage the holistic development of individuals, encompassing spiritual, moral, intellectual and social dimensions. Core Islamic values such as *amanah* (trust), *ihsan* (excellence), *adl* (justice), *sidq* (truthfulness) and *taqwa* (God-consciousness) act as guiding principles that promote ethical behavior in the workplace (Javed, 2024; Makol & Zahra, 2025). These values encourage employees to be trustworthy, fair, transparent, disciplined and conscientious in fulfilling their duties. Organizations that embed these values in their culture are

more likely to nurture employees with strong character, leading to enhanced teamwork, improved performance, higher motivation and greater organizational loyalty (Husin & Kernain, 2020; Riadi et al., 2025).

Nonetheless, despite the relevance of Islamic values to Brunei's national identity and workforce development goals, academic research examining how these values directly contribute to human capital character development remains limited (Abdullah, 2012; Bakir et al., 2015; Ismail, 2016). Existing studies in Brunei tend to focus on Islamic education (e.g., Muhammad & Baihaqy, 2021), social behavior or general organizational ethics (e.g., Aminnuddin, 2019; Leong et al., 2024), but few explore how Islamic values influence the formation of character within workplace settings. As Brunei continues to build a knowledge-based, ethically driven workforce, understanding the connection between Islamic values and character development becomes increasingly important (Idris, 2025; Tarip, 2023).

Therefore, this study aims to explore the role of Islamic values in developing the character of human capital in the workplace within the context of Brunei. By using a qualitative approach, this study seeks to capture employees' experiences, perceptions and reflections on how Islamic values shape their workplace behavior and character. This study aims to contribute meaningful insights to organizational leaders, policy makers and human resource practitioners in Brunei, supporting national efforts to cultivate a workforce that excels both professionally and ethically.

B. LITERATURE REVIEW

Human Capital and Character Development

Human capital is traditionally defined as the stock of knowledge, skills and competencies that contribute to an individual's productivity (Becker, 1964; Hj Talip & Wasiuzzaman, 2024). For instance, Marginson (2019) argued that this view is overly simplistic because it assumes education directly translates into higher productivity and earnings, while ignoring the social and institutional factors that shape labor markets and educational outcomes.

Building on this broader understanding of what influences real-world performance, modern human capital literature increasingly highlights that character traits such as honesty, responsibility, discipline and ethical judgement are central to sustained organizational success (Husin & Kernain, 2020; Riadi et al., 2025). Character influences decision-making, interpersonal relationships and overall workplace behavior. In countries such as Brunei, where moral and religious values play a prominent role in social and organizational systems, character development is particularly significant (Idris, 2025; Leong et al., 2025; Wright & Goodstein, 2007).

Brunei's national philosophy, MIB, emphasizes the integration of Islamic values in daily life, governance and education (Muhammad & Baihaqy, 2021). This national ideology underscores the importance of nurturing both competent and morally grounded human capital. Character development, therefore, is viewed not just as a professional need but also as a religious and civic expectation aligned with national identity (Aminnuddin, 2019; Noor & Mohammed, 2016).

Islamic Values and Workplace Behavior

Islamic values are derived from the Qur'an, Sunnah and traditional Islamic ethical scholarship (Hj Mohamad et al., 2025; Musa & Shahlehi, 2025). Core values such as *amanah*, *ihsan*, *adl*, *sidq* and *taqwa* play significant roles in shaping workplace behavior. *Amanah* encourages employees to act responsibly and with trustworthiness, while *ihsan* motivates them to pursue excellence in all tasks (Ruhullah & Ushama, 2025; Yasmeen, 2024). Studies by Ayyat (2025) and Haron et al. (2025) similarly emphasize that *adl* promotes fairness and equity in interactions, *sidq* fosters honesty and transparency, and *taqwa* supports moral self-regulation and the avoidance of unethical acts. These values promote honesty, fairness, sincerity and self-discipline, which contribute to ethical decision-making and professional conduct (Javed, 2024; Makol & Zahra, 2025).

Research in the broader Southeast Asian Islamic context, including studies in Malaysia and Indonesia, suggests that Islamic Work Ethics positively influence job satisfaction, commitment, teamwork and organizational performance (Husin & Kernain, 2020; Idris, 2025; Noor & Mohammed, 2016; Riadi et al., 2025). However, there is limited literature specific to Brunei that examines how Islamic values influence character development as part of human capital quality. Most studies in Brunei tend to focus on general Islamic education, cultural identity or ethical compliance rather than on workplace character formation (Aminnuddin, 2019; Hj Talip & Wasiuzzaman, 2024; Leong et al., 2024; Muhammad & Baihaqy, 2021). This gap highlights the need to explore how Islamic values are understood and practiced by employees in Brunei and how these values shape their character in professional settings.

C. METHODOLOGY OF RESEARCH

Research Design

This study adopts a qualitative research design to explore employees' experiences and interpretations of Islamic values in Brunei. A qualitative approach is appropriate because Islamic

values and character formation involve personal reflections and internal processes that cannot be captured adequately through quantitative methods (Ayyat, 2025).

Population and Sampling

The research population consists of employees working in Brunei-based organizations that incorporate Islamic values or operate within Islamic cultural norms. These may include government ministries, Islamic financial institutions, educational institutions, and private companies with strong MIB influences. Purposive sampling will be used to recruit employees who actively practice Islamic values in their workplace roles. Approximately eight to fifteen participants will be interviewed, with data saturation determining the final sample size.

Data Collection Method

Semi-structured interviews will serve as the primary data collection method. Participants will be encouraged to share how they understand Islamic values, how these values shape their work behavior and how their character has developed over time. Interviews may be conducted in English or Malay, depending on participant preference, to respect cultural and linguistic comfort.

Data Analysis

Thematic analysis will be used to identify key themes (Haji Shahlehi et al., 2025). Data will be transcribed, coded and categorized into meaningful patterns reflecting the relationship between Islamic values and character development. Themes will then be contextualized within Brunei's socio-cultural setting, particularly MIB.

Trustworthiness and Ethical Consideration

Credibility will be ensured through member checking, where participants review summaries of their responses. Transferability will be enhanced by providing detailed descriptions of the Bruneian workplace context. Dependability will be maintained through documented procedures. Confirmability will be ensured through reflective notes and audit trails. Ethical considerations include voluntary participation, informed consent, confidentiality and respect for Islamic values and cultural sensitivity in Brunei.

D. RESULT AND DISCUSSION

Expected Findings

Several findings are expected based on the literature and the cultural context of Brunei.

First, employees are likely to report that Islamic values strengthen their personal integrity, responsibility and discipline at work. *Amanah* and *taqwa* are expected to be particularly influential due to Brunei's strong religious culture and national emphasis on ethical conduct.

Second, participants may describe that Islamic values help them navigate workplace challenges by guiding their decision-making processes and preventing ethical misconduct. This self-regulation is expected to be reinforced by both personal faith and the surrounding Islamic environment.

Third, Islamic values may enhance workplace harmony and teamwork, as employees strive to practice fairness, kindness and respect in line with *adl* and *ihsan*. This is consistent with Brunei's culture of cooperation and community orientation.

Fourth, employees may perceive that practicing Islamic values gives their work deeper meaning and spiritual purpose, increasing motivation and commitment to their organization. Overall, findings are expected to show that Islamic values in Brunei serve as a strong foundation for character development, contributing to a morally guided and high-quality human capital base.

Expected Implications

Implications for Organizations

Organizations in Brunei can enhance workplace ethics, productivity and teamwork by integrating Islamic values into training, leadership development and performance evaluation. By explicitly incorporating values such as *amanah*, *ihsan* and *adl* into organizational policies and daily practices, companies can encourage employees to act responsibly, ethically and collaboratively. Aligning workplace culture with MIB and Islamic principles not only strengthens employee character but also enhances the organization's reputation among clients, partners and the broader community. In practice, this may involve structured workshops on Islamic ethics, mentoring programs emphasizing moral decision-making, and performance appraisals that recognize ethical behavior as well as technical achievements.

Implications for Employees

Employees may gain deeper self-awareness, stronger moral grounding and improved interpersonal skills through conscious application of Islamic values at work. Values such as *sidq* and *taqwa* encourage individuals to self-regulate, act honestly and treat colleagues fairly, which can foster trust and cooperation within teams. Practicing Islamic values can also enhance job satisfaction and provide a sense of spiritual fulfillment, as employees perceive their work as contributing not only to organizational goals but also to a higher ethical and spiritual purpose. This alignment of

personal values and professional responsibilities can reduce workplace stress, improve motivation and increase commitment.

Implications for Human Resource Practitioners

HR practitioners can design value-based development programs that explicitly incorporate Islamic teachings. Recruitment processes can evaluate candidates for not only technical competence but also ethical awareness and alignment with organizational values. Onboarding programs can introduce new employees to Islamic principles as they relate to workplace conduct, while ongoing professional development can reinforce ethical decision-making and moral leadership. By embedding Islamic ethics into HR practices, organizations can nurture trustworthy, responsible and committed human capital, thereby reducing ethical lapses, enhancing teamwork, and fostering a culture of accountability.

Implications for Policy Makers

Policy makers in Brunei can utilize the findings of this study to strengthen national human capital strategies that emphasize both technical competency and moral character. Policy frameworks could encourage organizations to integrate Islamic values into employee training and workplace culture, supporting Wawasan Brunei 2035's vision of a highly educated and morally grounded workforce. Additionally, policies could provide incentives for ethical workplace practices, promote recognition programs for organizations that exemplify Islamic values, and ensure alignment between national development goals and organizational human capital strategies.

Implications for Islamic Institutions and Educators

Islamic institutions, schools and universities may use these findings to reinforce character education as part of curricula and community programs. By teaching students and young professionals the practical applications of values like *amanah*, *ihsan* and *adl* in workplace and social settings, these institutions can prepare a continuous supply of ethically aware employees. This contributes to the broader societal goal of cultivating citizens who are both skilled and morally upright, supporting national development and the ethical foundation of organizations in Brunei.

Implications for Researchers

This study opens new avenues for research on Islamic human capital development in Brunei. Future studies could explore quantitative validation of the relationship between Islamic values and workplace performance, comparative studies between different sectors or countries, and longitudinal studies examining the long-term impact of Islamic value integration on employee behavior and organizational outcomes. Researchers can also examine how specific values influence various aspects of human capital, such as leadership, innovation, or teamwork, thereby expanding the knowledge base on ethical human capital development in Islamic contexts.

E. CONCLUSIONS

This study highlights the significant role Islamic values play in developing the character of human capital within the workplace, particularly in the context of Brunei. As a nation guided by the philosophy of MIB, Brunei emphasizes the integration of Islamic principles in social, educational and organizational practices. The findings are expected to show that values such as *amanah*, *ihsan*, *adl*, *sidq* and *taqwa* contribute meaningfully to shaping employees' ethical conduct, personal discipline and interpersonal relationships. These values act as internal motivators that encourage employees to perform their duties with sincerity, fairness and integrity.

By strengthening character development, Islamic values contribute to the formation of high-quality human capital, which is essential for Brunei's national goals outlined in Wawasan Brunei 2035. The study also highlights the importance of embedding Islamic values into organizational culture, human resource practices and workplace policies to cultivate a workforce that is not only skilled but also morally guided. For organizations, this may translate into improved productivity, teamwork and ethical standards. For employees, it leads to a greater sense of purpose, self-regulation and job satisfaction. For policy makers, the study provides insights that can support the design of national strategies that reinforce both competency and character formation.

Overall, this study contributes to the limited academic literature on Islamic values and human capital in Brunei. It underscores the need for continued research in this area and encourages organizations to view Islamic values not only as religious principles but also as practical foundations for building ethical, responsible and high-performing human capital.

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