Internal promotion of Islamic banking offerings at a South African traditional bank: An action research study

By

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Master's Thesis: Declaration

I, Shameem Damon declare that this thesis and the work presented in it is my own, and has been generated by me as the result of my own original research.

Title of Thesis:
Internal promotion of Islamic banking offerings at a South African traditional bank: An action research study

I confirm that:

1. This work was done while being a registered masters student at the University of the Western Cape;

2. Where I have consulted the published work of others, this is always clearly attributed;

3. Where I have quoted from the work of others, the source is always given. With the exception of such quotations, this thesis is entirely my own work;

4. I have acknowledged all main sources of help;

5. Where the thesis is based on work done by myself jointly with others, I have made clear exactly what was done by others and what I have contributed myself;

6. None of this work has been published before submission.

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Date: 30 July 2018

Abstract

This master's thesis report is a record of my action research study conducted at a traditional bank in South Africa. The report follows a narrative writing style. It contains my personal learnings and reflections. In it I record my practices aimed at promoting Islamic banking products of a traditional bank. In undertaking this action research, I employed interventions whereby I improved my own learning and behaviour through practice. This action research took place within the customer facing division of a national traditional bank in the Western Cape.

While conducting my situational analysis, I found that front-line employees lacked knowledge and awareness about Islamic banking products, which negatively impacted their attitude and willingness to promote the Islamic banking offering. As the action research progressed, another concern was identified, namely, the lack of awareness of Islamic banking by customers. In order to guide activities that are directed at improving the behaviour of front-line employees and customers, I drew insights from the Theory of Planned Behaviour (TPB) by Icek Ajzen (1991) for my theoretical framework. Observations, interviews and interview schedules were used to collect data and continuously analysed using content analysis and univariate analysis for the respective data types. Evidence was generated by measuring the data against a standard of judgments as required for an action research project. This resulted in the identification of key factors that influence front-line employees' willingness to promote the Islamic banking products. These factors were their attitudes and perceived behavioural control. It was further identified that the lack of awareness by customers had a negative impact on their attitudes towards using the Islamic banking offering. Both issues were addressed, by following the cyclical approach of action research. In order to influence front-line employees' behaviour, with the support of the necessary stakeholders, I implemented internal marketing programmes such as training and development. To increase the level of customer awareness, I implemented activities directed at external customers such as brochures and poster displays within branches. The study finds that through my ethical and political practices, front-line employees were motivated and stakeholders actively participated in planning and executing interventions designed to improve the performance of Islamic banking sales. The practices implemented by myself, as an Islamic banking product champion, were identified as a key influence in the promotion of Islamic banking. I also identified that senior management and middle management influenced front-line employees' acceptance and implementation of internal marketing practices.

By evaluating the impact of the interventions, I found that internal marketing interventions improved the attitude and perceived behavioural control of front-line employees. I also found that

external marketing activities increased the customer awareness of Islamic banking which resulted in an increase in the utilisation of Islamic banking products by customers. By obtaining a positive outcome, I conclude and make a claim to knowledge that a combination of internal and external marketing activities can lead to an increase in the sales performance of Islamic banking products at a traditional bank.

Keywords: Islamic Banking, Internal Marketing, Action Research, Ethics, Training, Power, Management, Attitude, Front-line Employees, Awareness

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1.   Chapter One - Introduction

The adoption of Islamic banking at a traditional bank is somewhat misunderstood. Working at a traditional bank in South Africa, I have often observed front-line employees give preference to traditional banking products over Islamic banking products. With this being the case, Islamic banking sales performance at the bank has been relatively poor and decreasing year on year. During the period of time at which I have been employed at the bank, this has always been an area of concern to me. Starting my master's degree this year, I was presented with an opportunity to address the issue within the workplace from an academic perspective. This master's thesis report seeks to provide insight into the underlying factors that contribute to the lack of focus on Islamic banking products by front-line employees at the traditional bank. It further looks at activities that were implemented to encourage front-line employees to promote the Islamic banking products of the bank. Progressing with the investigation and evaluations of improving front-line employee behaviour, lack of awareness of Islamic banking products by customers is identified as a second concern. The report therefore does not only seek to improve front-line employee behaviour, but seeks to increase Islamic banking sales, by making customers more aware of Islamic banking. It specifically addresses these issues within the customer facing division of the traditional bank in the Western Cape.
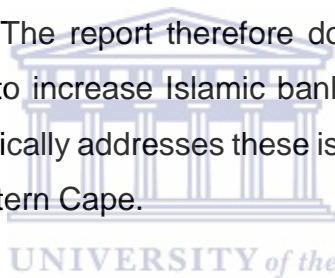
This report provides a record of my entire journey, experiences, engagements, mistakes, relationships and initiatives that have been directed at improving the sales performance of Islamic banking at the bank. As a means of providing my perspective and a description of the events, the report follows a narrative writing style, which seeks to provide a realistic view of the events and practices implemented. To address issues and challenges with regard to the lack of focus on Islamic banking, this report follows a qualitative approach and specifically employs *action research* as a research design. I have selected action research as the design, as it enables me to be part of the research with the core objective of improving my own learning and behaviour, as well as the learning and behaviour of others (McNiff and Whitehead, 2010). I discuss the unique approach and characteristics of action research in the research methodology section, but would like to highlight the visibility and presence of continuous self-reflection within this study. Self-reflection as a method, has contributed to the seeking of new ideas, learning and improvements in the behaviour of myself and the participants of the study. These actions occurred as a result of the cyclical approach of action research. It is important to highlight that due to the nature of the writing style and the research design the thesis is written in the first person.

McNiff (2016) in her book entitled "Writing up your action research project" highlights that the literature review in an action research report can vary in comparison to the structure predominantly found in a social science report. McNiff (2016:105) advises that an action research report can consist of several small reviews throughout the report or an action researcher may use a strategy in which they engage with key issues and debates throughout the report, referenced at all points of the text. The structure of the literature review in this action research thesis will incorporate a combination of several small reviews as well as discussions and engagement with key concepts and theories throughout the report. In order to accommodate readers that are mainly familiar with conventional research, I provide the following table that may assist in navigating this report. Using the guidelines in **Table 1** will enable the reader to identify and understand the content of this action research thesis.

Table 1: Alignment between conventional research thesis and action research thesis

Chapters	Conventional Research	Action Research
Chapter 1	Introduction	Introduction
Chapter 2	Literature Review	Islamic banking Personal background (a distributed literature review)
Chapter 3	Research Methodology and Research Design	What did I wish to investigate? What was my concern? What did I hope to find out? Why did I want to investigate this area? Why was this a concern? What are my contexts? How could I show the situation as it was? How did I monitor practices and gather data? What could I do about it?
Chapter 4	Discussion and Analysis – Reliability, Validity and Credibility	What did I do about it? How did I do it?
Chapter 5		How did I continue to monitor practices and gather data?
Chapter 6		How did I analyse and interpret my data in order to generate evidence?
Chapter 7	Findings	How did I arrive at some preliminary conclusions?
Chapter 8	Conclusion and Recommendation	What is the potential significance of what I have done?

As a front-line employee of the traditional bank, I have acquired a fair amount of knowledge and experience relating to Islamic and traditional banking products, as well as customer engagement and interaction. When I joined the bank, I had obtained my undergraduate degree, whilst many of my colleagues had a matric certificate or a diploma in banking. I however had no experience, nor any qualifications relating to Islamic banking. For the period during which I have been employed at the bank, I have always had the concern as to why Islamic banking products were not used that often by customers, in comparison to the traditional offering. Are customers aware of the Islamic banking offering? Are front-line employees making customers aware of the offering? These were some of the questions with regards to the poor performance of Islamic banking at the traditional bank. In order to identify possible reasons for the low uptake of Islamic banking products, I conducted a situational analysis in the workplace, which identified the lack of

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knowledge and awareness of Islamic banking by front-line employees as primary contributors. This essentially, was the start of the *first cycle* of this action research study. During this time I also engaged existing literature that focused on employee behaviour with regard to Islamic banking. It is at this point when I developed my first Research Question (RQ);

- **RQ 1:** How can I influence front-line employees to offer Islamic banking products to customers?

On a mission to find additional articles to help understand the reason for this behaviour and to assist in identifying solutions, I engaged literature on Icek Ajzen's (1991) Theory of Planned Behaviour (TPB), which indicates that behaviour is impacted by attitude, social norms and Perceived Behavioural Control (PBC). At this point of my research, I was not aware of what to do and needed to consider ways to address this concern. I started feeling slightly uncomfortable as I was uncertain as to how I should proceed. I returned to the literature on Islamic banking that addressed employee behaviour and found training and development as recommended practices (Moutinho & Jabr, 1990; Kharbahari, Naser & Shahin, 2014; Ali & Hassan, 2017).

Based on the recommendations provided in the literature coupled with the data collected during the situational analysis, I initiated an Islamic banking training workshop primarily directed at educating and up skilling front-line employees, which could lead to an improvement in Islamic banking sales. The planning, development and implementation of the Islamic banking training workshop played an integral part of this study, as it encouraged excessive internal communication and involvement from and with many stakeholders at the traditional bank. These stakeholders consisted of senior management, branch managers (middle management), an Islamic banking specialist, shariah experts, training facilitators as well as front-line employees. According to Rahim (2017:155) "training is a learning process that involves the skills, concepts, rules or attitudes to enhance the performance of the employees".

After completing the Islamic banking training workshop, I used Kirkpatrick's four level evaluation model to assess the effectiveness of the training (Klotz, 2013). The Kirkpatrick four level evaluation model was founded by Donald Kirkpatrick and measures the effectiveness of training based on four dimensions namely, reaction, learning, behaviour and results. The assessment of

these four dimensions are discussed in Section 5 of this thesis. According to Mohamed and Alias (2012), training evaluation is important as it determines the significance of the training and to what extent the training met the individual or organisational needs. With much hope that the training would be effective and support front-line employees in promoting Islamic banking products, literature has also indicated otherwise. According to Bunch (2007) training can also result in failure due to a manifestation of the values, beliefs, and assumptions shared by members of various levels of organisational culture. It is with this in mind that I acknowledge that training may not always produce positive outcomes and may not lead to a change in employee behaviour. Throughout this report I reflect on my entire research journey, leading up to the training workshop, during the training workshop and after the training workshop. I also highlight the lack of customer awareness about Islamic banking, which is identified during the post-training evaluation.

Observing the engagement between front-line employees and customers, I found that some customers presented front-line employees with questions such as, what is Islamic banking? Why do I have to change when I have been using traditional banking all my life? Is Islamic banking cheaper than traditional banking? Following the action research process, I had to look for literature that investigated the reasons for poor uptake of Islamic banking products by customers. This led to another concern and the start of the second cycle of this action research thesis. With this new development in my action research study, I developed a second research question that encourages the quest for an appropriate intervention that could increase the uptake of Islamic banking by customers;

- **RQ 2**: How can I make customers aware of the Islamic banking offerings which will encourage them to utilise the offerings?

The research report follows a chronological order, which highlights my journey as an action researcher. It is, however, important to note that many of the activities that have taken place during this action research study occurred simultaneously to a high degree and not necessarily in the linear order, as you will find in the following chapters.

During my time conducting this action research study, I focused on the primary objectives of the study: 1) To influence front-line employees to promote the Islamic banking offering, 2)To motivate

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customers to take up the Islamic banking offering and 3)To improve the Islamic banking sales performance of the bank. In order to achieve these objectives, I engaged and collaborated with a number of stakeholders and implemented specific activities which were directed at achieving these objectives. The duration of this action research study has been filled with much uncertainty, feelings of confusion and a palpable sense of anxiety. I would often meet with my supervisor to discuss the progress of my research as well as the uncertainties I experienced. During these consultations, my supervisor would provide me with guidelines as to how I should approach certain issues and also made recommendations, which have played a vital role in directing this research thesis.

After four months of planning, communicating and implementation of certain activities, I started to see a change in the behaviour of front-line employees which resulted in a slight increase in the sales performance of Islamic banking products. I was extremely happy to see this improvement and that front-line employees were more actively promoting the Islamic banking offering. At this point, I have not identified a specific management concept or practice that may have contributed to the improvement in front-line employee behaviour and the increase in sales. By discussing the absence of a management concept with my supervisor and based on his guidance and recommendation, the concept of *internal marketing* was identified. Internal marketing activities such as internal communication, empowering and training and development made a significant contribution to the successful outcome of this action research study (Ahmed & Rafiq, 2003; Benoy Joseph, 1996; Zaman, Javaid, Arshad & Bibi, 2012).

Apart from the recommendation received from my supervisor, one of the examiners who assessed the thesis recommended that I investigate *services marketing* as a concept. According to Benoy Joseph (2005), services marketing is intimately joined by three management functions: marketing, operations and human resources that enables companies to create and deliver quality services. Benoy Joseph (2005:55) further indicates that internal marketing recognises this vital link by specifically focusing on the people component of service marketing. The improvement of frontline employee behaviour is essentially the focus of this research thesis and therefore does not elaborate on service marketing specifically, but rather on internal marketing as a concept. Section 3 elaborates on the concept of *internal marketing* and the effect on directing a collaborative focus

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across the bank towards developing front-line employee customer centricity and employee involvement and commitment.

As the research progressed ***external marketing*** was also identified as an activity to create awareness about Islamic banking to customers. The integration of internal marketing activities and external marketing activities has led to significant improvements in the performance of Islamic banking. Approaching the end of the action research study, I also realised my active involvement in the project and how my embodiment of an Islamic banking champion has contributed significantly to this action research study.

By describing the various actions and research recommendations that I used and implemented in this study, I aim to make a claim to knowledge, that the practices applied has led to an improvement in my own learning and behaviour, the learning and behaviour of front-line employees as well as the learning and behaviour of customers. More specifically the implementation of the respective internal marketing and external marketing activities, coupled with support from middle and senior management as well as my role as an Islamic banking champion, created a focus and drive of Islamic banking at the traditional bank, resulting in a significant improvement in the sales performance of Islamic banking products.

This action research thesis highlights several studies that have been conducted globally with regard to employee and customer behaviour in a traditional and Islamic banking context. The thesis also incorporates literature from other service industries. With the primary objective of the action research study relating to the learning of myself and the participants, I continue to reflect throughout the report, by identifying areas in which learning has taken place as well as improvements in behaviour. Unlike many other studies conducted on Islamic banking, this study investigates employee and customer behaviour collectively and seeks to improve the current situation at the bank through a process of action research.

2. Chapter Two - Context

This chapter sets the tone for the chapters that follow. In the first part of the chapter a brief overview is provided on the history of Islamic banking and its origins. The second part of the chapter discuss the difference between Islamic banking and traditional banking. In the third part of the chapter I elaborate on the issue of shariah (Islamic law) compliance of Islamic banking. The latter part of the chapter provides some information about my personal life, such as where I am from, my values, my educational background and work experiences.

2.1. Islamic banking

Islam is a monotheistic faith based on revelations received by Prophet Muhammad, Peace and Blessings Upon Him (PBUH), more than fourteen hundred years ago (Abde & Salih, 2015). Islam is identified as a religion, a civilisation and a way of life. Tracing it back to its Arabic roots, the word 'Islam' comes from salima, which means 'to be safe and secure' with the connotation of being complete or whole (Drennan, 2012:9). Sallah (2015) states that the word Islam means to submit or surrender one's will to the only true God. According to Drennan (2012), the one who submits to the will of God is called a Muslim. A Muslim believes in one God, believes that the Prophet Muhammad (PBUH) is the last and final messenger and lives according to Islamic teachings. These teachings inform the Muslim about acts or engagements that are halal (permissible) or haram (impermissible), which also includes guidelines for financial transactions.

Financial transactions in Islam dates back to the early stages of the life of Prophet Muhammad (PBUH), which is more than 1 400 years ago (Alharbi, 2015). Prophet Muhammad (PBUH) was the finest of his people, the most kind, most truthful and most reliable person in Mecca and was known as Al-Ameen (The Trustworthy), because of the good qualities Allah (God) has given him (Azzam & Gouverneur, 1985). As a merchant, Prophet Muhammad (PBUH) engaged in several financial and business transactions during his lifetime. Prior to becoming a prophet, Muhammad (PBUH) was the first to practice a profit and loss sharing paradigm in trade with a rich woman named Khadija, who later became his wife (Khaf & Khan, 1992). It is further narrated by Qatada, a companion of the prophet, that Muhammad (PBUH) also purchased food grains from a Jew on credit on one occasion and mortgaged his iron armor to him (Khan, 1997). The second caliph of Islam, Umar bin Al−Khattab, also narrates that the Prophet Muhammad (PBUH) said, "The bartering of gold for silver is Riba (usury/interest), except if it is from hand to hand and equal in amount, and wheat grain for wheat grain is usury, except if it is from hand to hand and equal in

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amount, and dates for dates is usury except if it is from hand to hand and equal in amount, and barley for barley is usury except if it is from hand to hand and equal in amount" (Khan, 1997). Based on the preceding data, it is clear that Islamic banking is not something new. The first modern day experiment of Islamic banking only came into existence in 1963, in a rural area of Egypt called Mit Ghamr (Chong & Lui, 2009). The experiment took the form of a savings bank, based on profit-sharing between the bank and depositors (Ariff, 1988). The concept of Islamic banking is a fundamental part of the shariah (Islamic law) and guided by the instruction of Allah (God) in the Holy Quran:

"O you who believe! Be afraid of Allah and give up what remains (due to you) from Riba (usury) (from now onwards), if you are (really) believers. And if you do not do it, then take notice of a war from Allah and His Messenger but if you repent, you shall have your capital sums. Deal not unjustly (by asking more than your capital sums), and you shall not be dealt with unjustly (by receiving less than your capital sums). And if the debtor is in a hard time (has no money), then grant him time till it is easy for him to repay, but if you remit it by way of charity, that is better for you if you did but know. And be afraid of the Day when you shall be brought back to Allah. Then every person shall be paid what he earned, and they shall not be dealt with unjustly." (Quran: 2:278-281)

Reading and contemplating the verse of the Holy Quran, has made me more conscious about how I engage in my own financial and business transactions. More importantly, it made me think about how many Muslims are not banking their funds according to the law prescribed by Allah (God).

Islamic banking is based on the shariah (Islamic law), which prohibits transactions involving riba (interest), or has an element of gharar (Butt, Saleem, Ahmed, Altaf, Jaffer and Mahmood, 2011). Nehad and Khanfar (2016) indicate that the most common definition of gharar is risk or uncertainty. They put forth the view that this is ambiguous. Instead Nehad and Khanfer (2016:6), interpret gharar as misrepresentation, which includes fraud, deception, beguiling and delusion. Islamic contracts such as musharakah and mudharabah are based on sharing the risk between two parties, where reliance is placed on the profit and loss sharing principle. This means that these contracts carry a certain level of risk, as it is dependent on the outcome of projects. Taking into account the above interpretation of gharar, indicates that musharakah and mudharabah contracts would be regarded as permissible (Nehad & Khanfar, 2016).

Islamic banking further operates on the prohibition of "riba" or interest, and no charge or payment of interest will be included for lending money (Saini, Bick and Abdulla, 2011). Gerrard and Barton Cunningham (1997) confirm that the shariah prohibits interest but does not prohibit profit acquired from a trading activity. In order to be justified Islamically, the banking system has to avoid interest (Alam, 2000). Even though the prohibition of interest and gharar are identified as core factors, the key purpose behind all the other factors is the protection from exploitation.

2.1.1. Difference between Islamic banking and traditional banking

The basis for the prohibition in Islam can be traced back to the pre-Islamic Arab practice of doubling debt if the loan was not repaid when due (Chong & Lui, 2009). According to Chong and Lui (2009), these practices led to social issues such as slavery. Saini et al, (2011) indicate that the extension of credit via the traditional banking system increases the money supply, stimulates demand, but does not always result in real, *tangible economic activity*. Islamic banking on the other hand provides opportunities for participation in *economic activities* to a wider spectrum of society and those that crave for making investment in worthy causes (Saidi, 2009). Saidi (2009) also found that Islamic banking satisfies 75 percent of the conditions for ethical banking.

The shariah (Islamic law) prohibits Muslims from investing in business ventures that engage in gambling, sale of alcohol or pork (Vahed & Vawda, 2008). This is a fundamental difference in terms of how funds are used between the two respective offerings. In traditional banking, there are no restrictions in the way funds are used. The funds can be used in any way. Sometimes it is used in a shariah compliant manner and other times it is used in avenues which are not shariah compliant. It is used to fund certain gambling institutions or sometimes it is used for a brewery. The profit from these types of investments is not shariah compliant, because it is used in a non-shariah compliant manner.

A key difference between traditional and Islamic banking is that the financial intermediation in Islamic banking between the bank and the client takes place as partner rather than a debtor or creditor (Alam, 2000). Islamic banking is based the following two concepts: the risk-sharing concept between the investor and entrepreneur, and the profit maximisation theory based on shariah (Islamic law) (Kakakhel, Raheem & Tariq, 2013). Chong and Lui (2009) confirm that the profit and loss sharing paradigm is a unique feature that differentiates Islamic banking from

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traditional banking. Unlike an interest bearing banking account or a loan, a customer invests funds into a shariah compliant profit-sharing account and mandates the bank by means of a contract to use the funds for specific purchases or sales. If any profits are made, both parties share in the profit. It is important to note that capital is not guaranteed. If any losses occur, the investor will be liable depending on the structure of the agreement. Here we find Islamic banking concepts such as mudharabah (profit-sharing) and musharakah (joint ventures) being the primary instruments (Ariff, 1988).

2.1.2. Islamic banking concepts

Other Islamic banking finance principles include ijaarah (leasing), qard hasan (benevolent loan) as well as murabahah (financing based on a markup) (Chong & Lui, 2009). Islamic banking provides Muslim customers with an opportunity to utilise a banking facility, based on Islamic principles and non-Muslim customers to bank and invest funds using a system which is based on ethical and morally sound principles. During the duration of the study, my supervisor also recommended that I register for an online Islamic banking course called 'Money matters' offered by Seekershub, an online educational platform. During this course I acquired a significant amount of additional information relating to the importance of contracts within Islamic banking. The money matter course also introduced me to new Islamic banking concepts such as salam and istisna. The contract type and products which are available using those concepts can be found in **Table 2.**

Table 2: Islamic banking Concepts

Concept	Type Of Contract	Product
Mudharabah	Partnership - Profits are shared: losses are by the capital contributors.	Savings Account
Murabahah	Sales with markup.	Purchasing of Commodities
Ijaarah	Leasing	Vehicle Finance
Musharakah	Profit and Loss Sharing (Partnership Venture)	Home Loan
Qard	Loan	Cheque Account
Salam	Forward Sale Contract, payment at spot	Purchasing of Commodities
Istisna	Progressive Financing of Manufacturing Goods	Asset Finance

One of the more recent concepts that I have also been introduced to in the 'Money Matters' course is known as diminishing musharakah. As can be seen in the description, diminishing musharakah is often used for the purchasing of a property. The customer and the bank jointly purchase a property over a certain period. Depending on the contract, each of the parties own a certain percentage of the property depending on contribution. For example, if the property costs one million rand, the bank contributes eighty percent and the customer contributes twenty percent and the ownership will be equal to the contribution. The customer, however, signs the contract promising to rent the eighty percent of the property from the bank and also promises to buy back a portion of the bank's eighty percent. Currently, the traditional bank does not have this offering, and I am of the assumption that the simplicity and comfort of paying a home in a shariah compliant manner could be a way of attracting customers to utilise the Islamic banking offering. There are, however, other banks in South Africa that offer the Islamic home loan.

2.1.3. Islamic banking in South Africa

Since its inception, Islamic Banking offerings and products have grown significantly and can be found in more than 50 countries, including South Africa. There are different types of Islamic banking models, consisting of fully fledged banks, Islamic banking windows, subsidiaries and branches. The first bank to offer Islamic banking in South Africa was Albaraka Bank in 1989 (Qasaymeh, 2011). Albaraka Bank is a fully fledged Islamic bank that offers shariah compliant products. The shariah compliant products offered by the different types of Islamic banking models range from savings accounts, cheque accounts, investments, motor vehicle finance, home loans, drafting of Islamic wills as well as commercial property finance.

With Islamic banking providing opportunities to tap into new markets, many well established traditional banks started to offer Islamic banking products (Karbhari, Nasser and Shahin, 2004). These banks are known as having Islamic banking windows. An Islamic window is simply a window within a traditional bank in which customers may conduct business utilising shariah compatible instruments (Sole, 2007). The traditional banks that offer Islamic banking windows in South Africa are ABSA Bank, First National Bank and Standard Bank. A review of the landscape of the South African population, with its substantial Muslim minority, is an indication that a suitable market size exists for the uptake of Islamic banking offerings.

South Africa is a diverse country, with the Muslim community comprising of 1.9 percent of the South African population. Muslims have been in South Africa since 1694. It is also important to note that after the fall of apartheid, a large number of foreign Muslim nationals from Africa, Asia and the Middle East came to live in South Africa. Some are permanent residents and some have acquired asylum seeker or refugee status in South Africa. This has led to an increase in the Muslim population. These statistics provide South African Islamic banks and dual banking systems (traditional and Islamic) with the opportunity to promote Islamic banking to a slightly larger market.

2.1.4. Adherence to the Shariah (Islamic law)

The shariah is founded on the benefits of the individual and that of the community and its laws are designed to protect these benefits and facilitate improvement and perfection of the conditions of human life on earth (Kamali, 1999:193). Rudnyckyj (2017) highlights that the shariah is based on five foundational goals: the preservation of religion, life, progeny, intellect and wealth. In Arabic this is known as the maqasid al shariah, which refers to the purpose of the Islamic law. The maqasid al shariah is further extended to include social welfare, human dignity, and human fraternity (Kamali, 1999). Rudnyckyj (2017) argues that Islamic banking does not meet the maqasid al shariah and that it is merely in form and not in substance.

Unlike the discussion in **2.1.1. Difference between Islamic banking and traditional banking**, this section investigates Islamic banking and its contribution to the overall purpose of the shariah, which is to improve human life. This section therefore highlights a study conducted by Kamla and Rammal (2013), in which they explore social reporting of 19 Islamic banks, with a specific focus on contributions towards social justice, poverty eradication and redistribution of wealth. An analysis of the data collected from annual reports and websites from banks in the study are presented in Table 3.

Table 3: Analysis from annual reports and websites from 19 Islamic banks (Kamla & Rammal, 2013)

	Disclosing banks (making at least one disclosure)	Disclosing banks as a percentage of total sample	Number of disclosed sentences (amount)	Disclosed sentences as a percentage of all disclosed sentences
Reference to Sharia	19	100	155	39
Funding socially motivated investments and projects	8	42	61	15.4
Access to credit and schemes for financial inclusion of the poor and disadvantaged				
Microcredit and microfinance schemes	5	26	24	6
Servicing of rural community	2	10.5	10	2.5
Schemes for women's empowerment[a]	1	5	4	1
Engagement with mudarabah schemes	18	95	33	8.3
Training schemes for bank staff relating to helping the poor	3	15.8	4	1
Community contribution, zakat, charitable activities and donations				
Zakat collection/disbursement	16	84	51	13
Charitable activities/donations	18	95	41	10.3
Qard Hasan	11	58	14	3.5
Total			397	100

Note: [a] Al Rajhi's women empowerment schemes are mentioned on the company's web site but not in the annual report

Using content analysis, the study identifies a range of themes to assess whether Islamic banks are making significant contributions toward social development projects. The analysis counted 397 sentences in 19 annual reports, of which 39 percent of all disclosures make reference to the adherence of the shariah. Here, it is evident that Islamic banks are keen to highlight that they comply with the shariah and are different from traditional banking. To assess the focus on social development, the analysis focuses on key areas for social contribution. An interesting finding relates to the 15.4 percent of the sample disclosing their investment into socially motivated investments and projects. According to Kamla and Rammal (2013), all the banks that disclosed this information concentrated on activities that banks would not engage in, because it is perceived as being prohibited by the shariah. It was also found that many of the banks in the study highlighted their contribution to the countries in which they operate in, but very few elaborated on the details of specific projects they are involved in on their websites. Addressing key social issues,

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the theme – *Access to credit schemes and financial inclusions of the poor and disadvantaged* provides some kind of reflection as to whether Islamic banks fit the purpose of the shariah.

According to the analysis, evidence shows that only 17.8 percent of disclosures on websites and annual reports of the 19 Islamic banks make social development a core area of focus. The analysis reveals that these institutions have neglected to act as true facilitators of mudharabah providers for small to medium enterprises. It also presents evidence that only a few banks train their staff to deal with customers from poorer communities. The overall findings state that there is little evidence that Islamic banking gives preference to social driven projects over profit-generating projects. It further states that the Islamic banks in this study made little effort to engage and make further contact with poorer communities in society. After reading this article, I visited the websites of Albaraka Bank and the three traditional banks with Islamic banking windows in South Africa, namely ABSA Bank, Standard Bank and First National Bank.

Visiting the website of Albaraka Bank, I found a website link to Iqraa Trust, a subsidiary of the bank who administers the social development projects of the bank (Albaraka Bank, 1989). Investigating the projects administered by Iqraa Trust, it is found that the total investment contribution into social projects amounted to R27 120 000 to date. This, however, is not consolidated into the financial reports of Albaraka Bank as at 31 December 2017 (Albaraka Bank, 1989). It is, however, recorded that the donation made from the bank to the trust for the year 2017 amounted to R10 151 267, with a total account balance of R19 365 812 as at 31 December 2017. An interesting figure to highlight is the net income generated as at December 2017, which amounts to R301 511 000. What this highlights is that the contribution made by Albaraka Bank towards social development projects only amounted to 3% of the total net income. I continued my investigation by visiting the websites of the three traditional banks in South Africa.

Visiting the websites of the three traditional banks, a common thread was found in which the banks emphasise their adherence to the shariah, by stating that the funds are kept separate from traditional banking funds. They further provide assurance of their Islamic banking offering by highlighting the fact that the products are audited regularly by a shariah supervisory board. It is, however, interesting to note that no information was provided on the annual performance of the Islamic banking subsidiaries, nor was there any information relating to social investment by the

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Islamic banking subsidiaries. Assessing the annual financial report from two of the three traditional banks, it is noticeable that there is no distinction around income generated by the bank, as to whether it is derived from permissible or impermissible sources. The financial report for the third bank was not available.

From the findings and the data presented in the chapter, it is evident that Islamic banking does not focus significantly on achieving the goals and purpose of the shariah. In light of these findings, there is an indication that Islamic banking today, adheres to the shariah only in form but not in substance (Rudnyckyj, 2017). It is therefore recommended that Islamic banks and traditional banks, with Islamic banking windows, become more aware of their role as facilitators of social development and improving human life.

2.2. My personal background

As a young boy, I grew up in Mitchell's Plain, Cape Town, South Africa. Mitchell's Plain is regarded as one of the highest impoverished communities facing extreme socio-economic challenges. Apart from these constraints, my father and mother managed to raise my two siblings and I in a home in which the laws of Islam were the primary guides for all decisions made. With only my dad working, my siblings and I were sent to the local schools in the community. The primary and secondary schools that I attended consisted of learners from all religions, primarily Islam and Christianity. In fact, many of my friends from school were from other religions and to some extent shared similar values to me. These values consisted of respect, honesty, treating people with kindness and avoiding ill treatment of anyone.

Apart from attending secular primary and secondary schools, my parents also ensured that I obtain the necessary Islamic education at home and at the afternoon Muslim school in the community. I clearly remember how my twin sister and I would come from school in the afternoon, when my mother would have lunch prepared. After finishing our meal, we would pray and then we would be on our way to the afternoon Muslim school. It was at the Muslim school in which I excelled and often achieved top of the class. Reaching grade six, the Imam (leader) at the mosque where the afternoon Muslim schools was based, approached my father and requested that I be enrolled in a part-time hifth (Quran memorisation) school, held every Saturday. I joined the part-time hifth school where I memorised a portion of the Holy Quran. While being in grade nine, the teacher who held the part-time hifth school relocated and the school was closed. As part of my

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future goals and objectives, I would like to enroll in a part-time hifth school, which will enable me to complete the memorisation of the Quran. The love and eagerness to learn about Islam and the various Islamic subjects and topics is predominantly related to my learning at home and education I received at the Muslim schools that I attended.

In 2002, I completed my secondary schooling, with an intention to start university in 2003. In January 2003, I was involved in a motor vehicle accident in which I fractured both of my legs. Being a determined person, I insisted on going to university in such an unstable condition. On the first day of university, I realised that the lecture venues were too far apart and that it was an extremely difficult task for me. I had no alternative but to deregister from the course and re-applied for the 2004 academic year.

In 2008, I graduated with a bachelor of commerce degree from the University of the Western Cape, majoring in management and industrial psychology. It is with this background, that I developed an interest in understanding what factors drive people to behave in certain ways and what motivates certain actions. A major part of this interest focused on how to manage such behaviour. After completing my undergraduate degree, I worked as a temporary sales consultant at a cell phone network company, where I started developing relationships within the workplace. After a few months at the company, I joined an office solutions company in the latter part of 2008.

Starting at the office solutions company I needed to familiarise myself with new work processes and found it slightly challenging. I needed to ask people for assistance as I did not receive any formal training. The people I worked with were amazing and very helpful in terms of assisting me. I would often find myself being the last person at the office so as to ensure that the deliveries were scheduled correctly for the following day. This was also due to the learning that took place on the job and often I had to fix mistakes that I made. The following morning, I would be early at the office to ensure that all items and products were loaded onto the trucks and that the drivers were aware of the importance of certain deliveries. It took me at least six months to be comfortable in the role. It was only through commitment and focus that I was able to understand and develop in this role.

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In March 2010, I got married and needed to search for new work opportunities. With my wife and I preparing for our future, we visited one of the local banks in Cape Town to open a bank account to save for medium- to long-term goals. While waiting to be helped by the consultant, I picked up a brochure on Islamic banking. This was my very first glance at reading material on the Islamic banking offering. I mentally told myself that this is what I would want to do. In fact, this was the starting point of my interest in Islamic banking. Going into the office of the front-line consultant, I enquired about the product but the front-line employee was unable to answer all my questions. Apart from the front-line employee not being able to answer all my questions, I still opted to take the Islamic bank account. My decision to select the product was based on the fact that the product was shariah compliant and was certified by a shariah board of which a prominent Islamic scholar from Cape Town was a member of. This certificate was displayed in the banking hall. The evening I arrived at home, I logged onto the website of the bank to see what vacancies were available and to my surprise, an Islamic banking position was available. I applied for the position in April 2010 and was called in May 2010 for an interview. I still remember the interview as if it was yesterday, with the national sales manager for Islamic banking, the sales manager of the branch, customer service manager as well as the branch manager sitting in the interview room. I was extremely anxious as I had no background on Islamic banking apart from what I had read on the traditional banks' websites. After attending the interview, I felt very despondent, as I thought I had not presented myself well in the interview. At the end of June 2010, the sales manager called to inform me that I had been successful in the interview and that they would like to appoint me as the Islamic banker for a particular sales area consisting of six branches. At this point, I had no knowledge about Islamic banking; I assume that my basic knowledge of the Islamic law and my undergraduate degree contributed to my placement as the Islamic banker. I started with the bank in August 2010 as an Islamic banker and fulfilled this role for approximately four years. While being in this role I made significant strides in increasing the Islamic banking sales in the Western Cape. This was done through actively visiting schools in Cape Town to promote Islamic banking accounts for children as well as various adult Muslim schools. Due to the phenomenal growth and contribution I have made at the bank with regard to Islamic banking, I was headhunted by the business banking division to take up a role as a business banker.

Currently, I am a business banker at the traditional bank, where I manage a portfolio of approximately 300 customers. My role focuses on managing customer relationships through

meeting their expectations and banking needs. This relates to ensuring that customers have the appropriate transactional accounts, supported with the correct finance options available when required. In addition, I advise clients on various investment options available to them. With my portfolio consisting of customers from all backgrounds, races, cultures and religions, I am provided with an opportunity to regularly engage customers about the Islamic banking offering.

In 2015, I enrolled for the bachelor of commerce honours degree at the University of the Western Cape. This was a new challenge for me as I had not done any formal courses since 2008 and I had also never worked and studied simultaneously before. Being more cautious in comparison to my undergraduate degree, I was more focused and worked hard to do well. The work ethic and commitment towards the course resulted in me graduating with a bachelor of commerce honours degree in 2017. My past experiences and exposure contributed significantly towards shaping me. During my life, I have learnt that we are not alone in this world. We work, live and engage with people from all backgrounds and that relationship building is a recipe for success. Life is filled with various challenges and uphills, but I believe and understand that anything is achievable through effort, prayer and commitment.
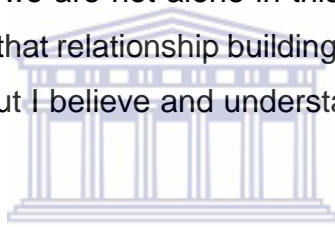
Earlier this year, I enrolled in the master's programme in the school of business and finance at the University of the Western Cape. I thought of various topics or areas that I could focus my research upon. It was, however, my passion and interest for Islamic banking that became the driving force towards selecting a topic for my research thesis. I do, however, believe that my career choice and topic for research thesis was strongly guided by my Islamic beliefs, values, morals and background. The selection of Islamic banking as a research thesis and as a career was ignited through the opportunity of joining the bank. Being at the organisation, my interest has grown significantly. It is, however, my entire make-up, upbringing and experiences which have led me on a journey of wanting to become a better Muslim. With Islam being the complete religion, my contribution is certainly insignificant, but I will seek to bring about clarity on Islamic banking, which is in its infancy stage in South Africa. I start off by providing background and insight to the purpose of my research.

3. **Chapter Three - What did I wish to investigate? What was my concern? What did I hope to find out?**

For the period that I was employed by the traditional bank as an Islamic banker, the Western Cape region was always at the forefront of promoting Islamic banking and exceeding the set targets. At the time there were approximately five Islamic bankers, including myself, at the bank in the Western Cape. As time progressed, Islamic bankers were requested to focus on traditional banking products in addition to their Islamic banking focus. This was not well received by some of the Islamic bankers, as it contradicted with their values and beliefs, which are guided by the shariah (Islamic law). The shariah prohibits Muslims from investing in interest bearing transactions as well as participation in unlawful activities (Vahed & Vawda, 2008). Allah, the Almighty, says in the Holy Quran:

"Those who consume interest cannot stand [on the Day of Resurrection] except as one stands who is being beaten by Satan into insanity. That is because they say, "Trade is [just] like interest." But Allah has permitted trade and has forbidden interest. So whoever has received an admonition from his Lord and desists may have what is past, and his affair rests with Allah. But whoever returns to [dealing in interest or usury] - those are the companions of the Fire; they will abide eternally therein"
(Quran, 2:275).
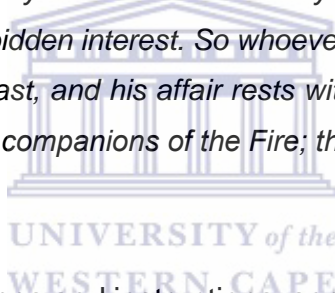
Based on these guidelines, warnings and instructions, some Islamic bankers left the organisation. It is, however, important to note that others felt that it was not fair that Islamic bankers were requested to promote traditional banking products as well, whereas traditional bankers only focused on traditional banking products. This led to a few Islamic bankers taking up traditional roles in the bank.

By 2014, there were no dedicated representation in terms of front-line employees focusing on Islamic banking. The focus on Islamic banking reduced substantially as there were no front-line employees that were actively advertising the Islamic banking products to customers. I often asked myself, why would the bank make such decisions? Why have they not thought of hiring staff that could focus on Islamic banking specifically? Is the traditional bank perhaps considering to terminate the Islamic banking offering? Starting this action research study with a situational analysis, I conducted an interview with a senior manager at the traditional bank to assist with

answers to my concern. This is the response in asking the senior manager why there was a lack of focus on Islamic banking and also no dedicated banker for Islamic banking products:

"The challenge we had was the awareness of our above the line and below the line marketing. In other words there were no real proactiveness. We did have it, but only during the holy months on radio. We had these above the line strategy but it was not consistent throughout the year. So the awareness that we had on our branding was not visible and strong enough. It was a big concern. We tried to do it at a branch and get Islamic banking visible, but it did not speak to the productivity and the numbers at the end of the day".

Speaking to the senior manager, it was clear that the bank's decision was based on economic efficiency and profitability. This meant utilising existing resources such as human capital much more efficiently. The focus of providing customers with the correct solutions or products including Islamic banking, became the responsibility of all front-line employees. Often I would ask myself, "was this a good strategy for the promotion of Islamic banking?" A study conducted by Kamarulzaman and Madun (2013) addresses this issue, where they re-evaluated the progress and achievement of Islamic banking in Malaysia. Based on their findings, banks that share the same resources to serve two totally different products, may find it unconvincing that front-line employees would be capable to offer both products seamlessly (Kamarulzaman & Madun, 2013). Was this the case at the traditional bank? In proceeding with my investigation and seeking ways and means as to improve the situation, it was more than likely that I needed to utilise existing resources to improve the performance of Islamic banking.

Working closely with front-line employees in various roles, I found that many only focused on traditional banking products and did not consider offering customers the Islamic banking alternative. At this point, I could not specifically identify the reason front-line employees were not offering the Islamic banking products. The only way I would find answers to these questions was to proceed with an investigation by means of this action research study.

Initiating the search for articles on front-line employee behaviour towards Islamic banking, I went to the internet to search for similar research studies. Scrolling through the websites of various journal houses, I could not find a single article written in South Africa that addressed the lack of focus on Islamic banking by front-line employees. It was, however, interesting to see the amount

of research that was conducted in a country such as Malaysia, where the population consists of 61.3% Muslims. In an article written by Zainol, Shaari and Ali (2008), they conducted a study in Malaysia where a comparison was done between bankers in Islamic banks and bankers in traditional banks with Islamic windows. The researchers found that bankers in traditional banks with Islamic windows face difficulties in understanding Islamic banking concepts and principles as they also work with traditional banking products. On the other hand, their counterparts in fully fledged Islamic banks were more comfortable as they were more aware of the offering. Reading the article showed that the challenge at the bank is not new, as front-line employees at traditional banks with Islamic windows in other parts of the world face similar challenges. The researchers, however, recommend that management of Islamic banks and Islamic banking windows provide employees with sufficient knowledge on shariah principles, which could equip front-line employees to better engage and assist customers (Zainol, et al., 2008). The recommendations provided by the researchers in this case gave me hope that front-line employees could become promoters of the Islamic banking offering. I was, however, mindful that the information provided by the researchers were only recommendations and did not provide a guarantee for a successful outcome. It was with this in mind that I continued to look for additional articles that investigate front-line employee behaviour. Perhaps I would come across articles that implemented certain practices which may have resulted in a change in the behaviour of front-line employees. This, however, was not the case. Many studies like Harun, Rashid and Hamed (2015) only addressed the challenges experienced by front-line employees in Islamic banks and not traditional banks. In the study conducted by Harun et al (2015) with 150 employees at an Islamic bank in Malaysia who previously worked at traditional banks, they found that most employees were not knowledgeable about Islamic banking as they were confused with the Islamic banking system, which was overshadowed by the traditional system. A fundamental part of determining progress of this action research project is the regular consultation between myself and my supervisor and the relationship dynamics that exist.

Discussing the progress and outcomes with my supervisor at various consultations via telephone, email and personal contact as well, he would always present me with questions that felt as if he was interrogating and undermining my research. At times it felt as if he was trying to steer the study to areas he possibly felt were more important. This was not easy for me as a student and I would often feel more anxious after the consultation. Even though the consultations always

encouraged dialogue, as the student, I was always mindful of overstepping boundaries. This meant that I would accept the advice and guidance provided by my supervisor, based on his personal academic achievements and contributions. This was also a result of the respect I have for him as a person and his seniority in our relationship. The consultation with my supervisor helped me find answers to my questions, more importantly it assisted me in identifying *internal marketing* as a marketing activity. It is important to note that the realisation that internal marketing had a significant effect on front-line employees promoting Islamic banking products only occurred later in the study.

3.1. **Internal Marketing**

During the writing of the results of this study, my supervisor and I engaged in a telephonic consultation about what the main factors were that contributed to the successful outcomes of this research. In response, I highlighted all the activities, engagements and collaborations that occurred. I also emphasised that internal communication was extremely important during the action research project. My supervisor made recommendations by posing questions such as: Could it be poor commitment from leadership in the bank? Did internal marketing perhaps play a role in overcoming the lack of focus on Islamic banking at the bank? In order to stimulate my thinking and guide my approach, my supervisor sent me links to three articles that focused on *internal marketing*. Reading the articles that my supervisor provided to me triggered thoughts and reflections of the journey of this action research up to this point. To obtain clarification, I started to seek additional literature that discussed the concept of *internal marketing* particularly with regard to Islamic banking, but found this area to be under researched. I, however, found several articles investigating the role of internal marketing at traditional banks and other service industries. To gain a better understanding of the challenges faced by front-line employees at the bank, I consulted several existing literature from various journal houses that focused on Islamic banking as well as the role of front-line employees in service organisations.

After scanning several articles on the internet, I selected 23 articles that focused on *Internal marketing* within the service environment, which related to the challenges at the bank to some extent. Reading these articles enabled me to have a better understanding of *internal marketing* as a concept and all its related activities. One of the first articles I read called *Internal Marketing Practices and Customer Orientation of Employees in Nigerian Banking Secto*r looked at the

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impact of *internal marketing* on *customer orientation* at 21 banks in Nigeria (Yusuf, Sukati, Andenyang, 2015). The researcher of this study defines *Internal marketing* as a mechanism that can be adopted by organisations, especially bank management teams in their core operations, in order to achieve the goals of the organisation (Yusuf, et al., 2015). The definition provided by these researchers alerted me to internal marketing as a marketing activity that could lead to a focus strategy for Islamic banking at the bank. To verify the definition provided by these researchers, I continued to read other articles which also highlighted the objectives of internal marketing. According to Ahmed and Rafiq (2003:1180) *internal marketing* is primarily concerned with customer satisfaction and organisational productivity, by continuously seeking to improve the jobs of employees and their environments. Benoy Joseph (1996:55) on the other hand defined *internal marketing* as "the application of marketing, human resource management, and allied theories, techniques and principles to motivate, mobilize, and manage employees at all levels of the organization, to continuously improve the way they serve the external customers and each other". By comparing the various definitions and descriptions, my understanding of the concept improved and I was able to relate all the activities that have taken place during the action research study to *internal marketing*. Being exposed to literature on *internal marketing,* the advice provided by my supervisor started to make sense. To provide a wider view of the definition of *internal marketing,* the following paragraph highlights definitions by other researchers.

Yusuf et al (2015) stipulates that *internal marketing* is the act of considering employees as the internal customers with the purpose of achieving specific objectives such as *employee motivation, employee job satisfaction, employee retention, employee commitment or involvement, as well as employee customer-oriented behavior*. Others such as Ahmed and Rafiq (1995) suggest that *internal marketing* can be defined as a philosophy involving the planned use of marketing-like techniques to help implement effective practices with a focus of seeking to create *employee involvement and commitment* and employee *customer-orientation behaviour*.

3.1.1. Involvement and Commitment

Going through the various articles, I could not identify any article that discussed *involvement and commitment* collectively, but it was rather identified as two separate objectives of internal marketing. It was, however, clear that *Involvement and commitment* by employees, together with a sense of purpose are essential for organisations to achieve successful results (Ahmed & Rafiq, 2003). Employees of service organisations are the most important asset, which require special

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attention to ensure loyalty and commitment from employees to deliver exceptional service (Conradie, Roberts-Lombard & Klopper, 2014). Commitment by employees is seen as extremely important as the lack thereof may be harmful to any organisation and could result in poor performance due to inferior services being provided (Caruana & Calleya, 1998). This was exactly the case at the bank. Due to the lack of commitment to the Islamic banking offering, the sales performance had consistently decreased. In order to build trust and commitment, a company must intimately know and understand its people and itself (Ahmed & Rafiq, 2003). This aspect was extremely relevant. In fact when I was reading the article by Ahmed and Rafiq (2003), I understood the term "people" as making reference to employees and customers. For the bank to have increased its Islamic banking sales performance, it needed to ensure that front-line employees were properly equipped with the necessary knowledge and skills to offer Islamic banking products. Involvement also does not only concern people, but includes all organisational resources such as systems, equipment and information. Rafiq and Ahmed (1993) highlight that employing marketing techniques alone is limiting and emphasise that internal marketing requires the *involvement* of a number of departments working in unison. Immediately I felt that the authors were directing their report to the issue that existed at the bank. Employee commitment and involvement play a vital role in establishing a customer-oriented workforce. In order to show this relationship, reference is made to a study by Zaman, Khansa, Javaid, Neelum, Arshad, Asma, Bibi, and Saina (2012) in their article called *Impact of Internal Marketing on Market Orientation and Business Performance* which is discussed in the following paragraph.

Zaman et al (2012) conducted a field study at 12 commercial banks in Pakistan, where they wanted to determine the overall perception of employees towards internal marketing. In the study they used a convenience sampling technique to collect data from branch managers, senior managers as well as the front-line employees of the banks. To obtain the necessary data closed ended questionnaires were issued to 550 employees across the banks of which 350 were successfully returned. To analyse the data collected, the researchers used descriptive statistics for frequencies and inferential statistics for correlation analysis and regressions. Apart from establishing a significant relationship between internal marketing and employee commitment, the research concluded by confirming that employee commitment is an antecedent for employee customer-orientation behaviour.

3.1.2. Employee customer-orientation behaviour

Employee customer-orientation behaviour refers to the degree employees assist and help customers make purchasing decisions that will satisfy the needs of the customer (Saxe & Wietz, 1982). Yusuf et al (2015) is more specific in terms of the extent of the help provided by employees to customers. They indicate that *customer-orientation* consists of both "attitudinal" and "behavioral" dispositions of the employees toward helping customers in making their purchasing choices and decisions. The display of *customer-orientation* is demonstrated by a variety of activities carried out mostly by front-line employees to improve customer satisfaction (Nebo & Okechukwu, 2017).

In order to establish an effective internal marketing programme, banks must be willing to invest in adjusting its culture as well as adopting the concept (Alhakimi & Alhariry, 2014). Before designing any internal marketing activities, managers need to ensure that they engage the employees of the organisation (Ferdous & Polonsky, 2014). This process serves as an integral part of the development of the internal marketing activity designed for this action research study. If this was not done, I may have not had the commitment of the various stakeholders, specifically the participants. Internal marketing activities should involve empowering front-line employees, including them in the decision-making processes, and formalising communication between all levels of management and their front-line employees, thus demonstrating inclusivity (Ferdous & Polonsky, 2014). According to Benoy Joseph (1996) winning internal marketing activities consist of a set of activities which are to recruit, train, communicate and co-opt. Others highlight similar internal marketing activities that may lead to employee commitment and customer centric behaviour, such as *training and development, empowerment, internal communication, as well as reward and recognition* (Caruana & Calleya, 1998; Conradie, Roberts-Lombard & Klopper, 2014). In order to implement an internal marketing programme, the role of management and leadership is a primary necessity. To show this, I provide a review of an article, "*The Role of Leaders in Internal Marketing",* written by Wieseke, Ahearne, Lam and van Dick (2009).

3.2. Leadership influence on internal marketing

To test the hypothesis, "transfer of organizational identification from leaders to followers", Wieseke et al (2009) conducted a comparative empirical study between relationship based pharmaceutical field sales representatives with less supervision and travel agencies with closer supervision. A primary focus of the study was to determine the difference in terms of the impact charismatic

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leaders and non-charismatic leaders had on followers or participants of the study. House (1976) describes charismatic leadership in his work study as a leadership style, whereby individuals are able to use their personal ability to influence and inspire followers to execute and accept instructions, guides or will of the leader without hesitation. Using quantitative data collected via questionnaires, the researchers found that charismatic leaders act as a driving force which lays the foundation for internal marketing. The finding of the study further highlighted three important outcomes: 1) leader's organisational identification directly influenced the organisational identification of the follower, 2) the transfer process of organisational identification did not only occur between manager and employee, but also at a higher level of management, and 3) the transfer of organisational identity from a charismatic leader to front-line employees resulted in a higher level of sales and much better performance. Even though this action research study does not specifically focus on organisational identification as a concept, it highlights the impact and influence of management over front-line employees. According to Wieseke et al (2009:126) "leaders represent the personal actualization of the otherwise abstract, impersonal existence of the organization". Due to this it is possible that what leaders do, feel and think could have an impact on front-line employees' behaviour. In the study, the researcher highlights the important role of middle managers. According to the Wieseke et al (2009) the role of middle managers are often neglected in terms of their influence over followers. With new product development, sales and service campaigns taking place at the top structure of management and promotion done by front-line employees, ignoring the role of middle management in the process can be harmful to an organisation's internal marketing programme (Wieseke, et al., 2009).

Reviewing the literature, it is identified that internal marketing is essential for organisations to implement as it will assist front-line employees in becoming more customer focused. With internal marketing being supported by leaders and management in the organisations, it is more than likely that employees will be more committed to the organisation's strategy. Apart from the development of internal marketing as a primary concept of this action research study, the bank also employs internal marketing as a strategy to promote many of its key product segments to front-line employees. In order to provide a view of the implementation of internal marketing at the bank, I provide a description in the following section.

3.3. Internal marketing activities at the bank

After identifying internal marketing activities as a core contributing factor to improving the behaviour of front-line employees in the bank with regard to offering Islamic banking products, it became necessary to understand the current internal marketing strategy of the bank. This was also identified through the guidance of my supervisor. Through consultation and dialogue with my supervisor, it was identified that internal marketing activities could possibly be lacking throughout the bank. It was on this basis, that I embarked on a journey to investigate whether middle and senior management of the bank pay attention to internal marketing and whether it is implemented on all levels of management, product houses and departments.

Starting my investigation, I made contact with the head of the performance management team in the customer facing division of the bank, who highlighted some programmes and activities that the bank employs to obtain the desired behaviour from front-line employees, such as customer-centricity and commitment to driving the bank's overall strategy. The first programme that the senior manager highlights is known as a Capability Development Programme (CDP) which is targeted at branch managers of the customer facing division. The CDP provides branch managers with the necessary tools and skills to enable them to manage their branches more efficiently and more profitably. These skills range from income and expenses control, operational efficiency, employee development and motivating front-line employees to promote banking products that meet customer needs. The CDP enables branch managers to create a shared focus in the branch, where all employees accept responsibility and accountability for working towards achieving a profitable bottom line. In order to understand the practical implications that the CDP has on front-line employees, I conducted face-to-face semi-structured interviews as well as telephonic interviews with front-line employees and branch managers. Speaking to branch managers, it was confirmed that the CDP is assisting to better manage the branch and to run the branches that they manage as franchise owners. To some extent the description by branch managers was almost identical to the objectives of the CDP. Speaking to front-line employees at branches where branch managers attended the CDP, a different view was provided. Front-line employees who were interviewed at a specific branch stated that whenever their branch manager returned from attending a CDP session, the branch manager was exhausted and tired from the course and they have not seen any new changes in the way things are done. During this engagement, a customer service manager also indicated that the manager had not communicated any of the information

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shared at the CDP sessions attended to the employees at the branch. A significant change that will be taking place within the customer facing division, and particularly within branches, is that employees will no longer only be measured on targets, but also according to a balanced scorecard.

The balanced scorecard of the bank is divided into five categories, namely; *company, customer, colleague, citizenship and conduct.* These categories are also known as the five C's that form the bank strategy. A description of the 5 C's with reference to each objectives within each category can be seen in **Table 4.**

Table 4: Strategy of Traditional Bank

Category	Objective
Company	Focuses on sustainable revenue growth within the framework of an appropriate risk appetite and disciplined cost management.
Customer	Providing the full value proposition including products and services through physical and digital channels.
Colleague	Attracting and retaining talent, increasing the succession coverage, employee engagement, diversity and inclusion, skills development, performance and rewards, as well as health and wellness.
Citizenship	Manage citizenship commitment across employee conduct, stakeholder management, environmental and social impacts, access to financial service, helping business start-up and grow, youth employability and community upliftment.
Conduct	Maintaining high ethical standards, responsible lending, treating customers fairly and regulatory change.

As can be seen from the strategy, the traditional bank strives to ensure that the product offerings are aligned to customer needs and that all transactions and engagement with customers are transparent and ethical. Part of the bank's strategy is to increase its share of wallet with each customer through cross-selling and upselling. It is the existence of these strategies that leave

room for ethical boundaries to be overstepped. This means providing customers with products that they do not need. In order to address the issue and create a customer centric environment, the bank has also developed a programme called 'Involved', which is targeted at front-line employees.

According to the performance manager of the customer facing division, 'Involved' encourages front-line employees, specifically customer service clerks to verify all customer information as recorded accurately to ensure that customer requirements are acknowledged and respected such as marketing consent. The 'Involved' programme further enables front-line employees to confirm that customer contact details are correctly recorded on the system, to ensure that communication and marketing of products are addressed to the correct customer. It also provides front-line employees with an opportunity to have engaging conversations with customers and offer value added products such as sms notification, internet banking, as well as loyalty programmes. To ensure that the desired practices are applied by front-line employees, observation and support is provided to branches by the training and implementation department. To ensure that front-line employees are informed about the bank products, there are formal programmes that are provided by the customer facing division as well as self-initiated programmes within branches.

The bank provides front-line employees with toolkits that can be utilised via the banks intranet to assist with product knowledge. In some instances classroom training is also provided to assist front-line employees with the necessary skills and product knowledge. According to the performance manager, branches have also been requested to have product knowledge quizzes during their morning meeting huddles. Hearing this from the performance manager, I wanted to find out more as to how these quizzes were implemented within branches. Speaking to a branch manager, I was informed that sales performances and team talks are discussed at a huddle every morning. According to the branch manager, they have not specifically used the activities as advised, but discuss product features and descriptions within the huddles. I then asked the branch manager, how they discuss specialised products, such as foreign exchange, Islamic banking and home loans. The branch manager informed me that there was not enough time to discuss everything during a twenty minute huddle. It is at this stage that I understood the impact that middle managers such as branch managers can have, when not transferring the ideas and strategies to front-line employees from senior managers. During my conversation with the branch

manager, I was also informed that once a week a conference call is made with all the front-line employees, branch managers (middle managers) and senior management of the customer facing division, whereby planning and key focus areas are discussed for the current and upcoming week. This weekly conference call between front-line employees, branch managers (middle managers) and senior management is also used as a platform for product specialists or champions to promote their offering. Speaking to another branch manager, I was informed that the presence and regular communication of a product specialist is extremely important for the promotion of a specialised product. This branch manager highlighted that the lack of communication by product specialists are key contributors to the lack of focus by front-line employees with regard to specialised products.

To understand the process involved in obtaining the commitment and "buy-in" from front-line employees who are also the internal customers, I made contact with a marketing consultant at the bank. Speaking to the marketing consultant, I was informed that the bank has two primary focuses when launching a new or a revised product. One being an external focus, which refers to advertising and another being an internal focus. According to the marketing consultant the first primary objective of the internal strategy is to create awareness about the new or revised offering that is identified as the key strategic focus of the bank. This is often done through exciting and innovative employee engagement forums as well as knowledge transfer sessions. These programmes are driven by the senior management of the province and supported by the training and implementation department. I could not help but ask the marketing consultant, how the momentum is sustained and how front-line employees are continuously encouraged to promote products. According to the marketing consultant, it important that the bank sees a return on its investment by providing front-line employees and branches with targets. This was extremely ironic as this had not been the case for the Islamic banking offering of the bank. The marketing consultant highlights that employee engagement forums are conducted thrice a year which allows for assessment and continuous improvement on products that have not been taken up by customers. The explanations and information provided by the marketing consultant is fairly useful and showed that the bank does employ internal marketing strategies specifically to promote key strategic focus areas. It is important to note that during an interview with the manager of the training and implementation department, I was informed that Islamic banking is not regarded as

a strategic focus area. This immediately took me back to primary concerns I had when joining the bank.

Assessing the internal marketing strategy of the bank, it is more than likely that senior management understands the importance of internal marketing but is more focused on generating sales and revenue, and to some extent neglects to properly transfer the vision and focus to frontline employees via middle managers. With Islamic banking products not being assigned as a set target for front-line employees, and not identified as a key strategic focus area, it is more than likely one of the primary reasons for the poor performance of the Islamic banking sales in the Western Cape. The role of a product champion is seen as a critical part in the promotion of Islamic banking as well as other specialised products. With the lack of presence from a product champion, it is more than likely that front-line employees will only focus on the traditional products and products identified by management as key focus areas. The lack of communication within the hierarchical structure of the bank is seen as a concern due to activities and strategies identified by senior management which are not necessarily properly executed. Thus, with regard to Islamic banking, my research suggested that there was a lack of serious attention by middle management to engaging in internal marketing activities.

3.4. Why did I want to investigate this area? Why was this a concern? What are my contexts?

The first day I started at the traditional bank as an Islamic banker, I was placed with a senior front-line employee who showed me around the building and how to use the computer system of the bank. Being new to the institution, I was overwhelmed, as I did not know what was required from me. This was further aggravated by my lack of knowledge and experience in banking. Whilst I was receiving on the job training around the usage of the system, I was not exposed to any Islamic banking products training. I could not understand how the bank expected me to do my job. Even though I am a Muslim and have a basic understanding of my obligations according to Islamic law, Islamic banking and Islamic banking products were new to me. I would lie awake at night, worried and stressed about what will happen at work the following day. Driving to work in the morning, I was filled with anxiety and posed questions to myself, such as, is this the right thing for me? I don't think I will ever get this right. I would arrive at the office and all that was discussed at the meeting in the morning was sales expectations and performance. It was the most unpleasant feeling. After realising that I will not be getting the necessary formal training for Islamic banking, I

took personal responsibility to acquire information on Islamic banking products, concepts and principles. This led me on a quest of searching for additional reading material to improve my knowledge on Islamic banking. This included information on the traditional banks intranet, websites of competitors and other Islamic banking websites. By doing this, I was able to obtain information that I did not previously know and felt more at ease that I had acquired some knowledge on Islamic banking.

Now that I had some basic level of understanding of Islamic banking, I could inform customers of the Islamic banking products that the bank offers. Often I found customers not being aware of the offering, many of whom were quite surprised to hear about the Islamic banking offering. I remember seeing a Muslim client and informing her of Islamic banking and she was so impressed with the offering. The customer opened a savings account and later that week recommended two of her friends who would like to save money for pilgrimage. This was purely the result of firstly being actively willing to promote the Islamic banking offering and secondly assisting the customer with proper advice that allowed the customer to make an informed decision. At the branch where I was situated, I did not only see Muslim customers but non-Muslim customers as well. Often I found myself in consultation with non-Muslim customers and informing them of the bank's total offering which comprised of traditional banking and Islamic banking products. Talking about the Islamic banking offering, I would often highlight the ethical and moral principles of the offering. Due to this approach, I found non-Muslim customers selecting the Islamic banking products based on attributes of the offering that related to the customers values. In many cases non-Muslim customers would also select Islamic banking investment products if the return was greater than the traditional offering. More than that, customers valued the advice given as they were able to make an informed decision. This, however, was not the case for customers being assisted by fellow front-line employees.

At the bank, front-line employees are expected to promote all products to customers as guided by the code of banking practice and the Consumer Protection Act No 68 of 2008 (CPA) in South Africa. This enables customers to make informed decisions when selecting suitable banking products. Many front-line employees do not offer Islamic banking products to non-Muslim or Muslim customers for different reasons. In the event that a non-Muslim front-line employee engages a Muslim customer, they feel they might offend the Muslim customer by saying

something wrong. On the other hand, a Muslim front-line employee will offer Islamic banking products to Muslim customers but not to non-Muslim customers, on the assumption that the product is only for Muslims. I have always felt that this was unfair towards the customer as they could not make informed decisions about banking products that could meet their specific needs. It was clear that front-line employees lacked customer centricity as they could not help customers to make informed decisions. Customers have the right to know about all the banks products which include the Islamic banking offering. Starting with my master of commerce degree, I used the opportunity to engage with front-line employees in branches as well as senior management to understand the underlying challenges and issues.

3.5. **How could I show the situation as it was? How did I monitor practices and gather data?**
Islamic banking at the traditional bank has been around for over ten years and the awareness and understanding of the Islamic banking products has remained poor for many front-line employees. Having worked as a dedicated Islamic banker, I often found that front-line employees expected that the focus on Islamic banking was entirely the responsibility of the Islamic banker. Now that there are no dedicated Islamic bankers, only a few front-line employees focus on promoting the Islamic banking products. I thought that this culture was created by the structure of having dedicated Islamic bankers. It is, however, interesting that the lack of offering Islamic banking products is also observed in the behaviour of newer front-line employees. In this section, I highlight more recent events and activities of Islamic banking at the traditional bank which I collected through observing behaviour as well as semi-structured interviews. In this section, the lack of internal marketing is apparent and clearly shows that there is no link between the internal customer and the external customer with regard to promoting the Islamic banking products.

After obtaining approval to conduct the research at the bank, I had to strategically select colleagues that are appointed in all levels of the hierarchy. On 3 April 2017, I started engaging employees in front-line roles, to understand why they were not promoting Islamic banking products. The first place I started was with colleagues to whom I had immediate access. The first person I informally interviewed was a front-line employee who had several years of working experience at the bank. Starting the discussion, I asked the front-line employee how comfortable they were with regard to offering the Islamic banking products. The response from the front-line employee was as follows, which I recorded in my journal:

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"I am very comfortable to offer the Islamic banking product as the product information is available on the banks intranet. Most of our customers do however ask for traditional products due to advertising. There is also a perception by our customers that Islamic banking products are only for Muslim customers".

At an interview with another front-line employee, the information provided confirmed that marketing and advertising of Islamic banking was not prevalent. According to the front-line employee customers do not ask for Islamic banking products, because there is no advertisement. The consultant further states that customers need to be informed about Islamic banking products during customer engagements or consultations:

"Customers never ask for Islamic banking products, you need to tell the customer and ask questions such as; are you interested? Can I explain it to you?"

As I recorded the responses to my questions during the interview on my smartphone, I also made detailed comments in my journal about the information received from the consultants. The above response from the consultant highlighted the important role that front-line employees play in marketing and promoting the Islamic banking offering to customers. According to Kamarulzaman and Madun (2013) when employees are not well versed and knowledgeable about the Islamic banking products, the result is that they fail to market the product effectively.

The lack of knowledge by front-line employees has been a factor that hindered the performance of Islamic banking at the traditional bank in the Western Cape. During another interview, a front-line employee confirmed to be personally using an Islamic banking product. Through the use of the product, the front-line employee became more knowledgeable about the product. It is on this basis that the front-line employee more than often informed customers about the Islamic banking offering. Even though this front-line employee reflected the attributes of treating customers fairly and providing advice that is transparent, the knowledge on Islamic banking was only limited to the product that the front-line employee used. Asking the front-line employee whether the other Islamic banking products are offered, the response was as follows:

"I only offer customers the Islamic banking product that I use and know. I don't offer the other Islamic banking products because I do not know it. I am used to selling the normal product and I don't make an effort to learn the other products".

It is at this stage where I could identify that there is certainly a knowledge gap in terms of the Islamic banking offering. In order to clarify my perception, and based on my personal experience, I asked the front-line employee directly whether formal training was received. According to the front-line employee, since being employed by the bank, the front-line employee had not received any formal training. This was alarming as it was to some extent questioning the advice that the front-line employee provided to customers. In the following paragraph, I highlight an event that shows the lack of knowledge and how it impacts on the ability of front-line-employees to promote the Islamic banking offering.

In May 2017, I found myself at a branch where I sat amongst fellow front-line employees. It was in the late afternoon that I heard the whispers of "What am I going to do? The customer wants to know more about Islamic banking products. Who can I speak to?". It was interesting to observe this conversation as both front-line employees were afraid to meet with the customer. Another front-line employee was aware that I was at the branch and directed them to me. They informed me that they have never sold any Islamic banking products for as long as they were with the bank. This was a very informal discussion, which I recorded in my journal. I advised the front-line employee to meet with the customer and firstly assess the customer's needs. If there was anything that the customer asks that was complicated, she could refer them to me. I further used the opportunity to inform the one front-line employee about my research and that I wished to do an interview with them.

On 9 May 2017, I met with the front-line employee to discuss the challenges experienced with regard to offering Islamic banking products. I explained the research topic and informed the front-line employee that the interview would be recorded on my smartphone. Asking the front-line employee about exposure to training on Islamic banking, the front-line employee highlighted the last time training was attended, which was approximately eight years ago. It was also during this time when the lack of awareness of Islamic banking by front-line employees was also identified as a contributing factor to the poor focus on Islamic banking by front-line employees. In addition to the awareness, the front-line employee emphasised the importance of addressing the

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knowledge gap of Islamic banking by front-line employees, as this would directly contribute to the promotion of Islamic banking:

"Irrespective of location, knowledge and awareness around the product will get front-line to focus on Islamic banking. If you sell to the client you need to be confident, you need to believe in it and you can only gain confidence and believe, if you know the product".

The feedback received by the front-line employee was concerning which led to me seeking information on the bank's intranet which could support them to improve their knowledge with regard to Islamic banking. Visiting the intranet of the bank, I found that the information provided on Islamic banking products was outdated and reflected profit sharing ratios of 2013 and 2014. This was alarming and did not reflect well on the proactiveness and drive from the Islamic banking division to equip front-line employees with information and statistics which are up to date. I went to the bank's website which are accessed by customers and saw the same. It was mind-boggling that the bank would not ensure that information which is accessed by internal and external customers are up to date. According to Kamarulzaman and Madun (2013), it is important to disclose information on the products to customers so that they can evaluate and judge the products for themselves. Knowing about this information and in order to improve the virtual platforms for internal and external customers, I contacted the Islamic banking division and informed them of my concern. They were aware of the problem and informed me that the information would be updated on the later version of the website. At the time of writing this thesis, the external website of the bank was updated but not the intranet.

In order to develop a basis of the banks performance in terms of the take up of the Islamic banking products by customers in the Western Cape, I made contact with a senior manager in the customer network to assist with performance statistics. The senior manager was very helpful and emailed the statistics to me. Assessing the three year and four month historic comparative performance, it was identified that the sales performance of Islamic banking had decreased year on year. As at April 2017, the total sales performance of Islamic banking was quite low compared to previous years. The data provided to me by the senior manager confirmed my initial concerns. The diagram below does not show actual figures but provides a view of historic performances.
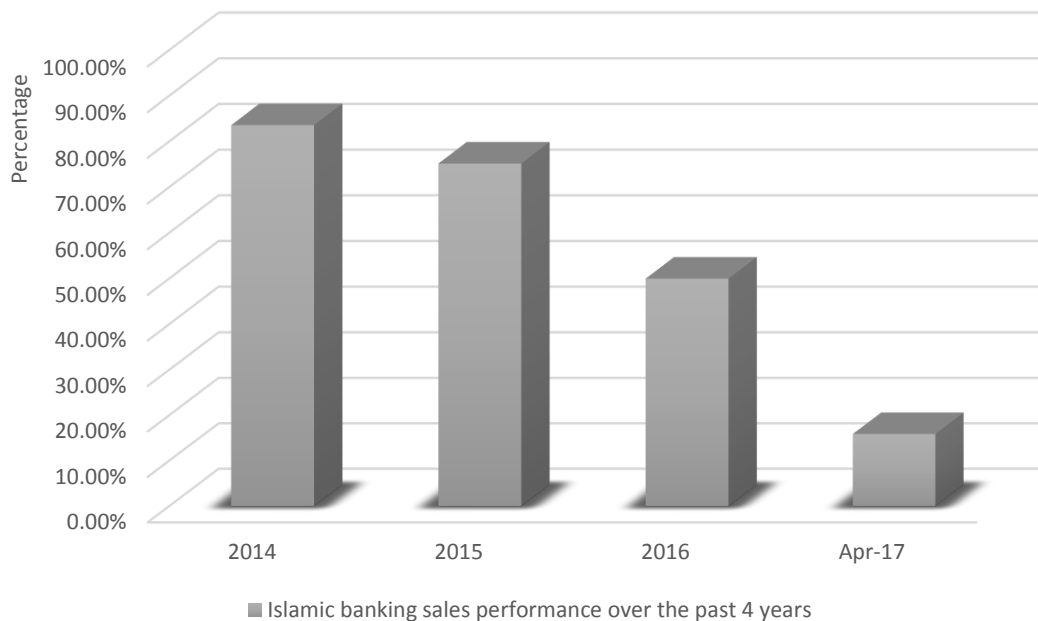
Graph 1: Islamic banking Sales Performance from 2014 up to April 2017

Based on the figures provided in **Graph 1**. It is evident that Islamic banking sales performance has decreased year on year. It is essentially the decreasing performance of Islamic banking that I would like to address. In search of the underlying issues that were impacting the growth of Islamic banking sales, I scheduled an interview with the manager of the training department in the Western Cape, which I recorded on my smartphone. The reason for interviewing the manager was to enquire how many front-line employees had attended Islamic banking training. According to the manager, the training that was provided to employees is through a sales academy, where employees are trained on all the offerings of the bank and not Islamic banking specifically. The statistics provided by the facilitator via email indicated that since 2013 to 2017, only 140 front-line employees attended training for Islamic banking. It was interesting to note that the precise number of front-line employees who received training on Islamic banking in 2017 was only nine at the time. The figures were somewhat an indication that there was a lack of focus across the bank and specifically from management to up skill and equip front-line employees to promote the Islamic banking offering. Understanding the concerns, the manager of the training department further offered to support and assist me, if training was required.

The collection of data has been a crucial part of understanding the issues that hinder the growth of Islamic banking at the bank. In order to understand the current situation at the bank with regard

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to Islamic banking, I conducted interviews with 27 employees at different levels of the organisation's hierarchy. In addition to collecting data from interviews, I also observed the behaviour of employees at the bank as well as additional events hosted by the bank. In qualitative research there is no specific sample size for data collection. Data is however collected until a saturation point is reached (Fusch & Ness, 2015). Attending an employee engagement forum held by the Western Cape branch network was a reflection of these challenges. Sitting in the audience and waiting in anticipation for a senior manager to present on Islamic banking, I noticed marketing material such as mouse pads as gifts for front-line employees. The mouse pads contained a description of the benefits and features of a transactional account that was being promoted. What was interesting was that the product promoted on the mouse pad was also available under the Islamic banking offering, but was not stipulated. A good idea would have been to add to the information on the mouse pad, indicating that the product was also available in a shariah compliant structure. This could lead to creating awareness on Islamic banking and in keeping Islamic banking at the top-of-the-mind of front-line employees. While recording this information in my journal, the master of ceremonies introduced the senior manager who conducted the Islamic banking presentation.
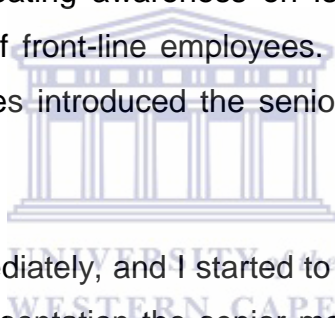
My attention shifted almost immediately, and I started to record a video of the presentation with my smartphone. Starting the presentation the senior manager was extremely nervous, lacking confidence and a basic understanding of the Islamic banking offering. It was nail biting to watch the presentation and to some extent disappointing. The selection of presenter showed that limited effort was made to ensure that a knowledgeable individual was identified and involved in ensuring that an accurate and confident presentation was provided. This development spoke to the commitment of senior management to up skilling and empowering employees on the Islamic banking. Apart from confidence which the presenter lacked, some of the explanations given on Islamic banking concepts were incorrect. The following statement by the senior manager serves as evidence:

"If you look at the structure of our products, it also falls within what we call the qard structure, where it is really the pre-agreement on the profit-sharing as to investments as well as the loans".

The *qard* concept in Islamic banking refers to a loan particularly on a cheque account product and not a pre-agreement on the profit sharing, as explained by the senior manager. Jalil and Rahman

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(2010:228) define *al-qardul hasan* as a benevolent loan given to a needy person for a fixed period of time. They further state that the shariah prohibits taking interest or benefit from a loan given. Due to this event happening, it was evident that the senior manager did not have a fair grasp of the Islamic banking offering. The employee engagement forum was attended by approximately two hundred front-line employees and took place over two sessions. This was an ideal platform to involve employees who are knowledgeable on the offering and could provide a much more clear and accurate presentation on the offering through knowledge sharing. According to Abuazoum, Azizan and Ahmad (2013) knowledge sharing is unquestionably an important component for all organisations, especially for banking institutions pursuing knowledge as an intangible and well sought-after asset. This observation did not only show the lack of knowledge from front-line employees but that of senior management as well. Leaving the venue I immediately called the senior manager of the customer facing division to request that I present on Islamic banking at the next employee engagement forum, which was scheduled for the following week. I discuss the details of this presentation later in the report.

The last event I would like to highlight is a roadshow that focused on the strategy and future goals of the bank. The roadshow is identified as a key event on the calendar of the traditional bank, as it provides a platform for the senior management of the province as well as national senior management to engage employees from various business units. According to a senior manager in the sales division of the bank, collaboration across the various business divisions is essential for the organisation, as the primary objective is to solution a customer holistically. A fundamental part of the bank's strategy is to ensure that front-line employees have the confidence and belief to inform customers of the bank's complete offerings. The senior manager of the sales division describes confidence and belief in the following way:

"Confidence is the ability to train yourself and belief is achieved through a process of repeating".

Listening to the senior manager, I understood that all business divisions, management and front-line employees have a collective responsibility to acquire the necessary training to perform optimally. Once the training has been acquired and is followed with consistency, then the action will become second nature. This, however, was not what was really happening on the ground with regard to Islamic banking. Interestingly enough, the roadshow was for a full day but there was not

a single mention of the Islamic banking offering. While writing this report, I realised that this roadshow served as an ideal platform to reposition Islamic banking at the bank not only in the province but in the country.

The entire journey thus far has been very insightful and provided me with an idea of the challenges and concerns that front-line employees and customers experience. After conducting interviews with some front-line employees, listening to presenters at events, as well as observing behaviour of front-line employees, I had to think of ways that I could help to improve the current situation. It is important to note that these facts were based on data collected, as well as my own assumptions.

3.6. Researcher's Assumptions

Having done other research projects before, I have only utilised conventional research methods. I was introduced to action research as a research philosophy this year and it was something new to me. I have never heard of action research before and I was overwhelmed when my supervisor asked me to use action research for this thesis. Starting with my research, I struggled to make the adjustment from conventional research to an action research study. Even though I was exposed to concepts such as epistemology and ontology, I struggled to understand it in relation to myself. Undertaking this action research study, I learnt how to see the world through a different set of eyes. As the researcher of this action research study, I believe that the world is already constructed and that everyone views the world in a different way, due to experience and exposure. According to Bryman, Bell, Hirschsohn, Dos Santos, Du Toit, Masenge, Van Aardt and Wagner (2014) an interpretivist or subjectivist belief, acknowledges that multiple versions of reality exists and that truth evolves and changes according to experience. An interpretivist ontology assumes that the reality is constructed intersubjectively through meanings and understanding developed through social activities and experiences (The Robert Wood Johnson Foundation, 2008). It is with this in mind that I base this study on the belief of interpretivism, as I do not believe that learning is a linear process, but that it is rather complex and nonlinear in nature (Fosnot & Perry, 2005). Based on this assumption, this study follows a process ontological view. This means that everything that occurs simultaneously and triggers unintended activities and interventions is directed at improving behaviour. Subscribing to an interpretivist epistemology, I believe that we cannot separate ourselves from what we know. The Robert Wood Johnson Foundation (2008) states that within an interpretivist ontology, the researcher and the object of the investigation are linked, such that who we are and how we understand the world is a central part of how we

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understand ourselves, others and the world. In order to apply any intervention to improve individual learning or situations, it is important to understand what has happened? How did we get here? Once these questions are answered, it is important to understand what is currently going on. With an objective of improving behaviour, these questions will guide the actions that need to be taken for progress. It is important to acknowledge that as the research unfolds and a situation improves, it is not attributed to the contribution of one single individual or agent but rather to a collection and a combination of individuals, activities and interactions as well supporting processes. Having this belief, it guided my approach in selecting the appropriate research method and research design.

3.7. **What could I do about it?**

Using my master's research as an opportunity to investigate my concern, I approached a senior manager at the traditional bank to obtain approval to conduct my research. I started by compiling an information letter as well as a letter of consent requesting permission. These letters included statements of confidentiality and ethical conduct which can be found in Appendix B, C and D. McNiff and Whitehead (2010:76) highlight the importance of drafting letters and requesting permission by stating the following: "Keep in mind that we live in an age of litigation, and you have to protect yourself as well as your participants". The preceding quote indicates the importance of acquiring permission at an organisation when conducting research. It was therefore a priority to me when I met with the senior manager of the customer facing division to explain my research topic as well as the research method that I would be utilising. This was done by providing the senior manager with my information letter as well as a consent form. After reading the information letter and receiving clarity on the research process, the senior manager signed the letter of consent which allowed me to conduct the research at the bank. It is important to note that all the participants of this action research study signed a letter of consent, in which they agree to participate and in which all identification details would remain confidential.

Being in my position as a business banker who manages a portfolio of 300 clients, I needed to think of ways that would allow me to focus on my core role, whilst seeking alternative measures and strategies that would assist in improving the sales performance of Islamic banking. More importantly, I needed to seek ways that would assist me in improving the behaviour of front-line employees. In this section of the report, I discuss concepts and practices of what I could do to

improve the situation at the bank, which is not found in a conventional research study. As a first step to guide my approach, I identified the Theory of Planned Behaviour (TPB) by Icek Ajzen as a conceptual framework.

3.7.1. Theory of Planned Behaviour

I was first introduced to TPB while tutoring a research module. The TPB indicates that human behaviour is guided by three considerations: attitude, social norms and Perceived Behavioural Control (PBC) as can be seen in **Figure 1**. This meant that if I would like to change the behaviour of front-line employees at the bank, I would have to direct my strategy and activities at these three major predictors (attitude, social norms, PBC).
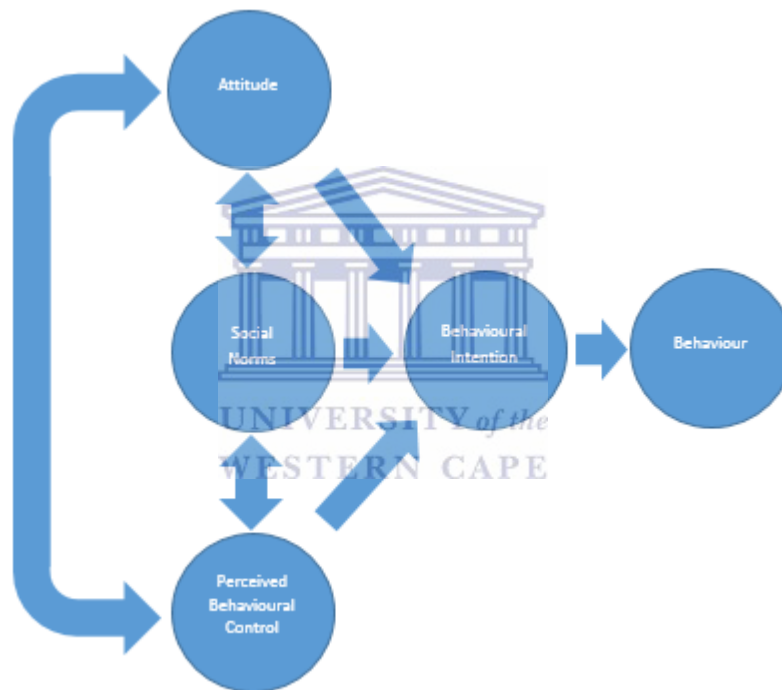
Figure 1: Theory of Planned Behaviour (Ajzen, 1991)

Before explaining the above diagram, I provide a short description of the main predictors of behaviour intention which result in a certain behaviour. According to Icek Ajzen (1991) *attitude* refers to the degree to which a person has a favourable or unfavourable evaluation or view towards a certain kind of behaviour. *Social norms* also known as *subjective norms*, refer to the assumed social pressure to perform or not to perform or act in a certain way. *Perceived behavioral control* on the other hand refers to the perceived ease or difficulty of performing a certain task or behaviour. If any of the primary predictors are influenced, it will have an effect on an individual's behaviour to perform a given task.

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It is further highlighted that the role of the each predictor may vary depending on the desired behaviour. In some instances, it may be found that only one of the predictors has an impact on the intention to behave in a certain way, and in other instances it may be found that two or all three of the predictors has an impact on the intention to behave in a particular way. Ajzen (1991), however, highlights that the higher the effect of *attitude* and *social norms* with regard to behaving in a particular way, coupled with a strong perceived behavioural control, it is more than likely that an individual will act accordingly. In order to understand which predictor or predictors could be relevant to the study, I engaged literature that investigated behaviour of front-line employees within a banking context. I discuss the literature below to show possible effects and strategies as to how I could change the behaviour of front-line employees at the bank.

3.7.1.1. Attitudes of Employees

A recent study by Ali and Hassan (2017) at an Islamic bank in Malaysia highlights responses from twelve out of fifteen participants, indicating that the lack of Islamic banking awareness by employees is the most common reason that shapes employees' attitudes towards Islamic banking. Employees' attitudes in this context can be operationally defined as "attitude of employees towards Islamic banking practices including their perception of Islamic products and services" (Ali, Hasan & Omer, 2017:28). A study conducted in Pakistan by Ali et al. (2017) where the attitude of employees towards Islamic banking was assessed, indicated that shariah training can help improve the attitude of an employee towards Islamic banking. Ahmed and Rafiq (1995), further identify activities such as internal communications, presentations, and training as measures to raise awareness and skills in order to have employees perform certain tasks. They also highlight that regular communication as well as compliments can create and maintain a positive attitude. Being exposed to this literature, I identified attitude as a possible predictor that could change the behaviour of front-line employees at the bank.

3.7.1.2. Perceived behavioural control

Searching for articles that investigated the role of perceived behavioural control and its impact on front-line employees within a banking context, I came across the theory of perceived self-efficacy constructed by Albert Bandura, a Canadian psychologist with a number of academic contributions (Bandura, 1977). Ajzen (1991) highlights that perceived behavioural control is compatible to perceived self-efficacy. "Perceived self-efficacy is defined as people's beliefs about their capabilities to produce designated levels of performance that exercise influence over events that

affect their lives" (Bandura, 1994:71). In a study conducted by Pattnie, Soutar and Klobas (2007) at five retail banks, they investigated the impact of a self-management training course on front-line employees specifically related to three dependent variables: *learning, self-efficacy and performance*. Following a quasi-experiment field study, the objective of the study was focused on improving product sales. In order to measure the significance of the study, the researchers divided front-line employees into two groups: a control group who received information through informal discussions and a trained group who attended the self-management training course. Assessing the data collected from self-completed questionnaires and performance evaluation forms, it was found that the three dependent variables differed between the two groups. **Table 5** provides the statistics extracted from the study, highlighting the scores for each variable.

Table 5: Descriptive Statistics from Quasi Experiment (Pattnie, et al., Summer 2007)

Group	n	Pretraining		Four Weeks		Twenty-Four Weeks	
		M	SD	M	SD	M	SD
Learning							
Trained	40	1.83	.3	2.34	.6	2.19	.72
Control	36	1.8	.32	1.98	.42	1.78	.5
Self-efficacy							
Trained	40	53.6	13.34	65.31	13.36	68.97	13.58
Control	39	57.17	12.87	58.91	9.79	59.4	13.38
Performance							
Trained	44	3.31	.62	3.45	.59	3.61	.48
Control	43	3.29	.65	3.44	.57	3.56	.58

Group size (*n*)   Mean (*M*)   Standard Deviation (*SD*)

The findings of the research highlighted that learning scores were higher for the trained group than for the controlled group. This is identified through a shift in the mean (*M*) which can be seen in **Table 5**. It was also found that after 24 weeks the effect of the training persists with regard to the trained group, whereas the control group did not retain what they had learnt through informal discussions. Assessing the impact on self-efficacy between the two groups, it was found that the self-efficacy scores for the trained groups increased significantly in comparison to the control group. Due to an increase in self-efficacy scores, it was also found that product sales increased by trained front-line employees. The latter part of the study also identifies that the performance of trained front-line employees had also increased. Having read this article and having the insight

into the articles that discussed attitude, I identified training as an intervention that could address the lack of knowledge of Islamic banking by front-line employees.

3.7.1.3. Social Norms

According to Cialdini and Trost (1998), social norms are rules and standards that are understood by members of society and guides how people should behave when formal rules and standards are absent. With the research focusing on awareness and knowledge of front-line employees as well as the awareness of customers about Islamic banking, I find social norms to be relevant, but I only focused on attitudes and perceived behavioural control as contributing factors to change in behaviour in this study.

3.7.2. Lack of knowledge by front-line employees

With traditional banks offering Islamic banking products, front-line employees are required to promote both traditional and Islamic banking products. It is important to note that banks should not give preference to one over the other. In a study conducted in Indonesia by Mangundjaya and Madun (2015), it was found that employees were perceived to have a lack of understanding about Islamic banking concepts and viewed as not knowing how to distinguish it from traditional banking. The *lack of knowledge* by employees is a significant hindrance on the development of Islamic banking in Indonesia (Mangundjaya et al., 2015). According to Karbhari et al (2004), banks need to equip employees with all the technical banking knowledge as well as adequate Islamic banking training to those who want to participate in Islamic banking. Moutinho and Jabr (1990) on the other hand, highlight that employees must be well trained on how to sell banking services, before banks promote and advertise products.

3.7.3. Lack of awareness by front-line employees

Buchari, Rafiki and Al Qassab (2015) identify awareness of Islamic banking products and services as the understanding and acknowledgement of tradable items, the content of products and services as well as the functions. A recent study by Ali and Hassan (2017) at an Islamic bank in Malaysia highlighted that twelve of fifteen participants indicated that the lack of awareness by front-line employees is the most common reason that shape their attitude towards Islamic banking. In order to influence awareness, Buchari et al (2015) indicate that education played a significant role in addressing the awareness issue. At this point, I was presented with so many activities and techniques, but through literature it was recommended to have an education

programme that may assist with creating awareness and increasing knowledge of front-line employees. With an objective of wanting to improve the sales performance of Islamic banking products at the traditional bank, it was important that I select the appropriate research methodology.

3.8. Research Methodology

3.8.1. Research Approach

In my second year of the honours degree, I had an intention to do my masters and was advised that I needed to register for two research modules, namely, management research project and management research report. In order to do the management research report module in the second semester, I had to successfully complete the management research project module in the first semester. While doing this module, I was exposed to research approaches called quantitative and qualitative research. A quantitative approach is concerned with the collection and analysis of numerical data, whereas a qualitative approach prefers induction, informed by constructionism and interpretivism (Bryman et al, 2014). For the purpose of this research, I followed a qualitative approach based on my subjectivist position highlighted in **3.6. Researcher's Assumptions**. It is important to note that this thesis will not adopt a pure inductive approach, but will follow an iterative process. This means that after data has been analysed and it has not answered the research question/s, further data is collected to assist in establishing results that are solid (Bryman et al., 2014). This process involves moving back and forth in the research process. This activity is further entrenched by the utilisation of action research as the research design.

3.8.2. Action Research Design

Action research is an umbrella term for a research approach and research design that includes a shower of activities intended to foster change in a group, organisation and even at societal levels, whilst drawing novel insights from the process (Gallos, 2006). It is further described as an ethnographic approach, where the researcher is a total participant and collaborates with the client organisation to diagnose a problem and develop a solution based on the diagnosis (Bryman, et al., 2014). It, however, differs from traditional research which is usually conducted from an outsider's point of view (McNiff & Whitehead, 2010).

Using action research as the research design for this study, I actively engaged and collaborated with various stakeholders at the bank to seek ways to encourage front-line employees to include Islamic banking products in their consultations with customers. Action research further enabled me to be involved in the entire research process with the objective of improving my own learning and behaviour, as well as that of participants, towards promoting Islamic banking products. It was therefore important for me to select the correct action research framework. The objective action research is to ensure that the skills, attitude, knowledge and value of both the researcher and participants should grow over time, in order to improve lives (Reason & Bradbury, 2009). Action research comprises of a range of methods and frameworks such as critical participatory action research, emancipatory action research and informal action research (Rowell, Bruce, Shosh & Riel, 2017). Each of these methods incorporate slightly different approaches as can be seen in **Table 6**:

Table 6: Types of Action Research

Critical Participatory Action Research   • Critical action research expresses a commitment to bring together broad social analysis - the self-reflective collective self-study of practice, the way in which language is used, organisation and power in a local situation, and action to improve things. It has a strong commitment to participation as well as to the social analyses in the critical social science tradition that reveal the disempowerment and injustice created in industrialised societies (Kemmis & McTaggard, 2007).
Emancipatory Action Research   • Emancipatory Action Research (EAR) is about participation: all people involved come together as co-participants in a process of education for critical consciousness that informs action for social change. (Rowell et al, 2017)
Informal Action Research   • This type of action research is distinctive in that it is informal: it does not involve explicit planning and systematic data-gathering; it is not typically collaborative, being carried out largely by teachers in their own classroom; and the results of the inquiry are usually not made public, beyond informal conversations among teachers (Rowell et al, 2017).

This action research study encompasses elements of all three types of action research and I identify it as a problem solving participatory action research. This action research aims to improve three aspects: my practices, the practices of participants, and the conditions in which they practice. According to Rowell et al (2017) all three of these practices, how we understand them and the conditions that shape them, are inevitably bound together with each other. In seeking to transform and improve the practices and learning, problem solving participatory action research design helped me to conduct the study using a spiral of self-reflective cycles. According to Alrichter, Kemmis, McTaggart and Zubber-Skerritt (2002), action research is a continuous and iterative process and they define it as a spiral of cycles which consist of four phases: planning, acting, observing and reflecting. These stages can be identified in **Figure 2**. Even though the stages are cyclical in nature, Rowell et al (2017) indicate that its sequence is rarely found in the stated order. Due to the situational analysis and the substantial amount of literature being engaged at the beginning, I specifically focus on the quality implementation and intervention practice of the diagram.

Figure 2: Action Research Design Model
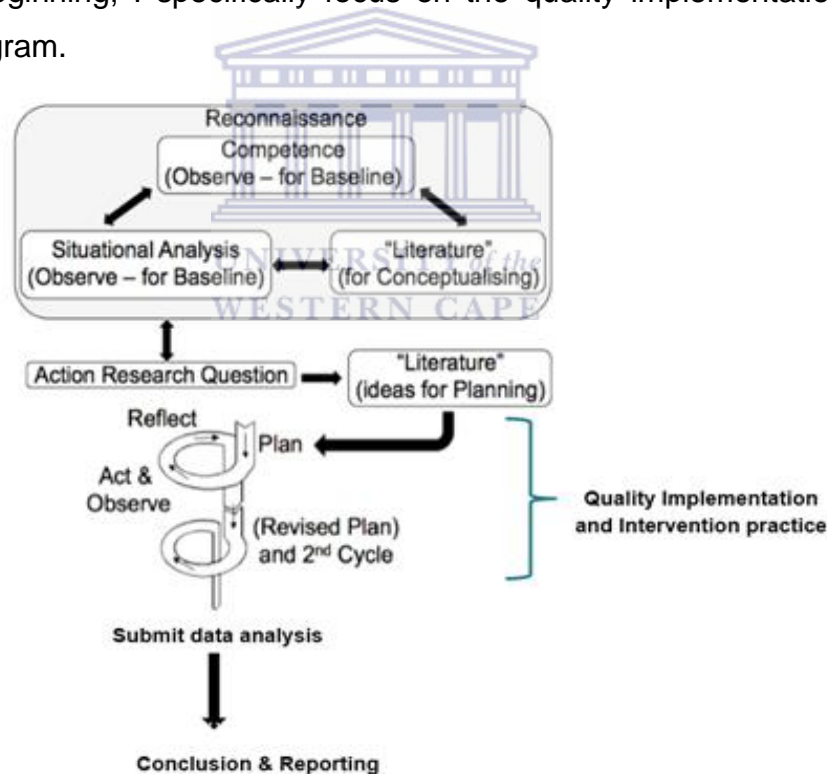
The mission of the plan is to develop an intervention that is directed at improving on what is already happening. This is guided by recommended practices and concepts identified in literature as well as the status quo of the situational analysis. According to Zubber-Skerritt in a paper published in 'Effective Change Management through Action Research and Action Learning:

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Concepts, Perspectives, Processes and Applications' edited by Sankara, Dick and Passfield (2001), we learn from experiences and whatever we learn must be put into practice and lead to improvement, change or development. Zuber-Skerritt further highlights that there is no learning without action, and no action without knowledge based on prior learning (Sankara, et al., 2001). This means that the learning that will take place during this study will contribute to an improvement in my knowledge and help identify interventions designed to improve the situation at the bank. Once the planning is done, I will be able to implement (action) the intervention based on knowledge obtained during the planning stage. In the Sage Handbook of Action Research Participative Inquiry and Practice edited by Reason and Bradbury (2008), Anisur Rahman identifies the content of 'action' in participatory actions research in the chapter 'Some Trends in the Praxis of Participatory Action Research'. Anisur Rahman further highlights that 'action' encompasses the action by people themselves and does not exclude any action taken by outside partners in such research (Reason & Bradbury, 2008). After the implementation of the interventions has occurred, it is important to observe the effects of the action in the context in which it occurs. This will enable me to continuously reflect and assess whether improvement or development is in place. If the intervention has a positive effect on the behaviour of participants, then we learn that a correlation exists and can make a claim to knowledge. If the behaviour has not changed, we can continue into the second cycle to revise or modify the intervention. Zuber-Skerritt does, however, recognise that there is no prescribed layout for action research projects due to the open-ended nature of solving complex problems in complex situations (Sankara, et al., 2001).

3.8.3. Data Collection Methods

Even though the primary approach used for this research thesis is a qualitative approach, the data collection methods utilised consist of qualitative and quantitative methods. The reason for selecting qualitative and quantitative methods is to obtain clear and accurate results. Collis and Hussey (2009), highlights that it can be misleading when referring to a research approach as qualitative or quantitative, as a researcher can design a study that is aimed at collecting qualitative data and then quantifies it by looking at frequencies or themes. The opposite is also true. A researcher could design a study that is aimed at collecting quantitative data but analyses it using non-numerical methods. For the purpose of this action research study the qualitative data collection methods that were used were observations, semi-structured interviews, interview

schedules, cellphone recordings, video recordings and journal records. In order to obtain more specific responses, I constructed a pre-training interview schedule, a post-training interview schedule and a two month post-training interview schedule which comprised of questions and optional answers on a five-point likert scale from which participants could select. Utilising multiple sources of data collection enabled me to extract a broad and detailed response from participants.

As a means of safety and security of the data collected, I used a virtual cloud programme called drop box to save all the data. Throughout this action research study, I conducted interviews with participants, which I recorded on my smartphone. Furthermore, personal feedback from participants via emails and face to face engagements were also provided. To monitor the performance of Islamic banking, data was also collected from an electronic sales report by measuring the performance on Islamic banking at the traditional bank in the Western Cape. Physical observations of participants were also done in the workplace to determine whether the training had led to an improvement in the promotion of the Islamic banking offering by front-line employees.

4. Chapter Four – Planning and implementation

4.1. What did I do about it? How did I do it?

After engaging the literature and matching it to the situational analysis, I selected an Islamic banking training workshop as a primary intervention to educate front-line employees on Islamic banking products, concepts and principles. In this section of the report, I highlight a list of events that have been directed at improving the current situation at the bank, which comprised of extensive engagements and interactions with senior management. The primary objective of these interactions were to obtain approval for the Islamic banking training workshop. It is important to mention, at this point. I was only focused on up skilling and educating front-line employees through the Islamic banking training workshop and had not identified or considered internal marketing as a concept which encompasses activities such as internal communication. The role of internal communication is seen as a vital strategy within this action research study, as it created awareness and obtained commitment from senior management as well as front-line employees. Apart from showing how the planning and engagements unfolded, I also critique myself as the researcher in the section and acknowledge my personal learning and areas of improvement.

Being employed as a front-line role employee of the bank, the support of senior management would be extremely important in order for me to implement any activity. A primary reason for this is due to the amount of power and influence that senior management have on the approval and acceptance of programmes and activities by middle and lower level management at the bank. It was with this in mind, that I strategically identified key role players in the senior management team that could assist in driving the Islamic banking training workshop.

4.2. Obtaining approval from management

The first step was to telephonically make contact with the head of the Islamic banking division at the traditional bank to discuss the poor performance of Islamic banking in the Western Cape. It was important to obtain 'buy-in' from the senior manager of the Islamic banking division, as it would strengthen the proposal, which I planned to make to the senior manager of the customer facing division in the Western Cape. Explaining my assessment with regard to the lack of awareness and knowledge of Islamic banking products by front-line employees, the manager informed me that there were resources available on the intranet to support front-line employees who were struggling to promote the Islamic banking offering. According to the senior manager of

the Islamic banking division, employees should easily be able to access the information. The support from this manager was extremely vital in terms of roll out of the Islamic banking training workshop in the Western Cape. I explained to the senior manager that the issue was not just about the accessing of information, but it also required the commitment from middle management and senior management to drive such initiatives. Furthermore I also informed the senior manager about the outdated information on the intranet which could be detrimental in terms of front-line employees providing incorrect information to customers. Later in the conversation, I asked the senior manager to assist in supporting the initiative as it could lead to an improvement and development of front-line employees promoting the Islamic banking offering. The reasons for implementing the training or not implementing the training went back and forth between myself and the senior manager. After several telephone calls and discussions, the senior manager of the Islamic banking division confirmed his support and committed to making available a shariah scholar, who is an expert in Islamic banking, to provide the Islamic banking training workshop. This was not an easy task and required sound and logic reasoning. Reflecting on this conversation, I learnt that it was important to have the necessary facts and evidence in place in order to prove the need for training to the Islamic banking manager. Now that I had the support of the manager, I had to identify senior management in the Western Cape who would support the Islamic banking training for front-line employees.

Since the Islamic banking offering is primarily found within the customer facing division, I made contact with the senior manager, from whom I had received the initial approval, to conduct the research. I informed him of my discussion with the senior manager of the Islamic banking division and that training had been identified as an intervention to support frontline employees. I subsequently spoke to the manager of the training division in the Western Cape who indicated that they would assist in supporting the training, by providing the venue and facilitators. The reason I did this, was to inform the senior manager that the training division supports the Islamic banking training and that I had already liaised with additional stakeholders. I also informed the manager that I had identified branches in areas in which a high concentration of Muslim customers were residing. The training specifically targeted front-line employees at branches located in these areas. The manager confirmed that he supported the initiative, but I had to submit a list with all the participants identified for the Islamic banking training workshop. He further informed me that an Islamic banking specialist had been appointed for the Western Cape and that he wanted us to

meet when the Islamic banking specialist officially started. Being informed of the appointment of the first Islamic banking specialist for the Western Cape, I was extremely excited as the appointment could not have occurred at a better time. This meant that Islamic banking would now be prioritised from a senior management perspective in the Western Cape.

At this point, it was crucial to secure the training venue and I immediately made contact with the manager of the training division. Speaking to the manager, a date was required to confirm the venue but I could not commit as I also needed to ensure that the shariah scholar would be available. I, however, indicated the month of June 2017 as an ideal month to conduct the Islamic banking training workshop as I would be in a position to evaluate the outcome of the training within this year as well. I called the senior manager of the Islamic banking division to enquire about the availability of the shariah scholar to conduct the Islamic banking training during the month of June. The response and advice received from the manager was to move the training to the month of July, as June would be the month of Ramadan in which Muslims will observe fast. Thinking back at the discussion, I realised the importance of communicating and requesting input from others to ensure that planning is done correctly. This was certainly an oversight from myself and I immediately made contact with the training manager to change the date of the training to the second week of the month of July. With the amount of front-line employees who have not received Islamic banking training according to the statistics, I indicated to the manager that two sessions needed to be held. At this stage the training venue and the shariah scholar was confirmed for the second week in July 2017.

4.3. Planning phase of the Islamic banking training

Now that I had approval from the senior manager of the Islamic banking division, approval from the senior manager of the customer facing division in the Western Cape as well as the training venue and training facilitator confirmed, I started to make contact with the branches in the high concentrated Muslim communities in the Western Cape. The target audience identified for the Islamic banking training workshop consisted of branch managers, sales consultants, tellers and customer service clerks. Making contact with the branches, I spoke to various managers who provided various responses with regard to the training. Some of the managers were very keen on the training and would immediately identify employees for the training, whilst other managers would ask to provide feedback later and others would indicate that they were unable to send

employees to the training, as some employees were on annual leave and others were already committed to attending other training activities. In order to influence change in one of the branch manager's decisions, I called the senior manager of the customer facing division and informed the senior manager of the lack of commitment towards up skilling front-line employees with regard to Islamic banking. I was hoping that the senior manager could persuade and convince the branch manager to send some employees to the training. Discussing the issue with the senior manager, I was informed that all branch managers were responsible for their own branches and that there was nothing that the senior manager could do to assist. It was certainly ironic that the senior manager supported the training for Islamic banking, but was not prepared to highlight the importance of the training to branch managers. The lack of commitment of senior management was evident at this stage. At this point I proceeded with my planning, with the hope of acquiring additional participants.

4.4.   Meeting with the Islamic banking specialist

After numerous phone calls and emails, the list of participants that had confirmed to attend the training were 20 and 19 for the two sessions, respectively. I sent the list with all the training participants' details to the senior manager of the customer facing division in Western Cape in order to keep the manager informed. It was at this stage where a meeting was scheduled for me to meet with the newly appointed Islamic banking specialist and the senior manager.

Arriving at one of the branches of the traditional bank, I went to the reception area to inform the receptionist that I was there for a meeting. At the same time I noticed someone waiting in the reception area. I immediately knew that this was the Islamic banking specialist and introduced myself. I welcomed him to the organisation and wished him success in his new role. Whilst enjoying our conversation and sharing experiences with one another, the senior manager of the customer facing division entered the reception area and asked us to join him to the boardroom in which the meeting was held.

Starting the meeting, I introduced both the Islamic banking sales specialist and the senior manager of the customer facing division to my research topic and area of concern with regard to lack of knowledge of Islamic banking by front-line employees. In addition, I also added that I wanted to understand the plan and strategies that the Islamic banking specialist and the Islamic

banking division had with regard to bringing Islamic banking at the top-of-the-mind in the Western Cape. According to the Islamic banking specialist, he was informed by the manager of the Islamic banking division that he should not focus extensively on the branch level but rather on driving big business. At this point the meeting became side tracked and focused extensively on customer markets and external marketing strategies, which brought a new dynamic to underlying issues with regard to the focus of Islamic banking. Below is what the Islamic banking specialist had to say:

> *"From my perspective and from my discussion that I had with the senior manager of Islamic banking, it seems as if I must not drive it so much on a branch level. The senior manager of Islamic banking division wants me to look at that focus but he wants me to drive big businesses to get on board. So I think his approach is a little bit different from this, in the sense that he wants decision makers or influential people in the province to start endorsing the product and to start gaining an interest in it. Because if he gets a big client in, then it has a ripple effect. So if he gets a cash and carry, there's this play down in terms of the guys that he wants. So his focus is on that from a long-term perspective."*

This strategy was further clarified with a follow up comment from the Islamic banking specialist:

> *"There's that amount of time and there's that focus. So from what I hear, his strategy is more on business and private banking and less from me at the branch level."*

Assessing the response, I highlighted to the Islamic banking specialist that the core product offering of Islamic banking was at the branch level environment, and only limited differentiating products in the private banking and business banking space. In the private banking space there was a transactional account designed for private banking customers and in the business banking division there was an additional business cheque account as well as commercial property finance. The take up of these products had not done well as it did not speak to the needs of the customer base in the Western Cape. Based on the situational analysis, it was found that many business and professionals in the Western Cape operate their businesses or fund their lifestyles with credit facilities or working capital. This is primarily based on the products not meeting the immediate needs of the customer. This was highlighted during a previous interview with another senior manager who was active in the private banking space:

"We tried to arrange a client forum to get our Muslim customers all in one base. The awareness was there. We had one product, which was a cheque account, but unfortunately our customers, which are businesses and which understand where they make money, want to use an overdraft, they want to use a credit card and get fifty five days free period before they can pay it back, because their capital is poor or that's the bank's money I'll use before I use my own money. That awareness was created, the product did not take up. We probably sold one in 2013 and another in 2014."

The response from this manager indicated that the challenges Islamic banking face in these two divisions, are that the customer value proposition in terms of the products are misaligned to customer needs. This was further echoed by the senior manager of the customer facing division in the Western Cape:

"So the market we never tapped is private banking and I don't think we're going to with the current product offering. So that's maybe feedback the senior manager of Islamic banking must be ready to hear."

Even with these comments, the new Islamic banking specialist was focused on the instruction received from the senior manager of the Islamic banking division. I understood at this point that it was about being more profitable through generating higher revenue from higher income earners. According to the manager of the customer facing division, in order for Islamic banking to be profitable, they wanted a higher value based customer, with a focus that was only on youth, affluent and business customers. It was interesting to note that even with the bank continuing to offer the Islamic banking products, it was not highlighted as a priority in both the business bank and the customer facing division. According to the senior manager:

"The reality is, the business division has got so many other priorities that means a lot more to them in terms of value. The overall customer facing division landscape you can probably say the same thing. People only drive it because a senior manager made it a priority. And it's still true today."

Here, it is evident that front-line employees focused on specific products as senior management made it a priority. This was certainly not the case with Islamic banking. It seemed that the overall focus of the bank and senior management was about generating high profits. The comment by the senior manager further encouraged me to obtain the final support from senior management for the Islamic banking training workshop. As the conversation continued, I pointed out the

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skewed focus from a national perspective versus a provincial view in terms of promoting Islamic banking, as customer needs may differ depending on location of the province. During the interview I also raised a number of questions related to the bank's position in the minds of customers with regard to Islamic banking:

"Where is Islamic banking in the Western Cape? Are we up there with the competitors? And if we're honest with ourselves, I don't think we are, because there was really no focus. If I remember correctly the last Islamic event that we were at was probably two years ago".

After posing these rhetorical questions to the senior manager and the Islamic banking specialist, it brought about a reality of the position of Islamic banking and how important it is to inform customers about the bank's offering. Through this conversation various marketing ideas were identified in order to create awareness about Islamic banking in the Western Cape. These ideas included radio advertising, capitalising on big Islamic events in the Western Cape, customer engagement forums, as well as branch marketing. At this point, I have not considered external marketing as part of the primary interventions that will be implemented.

As the conversation continued, I emphasised the importance of ensuring that front-line employees are provided with the necessary training to equip them with the knowledge to assist customers that visit branches to enquire about the Islamic banking offering. I also highlighted that the training would further encourage front-line employees to promote the Islamic banking products. It was through this engagement that the both the senior manager of the customer facing division and the Islamic banking specialist gave their commitment to the Islamic banking training. At the end of the meeting the new Islamic banking specialist requested to be involved in the process and gave his commitment:

"Look what you are doing, and definitely for me to latch on to what the province is doing is critical, I'm going to work with all areas of the business to see how I can get Islamic banking infiltrated and be part of that system and over and above that, I am going to push for the senior manager of the Islamic banking division and to help us from a campaign perspective to get the name out there. I think that will help a lot of general awareness and stuff you know. I think the fact that they've put the money on an extra person here to say listen, we need someone to drive this space specifically, but I need each and

everyone within the business units. I'm going to be there full swing so that we can get the name out there you know".

As we left the meeting, we walked through the private banking suites and chatted to some private bankers. A clear indication of the lack of presence of Islamic banking was observed via a comment from one of the private bankers:

"Is Islamic banking still around, I thought it closed doors"

This was to a certain extent embarrassing, but also served as an opportunity to inform the private banker that the Islamic banking offering had always been available and that an Islamic banking specialist had been appointed. This could not have come at a better time as proved to the Islamic banking specialist and senior manager that there was clearly a need to create an awareness about Islamic banking and to educate front-line employees about the Islamic banking products.

Even though the outcome of the meeting was an acceptance of the Islamic banking training workshop, reflecting on the way the interview was conducted, I identified a few areas that I could have addressed much better. Critiquing my interview process, I was focused on what my existing data showed and to some extent was very adamant in my approach. Thinking about the interview, I learnt that I should be more solution driven and not get side tracked from resolving the main issues. This was certainly a learning experience for me and a practice I would strive to be mindful of in future conversations and engagements.

4.5. Lack of involvement and commitment from departments/divisions

As days led up to the training, I was invited to an official welcome breakfast for the new Islamic banking specialist at the head office in the Western Cape. Standing in a moderately sized human circle, where welcome speeches were made by the respective senior management, I observed the crowd to see who the key role players were. I saw the senior manager of Islamic banking, the senior manager of the customer facing division, a senior manager from the insurance division as well as selected branch managers. It was interesting to note that a senior manager or representative from the business division and the private banking division were absent. If this was the area that the Islamic banking division wanted to focus upon, then certainly the representation of these two divisions would reflect some sort of interest in Islamic banking.

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After the welcome formalities had been completed, some of the branch managers that were attending the training approached me asking about postponing the Islamic banking training workshop, as they would be having an employee engagement forum, which coincided with the Islamic banking training workshop. This was the same employee engagement forum that I referred to earlier, in which I had requested to participate. This incident, however, happened prior to me knowing about the employee engagement forum. At this point, I was not familiar about what the employee engagement forum involved. In order to understand what the employee engagement forum entailed, I spoke to one of the area managers of the customer facing division. According to the area manager, the employee engagement forum was a roadshow campaign, where focus was placed on specific product offerings of the bank. According to the area manager, this was an instruction that was received from the head office and it was a national campaign in which they would only be promoting specific products. The manager further advised that we needed to discuss alternative dates for the Islamic banking training workshop as attendance of the employee engagement forum was compulsory for all employees. It was at this stage at which I felt that I had invested so much of time and effort in planning this training event, which, at the time, was two weeks away. I certainly did not receive this well. It felt as if everything and all my plans failed as some senior manager or department had more influence. I had no choice but to revert to the drawing board. This was my initial feeling prior to attending the employee engagement forum.

Returning to the office, I called the manager of the training division and explained the new developments concerning the employee engagement forum which coincided with the Islamic banking training workshop. Highlighting the issue to her, I tried to convince her and to a certain extent insisted that the training continue. The advice received from the manager was honest and made me better understand the situation. The manager informed me that if I proceeded with the training, I would not have a single person attending the training and it would result in my training activity failing. The manager proposed new dates, which was confirmed with the shariah scholar of the Islamic banking division. The training was now moved to August 2017, but without a specific date. I then had to send emails to all the participants, informing them that the Islamic banking training workshop had been cancelled and that new dates would be communicated at a later date. The lesson I learnt from this challenge was to ensure that I communicate at all levels of the organisation in order to mitigate any obstacles that may occur. By not communicating with the area managers of the traditional bank, the Islamic banking training workshop almost failed. Now

that most of the planning was done, I needed to focus on my Islamic banking presentation, which I requested to do following the previous employee engagement forum that I attended.

4.6.   Employee engagement forum

Arriving at the fully packed venue consisting of front-line employees and managers within the customer facing division, I knew that this was the opportunity to firstly, create awareness around Islamic banking and secondly, to show the management team, that a need existed for Islamic banking training. The presentation was purposefully very basic, focusing on the history of Islamic banking, the Islamic banking model as well as the opportunities provided by Islamic banking. I ensured that I refrained from using Arabic words to identify concepts as this would more than likely affect the concentration levels of the audience, due to the lack of understanding. A crucial point was to highlight the impact of Islamic banking globally and its net asset value, which captured the attention of the audience, including senior managers and branch managers. Image 1 is a picture of me presenting on Islamic banking at the employee engagement forum.

Image 1: Presentation at the Employee Engagement Forum

From 2011 to 2013, the total global asset for Islamic banking grew from $1.3 trillion to $1.8 trillion (Harun et al, 2015). This was a phenomenal growth and based on the echo in the auditorium, many front-line employees were unaware of the size of the Islamic banking industry. Despite a slowdown in the industry, the global Islamic asset value remained consistent at $1.9 trillion in 2016 (Ambrose, 2016). In the South African context, the Islamic banking industry has been one of the fastest growing industries since the abolishment of apartheid (Vahed & Vawda, 2008).

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Sharing these statistics with the audience, it created an interest in the presentation but more importantly created awareness about the Islamic banking offering.

Being at the employee engagement forum, I used the opportunity to introduce the new Islamic banking specialist and asked the Islamic banking specialist to say a few words. This was an important *action*, as the Islamic banking specialist renewed and reconfirmed the commitment of Islamic banking in the Western Cape and further highlighted the need for collaboration. At the latter part of the presentation, I used the opportunity to test the audience's interest to attend the Islamic banking training by means of hand indication. The response was overwhelming as more than half of the auditorium, which seats 250 people, indicated that they would like to attend a training workshop on Islamic banking. This indication not only showed the need for Islamic banking training but also showed middle and senior management that they need to support the training to equip and up skill front-line employees. After the presentation, many of the attendees identified me as the 'go-to' person for Islamic banking. It was at this stage that I realised that I was somehow embodying the role of an Islamic banking product champion. According to Howell, Shea and Higgins (2002) product champions are individuals who informally emerge to promote new products, through the hierarchy structure of the organisation. The characteristics of a champion is to create and communicate strategic meaning around the innovation, persistently promote the innovation, sell the idea to top management in order to secure resources and involve as well as motivate others to support the innovation (Howell et al, 2002).

After the presentation, I was able to secure precise dates and communicate the new date to all the participants, branch managers, area managers, training facilitators, shariah scholars as well as the senior manager of the customer facing division. I received confirmation from five employees almost immediately, with one declining. Later in the day, I received an email from the senior manager, in which he replied to all participants, informing employees to participate in the training and also asking one manager to follow up with employees who did not confirm. After receiving this email, it was interesting to receive an email from the employee who initially rejected the training, requesting me to ignore the previous email. This clearly showed the level of influence the senior manager had with regard to front-line employees' willingness to attend the training.

Through investigating the business needs and appropriate planning, the Islamic banking training workshop continued to take place over two sessions, consisting of one day only. The success rate was much better in terms of participants confirming, in comparison to the initial workshops. The first session consisted of 21 participants and the second session consisted of 23 participants. Internal communication and collaborating effectively with all the role players were certainly key factors in arranging the Islamic banking training workshop. This, however, was not free from any challenges relating to power and ethical issues that exist within hierarchical structures of the organisation. Reflecting on how I felt when the training had to be postponed, I realised that there were many opportunities that pass by, of which we do not make appropriate use. The employee engagement forum further enabled me to reach a wider audience that was outside of the participants that would be attending the Islamic banking training workshop. Before I provide insight into the Islamic banking training activity, I would like to zoom into issues that relate to ethics and power.

4.7. Ethics, politics and power

The concept of ethics is complex, due to the different definitions and meanings associated with it. Svensson and Wood (2003) identify ethics as a principle whereby a perception is made as to what is acceptable or not acceptable in the 'eyes' of society. Other researchers such as Clegg, Kornberger and Rhodes (2007) identify ethics as a practice. Clegg et al (2007:111) indicate that ethics is a practice of choice and evaluations that is confined to socially established models that never fully guide moral behaviour. They further highlight three reasons for such ambiguity: 1) when an individual's actions are fully determined by external criteria, then moral agency is denied to that person, 2) in practice people face multiple ethical models that influence behaviour, which may not be consistent with one another and could lead them to following only one model and disregarding another, and 3) unique situations can never be predicted by socially established models on its own, but requires interpretation to make decisions about moral behaviour. A key concern for Clegg et al (2007) is how ethical discourses within organisations influence ethical subjectivity by stakeholders within organisations. In this section of the report, I provide a review of an article written by McMurray, Pullen and Rhodes (2010) called *Ethical subjectivity and politics in organizations: A case of health case tendering*. I specifically use this article to describe the development of ethical subjectivity and how individuals within organisations make decisions.

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In the article, the authors draw on the works of three philosophers, namely, Foucault, Critchley and Levinas to describe competing views of which factors contribute or influence *ethical subjectivity* within organisations. Michel Foucault, a French historian and philosopher indicates that organisations have built in moral technologies that seek to govern behaviour at work, but people at work may accept or resist such requests, due to a sense of 'self' that is not predicted by organisations (McMurray et al., 2010). Ibarra-Colado, Clegg, Rhodes and Kornberger (2006) define e*thics* as a practice that is intertwined in an individual's freedom to make choices about what to do and who to be, as well as the organisational context in which those choices are made, framed and governed. This is the view of Michel Foucault who indicates that it is the 'self' that determines ethical subjectivity (McMurray, et al., 2010). McMurry et al (2010), however, states that the 'self' is only ethical as it exercises the freedom of what to do and who to be but does not take into account other ethical relations with others, as highlighted by the other two philosophers, Levinas and Critchley. In the article, Critchely draws much of his view from Levinas which highlights that ethical subjectivity is not only based on the external environment of the self but is influenced by others. Based on the philosophy of Levinas, Critchley highlights that all questions of validating ethical action can be understood through ethical experience – *"an experience where a person is confronted by a demand, and where that demand is met with approval or affirmation"* (McMurray, et al., 2010:544). It is further argued that ethical relations with others is found at the center of ethical experience (McMurray, et al., 2010). Unlike Foucault who indicates that *ethical subjectivity* is determined through experience of the 'self', Critchley argues that due to the relationship to others in terms of responsibility, love, compassion and care, the freedom of the 'self' could be less exercised (McMurray, et al., 2010). Based on this, Levinas argues that ethical subjectivity is determined through the relationship and engagement with *others* and not by the *'self'* and the environment in which they operate.

Levinas indicates that people at work face multiple demands from multiple others, which violates ethics in the way that they constitute their own subjectivity (McMurray et. al., 2010). Here Levinas highlights the role of the *others other* particularly in an organisational context. It is identified that individuals are not only faced with demands from one other individual but rather from two or more individuals. The presence of competing demands makes the *ethical subjectivity* more complex and according to McMurray et al (2010) it gives rise to *politics*, where individuals are faced with dilemmas of choosing between different demands.
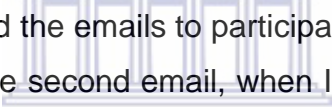
In taking guidance from Levinas, it is recognised that ethics and politics are two sides of the same coin. Murray et al (2010) elaborate that "politics without ethics is empty as it does not motivate action, and politics without ethics is blind in that the action that is taken is not properly motivated" (McMurray et al., 2010:546). They claim that the relationship between ethics is thus one where the moral political is inspired and directed by ethical responses and not the other way around (McMurray et al., 2010). They further highlight that politics is the means or *power* one has available to respond to ethical demands taken up with an objective to change or improve things, and is also the action through which ethical subjectivity arises (McMurray, et al., 2010). Apart from power playing a vital role in responding to demands, it can also be observed in traditional forms as identified by Goldhamer and Shils (1939).

In the article - 'Types of power and status' by Goldhamer and Shils (1939), power is defined as the extent to which a person influences the behaviour of others based on his or their own intentions. According to the researchers, there are three major forms of power that can be used to influence behaviour: *force* (assault, confinement), *domination* (command, request) and *manipulation* (use of symbols or performing acts). It is highlighted that a person who holds a position as a power-holder, may carry out any of the three types of power legitimately. It is, however, argued that the act of manipulation is not recognised as legitimate as the subject is unaware of the activity. Spinoza, a Dutch philosopher, who laid the foundation for modern concepts of the self, identifies two forms of power: *potestas* and *potentia* (Barbisan, 2017). *Potestas* refers to relationships where one party dominates another, making them feel more powerful. *Potentia* on the other hand refers to the nature of a relationship between two or more bodies where they enable one another to become powerful through sharing, making them feel powerful together. In the event that an action fails to enforce a certain behaviour through any of the respective forms of power, a power holder may also practice *substitute power* to achieve its original intentions (Goldhamer & Shils, 1939). This refers to alternative types of power being utilised to achieve a specific goal in the event that the first attempt or practices have failed. The researchers acknowledge that power relationships can exist within a unilateral form, but also in a bilateral form. This means that power can be exercised by one party within a relationship or it can be exercised by both parties within relationships. The review of the literature in this section serves as a theoretical framework for the chain of events that occurred during this action research study.

In the following section, I highlight how my personal values were challenged and how my ethical subjectivity was influenced by demands from others, such as middle and senior management.

4.8.   My ethical subjectivity

In preparation for the Islamic banking training, I used emails as a communication channel to provide participants with information on Islamic principles as it relates to banking and also to create awareness about Islamic banking products. This strategy was implemented after the employee engagement forum. The information consisted of one or two sentences, which informed front-line employees about Islamic banking products, concepts or principles. The reason for sending the information was to prepare front-line employees for the Islamic banking training workshop. To ensure that employees were not overwhelmed with information, these emails were sent to participants twice a week. Apart from the participants being the recipients of the email, I also included middle and senior management across the bank to trigger a top-down influence on front-line employees.

The first day on which I distributed the emails to participants, I received no response from any of the recipients. It was only after the second email, when I received a phone call from the Islamic banking specialist to find out how the planning for the training was progressing. As the conversation continued, the Islamic banking specialist asked about the email that he received. I explained the reason for sending out this email, which was to prepare front-line employees for the Islamic banking training. He then asked me to firstly send the email to him, so that all Islamic banking information comes from a central point. The request was done very politely but it seemed as though the Islamic banking specialist wanted to be acknowledged for the information sharing strategy. My values were challenged at this stage as I was more concerned about all the work, time and effort that I had invested into the intervention, for the Islamic banking specialist to take the recognition. The request from the Islamic banking specialist somehow made me think of changing the approach even though that was not my initial plan. My ethical subjectivity was challenged by the influence of the other, but the power of the self was greater and led to me to continue with the strategy of sending emails to participants. The second email I sent included three colleagues that were located in the same office in which I was situated. This time one of the colleagues immediately responded to me verbally by saying:

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"I don't mean to be rude, but what does this mean for me. If I see Islamic banking it does not speak to me. Why don't the bank have a Christian product?"

I immediately explained to the colleague that Islamic banking products were not only available to Muslim customers but to non-Muslim customers as well. I also used the opportunity to explain to the colleague why interest is prohibited according to the shariah (Islamic law). Even though the colleague was informed about the availability of the product to Muslims and non-Muslims, it did not change his personal view on using the offering. Here, I identified another possible factor which could be a contributor to the lack of promotion of Islamic banking. Reflecting on this incident, I made it a priority to ensure that the Islamic banking training emphasised the benefits of the offering and that it was available to all customers. After my discussion with the colleague, I was hoping to receive some more responses from other participants of the training as well as management. This, however, was not the case.

Later that day I received a phone call from the Islamic banking specialist again to enquire about the email sent to participants. According to the Islamic banking specialist, it was not a major issue, but a senior manager enquired about the emails, and asked who was sending out the emails. It was very interesting to hear this from the Islamic banking specialist as I have personally discussed my research with this particular senior manager. Here it was evident that the Islamic banking specialist's behaviour was influenced by a senior manager in a higher rank through domination type of power. More importantly, the behaviour of the Islamic banking specialist is guided by the demand of the other that influenced his ethical subjectivity, as identified by Critchley and Levinas. By changing the approach in comparison to the initial request from the Islamic banking specialist, it seems as if substitute power was also used by the Islamic banking specialist. I was disappointed in the reaction and support I received as I had no other intention, but to support and enable front-line employees to have a better understanding about Islamic banking and to improve the performance of Islamic banking sales. This was identified by the amount of front-line employees at the employee forum who indicated that they would like to attend the Islamic banking training. I felt that I was not impacting the business negatively and that the Islamic banking specialist was more concerned about personal recognition, due to being new to the business. At this point, the only feeling I had towards the Islamic banking specialist was some kind of resentment, as my freedom with regard to the research was restricted. This was more visible in my action towards a later request from the Islamic banking specialist.

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Two weeks before the training session, I received an email from the Islamic banking specialist. The email read as follows:

"Shameem please engage the front-line employee and setup an appointment. Thanks to all. Appreciate the collaboration in making Islamic banking happen. Please keep me updated."

Due to feeling restricted to some extent, I felt as if the Islamic banking specialist was very commanding. In my mind, I had thoughts of:

"I do not report to you, you are not my line manager, what is the role of an Islamic banking specialist? Should the Islamic banking specialist not see the client?"

These feelings led me to not respond to the request of the Islamic banking specialist. I now started to use the power that I had and informed my direct line manager of the tone of this email, which also consisted of my personal political intention to have someone more superior address the behaviour of the Islamic banking specialist. My manager advised that she would raise the concern at a managers meeting. Six days after sending the request, the Islamic banking specialist sent an email to myself, the front-line employee, my manager as well as the personal assistant of a senior manager in the business division of the bank stating:

"Please this hot lead is now cold. Please I need feedback by close of business."

This email had the senior manager of the business division phoning my direct manager enquiring as to why I had not contacted the customer. My manager called me and informed me about the phone call. I reiterated to my manager:

"This should have been the Islamic banking specialist's duty to see the client and then speak to me. He should not redirect a lead that was given to him, I also have other customers to attend to."

My manager asked me to call the customer and that the issue be addressed. Here it was evident that the senior manager's power was superior as my manager had to adhere to instructions provided. I felt like my ethics were challenged, due to being restricted in terms of my freedom as highlighted by Ibarra-Colado et al (2006). By receiving multiple demands from the other and the

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other's other, my world of freedom became smaller. I felt like I was pressured to do something that I really did not want to do. The influence of others started to impact on my ethical subjectivity. At this time so many thoughts were going through my mind. What do I do? Where do I start? All I knew was that I needed to resolve this issue. All this was due to emails that were sent only to support front-line employees to better understand the Islamic banking offering and to promote it to customers. Based on the various demands received, my personal views, the context of the situation and assessing the different responses, the first thing I did was to make contact with the Islamic banking specialist. Speaking to the Islamic banking specialist, I informed him of my concerns such as: Did he speak to the customer? And why was he not seeing the client? The response from the Islamic banking specialist was as follows:

> *"I do not contact customers and that is why I told you to call! Call the customer and let me know what is happening"*

After my discussion with the Islamic banking specialist, I contacted the client immediately to understand the needs of the customer. After completing the call, I did not immediately provide the Islamic banking specialist with feedback. By doing this, I still continued to exercise the little power that I hold within the organisation. It was only at the end of the day that I sent a response to the Islamic banking specialist, my manager, the front-line employee who provided the lead as well as the personal assistant of the senior manager of the business division, informing them that contact had been made with the customer. For the duration of my entire working career at the bank, I had never felt this disappointed and portrayed to a certain extent. All I wanted to do was to support front-line employees with the necessary information and training that would enable them to promote the Islamic banking offering.

Arriving home from work that evening, the incidents that occurred during the day continued to bother me. I reflected on the entire journey and what were the causes of me feeling this way. I assessed my intention for wanting to improve the lack of focus of Islamic banking in the Western Cape. I realised that my behaviour was completely out of line and that I could have dealt much better with the situation. It is, however, interesting to note how my ethical subjectivity was shaped and influenced through engagement with the other, the other's other as well as the organisation. The presence of multiple demands, including the 'self' led to introspection and contemplation of responses. The ability or power I had to select a certain response formed my ethical subjectivity.

Reflecting on the incident that took place during the day, I realised that the Islamic banking specialist and I have the same intention of wanting to improve the performance of Islamic banking. The next day I called the Islamic banking specialist to find out how things were going and whether any assistance was required on future plans and campaigns as this is the type of person that I am, helpful and supportive. The reason I also did this was to extend a working hand to the Islamic banking specialist and to ensure that we work together towards a primary goal of increasing the sales performance of Islamic banking at the bank. After resolving the issue, I was able to focus on the Islamic banking training, which took place two days later.

4.9.   Islamic banking training workshop

In order ensure that the planning for the one day Islamic banking training workshop was in order, I ensured that all participants confirmed their attendance, the training venue was arranged, food had been organised for the participants and that the shariah scholar, who would be providing the training, was still available. Due to a number of challenges and obstacles observed during the planning phase, I was fearful that anything could inhibit the training from taking place. With a total of 44 participants confirming attendance, the first session of the one day Islamic banking training workshop was attended by 21 participants and 23 participants attended the second session. The programme structure was recommended by the senior manager of the customer facing division as it would allow for all respondents to attend whilst not impacting the operations of the bank. **Image 2** is presented below to display the training venue.

Image 2: Training room facility

Before I discuss the details of the Islamic banking training workshop, I provide insight into the levels of understanding of Islamic banking by front-line employees by discussing the data

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collected from the pre-interview schedules at the beginning of both sessions of the Islamic banking training workshop. Although the training was attended by 44 participants, only 36 participants completed the pre-training interview schedule, which can be found in Appendix E. The utilisation of open and close-ended questions in the pre-training interview schedule enabled me to obtain personal views and a higher degree of insight on employee knowledge of Islamic banking. Some of the data collected from the pre-training interview schedule can be seen in **Table 7.**

Table 7: Response from Front-line Employees – Pre-training interview schedule

What do you understand about Islamic banking?
- To invest funds according to shariah law.   - Muslims cannot earn or pay interest   - Very little   - Shariah products are ring-fenced due to Islamic laws prohibiting investment in certain industries.   - Banking done to comply with shariah guidelines.   - It's an offering to Muslim clients.   - Banking that is allowed for a certain client base (Muslims) but not limited to faith.
What is not so clear about Islamic banking to you?
- My knowledge on shariah law.   - The difference between having an Islamic account and a normal transactional account.   - How profit sharing works.   - The difference between profit share and interest.   - How profit share is determined and how to relate it over to customers.
What are your expectations of the Islamic banking training?
- To be more confident in offering the product.   - Better understanding of Islamic banking.   - To become knowledgeable on shariah banking and know how to explain the products.   - Broader knowledge of various products.   - To get to know more about the Islamic products, the requirements and to be able to explain to clients.   - Confidence in cross selling the product   - I want to be more confident in my knowledge about the product

The three questions from the pre-training interview schedule highlighted in **Table 7** has specifically been designed to determine the level of understanding of Islamic banking prior to the workshop. This would serve as a measurement to compare data collected after the training. It further seeks to determine the challenges and issues that demotivate front-line employees from promoting the Islamic banking offering. The data provided in **Table 7** includes responses from

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participants who attended both Islamic banking training sessions. Similar responses from participants are not included in the table to avoid duplication. Assessing the responses from participants with regard to their understanding of Islamic banking, it is identified that participants have a relatively basic level of understanding of Islamic banking, such as it being governed by the shariah law. It is, however, noticeable that conflicting responses exist where participants are not familiar with the shariah law. The responses specifically highlight that front-line employees associate Islamic banking products only to Muslim customers, with some acknowledging that it is not limited to specific religions. The pre-training interview schedule also highlights the willingness of front-line employees to learn about the Islamic banking offering as well as the desire to be more confident to promote the offering to external customers. The lack of understanding of Islamic banking is also identified in the selection of answers to closed-ended questions in the pre-interview schedule. **Table 8** provides an overview of the responses from 36 front-line employees from the 44 participants that attended in the Islamic banking training workshop across the two sessions.
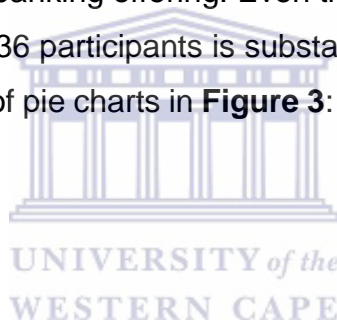
Question	Ordinal Variable	Rank	Number of Participants	Concept Measured
How would you rate your understanding about Islamic banking now?	● Very Good ● Good ● Fair ● Poor ● Very poor	5 4 3 2 1	● 3 Participants ● 3 Participants ● 24 Participants ● 5 Participants ● 1 Participant	Knowledge / Attitude
How often do you offer Islamic banking products to customers?	● Almost always ● Often ● Sometimes ● Seldom ● Never	5 4 3 2 1	● 4 Participants ● 6 Participants ● 17 Participants ● 6 Participants ● 3 Participants	Knowledge / Attitude
"I am confident to discuss our Islamic banking offering with customers "	● Extremely ● Very ● Moderately ● Slightly ● Not at all	5 4 3 2 1	● 2 Participants ● 5 Participants ● 18 Participants ● 7 Participants ● 4 Participants	Awareness / Perceived Behavioural Control
"I receive the required support from senior management to actively promote Islamic banking"	● Almost always ● Often ● Sometimes ● Seldom ● Never	5 4 3 2 1	● 7 Participants ● 13 Participants ● 5 Participants ● 6 Participants ● 3 Participants	Awareness / Perceived Behavioural Control

The analyses of quantitative data is primarily concerned with identifying variables which serve as measures that help to quantify concepts (Bryman & Cramer, 2009). Due to the pre-training interview schedules incorporating ordinal variables (referring to rank order of options), the technique used to analyse the data is based on the number of responses to each question as recommended by Bryman and Cramer (2009). **Table 8** also provides an interesting view of front-line employees' positions with regard to the promotion of Islamic banking. The data highlights that 24 participants have a fair understanding of Islamic banking in comparison to the rest of the participants. This means that the majority of front-line employees most likely do not have sufficient knowledge to confidently promote the Islamic banking offering to customers. This is further confirmed by the data that only 18 participants are moderately confident about offering Islamic banking products to customers sometimes. There is also an indication from 5 front-line employees confirming that their understanding of Islamic banking is poor, and 1 participant confirming that it

is very poor. The data collected via the closed-ended questions somehow show a link between the three questions. With front-line employees not having adequate knowledge on Islamic banking, they struggle to build the necessary confidence, which results in poor promotion of the Islamic banking offering. **Table 8** further highlights various degrees of support provided by senior management to front-line employees. Assessing the responses received I grouped often, sometimes and seldom together, due to the irregularity of support from senior management. The data indicated that 24 participants receive inconsistent support from senior management with three participants highlighting that they never receive any support from senior management. While assessing this question, I noticed that two participants refrained from answering this particular question. Based on the responses received, seven front-line employees confirmed that support is always received from senior management to promote the Islamic banking offering. It was also identified that some of the participants who held this view also indicated that they are extremely confident to promote the Islamic banking offering. Even though 8 participants did not provide any insight, the data provided by the 36 participants is substantial. To provide a snapshot of the data in **Table 8**, I present a collection of pie charts in **Figure 3**: Multiple pie charts – Responses to Pre-training interview schedule.

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How would you rate your understanding about Islamic banking now?

Pie Chart 1

Very good — 8%
Good — 8%
Fair — 67%
Poor — 14%
Very Poor — 3%

How often do you offer Islamic banking products to customers?

Pie Chart 2

Almost always — 11%
Often — 17%
Sometimes — 47%
Seldom — 17%
Never — 8%

"I am confident to discuss our Islamic banking offering with customers"

Pie Chart 3

Extremely — 6%
Very — 14%
Moderately — 50%
Slightly — 19%
Not at all — 11%

"I receive the required support from senior management to actively promote Islamic banking"

Pie Chart 4

Almost always — 20%
Often — 38%
Sometimes — 15%
Seldom — 18%
Never — 9%

Figure 3: Multiple pie charts – Responses to Pre-training interview schedule

Reviewing the data from the pie charts in **Figure 3**: Multiple pie charts – Responses to Pre-training interview schedule*,* the amount of front-line employees that rate their understanding about Islamic banking as very good comprised only of 8% of the total group size. It can also be observed that 14% of the participants indicated that their understanding of Islamic banking is poor which is twice more that those who rate their understanding as very good. In the diagram, that presents the confidence of front-line employees, it is identified that 69% (slightly and not at all) of participants are not completely comfortable or confident to discuss the Islamic banking offering with

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customers. Pie Chart 2 shows that there is a need to obtain 'buy-in' from front-line employees as 47% of the participants indicated that they only promote Islamic banking sometimes in comparison to 11% who indicated that they promote Islamic banking almost always. Management plays a vital role in encouraging front-line employees to promote the Islamic banking offering. According to Pie Chart 2, 38% of managers often support front-line employee with 9% of the participants indicating that they never receive any support from management to promote the Islamic banking offering. Based on the data presented, there is an indication that some participants have heard about Islamic banking and may have been exposed to it before, but have never developed or obtained a basic understanding of Islamic banking to comfortably promote the Islamic banking offering. The data collected via the pre-interview schedule serves as a yardstick in order to determine or measure the success of the Islamic banking training workshop. To provide insight into the Islamic banking training workshop and what it entails, I highlight a number of practices, engagements and interactions that occurred during the training.

4.9.1.   Islamic banking training workshop day one

Walking into the training centre for the first session, I noticed all the participants sitting in the dining area enjoying cups of coffee. At this stage, I rushed through the doors of the training room to place the information sheets at the tables where participants would be seated. Accompanying the information sheet was the pre-training interview schedule discussed above. Starting with the training, the shariah scholar, dressed in an Islamic garment, welcomed a total of 21 participants consisting of Muslim and non-Muslim front-line employees. At this stage the shariah scholar asked me to speak about my research. I referred all the participants to the information sheet which they were provided with and informed them of the purpose and background of the training. I further elaborated that all information shared in the training would be video recorded and kept confidential. Thereafter, I referred the participants to the pre-interview schedule and the confidentiality forms and asked that it be completed before the training commenced.

After completing the documentation, the training activity started with the shariah scholar asking participants to introduce themselves and to explain their expectations from the training. These expectations consisted of acquiring information on future Islamic banking product development, understanding Islamic banking terminologies and to better engage customers about Islamic banking. In addition to these expectations, participants also wanted to understand how profit-

share is derived and how lending products were structured. Based on the pre-interview schedule, participants also indicated the need to understand Islamic banking and to increase confidence when speaking to customers about Islamic banking. The expectations from this diverse group of employees differed from person to person based on role, area location and years of experience. The purpose for asking these questions was to determine the level of understanding and knowledge of front-line employees with regard to Islamic banking. After allowing participants to elaborate on their expectations, the shariah scholar started with the presentation on Islamic banking. The training focused on the background of Islamic banking and the reason interest was prohibited in Islam. It further provided insight into the difference between Islamic banking and traditional banking. In order to elaborate on the fundamentals of Islamic banking, the shariah scholar also discussed Islamic banking concepts and principles. In the latter part of the sessions, the shariah scholar focused on ethics of engaging a customer. More details about the Islamic banking concepts are provided in the Islamic banking section of this thesis.

At the beginning of the session, only a few people were interacting with the shariah scholar in terms of asking questions and clarifying their understanding on certain issues, particularly relating to the profit and loss concept in Islamic banking. It is important to note that most of the participants that were interacting with the shariah scholar at this stage were previously involved in Islamic banking transactions or were located at a branch where there were regular requests for Islamic banking products from customers. Other questions that were posed to the shariah scholar consisted of: Is capital guaranteed on an Islamic banking investment product? Can customers forfeit profits earned if they do not uphold the agreement? Which product does a concept relate to? Based on the questions that were posed, it was explicit that the level of knowledge on Islamic banking was below average. Even though the shariah scholar prepared a formal PowerPoint presentation document, the shariah scholar did not project it on the screen and only interacted with participants through discussion.

As the morning progressed, I monitored the behaviour of the participants by observing non-verbal cues. McAlpine, Weston, Beauchamp, Wiseman and Beauchamp (1999) identify physical descriptions such as facial expressions, movement of body parts (nodding, leaning forward and looking at the text) as non-verbal cues. While monitoring the behaviour of the participants, it seemed as if some of the participants were starting to lose interest in the presentation. While

some were engaged in using their cell phones, others were having their own conversations. I thought about what I could do to encourage the concentration of the participants, but needed to wait until the recess break to discuss the concerns with participants.

Whilst engaging with the participants during the recess period, many informed me that a visual presentation would assist them to better grasp the information, as they could not relate to the discussion without having a visual description as a reference. Others identified issues such as the low volume of the presenter's voice. I personally identified the high utilisation of Arabic concepts, which I thought could be contributing to the lack of concentration by some participants, especially from those who were unfamiliar with the Islamic banking concepts. In order to overcome the issue, I discussed the concerns with the shariah scholar and two training facilitators that were also participants. Addressing the issue, we firstly rearranged the layout of the training room as the room size was too large and participants were unable to clearly hear the presenter. Thereafter, the shariah scholar projected the prepared PowerPoint presentation in order for the participants to visualize the information as well.

With the second part of the session starting, everyone was located much more central in the training room in view of the screen where the visual PowerPoint presentation was displayed. As the shariah scholar progressed through the Islamic banking training, one could see the change in expression by participants reflecting a confirmation of their understanding on the subject or lack thereof. At this point, I also asked questions on aspects in which some participants required clarity in order to prompt the shariah scholar. Furthermore, I would also provide examples as to how I would explain and offer an Islamic banking product to a customer. In so doing, many of the participants started to engage with the topic. Even though there may have been lack of interest at the start, making the environment more conducive for learning and accelerating the learning progress through probing, assisted in participants' engagement and interaction. An image of the shariah scholar presenting can be seen in **Image 3.** The image is blurred in order to protect the identification of the participants in this study.

Image 3: Blurred image of Shariah Scholar presenting from PowerPoint Slides

To verify impact of the training, a post-training interview schedule was provided to all participants at the end of the training. A copy of the post-training interview schedule can be found in Appendix F. The purpose of utilising this tool was to measure the learning that had taken place by front-line employees and whether an improvement could be determined. The data collected will be fragmented in the analysis and the interpretation section. After the training was completed for the day, I had an informal discussion with the shariah scholar and the two training facilitators with concerning improvements that must be made for the second session.

4.9.2. Islamic banking training workshop day two

The second session on the following day was attended by 23 participants. The one training facilitator made a comment:

> *"This is the first time that a training session has been this full, it must have been an instruction from the top."*

This was certainly a reflection that training overall was not very well attended or that it may not be regarded as a core activity by senior management of the bank. This statement further indicates the influence senior management had on the attendance of the two day Islamic banking training. With the training commencing, I looked at the participants around me, with some having many

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years of experience in the bank. The shariah scholar started with the formalities of introducing the Islamic banking training and questioned participants about their expectations. Many of the expectations were similar to the participants of the previous day, with some participants, however, hoping that they would be able to sell the Islamic banking product much more confidently and also increase the uptake of Islamic banking at their respective branches. In addition to introducing the Islamic banking training, the shariah scholar also provided information in terms of the layout of the training and what participants could expect. The participants of this training session were also provided with information sheets which needed to be signed in order to confirm their participation and consent with regard to the study. Furthermore, the shariah scholar also asked participants not to be overwhelmed, as most of the information in the beginning is only for information purposes. Starting with the discussion on the history of Islamic banking and moving into the concepts such as riba (interest), the shariah scholar continued to ask if there were any questions and if anything was unclear. I provide a detailed review on the literature of Islamic banking which includes the history and concepts later in the report. To make participants feel comfortable and to allow better comprehension of the information shared, the shariah scholar also refrained from continuously utilising Arabic terms. In doing this, participants could feel comfortable that information and concepts were shared in their own language for learning purposes. This session was much more controlled and engaged the participants by means of providing examples to explain concepts and principles. In order to show participants how profit is calculated, the shariah scholar made simple real examples to which front-line employees could relate. Examples were further elaborated on by means of drawings and calculations on a drawing board. Using this method, front-line employees were provided with a skill of explaining the Islamic banking offering to customers by making use of examples. At the end of the session, participants were asked to provide feedback in terms of their learning at the training. One of the participants indicated that an appointment had previously been cancelled with a customer due to the lack of knowledge on products and culture, but they would now be rescheduling the appointment as the participant felt more comfortable to discuss the Islamic banking offering. This is essentially the effect of internal marketing, which seeks to successfully hire, train and motivate employees to serve the customer (Caruana & Calleya, 1998). By making training available to front-line employees, it created an interest in Islamic banking and provided front-line with the necessary information that enabled them to have a positive attitude towards the promotion of Islamic banking.

5. Chapter Five - Monitoring practice

With the Islamic banking training workshop successfully executed during the planning and acting stages, I progressed to the observation stage of the action research cycle. This is guided by Alrichter et al (2002) who defines action research as a continuous and iterative process which consists of four phases known as planning, acting, observing and reflecting, as highlighted in the Action Research Design Model in **Figure 2**: Action Research Design Model. In this section I focus more on the 'research' part of action research to determine whether there has been any changes in behaviour. According to McNiff and Whitehead (2009:30), "action research practitioners need to research their own practices and show how they have improved the quality of those practices (the action of action research) and also be able to articulate how and why those practices should be understood as high quality (the research of action research). It is, however, important to note that the stage is not completely free from the presence of 'action' mini cycles. In the following paragraph, I show how I have monitored my practices and also how I gathered data throughout this action research. I particularly make reference to the use of a journal, in which I maintained a record of all interactions and engagements. To monitor the behaviour of front-line employees, I used *Kirkpatrick's four level evaluation model* to determine whether the Islamic banking training workshop has led to an improvement in the behaviour of front-line employees. The outcomes obtained from the evaluation model is discussed in the latter part of this chapter.
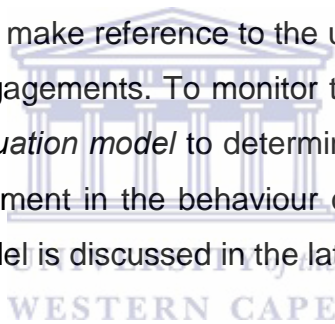
5.1. How did I continue to monitor practices and gather data?

In order to determine and understand the situation at the bank, it was essential that a record be kept on all of the activities that indicated a need for improvement. More importantly, it was important to track my own learning and behaviour as well as the learning and behaviour of front-line employees. In this section, I highlight practices applied to monitor the behaviour and whether or not improvement occurred. In the second half, I highlight the performance of Islamic banking after the intervention compared to the performance on Islamic banking before the interventions.

At the beginning of the year, I celebrated my wedding anniversary and I received a priceless gift from my better half. Due to regular conversation with my wife about my action research study and what it entails, she found it most appropriate to get me a journal book as a wedding anniversary gift. At the time, I was quite amazed by the gift and little did I know the support and contribution it would make to this report, in terms of data collection. Since I have never used a diary or journal before, it was not easy to record my experiences and observations. The writing of journal entry

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on its own has been something new to me and required much discipline. Below is an image of the journal:

Image 4: Journal Book/Diary

During the course of this action research study, this journal became the primary means of collecting data about my own learning as well as observed behaviour of others within the organisation. As the action research study progressed, the pages in this journal started to fill, comprising all my engagements, interactions and observations. Every time I would make a new entry, I would record the data and state what I observed or learnt. In addition, I recorded a memo on my cellphone to elaborate and analyse the data collected. Apart from using this journal to monitor practice, I also used Kirkpatrick's four levels of evaluation model to evaluate the progress of the Islamic banking training workshop and the effect that the training had on front-line employees promoting the Islamic banking offering.

5.2. Kirkpatrick's Four Levels of Evaluation Model

To determine the effectiveness of the training workshop, it was essential that the behaviour of front-line employees be monitored. According to Mohamed, Ariyani and Alias (2017), the evaluation of training includes the systematic collection of information according to a predetermined plan, to ensure the information is appropriate and useful. The primary goal of

evaluating the training that took place during this action research study, was to see whether the information shared with participants improved their knowledge and whether it was transferred to the work environment. In order to do this, I used a well-known model for training evaluation by Donald Kirkpatrick (Nazmul & Selim, 2015). According to Klotz (2013) Kirkpatrick's Four Levels of Evaluation Model evaluates the effectiveness of training based on four dimensions known as reactions, learning, behaviour and results. **Figure 3** shows a hierarchical structure of the evaluations model. The reason for the diagram style is to highlight the occurrence of levels. Mohamed et al (2017) highlights that each level of the evaluation model is essential and impacts the next level. Based on this, I evaluated the effectiveness of the Islamic banking training by addressing all four levels in the same order.
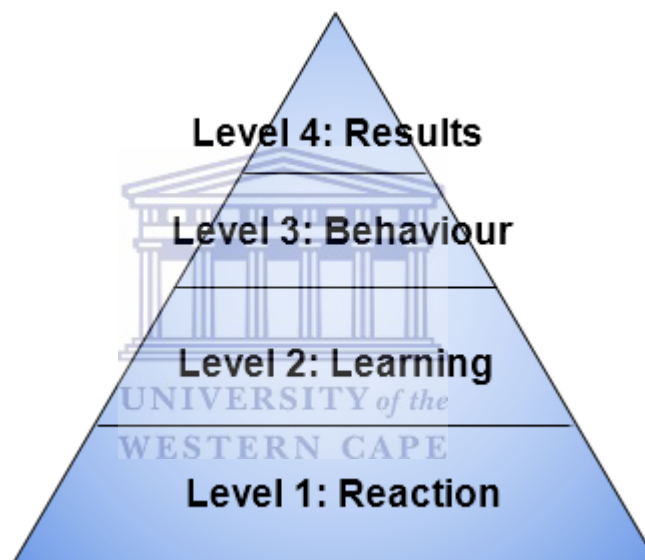

Figure 4: Kirkpatrick's Four Levels of Evaluation Model

5.2.1. Level 1: *Reaction*

The first level of evaluation focuses on the participant's perception about the training. According Mohamed et al (2017) the primary goal of this level is to enquire how participants felt about the training they received. In order to obtain the necessary data with regard to the reaction of participants towards the training, I included three specific questions in the post-training interview schedule. To provide a snapshot of the reaction of the 21 participants who completed the post-interview schedule, I sketch three pie charts that I discuss in the rest of this section. The first question I address is how you would rate the venue.
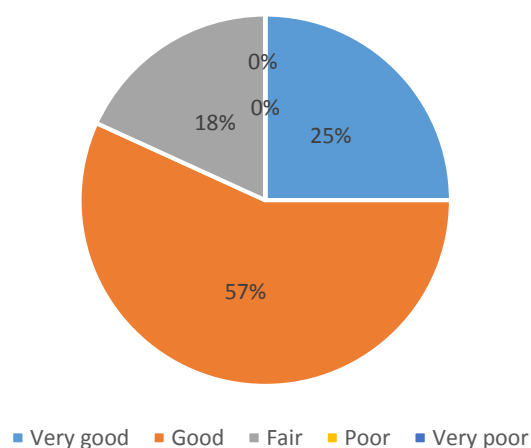
How would you rate the venue?

0%
0%
18%
25%
57%

■ Very good ■ Good ■ Fair ■ Poor ■ Very poor

Figure 5: Rating of training venue by participants

The responses received from the participants highlighted in **Figure 5** indicate that majority of participants were satisfied with the venue and 18% of the participants felt that the venue was fair. Based on the data obtained from the post-training interview schedule, none of the participants felt that the venue was bad or in a poor condition. The second question in the post-training interview schedule, sought to enquire if the participants were happy with the trainer.

"All questions I posed were answered by the trainer or subject matter expert

0%
7%
7%
0%
86%

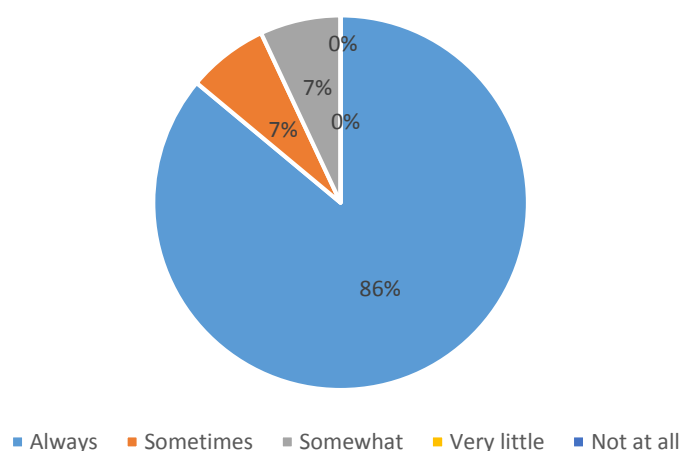■ Always ■ Sometimes ■ Somewhat ■ Very little ■ Not at all

Figure 6: Rating of trainer or subject matter expert

Figure 6 provides a description of all the participants' views as to whether all their questions were answered by the trainer. Based on results obtained from the post-training interview schedule, 86% of the participants indicated that all the questions were answered by the shariah scholar who

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conducted the training. **Figure 6** also provides an indication that a total of 14% of participants felt that their questions were not answered by the trainer. While going through the data I noticed that one participant did not fill in this answer and could cause a change in any of the categories. It is extremely important that participants felt that they were part of the training as this would help obtain 'buy-in' of the internal customer. If the internal customer had not bought into the product offering, it is more than likely that they would not actively promote the product. A key question that sought to determine whether participants were satisfied with the training was to find out whether their expectations were met.

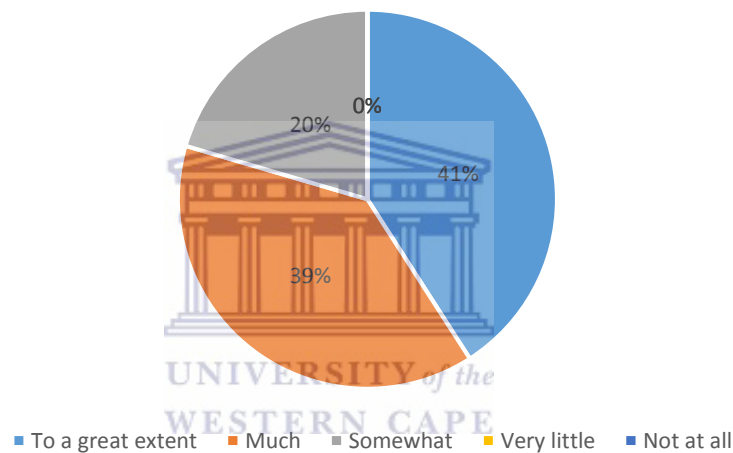To what degree have your learning expectations been met

Figure 7: Participants expectation of the Islamic banking training workshop
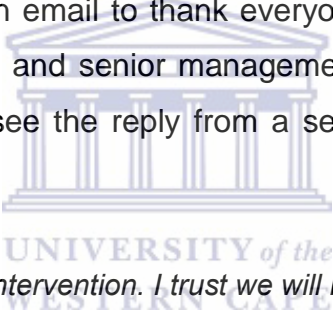
The amount of participants who felt that the training met their expectations is somewhat even between two categories. 39% of front-line employees indicated that the Islamic banking training workshop had exceeded their expectations by a great extent and 41% indicated that their expectations had been much exceeded. This is excellent as 80% of the participants were satisfied with the training. **Figure 7** also indicates that 20% participants felt that their expectations had somewhat been met, with none of the participants stating that their expectations had not been met. According to Mohamed et al (2017:3), if a positive reaction is received it means that participants were happy and satisfied and will use the skills and knowledge acquired at the training.

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5.2.2. Level 2: *Learning*

As the training progressed during the day, I continued to monitor the behaviour of participants and made changes to the training environment. The objective of the training was to provide front-line employees with the opportunity to learn about the Islamic banking offering and improve their knowledge. According to Rahim (2017), evaluation of learning is determined by how well the principles, facts and skills are understood by the participants after being exposed to training. In order to evaluate the learning that has taken place, I provided front-line employee participants with a post-training interview schedule. I discuss some of the responses received from the post-training interview schedules in the analysis section. To determine whether the training has transferred to the workplace, it was important that the behaviour of participants were also monitored when engaging customers in the workplace.

5.2.3. Level 3: *Behaviour*

Being back at the office I sent an email to thank everyone who played a role in delivering the training and copied some middle and senior management in the email, who were also critical observers. It was interesting to see the reply from a senior manager of the business division stating:

"Well done guys on the training intervention. I trust we will reap the benefits in sales and advice going forward".

This type of support has certainly motivated and encouraged the monitoring of the effectiveness of the training. After the training was provided, myself and a training facilitator who attended the Islamic banking training workshop, went to visit the respective branches where participants were located. The reason for doing this, was to observe the behaviour of the participants in the work environment. Mohamed et al (2017:4) highlight that it is important to measure whether the knowledge and skills learnt and the attitude developed from the training is transferred to the workplace and that it shows an indication of positive changes in behaviour and job performance.

Using the Islamic banking performance criteria checklist that can be found in Appendix H, the competence levels of the participants with regard to offering Islamic banking products were evaluated. The checklist addressed factors such as whether a front-line employee informs a customer about the offering or whether they were comfortable in explaining the difference

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between Islamic banking and traditional banking. During the first few observations, participants showed a positive attitude as they were keen to talk to customers about Islamic banking. It is, however, important to note that there was still awkwardness and discomfort at the start. As the conversation progressed, the behaviour of participants started to reflect more positively. The level of conversation has certainly improved with some of the participants due to their exposure to the Islamic banking training. It is, however, important to note that the participants still experienced minor issues such remembering key concepts of Islamic banking or profit sharing ratios. This was foreseeable. Being exposed to the Islamic banking training workshop, participants knew that they could visit the banks intranet to obtain the necessary information they required. The observations in the workplace provided me with additional information which was not previously identified. During the last few observations, the training facilitator informed me that an important observation was made during a customer engagement. The training facilitator advised that the front-line employee that was being observed was doing well and provided the customer with all the information about the Islamic banking product, but the customer was not interested. The client preferred to take up a traditional product. It was at this stage in which I started to monitor the responses from customers towards accepting the Islamic banking offering. It is at this stage where cycle two of this action research began. Before I provide an overview of the challenges experienced with external customers, I provide a brief overview of the results of the training in the next section.

5.2.4. Level 4: *Results*

This level seeks to determine whether the learning impacted the business such as providing more profit, high sales and reducing numbers of customer complaints (Mohamed et al., 2017). To evaluate the success of the workshop, I regularly monitored the performance of Islamic banking. To provide insight into performance since the action research was initiated, I designed **Graph 2**: Islamic banking Sales Performance as at September 2017 to show the growth that had taken place. The data in the graph is provided in percentages to avoid revealing actual performances of the bank. In order to concentrate the figures, I added all the figures and calculated the average contribution per month multiplied by 100%. The percentage scale is a maximum of 30%.
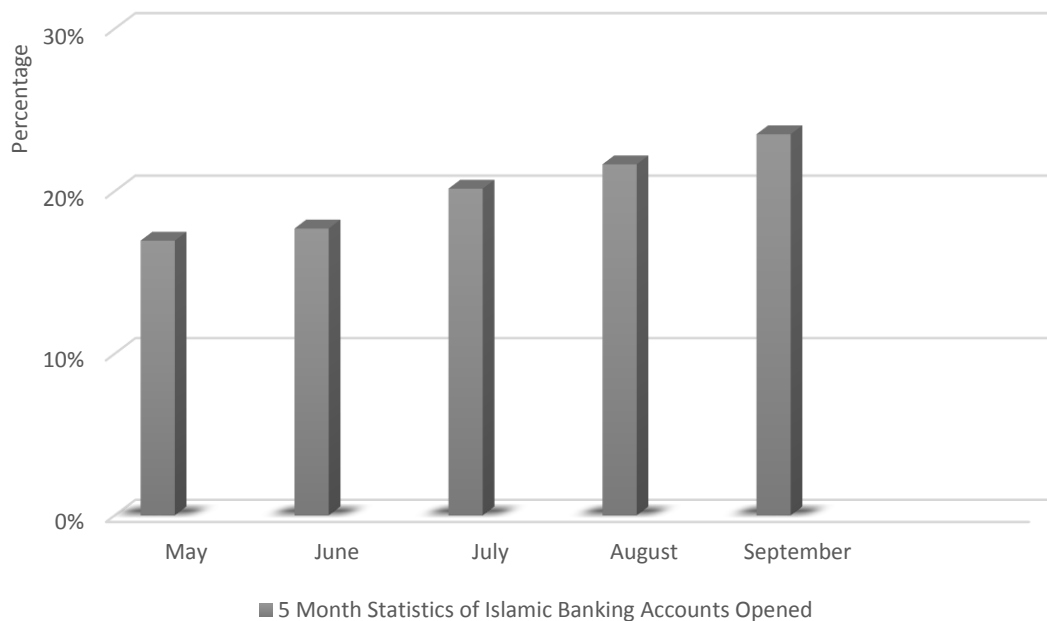
Graph 2: Islamic banking Sales Performance as at September 2017

Graph 2: Islamic banking Sales Performance as at September 2017 highlights the growth in Islamic banking sales at the bank since the initiation of this project in May 2017. According to **Graph 2** the sales performance remained relatively stable over the first four months of this action research project. It is, however, visible that a slightly higher increase occurred in September 2017, confirming the impact of the Islamic banking training. This was great, taking into account that Islamic banking sales was undergoing a downward movement since 2015, as highlighted before. Reflecting back on the action research, I could not ignore the challenges experienced by front-line employees, where customers gave preference to the traditional offering of the bank as identified in level 3. With the increase in Islamic banking sales being a core objective of this action research, it was essential that customer behaviour be addressed in cycle two of this action research.

5.3.   Cycle two of this action research study

In the action research design section of this report, I introduced the cyclical nature of action research which consists of four stages known as planning, acting and observing as well as reflection. This can be seen in **Figure 2**: Action Research Design Model where multiple cycles can occur. According to Herr and Anderson (2005:5) "the cycle of these stages forms an action research spiral in which each cycle increases the researchers' knowledge of the original question, puzzle or problem and is hoped that it leads to a solution". Evaluating the effectiveness of the

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Islamic banking training workshop in the workplace, it was identified that some customers did not select Islamic banking products when front-line employees offered it to them. Based on the observations conducted during the evaluation stage, it was identified that customers poor take up of Islamic products was due to lack of awareness. Reflecting on the action research study, I realised that the low uptake of Islamic banking products by customers had a direct impact on the sales performance of Islamic banking as well. In order to address the issue, I engaged literature that specifically highlight selection criteria that customers use to choose banks and banking products.

5.3.1. Lack of understanding of Islamic banking

In a study conducted in Malaysia, where the population is 61.3 percent Muslims, Haron, Ahmad and Planisek (1994) found that only 63 percent of Muslims understood partly or completely the difference between Islamic and traditional banking. They found that only 12 percent of Muslims and 32 percent of non-Muslims believe that Islamic banking is for Muslims only. Addressing the attitudes of Muslims with regard to Islamic banking, Vahed and Vawda (2008) conducted a study in South Africa. Utilising surveys as a data collection method, they found that 69 percent of a sample of 45 Muslims were aware of Islamic Banking, while 31 percent were unaware (Vahed & Vawda, 2008). Based on the literature, customer attitudes, awareness and education about Islamic banking was certainly not to be disregarded as important aspects.

5.3.2. Bank selection criteria by customers

Much research has been conducted in the area of bank selection criteria by customers. A study conducted by Saini, Bick and Abdulla (2011) found that the use of Islamic banking was not dependent on the religion of a customer. In their study conducted in South Africa, they found that 19.6 percent of a sample size of 1 million Muslim customers used both traditional and Islamic banking products (Saini et al., 2011). Wajdi et al (2007) conclude that Islamic banks must not solely rely on religious factors as a strategy to secure customer allegiance, but they should also emphasise providing quality and efficient products and services. Due to Islamic banking being available to all customers, I also reviewed literature that investigated the similarities and differences in the selection of banks and banking products.

In a study conducted by Haron et al (1994), which comprised of a sample size of 301 Muslim and non-Muslim customers in Malaysia, they found that both Muslims and non-Muslims valued the

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same traits when selecting banks. These consisted of fast and efficient service, friendliness of bank employees as well as the reputation of the bank. It was, however, found by Saini et al (2011) that lower bank charges are important in the choice between an Islamic and a traditional bank. Contrary to Saini et al (2011), Dusuki and Abdullah (2007) found in their study conducted at 52 different Islamic banking branches in Malaysia, factors like close proximity to home and work, as well as price of the product are perceived to be the least important criteria.

With clear similarities in the selection criteria between Muslims and non-Muslims, differences do exist. Gerrard and Barton Cunningham (1997) found in a study conducted in Singapore using questionnaires, non-Muslims placed much more importance on high interest payments on savings, in comparison to Muslims who rate it fairly low. The study also found that a small proportion of Muslims have an awareness of the culture of Islamic banking with non-Muslims having an almost complete lack of awareness (Gerrard and Barton Cunningham, 1997). The study by Gerrard and Barton Cunningham specifically identify a difference in attitude towards Islamic banking between Muslims and non-Muslims. In their study in Singapore, if an Islamic bank performed poorly in one year, 20.7 percent of Muslims would withdraw their deposits immediately and 66.5 percent of non-Muslims would as well. It is important to highlight another study conducted by Haron et al (1994) in Malaysia, where more than half of Muslim and non-Muslim respondents indicated, if they have a complete understanding about the operations of an Islamic Bank, they would possibly establish a relationship with an Islamic Bank. By doing a comparison between the situational analysis and the literature it seemed that lack of awareness was found to be a common issue amongst customers. Reflecting on the challenges and the various drivers that guide customer's decisions, I developed my second research question:

- **RQ 2**: How can I make customers aware of the Islamic banking offerings which will encourage them to utilise the offerings?

In order to seek guidance, I engaged literature that addressed external marketing as a concept. Thereafter, I provide insight into literature that recommends best practices with regard to marketing Islamic banking, which could lead to an uptake of Islamic banking by customers.

5.3.3. What could I do about it? – External Marketing

Consumer awareness or the lack thereof is critical in the decisions made by Muslim and non-Muslim customers with regard to selecting banking products. This was no different for customers of the South African traditional bank in the Western Cape. In seeking for recommended practices as to how I could increase customer take up of Islamic banking, I engaged a number of literature that investigates the lack of customer awareness and usage of Islamic banking products. I start this section by firstly defining marketing and specifically narrowing it down to one of the P's of the marketing mix called 'promotion'. Thereafter, I highlight a number of best practices used to overcome the lack of customer awareness of Islamic banking.

The concept of marketing is identified as a function that help firms find and encourage buyers or customers to use the products offered by the firm (Kotler & Levy, 1969). According to Ferrel and Hartline (2014:7), "marketing is the activity, set of institutions, and processes for creating, communicating, delivering and exchanging offerings that have value for customers, partners and society at large". Reading through the Marketing Strategy book by Ferrel and Hartline (2014), I came across an interesting section where the authors link external marketing to internal marketing. In this section, it is highlighted that internal marketing is an output and input of marketing implementation and the external marketing activities (Ferrel & Hartline, 2014:369). This means that they are interconnected. At first I thought that internal marketing would be solely responsible for the improvement of Islamic banking, but with this information realised that the implementation of marketing practices cannot only be restricted to internal marketing or external marketing, but a combination and an integration of the two concepts. In order to describe the relationship, the author provides a modified model, which I present in **Figure 8**.

Figure 8: Relationship between internal marketing and external marketing. Extracted from Ferrell & Hartline (2014)

To execute a marketing strategy which is directed at achieving the organisation's objectives, it is essential that marketers put a plan into action that seeks to implement proper internal and external marketing programmes (Ferrell & Hartline, 2014). Due to the report focusing extensively on internal marketing programmes, the following section elaborates on external marketing programmes. Ferrel and Hartline (2014) indicate that an external marketing programme refers to the strategic combinations of the *four basic marketing mix elements known as products, price, place and promotion.* A good marketing strategy consists of all four elements and not one specific element. Due to the model used by the bank, where the same resources are used for both Islamic banking and traditional banking, I primarily focus on the promotional element and not on all four elements of the marketing mix.

Promotional activities are necessary to promote the features and benefits of a product to customers (Ferrell & Hartline, 2014). To ensure that promotional campaigns result in the sale of goods and products by customers, Ferrel and Hartline (2017) introduce the classic AIDA Model presented in **Figure 9**: AIDA Model – Promotional goal setting. AIDA stands for attention, interest, desire and action which serves as a goal setting for promotional campaigns. Below is a brief description of all four goals as described by Ferrel and Hartline (2014).
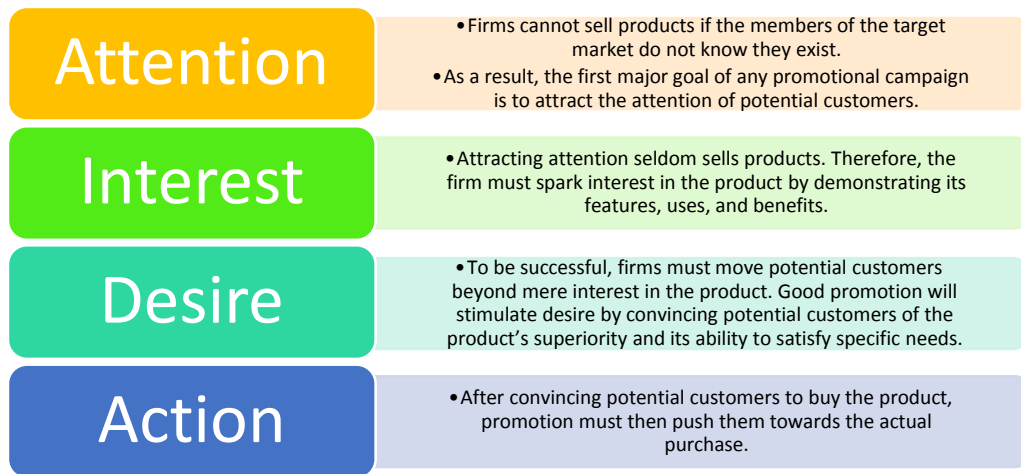
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Figure 9: AIDA Model – Promotional goal setting

Seeking to implement appropriate external marketing programmes, the AIDA Model will be used as a primary guide to direct programmes that could be selected to create an awareness about Islamic banking and also to improve the uptake of Islamic banking products by customers. To familiarise myself with marketing strategies used to promote the Islamic banking, I engaged a number of articles, which I discuss in the following paragraph.

5.3.4. Recommended External Marketing Practices

After engaging the necessary literature on marketing, I also read articles that addressed the issue of customer lack of awareness. Engaging existing literature assisted me in identifying the correct activity to address the issue and to ensure it meets the goals identified in the AIDA Model. For an intervention to bring about awareness of Islamic banking to customers, many recommendations refer to education through advertising. Gerrard and Barton Cunningham (1997) encourage Islamic banks to undertake informative advertising campaigns to increase awareness about Islamic banking. When organisations use advertising, they provide information which creates a desire and supplies reasons to a customer to use a particular product or offering (Olufayo, Ladipo & Bakare, 2012). The options and strategies that I could use to advertise the Islamic banking offering was extremely wide.

According to Dusuki and Abdullah (2007), customer education programmes are crucial if they are to increase the level of consumer awareness about the unique characteristics of Islamic banking and its wide-range of financial products offered. Gerrard and Barton Cunningham (1997) encourage Islamic banks to undertake informative advertising campaigns to increase awareness

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about Islamic banking. In relation to education and awareness, Gerrard and Barton Cunningham (1997) recommend that general explanations around Islamic banking should also be provided by Muslim bodies. In a study conducted by Kamarulzaman and Madun (2013) in Malaysia they identified that the main problems attached to the poor uptake of Islamic banking was due to product information being limited and not sufficient to convince the customer. They also emphasise that the lack of information and the competence by front-line employees to explain Islamic banking is certainly a contributing factor. Having this background and understanding of possible strategies, I was able to proceed with identifying and implementing the necessary interventions.

5.3.5. What did I do about it?

Being at the planning stage of the cycle two of the action research cycle, I needed to implement an intervention that would create awareness about Islamic banking amongst customers. Using the recommendations provided in the literature by Gerrard and Barton Cunningham (1997) and Kamarulzaman and Madun (2013), I selected advertising as an *external marketing activity* to create awareness about the Islamic banking offering amongst customers. The primary idea I had was to provide branches, in areas where there was a high concentration of Muslim customers, with marketing material such as brochures and posters, which would inform customers about the Islamic banking offering. This was how I was introduced to Islamic banking. Since the dissolve of Islamic bankers in 2014, no one in the branch made an effort to request for marketing material that particularly advertised Islamic banking, apart from a shariah certificate which approved the Islamic banking offering by a shariah supervisory board. In order to arrange for Islamic banking marketing material, I contacted the Islamic banking specialist for assistance.

Speaking to the Islamic banking specialist, I informed him of the lack of customer awareness about Islamic banking, which was identified during observation and evaluation of participants who attended the training. I specifically proposed the need for brochures and posters for the identified branches. The Islamic banking specialist was very helpful and indicated that he would be able to arrange for posters for all the branches, but I would have to arrange with the administrators of the respective branches to order the Islamic banking brochures.

As we continued the conversation, the Islamic banking specialist informed me that advertising would also be done on a local radio station, as discussed at our very first meeting highlighted in

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Chapter Four. The discussion held with the Islamic banking specialist at the meeting triggered thoughts of improving on marketing activities and programmes. The occurrence of such activities is highlighted in the research design section of this report where Anisur Rahman regards all actions taken in an action research and also includes those by outside partners (Reason & Bradbury, 2008). It was pleasing to hear about this development as it was a direct result of this action research study. In addition, the Islamic banking specialist also informed me about a customer forum that would be held, which was also triggered through the meeting held with the Islamic banking specialist. I could not believe that the action research had such an effect. In fact the idea of having a customer forum was an idea I had planned for the future. It was during this phone call when I realised the benefits of conducting action research and how it unfolds in unexpected ways and outcomes. After the phone call with the Islamic banking specialist, I started to communicate with administrators of various branches to order Islamic banking brochures.

5.3.5.1.   Brochure and poster advertisement of Islamic banking
Learning from previous experiences with regard to obtaining the support of management, I requested branch managers to arrange with the branch administrator to order the brochures. This process was not free from any issues. I had to regularly contact branch managers telephonically and send emails to obtain an update as to whether the brochures were ordered. Out of the eleven branches identified for brochures, only six requested it immediately and received their order within one week. Another three branches requested brochures only after I consistently checked in with them and requested updates. Out of the eleven branches identified only one branch did not provide feedback. The posters that the Islamic banking specialist arranged were slightly larger than the poster frames within branches and new frames had to be ordered as well. Due to this, only two branches, located in very high concentrated Muslim areas, were identified for posters.

To ensure that everything was in place and displayed correctly, I went to visit the two branches which were provided with the poster. Walking into the first branch, I saw an area in the banking hall where Islamic banking brochures were visibly displayed. This was further complimented by the larger Islamic banking poster that captured the attention of the customer. Walking by the customer service desk and tellers, I noticed that the Islamic banking brochure was not part of the rest of the other brochures. I went to speak to the branch manager, who asked the customer service host to include Islamic banking brochures in display holders located at the customers

service and teller areas. While being at the branch I also monitored and observed customer behaviour and noticed that customers who came to the tellers and customer service desk, often enquired about Islamic banking due to the brochures displayed at an area where it was visible to customers. With the front-line employees receiving training, they were able to provide customers with sound and accurate information. Due to this development, I went to the manager and asked him if we could also have brochures on display by the sales consultants, who are ideally the front-line employees who conclude the sale. Observing the engagement between a sales consultant and customer, again I noticed the reaction of the customer enquiring about Islamic banking products and wanting to know more about the offering. The exposure to Islamic banking training enabled sales consultants to actively engage customers and reinforce the promotion of the Islamic banking offering to the customer.

The provision of brochures and posters at the bank helped to create awareness amongst customers and also to provide front-line employees with an opportunity to promote Islamic banking products. It is clear that the implementation of internal marketing and external marketing is completely integrated and that the two should not be viewed in isolation. Another external marketing event held was the customer forum which was encouraged through this action research project.

5.3.5.2.   External Marketing Event - Customer Forum
Reflecting on the first meeting with the Islamic banking specialist, a number of concerns and ideas were discussed. One important aspect was around brand awareness. This discussion and engagement inspired the idea of a customer engagement forum. On 14 August 2017, three days after the Islamic banking training workshop, a customer engagement forum was held with the primary purpose of creating awareness of Islamic banking in the Western Cape and to reaffirm the commitment of Islamic banking to the Muslim community in the Western Cape. The customers that were invited to the forum consisted of private individual customers, business owners as well as students and religious leaders of Islamic institutions in the Western Cape. To ensure that the event provided an Islamic feel and atmosphere, it was held at a well-known restaurant in the Western Cape, which also has a mosque on its premises, making it convenient for attendees to fulfill their prayer obligations. In the following paragraph, I discuss the highlights of this event and how it focused on creating customer awareness.

After the formal proceeding, the Islamic banking specialist, who was the master of ceremonies introduced one of the banks shariah supervisory board members. The shariah supervisory board monitors all financial contracts, transactions, and further activities of a bank on behalf of shareholders, stakeholders and clients to ensure that they are compliant with the shariah (Alman, 2012). The shariah supervisory board member provided the audience with a brief background on Islamic banking and also allowed interaction from the audience through a question and answer session. Based on the questions that were posed, some of the individuals who attended the forum had some knowledge of or interest in Islamic banking. Some of the attendees consisted of students who studied Islamic finance. One of the questions that was asked was regarding the independence of shariah boards who receive income from a financial institution and whether it could influence the decision making around certifying a product as shariah compliant. This is known as "fatwa shopping". Fatwa shopping refers to financial institutions seeking opinion and rulings by Islamic scholars on matters where there is ambiguity that a certain product or banking activity may or may not be in line with the shariah (Malik, Malik and Mustafa, 2011). The shariah board member answered by saying:

"*As the shariah board, our main responsibility is not towards the bank. Our main responsibility is towards Allah (God). I always remind my fellow brothers, every time you give an opinion, one thing you have to know is put yourself in your graveyard. If you can't answer Allah when Allah asks you about your opinion, then do not give the opinion*".

To provide more clarity to the answer, the shariah scholar elaborates on the importance and the accountability that all religious leaders have when signing or giving an opinion. He made reference to a book which is titled "signing on behalf of God". The shariah scholar elaborates by saying;

"*Before an opinion is given, a religious scholar must be mindful as to whether that decision will take him to Jannah (Paradise) or to Naar (Hellfire)*".

Based on the seriousness and assertiveness in the response from the shariah scholar, the misconception and concern which many might have had with regard to trusting the Islamic banking offering as shariah compliant, may have been cleared. The conversation that took place with customers at the event, showed that customers became interested and more aware of the Islamic banking offering. After the customer interventions were implemented, I needed to see

whether customer behaviour improved when front-line employees offered the Islamic banking products and whether customers would personally request the Islamic banking products. To identify any changes that occurred after all the external activities, I continued to observe the performance of Islamic banking sales.

5.3.5.3. Reflecting on the external marketing

To assess the changes that have taken place, I made a comparison of the performance of Islamic banking prior to the action research study and performance after the interventions. By assessing the sales performance of Islamic banking product sales at the traditional bank, it was evident that an increase in sales performance occurred. Since the completion of the Islamic banking training workshop, I accessed the portal weekly to see whether there had been growth in terms of sales. It was interesting to observe the change over the period since the action research project was initiated. Based on the statistics, the growth of Islamic banking product sales had been significant with the month of October being at its highest. The integration of internal marketing and external marketing campaigns contributed to a significant increase in the performance of Islamic banking. With front-line employees being knowledgeable about Islamic banking products and customers being informed of the Islamic banking product, the bank was able to achieve outstanding results as at October 2017. This can be seen in **Graph 3**: Islamic banking Sales Performance as at October 2017.

Graph 3: Islamic banking Sales Performance as at October 2017

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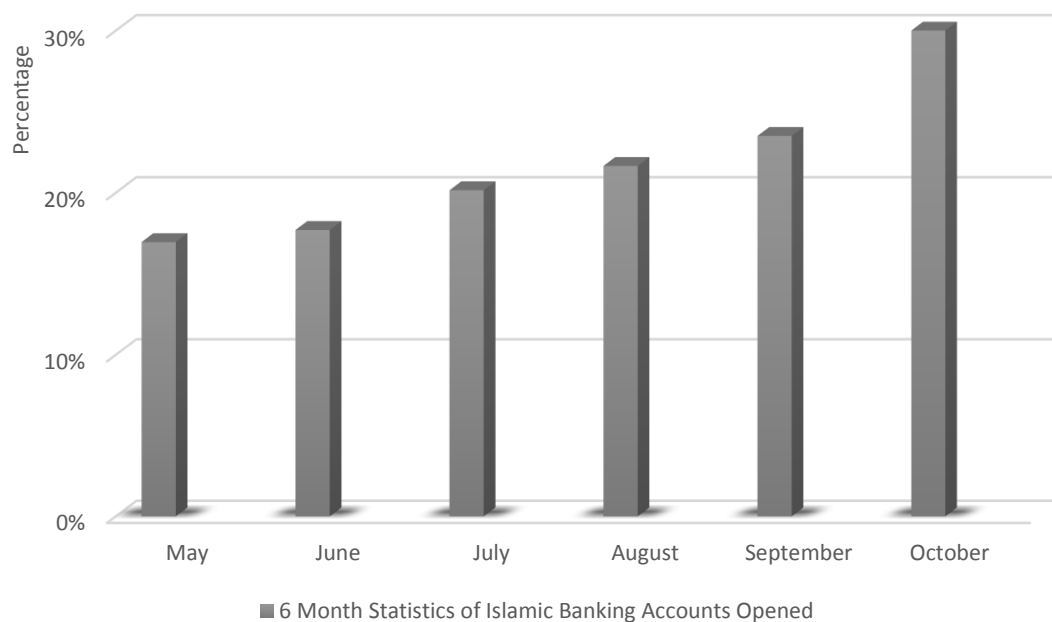
The data provided in **Graph 3: Islamic banking Sales Performance as at October 2017** shows the significant growth that had taken place since initiation of the action research project in May 2017. According to my calculations, the number of accounts processed during the month of October alone contributed to approximately 31% of the total sales generated since May 2017. The increase in sales is the result of implementing effective internal marketing activities, coupled with external marketing activities and the support of management. To make my claim to knowledge, I provide an analysis of the data collected in the following section.

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6. Chapter 6 - How did I analyse and interpret my data in order to generate evidence?

Before I discuss the analysis of the data, I provide a brief overview of differences and similarities between the analysis of a conventional research study and an action research study. The reason for this is to enable the conventional researchers to have a better assessment of the analysis provided in this section. In the first section of this chapter, I discuss conventional research analysis and thereafter I discuss the similarities between grounded theory and action research as well as the unique style of action research. In the latter part of this chapter, I discuss how I went about organising the data, which is followed by the analysis of this action research study.

6.1. Analysing data in a conventional research study

In research there are a variety of approaches that can be used to analyse data. Researchers such as Bryman et al (2014) identify two approaches: qualitative and quantitative. Qualitative data comprises of words and text whereas quantitative data comprises of numerical data. According to Bryman et al (2014), the analysis method that researchers apply will be dependent on the type of data collected. In the event that qualitative data is collected, there is a specific process that the researcher should follow. According to Bryman et al (2014) the starting point for most conventional research approaches to analysis is coding. Hruschka, Schwartz, St. John, Picone-Decaro, Jenkins and Carey (2004:308) indicated that "coding entails (1) compiling a list of defined codes (the codebook) corresponding to themes observed in a text and (2) judging for each predetermined segment of text whether a specific code is present". Having done conventional research before, I would often develop codes or themes and group similar data collected which links to a specific code. While doing this, I often needed to be mindful of the context in which the data was collected. This is often an issue and a criticism of coding, as it is possible of selecting text and losing the context of what was said (Bryman, et al., 2014). Once the coding has been completed, conventional researchers will be able to develop key concepts relevant to their study and may continue to build on the data that related to specific concepts. After the coding process has been completed, the researcher will be in a position to interpret the data by making use of various interpretation approaches such as qualitative content analysis, semiotics and discourse analysis, as highlighted by Bryan et al (2014). In this study we use content analysis to analyse the qualitative data collected.

The analysis of quantitative data also occurs later in the conventional research process. Bryman et al (2014), however, recommends that conventional researchers must plan ahead and be aware

of the analysis methods that they will employ when designing quantitative data collection methods. Quantitative data analysis is particularly concerned about the development and classification of variables. To understand the existence of one variable or the relationship between two or more variables, Bryman et al. (2014) identifies three types of methods to analyse quantitative data. To analyse one variable, the researcher may use a *univariate analysis.* In the event that the relationship between two variables is measured, the researcher may use bivariate analysis and in the case of three or more variables, the researcher may use multivariate analysis.

When analysing qualitative data collected within conventional research, a researcher can select a strategy as a framework to guide the research (Bryman, et al., 2014). Such strategies consist of *analytical induction, thematic analysis and grounded theory*. For the purpose of this research, I only discuss grounded theory as it shares some of similarities to action research. Bryman et al (2014) indicated that *Grounded theory* has two distinct features. Firstly, it is concerned with the development of theory and secondly, that the method is iterative. It is further highlighted that the data collection and analysis occurs simultaneously. This is very similar to action research, however, it seeks to provide a description of the events, rather than introducing and implementing an intervention that may improve the practice.

6.2. Analysing data in an action research study

The analysis of the data collected during this action research occurred as the data was collected, which resulted in the development of different concepts. This is different from the analysis of conventional research which occurs after all the data has been collected. The narrative writing style of this thesis seeks to display the interlinking of the data collection and analysis of the data. A key factor in the analysis of action research is to identify criteria and standards that will help make sense of the data collected (McNiff, 2016). Criteria is identified as those things by which judgment or decisions can be made and whether certain data can serve as evidence to make a claim to knowledge. In order to make such decisions, McNiff (2016) highlights that action researchers identify their personal values as criteria or standards of judgment. This specifically focuses on the personal values and approaches that the action researcher displays within the social context. It is important to note that the collection of data and analysis of this action research occurred simultaneously, but the representation in this report is only done afterwards. Before I discuss the analysis of the data, I would like to highlight the importance of organising data.

6.3. Organising my data

According to LeCompte (2000), before the data is analysed it must be organised accordingly. Using the first step - Tidying Up as advised by LeCompte (2000), I arranged for all the data to be located in its respective category in my dropbox cloud storage. By doing this all semi-structured interview recordings were saved in one file, all videos and pictures were placed in their respective files. I also created a file to save all email correspondence received during the research period as well as participant confirmations. An important source of data collection was my journal, of which I made copies and scanned all the information to my email and saved to the dropbox cloud storage. This was extremely important as it assisted me in keeping the information secure and accessible. With the data being organised categorically in terms of awareness and knowledge of front-line employees, as well as awareness of customers, I needed to be mindful that the training interview schedules also consisted of quantitative data. Due to data being collected from different sources, the analysis also employs triangulation to verify data as evidence. The analysis particularly places emphasis on the training interview schedules to assess employee behaviour and uses sales statistics to assess customer behaviour.

6.4. Analysing the data

As highlighted, the analysis of action research is different from conventional research as it is measured against standards or criteria that the researcher sets (McNiff, 2016). This chapter starts with the analysis of qualitative data collected using content analysis. Thereafter, I analysed the quantitative data collected from the two month post-training interview schedules. After each data type was analysed, it was measured against the criteria and standards of judgment to serve as evidence.

Criteria and Standards - Values:

1. To assist and help front-line employees to promote Islamic banking.
2. To ensure that customers are provided with proper advice in order to make informed decisions.
3. To respect everyone I interact with.
4. To appreciate others' opinions and to follow all procedures.

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6.4.1. Analysis of qualitative data

In order to analyse the qualitative data, content analysis was used as a technique. Content analysis is an approach for the analysis of documents and text that seek to quantify content in terms of pre-determined categories, and in a systematic and replicable manner (Bryman, et al., 2014). Using this technique, I was able to provide qualitative data collected from various qualitative sources and generate the evidence required. Comparing the data collected from post-training interview schedules to the data collected from pre-interview schedules, participants indicate that the training had helped them to understand Islamic banking much better. This can be seen in **Table 9.**

Table 9: Responses from Frontline-Employees – Post-training interview schedule

Please provide a brief description of how the training has assisted you to confidently discuss Islamic banking with customers?
● It gave me a better understanding as to why Islamic banking is offered. ● Better understanding about the offering. ● I am more confident to discuss the background if needed as well as product information. ● It gave me a deeper understanding on all concepts. ● All Islamic clients will firstly be informed about Islamic banking at all times. ● I will be able to explain to clients about the shariah accounts and profit share. I also now know the different types of Islamic banking products offered.
Please state any recommendation you may have for the improvement of internal marketing of Islamic banking?
● When we have training on our traditional products, we should incorporate Islamic banking accounts as well. There is no focus on Islamic banking. ● It needs to be included in the fit and proper requirements. ● More awareness through talks, training, employee engagements and roadshows. ● Home Loans must be made available on Islamic banking. ● Everyone at the bank can benefit from this training. ● More visibility on media to encourage clients about Islamic banking.

With the Islamic banking training assisting front-line employees in becoming more confident to promote the Islamic banking offering, it is found that a significant amount of participants recommend Islamic banking training for all front-line employees. It is, however, important to note that there are some employees still associating Islamic banking only to Muslim customers. Front-line employees further highlight the need to increase awareness through roadshows as well as training activities. According to the post-training interview schedule it is evident that participants felt more confident and that the *attitude* of front-line employees was positively impacted.

Measuring the feedback against criteria or standard number one, there is an indication that front-line employees are more positive about promoting the Islamic banking offering of the traditional bank.

With front-line employees feeling more confident, it is an indication that the *perceived behavioural control predictor* influenced participants to promote the Islamic banking products. As a confirmation, I would like to highlight statements from emails received from two front-line employees indicating that their confidence and understanding have improved:

- *"I enjoyed the training so much. It was fresh and very interesting. Before the training Islamic banking was like a myth. Everybody heard about it but nobody saw it happening".*
- *"Confidence is key and before the training there were none".*
- *"The training was really informative. I feel more confident to offer the Islamic solution"*

The feedback received from the two front-line employees indicated that the level of understanding of Islamic banking has improved and that front-line employees are more comfortable to speak to customers about the Islamic banking offering. With the knowledge levels increasing, front-line employees also started to have a positive attitude towards promoting the Islamic banking offering. It further highlighted that the Islamic banking training workshop also made front-line employees more *aware* of the Islamic banking offering. The data provided here serves as evidence that the Islamic banking training initiated helped front-line employees promote the Islamic banking offering. I also found through observing front-line employees in the workplace that some of the participants could have conversations with customers and if they did know all the information about a particular product, they would visit the intranet. This often also related to clarifying Islamic banking concepts.

Based on the data collected from the post-training interview schedules, there is an indication that a significant amount of front-line employees' understanding has improved. According to Mohamed et al. (2015) if the participants' knowledge has increased, skills have improved or their *attitudes* have changed at the end of the training programme, then it is considered that learning has taken place. The provision of Islamic banking training to front-line employees certainly impacted the attitude and perceived behavioural control predictors positively, through awareness and education provided through the Islamic banking training workshop. To determine whether the change in

behaviour was sustainable, I collected additional qualitative data from participants two months after the training using an interview schedule. A copy of the interview schedule can be found in Appendix G. **Table 10** highlights some of the responses to the qualitative questions.

*Table 10: Responses from Front-line Employees - Two month Post-training interview schedule*

Please provide a brief description of how the training has assisted you to confidently discuss Islamic banking with customers?
● It gave me a better understanding of the different terminology which made me feel more comfortable.   ● I can now discuss with the customer what is profit share and where the customer's funds are invested.   ● Made me more confident in explaining the product to the customer, especially if you know the background of the shariah law.   ● It made me understand the culture behind the product, which is very important when talking to an applicable customer regarding Islamic products,   ● So much so that with almost every Muslim customer I interact with, I offer the Islamic banking products as an option. I am confident to answer their questions.   ● I'm not in a sales role. The training has equipped me to confidently share the Islamic offering in the bank.   ● I did not know that you do not have to be Muslim to have Islamic banking. One day is not enough for training, as there was so much to take in.   ● The training has definitely equipped me and can be seen in the increase in Islamic banking products which I opened.
Please state any recommendation you may have for the improvement of internal marketing of Islamic banking?
● None for internal. External focus area should be mosques, Muslim schools and special Muslim events.   ● Islamic banking consultants, managers to visit branches more often.   ● Too little marketing. Brochures alone are not enough. We need to be vibrant in the market and we need bill boars and be active in the community.   ● All front-line employees should receive training and all external employees of all business units should educate themselves in order to have the appropriate conversation and engagements with customers.   ● Islamic banking product training for all front-line employees to create awareness   ● The employee engagement forum was a perfect platform to showcase Islamic banking to the customer facing division.   ● Have more Islamic banking sales campaigns.

Assessing the responses from participants after two months, it is evident that many participants continued to experience a sense of willingness to engage customers about the Islamic banking offering. The response from one of the participants is a confirmation that the training has resulted in an improvement in behaviour by front-line employees. Islamic banking products can be used

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by anyone and not only by Muslims. Another participant also indicates that Islamic banking products are offered almost to every Muslim with whom they engage. Although it describes an improvement in behaviour, Islamic banking should be offered to all customers irrespective of religion. Based on the qualitative data provided, it is visible that attitude and perceived behaviour control, as predictors of the theory of planned behaviour, has been positively impacted.

As recommendations, the participants highlighted the need for Islamic banking managers to visit branches. This is critical for the promotion of internal marketing activities. In addition there is a need to develop sales campaigns that are directed at encouraging front-line employees to promote Islamic banking. Participants recommend that Islamic banking training must be provided to all front-line employees. Through the analysis, it also identified that participants confuse external marketing for internal marketing. This is an indication that some participants do not understand their personal role in the promotion of Islamic banking. Even though there are participants that required more support, the general view is that the Islamic banking training has enabled front-line employees to be more confident in promoting the Islamic banking offering. Another important part of measuring the outcome of this study was to monitor the sales performance of the Islamic banking products at the traditional bank.

With customers being aware of the Islamic banking offering, coupled with knowledgeable front-line employees, a clear increase occurred in the sales performance of Islamic banking products at the bank, which is highlighted in **Graph 3**: Islamic banking Sales Performance as at October 2017 To determine whether there has been an improvement in the year on year performance, I revisit **Graph 1**: Islamic banking Sales Performance from 2014 up to April 2017 displayed in the situational analysis and do a year on year comparison up to Oct 2017. The change in performance can be observed in **Graph 4**: Comparison of Year on Year performance
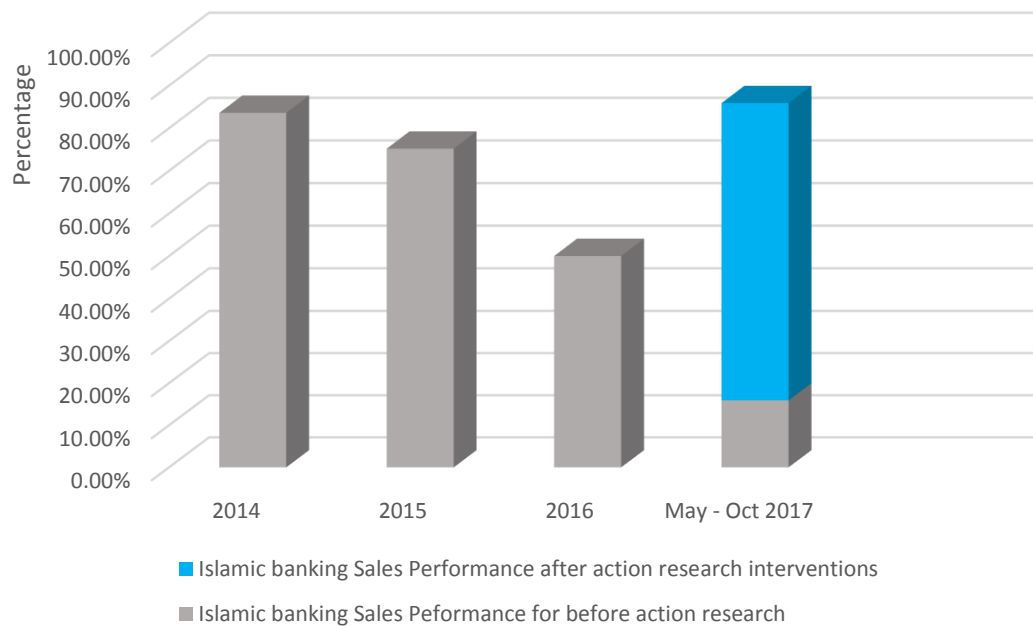
Graph 4: Comparison of Year on Year performance

Based on the figures provided, it is evident that Islamic banking sales have increased significantly over the past six months. It is evident that the performance within the past six months has exceeded the highest performance in comparison to the three previous years. This is an indication that all internal marketing activities and external marketing activities, incorporated in the action research has led to the take up of Islamic banking by customers, which resulted in an improvement is Islamic banking sales performance. It is through the generation of this evidence that I claim that internal marketing had a significant effect on front-line employees successfully promoting Islamic banking. In comparison to point number two of the criteria and standards, I further claim that external marketing must take place to make customers aware of the Islamic banking offering at a traditional bank. It is through the integration of these marketing activities that an increase is noticed in the performance of Islamic banking in the customer facing division of the bank.

During this action research study, I have learnt to work much better with others and understand that everyone has their own views, which may not be the same as yours. As a means of providing data that could serve as evidence, I highlight an improvement in my behaviour when requesting participants to complete the two month post-training interview schedule. This data was recorded in my journal and analysed verbally by recording a memo on my smartphone. Unlike the initial practice I used when communicating directly with participants, I emailed the two month post-

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training interview schedule to the Islamic banking specialist to coordinate the distribution from a central point to participants. I could feel that there was a change in my behaviour in comparing the practices applied at the start of this action research study. I was further informed by my line manager, who acted as a critical observer, about the improvement in my behaviour. Discussing the incident between myself and the Islamic banking specialist at my performance development meeting, my line manager informed me that she has seen an improvement in my behaviour, not only towards the Islamic banking specialist but towards others as well. Much of my learning and improvement of practice has occurred due to the primary objectives of wanting to influence front-line employees to promote the Islamic banking offering of the bank as well as to create customer awareness about Islamic banking. The extraction of this data serves as evidence when compared to point three and four of the criteria and values. Apart from the qualitative data, the study also collected quantitative data from interview schedules which was analysed using a univariate analysis.

6.4.2.   Analysis of quantitative data

In order to analyse the quantitative data collected, I used the univariate analysis technique. As explained before, a univariate analysis analyses one variable at a time (Bryman et al., 2014). To determine the impact of the training, participants were requested to complete the post-interview training schedules. In comparison to the pre-training interview schedule, all 44 participants completed the post-training interview schedule. The post-training interview schedule seeks to measures the knowledge and awareness levels of front line employees with regard to Islamic banking using quantitative measurements, as can be seen in **Table 11.**

Question	Ordinal Variable	Rank	Number of Participants	Concept Measured
How would you rate your understanding about Islamic banking now?	● Much better ● Somewhat better ● Stayed the same ● Somewhat worse ● Much worse	5 4 3 2 1	● 27 Participants ● 16 Participants ● 1 Participant ● 0 Participants ● 0 Participants	Knowledge / Attitude
"I am confident to discuss Islamic banking offering with customers"	● Extremely ● Very ● Moderately ● Slightly ● Not at all	5 4 3 2 1	● 9 Participants ● 23 Participants ● 11 Participants ● 1 Participant ● 0 Participants	Knowledge / Perceived Behavioural Control
"I will include Islamic banking offering in my discussions with clients now"	● Definitely ● Probably ● Possibly ● Probably not ● Definitely not	5 4 3 2 1	● 32 Participants ● 9 Participants ● 2 Participants ● 1 Participant ● 0 Participants	Awareness / Perceived Behavioural Control
To what degree have your learning expectations been met now?	● To a great extent ● Much ● Somewhat ● Very little ● Not at all	5 4 3 2 1	● 18 Participants ● 16 Participants ● 10 Participants ● 0 Participants ● 0 Participants	Awareness / Perceived Behavioural Control

Analysing the responses from participants, it is identified that 27 participants' understanding has increased and 16 participants confirm that their understanding has 'somewhat improved'. Based on the ranking of the ordinal variables, it can be said that all participants' knowledge has increased with only 1 participant indicating that understanding of Islamic banking stayed the same. In this category, I highlight that the knowledge obtained by participants had a positive effect on front-line employees' attitudes towards offering the Islamic banking products. In the following question 23 participants have indicated that they are very confident to offer Islamic banking products to customers. This again is an indication that the training had contributed to helping and assisting front-line employees to promote the Islamic banking offering. It is important to note that the extent

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between variable five and variable one or two is easily identifiable, but is seemingly difficult to identify between variable five and four (Bryman & Cramer, 2009). It is therefore evident that knowledge influences the *perceived behavioural control predictor* which resulted in a feeling of confidence towards promoting the Islamic banking offering. In measuring against the criteria and standards, the data provided serves as evidence that the Islamic banking training workshop has enabled front-line employees to be more confident in offering the Islamic banking products. Through the Islamic banking training workshop, participants have also become more aware of the Islamic banking offering and indicated that they will inform colleagues about the offering.

The sustainability of the effect of the Islamic banking training workshop is also interrogated through quantitative data questions on the two month post-training interview schedule. Some of the data collected is highlighted in **Table 12**: Responses from Front-line Employees – Two month Post-training interview schedule.

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Table 12: Responses from Front-line Employees – Two month Post-training interview schedule

Question	Ordinal Variable	Rank	Number of Participants	Concept measured
"I confidently discuss the Islamic banking offering with customers"	● Extremely ● Very ● Moderately ● Slightly ● Not at all	5 4 3 2 1	● 2 Participants ● 10 Participants ● 4 Participants ● 4 Participants ● 0 Participants	Knowledge / Perceived Behavioural Control
"My sales of Islamic banking have increased"	● Extremely ● Very ● Moderately ● Slightly ● Not at all	5 4 3 2 1	● 0 Participants ● 5 Participants ● 7 Participants ● 3 Participants ● 5 Participants	Knowledge / Attitude
"I receive the required support from senior management to actively promote Islamic banking"	● Almost always ● Often ● Sometimes ● Seldom ● Never	5 4 3 2 1	● 7 Participants ● 6 Participants ● 2 Participants ● 5 Participants ● 0 Participants	Awareness / Attitude
I educate my colleagues about the features of the Islamic banking products"	● Almost always ● Often ● Sometimes ● Seldom ● Never	5 4 3 2 1	● 2 Participants ● 9 Participants ● 6 Participants ● 3 Participants ● 0 Participants	Awareness / Perceived Behavioural Control
"I will recommend Islamic banking training for all front-line employees"	● Definitely ● Probably ● Possibly ● Probably not ● Definitely not	5 4 3 2 1	● 17 Participants ● 2 Participants ● 1 Participant ● 0 Participants ● 0 Participants	Awareness / Perceived Behavioural Control

Using ordinary variables to analyse the sustainability of the effect of the Islamic banking training workshop on participants' behaviour towards promoting the Islamic banking products, it is found to be somewhat skewed. This is due to the poor responses from participants via email. Out of the 44 participants only 20 participants completed the two month post-training interview schedule.

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According to the data collected, it is found that 2 participants are extremely confident to offer the Islamic banking and 10 participants are very confident. The distinction between extreme and very is minute and serves as a good representation of front-line employee willingness to promote the Islamic banking offering. Based on the two month post-training interview schedule, the participants continue to have a positive attitude towards promoting Islamic banking products. It is also noticeable that 8 (moderately and slightly) participants did not feel as confident as others.

Due to the details being confidential, I assume that the data was provided by participants who were branch managers. Their focus is primarily to engage with internal customers and not necessarily external customers, resulting in a slight upward movement in confidence with customers. Comparing the data collected in the two month post-training interview schedule to the data collected in the post-training interview schedule, it is found that 20 percent of the participants that responded, highlighted that they are moderately confident to discuss the Islamic banking offering. According to the data collected, it shows that the effect of the training on employees' attitude and perceived behaviour control towards promoting the Islamic banking product is relatively sustainable. The two month post-training interview schedule also highlights that 5 participants increased their sales significantly and 7 participants are showing a moderate movement in the improvement of Islamic banking sales. To ensure that the data provided is authentic, the thesis follows a rigorous validation process, which is discussed in chapter 7.

7. Chapter 7 - Validating evidence

7.1. How did I arrive at some preliminary conclusions?

In engaging front-line employees throughout this action research study, I have learnt that all of us do not have the same background and experiences. I have learnt that some people will acknowledge when they do not know something whereas others will not. It is therefore important for senior managers to monitor employees and to see whether improvement or assistance is needed. Based on the initial data collected from the situational analysis, literature and the evidence generated, I have arrived at some preliminary conclusions to answer my research questions.

After establishing the necessary evidence through analyses and the interpretation of the appropriate data, I have modified Icek Ajzen's Theory of Planned Behaviour applicable to the behavioural intentions of front-line employees and customer behaviour. To explain the impact of all the activities, I incorporate additional concepts to the model. This can been seen in **Figure 11** and **Figure 12** respectively.

By providing the Islamic banking training workshop to front-line employees, their knowledge and awareness has significantly increased, resulting in a positive attitude towards promoting Islamic banking products of the bank. The Islamic banking training has also led to front-line employees not seeing Islamic banking as a difficult product to promote and explain, causing a change in the perceived behaviour, which resulted in participants promoting the Islamic banking offering. It is evident from the modified conceptual model that the role of internal marketing activities has had a significant impact on the behaviour of front-line employees and their ability to promote the Islamic banking products. However, it does highlight the role of middle and senior managers as significant towards the implementation of such internal marketing activities. As the Islamic banking champion, I channeled internal marketing activities directly at front-line employees and also used the support of management to influence behaviour.
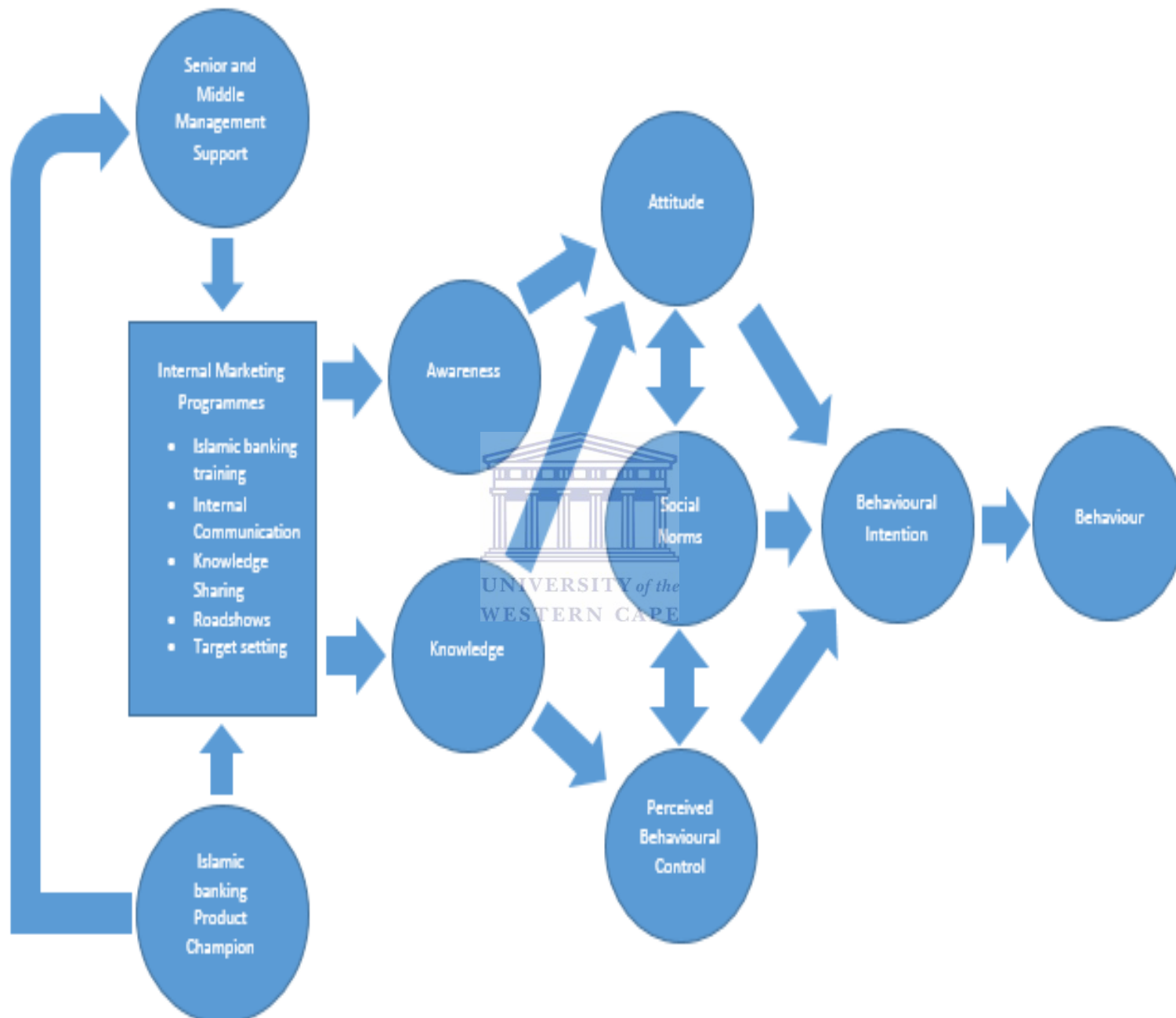
Figure 10: Modified conceptual model of the theory of planned behaviour- Front-line employees

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The implementation of customer forums and advertising certainly also played a vital role in Islamic banking and can definitely be identified through the increase of Islamic banking. In comparison to Saini et al (2011), who identify a customer selection criteria, I found in this action research study that many Muslim customers would select the Islamic banking product whereas non-Muslim customers would only select the Islamic banking product if it gave a higher return. It is evident that religion does contribute to the acceptance of the product, but higher returns are also considered by non-Muslim customers. I also found that if customers were aware of Islamic banking, they were more acceptable to the offering. The pricing between the bank's Islamic offering and the traditional offering are found to be similar, which would not be a factor to consider when selecting a product. Hosting a customer forum event has also provided an opportunity for the bank to re-launch Islamic banking in the Western Cape and as a result awareness was created amongst shariah scholars, individuals and business customers. **Figure 12** displays a modified conceptual model of the TPB with regard to customer behaviour. Based on the outcomes of the study, the increase in awareness by customers has positively influenced attitudes of certain customers towards Islamic banking, resulting in a better uptake of Islamic banking products.
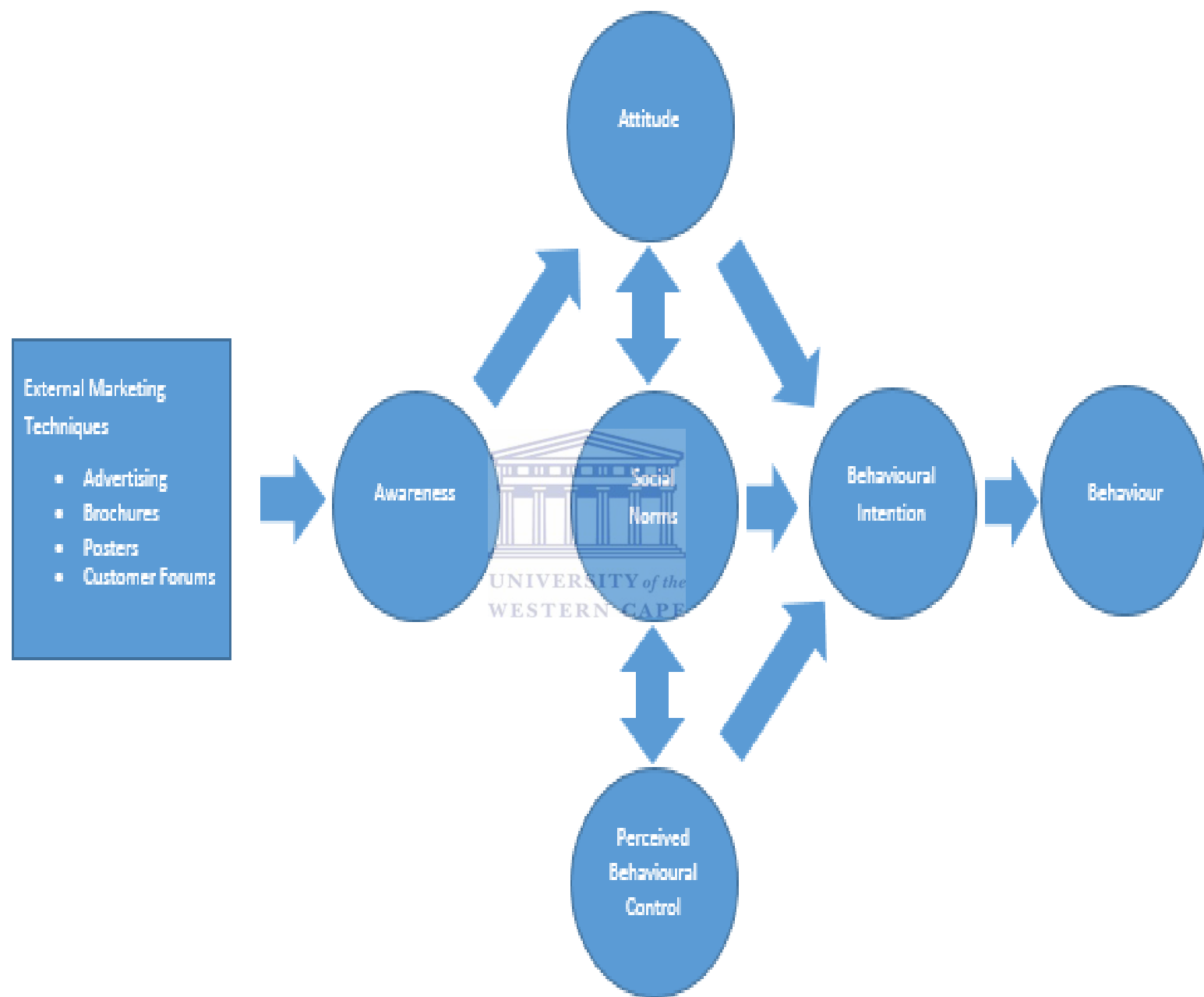
Figure 11: Modified conceptual model of the theory of planned behaviour - customers

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Even though the interventions have supported the shift of Islamic banking, a significant part of this shift may be attributed to the involvement and support of senior management, the Islamic banking specialist, branch managers (middle managers) as well as the training facilitators (middle managers) who have worked together to create this awareness and encouragement in order to focus on Islamic banking.

The collaboration and focus to drive the Islamic banking concept through using interventions such as the Islamic banking training workshop, customer engagement forums as well as employee engagement forums has been a fundamental part of the strategy of changing the behaviour of front-line employees and customers. The presence of effective internal communications, involvement, training and development as internal marketing activities, created a customer-centric behaviour by front-line employees. The role of senior managers in driving this process played an essential part of this study. Their power and influence over middle and lower levels of management was extremely effective in developing projects such as training interventions and in ensuring that branches receive the necessary marketing material. Without the support of middle and senior management and consistent involvement of a product champion, the project would more than likely not deliver successful results. It is therefore important that collaboration exists when developing such projects.

It was exciting to work closely with various stakeholders to ensure the success of the interventions. During these interactions, I learnt that understanding and respect in teams are of utmost importance. This refers to attending to requests from team members when assistance is needed. I also refer back to the feeling of resentment that I experienced towards the Islamic banking specialist and how I could easily have acted inappropriately. Through this action research project, I have learnt how to manage myself, in terms of better time management, self-control and also to be more considerate of others when making decisions.

This action research thesis has not only improved me in my academic and work-related objectives, but has assisted me in gaining closeness to my Creator. The skill of self-reflection and mindfulness has been a phenomenal gift, which I acquired during this journey. In my personal life, I ensure to make time for those who are dear to me and not to take anyone for granted. This action research journey has been a life changing experience.

7.2. How did I test the validity of these conclusions and my claim to knowledge?

Now that I have stated my preliminary conclusions, it was essential that I highlighted the quality of my action research through a process of validation. According to McNiff and Whitehead (2010), if one is making a claim to knowledge and one wants it to be taken seriously and not as an opinion, it has to be validated. In action research there are two forms of validation: self-validations and social validation. In this section, I highlight the practice of social validation as a method to validate the evidence generated. This section further seeks to highlight intersubjective agreement, referring to activity between participants, critical observer as well as myself, wherein we seek to reach agreements on views and perspectives that may be the same or different (Gillespie & Flora, 2010). Anderson and Herr (2005) identifies a rigorous validation process which consists of five validity criteria used to judge the quality of an action research thesis. These criteria consist of dialogic validity, outcome validity, catalytic validity, democratic validity and process validity. To validate my claim to knowledge, I discuss the five criteria in the following paragraphs.

7.2.1. Dialogic Validity

Starting with the validation process, the first person I contacted to arrange a meeting with was the Islamic banking specialist, due to the active involvement in the project. Beginning with the meeting, I started to experience palpitations and awkward feelings of anxiety rushing through my body and did not know where to begin. As a teaching of the Prophet Muhammad (PBUH), I began by uttering words that would make me feel most comfortable: "In the name of Allah, the most gracious, the most merciful". Reading the situational analysis verbatim to the Islamic banking specialist, I could see the slight nudges of the head movement of the Islamic banking specialist. These movements reflected confirmation of the issues that existed at the bank. I then read sections that highlighted the evidence generated as well as my preliminary conclusions. During this period, I identified times when there were no body gestures or signs from the Islamic banking specialist that reflected confirmation or some kind of agreement. Once the reading was complete, the Islamic banking specialist provided personal views of the Islamic banking training workshops and the impact it had on front-line employees.

According to the Islamic banking specialist, the training workshop was fantastic, but he was of the opinion that it did not increase front-line employees' knowledge about Islamic banking. According to the Islamic banking specialist, it provided an opportunity to create awareness amongst front-line employees. He further identified the ineffectiveness of the training due to the poor

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presentation and training skills of the shariah scholar who facilitated the workshop. This is not a view on the capability of the shariah scholar, but merely an indication of how resources are utilised at the traditional bank. What stood out for me, was the reflection on the role of senior management. According to the Islamic banking specialist, a key factor that contributed to successful attendance of the Islamic banking training workshop was the support from management. As indicated by Wieseke et al (2009) charismatic leaders act as a driving force which lays the foundation for internal marketing. The views of the Islamic banking specialist were similar to the views of my line manager who acted as a critical observer.

Starting the meeting with my line manager, who was a critical observer, I followed the same process as I did with the Islamic banking specialist. After completing the reading of the report, my line manager indicated that she had observed the change in my behaviour and was proud that I could acknowledge my areas of growth and further improvement. Progressing through this action research, I learnt new skills such as better managing relationships, how to understand and manage power as social existence within relationships, which confirms one of the objectives of action research (Reason & Bradbury, 2009). My line manager also acknowledged the preciseness of the situation and how the poor performance of Islamic banking had previously been. In fact, my line manager reminded me of the very first time I discussed my research and how my manager confirmed the lack of knowledge by front-line employees, which was contributing to poor performance of Islamic banking. Listening to the report, she pointed out that the lack of knowledge did exist but it would have to be driven by senior management, through a means of target setting. According to my line manager:

"It's useless training the lower level, there has to first be control from the top to ensure that it gets enforced. Even if you train it needs to be enforced. Training will work but if Islamic banking products are not put as a target it will not be that actively promoted. Each branch has got targets for traditional products and Islamic banking does not form part of it. It needs to be enforced by leadership as part of the scorecard"

It was evident in the response from my line manager that there was certainly a need to drive Islamic banking more effectively, through target setting and accountability by front-line employees. The feedback provided by my line manager and the Islamic banking specialist certainly

encouraged me to engage participants of the training in order to understand the reasons for the increase in performance of Islamic banking.

Meeting with a front-line employee, I was informed that middle management's focus on Islamic banking was only related to the training but it was non-existent at the branch. Wieseke et al (2009) highlights the importance of including middle managers in execution of the internal marketing strategy. According to the front-line employee, the only concern that middle managers have in the branches are targets that have been assigned to them by senior managers. These targets only consist of traditional products, as indicated before. The front-line employee further highlighted the importance of marketing Islamic banking and how it would encourage and make customers and front-line employees more aware of the offering. Discussing the view on the training and whether it had assisted with increasing the front-line employees' understanding about Islamic banking, this is what the front-line employee had to say;

> *"When we did Islamic banking training at the sales academy, I don't remember who did the training, but it was not someone who had knowledge. It was more of a person who was reading off from a page. The way the shariah scholar presented the training was fantastic as he was knowledgeable".*
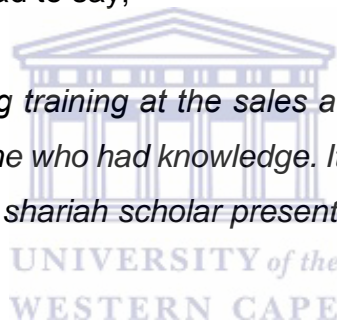
Here, it is evident that there is different view from the Islamic banking specialist as the front-line consultant felt that the training was much better than other training workshops attended. As a means of expressing satisfaction with the training, the front-line employee made a recommendation that the Islamic banking training be provided at all the branches, by attending the morning huddle meetings, at which sales strategies and campaigns are discussed. The response from the front-line employee was in line with the findings of Ali et al (2017) who found that shariah training can help improve the attitude of an employee towards Islamic banking. The response received from this front-line consultant was not enough as I was still concerned about the response from the Islamic banking specialist, indicating that Islamic banking did not help with improving knowledge on Islamic banking. I called the branch which the Islamic banking specialist had referred to and spoke to a front-line consultant, who had also attended the training. Upon asking the front-line employee about the current situation on Islamic banking and the increase in sales, I was informed that the Islamic banking training assisted the front-line employee by

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answering questions that were unanswered for some time. By equipping the front-line employee with the technical knowledge, as recommended by Karbhari et al (2004), the front-line employee could have much better discussions with customers. The front-line employee further indicated that Islamic banking is included in all conversations since attending the training.

7.2.2. Outcome Validity

Outcome validity ideally assesses the extent to which an action occurs which leads to a resolution of a concern (Anderson & Herr, 2005). This action research was initiated out of a concern that front-line employees were not knowledgeable on Islamic banking products, which resulted in poor performance of Islamic banking. Based on the information provided in the dialogic validity section, it is evident that the behaviour has improved. It is, however, important to note that the process of action research has triggered several other activities.

Speaking to the Islamic banking specialist telephonically to discuss the performance of Islamic banking, it was confirmed that the progress had been significant in terms of sales. The Islamic banking specialist further highlighted that a social media group had been created with many of the middle managers in order to drive the growth of the Islamic banking product sales. The implementation of this strategy only developed through the conversation and discussion we had at the roadshow, wherein I recommended the use of a social media group for communication. By engaging and discussing the progress of Islamic banking with stakeholders, other activities also developed. This is confirmed by Anisur Rahman who highlights that action research can include actions taken by outside participants (Reason & Bradbury, 2008). During the telephonic discussion, the Islamic banking specialist also highlighted that Islamic banking targets have also been implemented for 2018.

With the Islamic banking sales increasing month on month in the Western Cape, since the interventions, it is an indication of the successful outcome of this action research project. As indicated earlier in the research, internal marketing as the primary concept has only been identified after six months since starting this action research study. To verify internal marketing as a concept, I engaged various literature that focused on the role of internal marketing. It is through accessing the additional resources of literature that I could make my claim to knowledge: the implementation of internal marketing activities led to the successful promotion of Islamic

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banking products at the bank. It is with this outcome that I acknowledge the importance of educating front-line employees and creating awareness amongst customers as a positive effect on the performance of Islamic banking at the traditional bank.

7.2.3. Catalytic Validity

Before the action research project was initiated, not much attention was placed on Islamic banking as an offering of the bank. Islamic banking was only offered on a reactive basis. Here, I refer to Islamic banking products only being offered to customers who enquire about the offering. As can be seen from the situational analysis, a lack of awareness certainly existed amongst customers, which means that not many enquiries were made concerning the Islamic banking offering. The situational analysis explicitly highlights the lack of focus on Islamic banking by front-line employees as well as the poor commitment from middle and senior management to supporting front-line employees. Starting with this action research project, it motivated me to engage with various stakeholders. Discussing the situation with senior managers created an awareness of the challenges, but also provided a platform to discuss new ideas and solutions to improve the performance of Islamic banking. According to Herr and Anderson (2005), all stakeholders involved in the research should deepen their understanding of the social reality under study and should be moved to some action to change it. Through these discussions, collectively we were able to have employee engagement forums, Islamic banking training workshops, customer forums as well as provision of advertising material to trigger awareness with customers. Looking back at my journey in conducting this action research, the amount of learning that occurred is unbelievable. For me personally, my first impression was that all changes and improvements achieved during this action research would be entirely due to my involvement. As time progressed, I learnt that this project required the support of others such as middle management, senior management, front-line employees, training facilitators and shariah scholars. Even though it took time and required a deeper explanation and motivation to some stakeholders, the collaboration and commitment contributed significantly to the change and improvement in the performance of Islamic banking at the traditional bank. With an acknowledgement to the contribution of all stakeholders, an 'aha moment' for me was to realise my position and role, as the Islamic banking champion. During this period, I planned and communicated extensively with a number of stakeholders with the intention of motivating them to support and promote the Islamic banking offering of the bank. According to Howell et al (2005), a product champion secures resources, involves and motivates others to support an innovation (Howell et al, 2002:646).

7.2.4. Democratic Validity

Democratic validity refers to the extent to which collaboration exists and how all stakeholders' interests are taken into account (Herr et al, 2005). Identifying the challenges and concerns with regard to front-line employees' knowledge on Islamic banking, it was essential to discuss the issue with the senior manager of the Islamic banking division. In discussing the concern to the senior manager, it was important for me to highlight the poor performance of Islamic banking and emphasise the possibility of increased sales. The desired outcome by the senior manager of the Islamic banking division was no different for the senior manager of the customer facing division in the Western Cape. The commitment of front-line employees played a vital role in seeking solutions to improve the performance of Islamic banking. Looking back at the action research project, in many of my engagements with front-line employees, a clear desire existed to understand the Islamic banking offering. More than that, front-line employees at branches located in areas in which a high population of Muslims resided, had the need to be able to have more informed discussions with customers. By highlighting the objectives of the action research to the various stakeholders, it provided reasons to participate and commit to achieving a collective goal.

7.2.5. Process Validity

Process validity refers to the extent to which problems within a particular area are solved, and specifically promotes continuous learning by individuals or systems (Herr et al, 2005). This action research project adopted a critical approach by assessing the current situation and what measures have been put in place to equip front-line employees to offer Islamic banking products. Engaging with the external marketing manager revealed that it was more than likely that the bank did not have a process holistic strategy apart from the inconsistent training exercise for front-line employees to promote Islamic banking. The process followed, encouraged dialogue with all stakeholders and management in particular. The discussions and ideas that developed at several meetings were critically assessed and encouraged progressive thinking. Through these engagements and discussions, we were able to implement the Islamic banking training workshop as well as a customer education forum. The discussion did not only bring about these successful interventions but also enabled other stakeholders like the Islamic banking specialist to implement sales targets with specific branches. The continuous communication between the stakeholders, and the need for regular training and up skilling of employees were essential for improving the sales performance of the Islamic banking products at the bank. This, however, could only occur through collaboration between myself, as the Islamic banking champion, all levels of

management, supporting departments and front-line employees. With several internal marketing activities directed unknowingly towards improving the situation, an increase has been identified in terms of the Islamic banking sales.

7.3.   How did I modify my practices in light of my evaluation?

Before starting with this action research thesis, I thought that it would be impossible to encourage front-line employees to promote the Islamic banking offering. In fact, I did not have high hopes for Islamic banking as sales performance was rapidly decreasing. My assumptions of front-line employees not being interested in Islamic banking affected my judgment. Being introduced to action research as a research design, I was not aware of what it entailed and whether it would even bring about a change in the performance of Islamic banking. It is, however, through the development of key aspects in this research that I improved in my learning and personal behaviour. In this section, I elaborate on the learnings that have taken place and provide insight in terms of how my behaviour and practices have improved.

In presenting some information of my personal learning, I highlight the use of action research. Being confused about the action research process, I engaged some action research reading material, which I obtained by myself as well material provided by my supervisor. Through this practice, I started to gain an understanding of the processes involved in action research. Now that I am completing my action research thesis, I can comfortably recommend action research as a design to researchers and managers who are seeking to bring about improvement in their own learning and behaviour, as well as that of others.

Starting the write up of action research, I provided an overview of my personal background and who I am as a person. I needed to highlight my values as a Muslim, which was not free from introspection or personal reflection. At the time of writing my values, I realised that I had not always acted in line with those values, but that I would definitely seek to be more conscious in my behaviour and ensure that it displays such values. During this action research study, I realised that all people are different and may not share one's views, beliefs and values, but it is essential to respect each one's opinion. It is with this in mind that I acknowledge an improvement in my behaviour, whereby I do not impose my views on others but rather use the opportunity to explain my views and share new ideas through intersubjective agreement. I also realised that in the

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workplace there is a channel of communication, which must be adhered to and that the easy way cannot be taken. Any urgent requests that I have, I escalate it to middle or senior management. This learning occurred during the planning of the Islamic banking training workshop.

Seeking ways to encourage front-line employees to promote Islamic banking, I thought that Islamic banking training would be the primary course that would improve the performance of Islamic banking.   During this process, I developed a much better understanding of internal marketing and all the activities and programmes that it entails. I learnt that firms and organisations need to firstly sell their product to their internal customers, which will then flow to the external customer. In comparing the view I had concerning front-line employees purposefully giving preference to traditional banking over Islamic banking, the new practice that I have tried to adopt is to be conscious and mindful that front-line employees may not have had the necessary exposure of Islamic banking to promote the offering. With the evaluation of participants' behaviour in the workplace, I also learnt that customers also lacked awareness about Islamic banking. It was during this stage, that I realised the importance of external marketing in the promotion of Islamic banking. Going through the process of arranging Islamic banking marketing material, I am more observant when visiting branches to see whether they have Islamic banking brochures displayed in the banking hall.

The exposure to ethics, politics and power has not only helped in workplace interactions, but also in personal engagements and other social contexts. I feel like I am more mindful of my actions and I attempt to understand what drives my ethical subjectivity. I also found that the exposure to these concepts has also provided me with an ability to have some sort of control during conversations and engagements, without any dishonest intentions. I must add that I am still learning a lot about the relationship between ethics, power and politics, and at times development of ethical subjectivity became a conundrum difficult to determine, due to the presence of multiple demands. Much of the learning that has taken place, I continue to embody in order to foster better relationships with people.

Due to the success of this action research project in the customer facing division of the Western Cape, I will be hosting a customer forum in the business division in the first quarter of 2018 to create awareness about Islamic banking amongst business customers. The customer market

identified are unbanked small businesses that are owned by foreign nationals. This will enable the bank to obtain new customers and also to increase the sales performance of Islamic banking. With the new project planned, I will continue to promote Islamic banking in the customer facing division through regular engagement with the Islamic banking specialist as well as senior management. This action research has been a life changing experience and continues to motivate me to improve myself and others.

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8. **Chapter Eight - What is the potential significance of what I have done?**

Islamic banking is seen as a growing industry with a number of studies investigating the attitudes of employees and customers separately. Identifying numerous studies that investigated employee and customer behaviour towards Islamic banking, it was evident that action research was not a preferred research design. Most of the research studies followed a conventional research approach. In comparison to many of the studies conducted, this research thesis followed an action research design that encourages learning and seeks to improve behaviour through a collection of interactions, engagements and collaboration.

Starting with this research thesis, I was focused on providing an Islamic banking training workshop in order to equip front-line employees with the necessary product knowledge and understanding that will allow them to promote the Islamic banking offering. This was guided by the first research question I developed:

- **RQ 1:** How can I influence front-line employees to offer Islamic banking products to customers?

As I progressed through this action research study, I interacted with a number of key individuals within the bank, which I initially did not think would be relevant to this study. All I had in mind was to educate front-line employees with an objective of increasing the sales performance of Islamic banking products. These were my initial thoughts. I started by engaging numerous literature and identified training as a primary activity to improve the behaviour of front-line employees. The first attempt to implement the Islamic banking training workshop was not well executed, due to the lack of communication between key role players such as myself as well as middle and senior management of the bank. Through this process, I learnt that it is of utmost importance to communicate clearly and to obtain the support and commitment from middle management and senior management to motivate and encourage front-line employees to attend the training. The support and involvement of middle managers has been critical in terms of developing the internal marketing programme, as highlighted by Wieseke et al (2009). As I continued to plan and implement the Islamic banking training workshop to create awareness amongst front-line employees and also to educate them, other opportunities emerged, such as presenting the Islamic banking offering to front-line employees at an employee engagement forum. This provided a

platform for me to engage a wider audience and not only those who were situated at branches located in areas where there is a high concentration of Muslim customers. The presentation conducted at the employee engagement forum was a starting point to create awareness amongst front-line employees about the Islamic banking offering. Due to the positive response received from front-line employees, it was an indication that a need existed for Islamic banking training. By introducing the Islamic banking specialist to the audience, front-line employees were informed that they will be provided with the necessary support required to promote Islamic banking. This introduction further provided front-line employees with a central contact point and a sense of referral if and when support or assistance was required. Little did I know that my role would be more than just an action researcher, but also as a champion for Islamic banking. By providing training and education to front-line employees, which was arranged and organised through collective effort, front-line employees began to focus on promoting the Islamic banking offering, through having a better understanding and knowing that there was support to assist them if they needed. This provided front-line employees with a sense of ease, impacting the perceived behavioural control predictor positively. It is through this experience that this thesis acknowledges the importance of Islamic banking training, as recommended by Moutinho and Jabr (1990), Kharbhari et al (2004) and Ali et al., (2017). This research thesis, however, highlights the importance of additional internal marketing activities, such as internal communication across departments and involvement from key stakeholders such as senior management, middle management as well as an Islamic banking product champion. Without the support from these stakeholders and proper communication across departments, it is more than likely that the performance of Islamic banking would not have increased. It is more than likely that frontline employees would have continued to give preference to traditional banking products.

Since the dissolve of the Islamic bankers in 2014, the sales performance of Islamic banking has been on a consistent decline. With the significant increase in the sales performance exceeding the 2014 sales performance, this action research thesis identifies the importance of the presence of an Islamic banking champion at the bank. The individual who occupies this role needs to have the passion and knowledge to drive the Islamic banking offering and create awareness about Islamic banking across the hierarchical structures and departments within the bank. In order to do this, the Islamic banking champion should embody the role of a change agent and continuously seek to strategise and implement activities that will encourage management, key role players and

front-line employees to promote Islamic banking products as they do traditional products. Borrowing from German philosopher, Karl Marx, I highlight a quote from The Eighteenth Brumaire of Louis Bonaparte, in order to show how decisions and planning of the Islamic banking specialist or champion could be guided by past experiences, and circumstances.

"Men make their own history, but they do not make it as they please; they do not make it under self-selected circumstances, but under circumstances existing already, given and transmitted from the past. The tradition of all dead generations weighs like a nightmare on the brains of the living. And just as they seem to be occupied with revolutionizing themselves and things, creating something that did not exist before, precisely in such epochs of revolutionary crisis they anxiously conjure up the spirits of the past to their service, borrowing from them names, battle slogans, and costumes in order to present this new scene in world history in time-honored disguise and borrowed language". (Marx & Engels, 1934)

By elaborating on the above quote, it is noteworthy that all planning and decisions made by an Islamic banking champion, must acknowledge current issues and challenges in order to bring about change. These decisions are further shaped by organisational culture, reporting lines as well as social interactions. If an Islamic banking champion is not mindful of developing appropriate interventions and activities directed and encouraging the promotion of Islamic banking, it is more than likely that there would not be an improvement in the sales performance. The role of an Islamic banking champion is identified as critical in the promotion of Islamic banking. If an Islamic banking specialist or champion is not mindful of the current issues at the bank, does not employ the correct strategies, is not able to build mutually beneficial relationships across the bank, and more importantly does not receive the necessary support from all levels of management and departments, it is more than likely that the promotion of Islamic banking will be poorly executed. This study, however, acknowledges that the successful promotion of Islamic banking is not only mutually inclusive to the role of the Islamic champion, but identifies multiple activities that encourages front-line employees to promote the Islamic banking offering. It is with this acknowledgement that I identify the significant contribution that internal marketing activities such as training and development, internal communication, empowerment and reward and recognition provide in the promotion of Islamic banking to external customers.

The enrolment in the 'Money Matters' course offered by Seekershub, enabled me to have a better understanding about Islamic banking and the importance of transparency in contracts for every transaction. The 'Money Matters' course provided me with a foundation to understand the relevance for Islamic banking and introduced me to new concepts as well. More importantly, it made me aware of the position of a Muslim working for a traditional bank. Currently, the issue remains unresolved and I am still employed at the traditional bank.

In understanding the core objectives of the strategy of the bank, which are: to provide customers with the correct products and services, ensure that customers are treated fairly, the correct staff are retained, management of citizenship commitment as well focusing on sustainable revenue growth, the lack of internal marketing directed at promoting Islamic banking is somewhat skewed and non-complimentary to the strategy. By providing the necessary up skilling and support with regard to Islamic banking to front-line employees at the bank, it was evident that when they became aware of the product, they developed a more confident approach when engaging customers. Through training and development, the bank also enables and ensures that front-line employees offer the correct products to customers and that customers are treated fairly.

The role of internal marketing activities such as internal communication and training and development, coupled with support from all levels of management and the role of product champion, are key contributors when seeking to promote specialised products like the Islamic banking offerings. It is through this development, that I recommend that similar approaches be implemented with other specialised products that are not performing well in terms of sales. It is, however, important to identify the role of external marketing with regard to the promotion of Islamic banking. With the front-line employees provided with the necessary knowledge to confidently promote the Islamic banking offering, the performance of Islamic banking did not increase as anticipated. This was due to the lack of awareness of Islamic banking by customers, which negatively influenced their attitude with regard to utilising the Islamic banking product. This observation motivated me to develop a second research question:

- **RQ 2**: How can I make customers aware of the Islamic banking offerings which will encourage them to utilise the offerings?

By discussing the challenges concerning the lack of customer awareness with the Islamic banking specialist, it was identified that the bank was more than likely not utilising the appropriate marketing tools or activities to inform customers about the Islamic banking offering. As a strategy to create awareness, a marketing intervention was identified by placing brochures and posters on display at branches located in Muslim concentrated areas. The external marketing intervention was an essential activity in terms of making customers more aware of the Islamic banking offering, as highlighted by Gerrard and Barton Cunningham (1997). A key event which was not an initial part of the action research project was the customer forum arranged by the Islamic banking specialist. This event created awareness with prominent Muslim organisations in the Western Cape, influential Muslim individuals as well as business people. With the customer forum hosting shariah scholars as speakers, it provided customers with a sense of trust and belief in the Islamic banking products of the bank. Since the customer interventions, the Islamic banking sales performance of the bank had significantly increased, which is the result of a non-sequential plan consisting of internal and external marketing strategies. With the bank strategically located in the Western Cape, and with prices of traditional and Islamic banking products aligned, this study acknowledges the selection criteria mentioned by Haron et al (1994) and Saini et al (2011), but identifies the importance of marketing as an activity to educate, build trust and create awareness of the Islamic banking products of the bank. Once customers understand and are aware of the product, it is only then when they would apply the selection criteria as identified by Haron et al (1994) and Saini et al (2011).

With the increase in Islamic banking sales performance, my action research provides results of the effectiveness of internal marketing activities and external marketing activities within a traditional bank offering Islamic banking. More importantly, it highlights the importance and need for collaboration and support of management to be present, in order to encourage and motivate the need to focus on Islamic banking. The collaboration strategy creates awareness and drive throughout the organisation and is more effective with the support of middle management. It is, however, important to note that these relationships are not free from the tossing and turning of power and ethical issues.

Thinking back on this entire journey and reflecting on my learnings, I had my second 'aha moment'. By fragmenting this action research through a process of reflection, I started to

understand the objective and method with regard to how my supervisor exercised his power within our relationship. Reflecting back on the research, it felt as if my supervisor knew what might possibly be the outcome of the research, but did not directly point out solutions or activities that could assist with improving the situation. He always asked questions about the research, which made me feel awkward at times. However, I did not realise that he was enabling me to learn and explore under his guidance. Thinking about the type of power that existed, it seemed to fit the shape and nature of potentia as highlighted by Barbisan (2017). Every time I would met with my supervisor, we would discuss the action research project and share ideas as well as views on the progress of this action research thesis. The extent of power exerted by my supervisor enabled me continuously improve in my research as an academic. By my supervisor displaying values of care, support and compassion, I also started to embody such behaviour. His display and regular exercise of critical thinking and seeking to solve problems, encouraged me to do likewise. The life lessons learnt through this relationship could be utilised in strengthening any relationship and to positively influence people in all social contexts. The relationship between myself and my supervisor also displayed the development of my ethical subjectivity, being influenced by others, as described by Critchley (McMurray, et al., 2010).
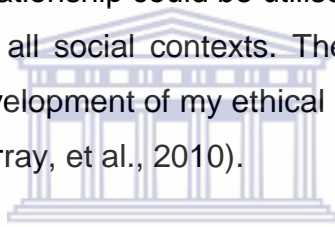
Islamic banking is presented with a number of opportunities in South Africa as there a huge market from different religions who could seek alternative means of banking. This is confirmed by Saini et al (2011) who found that 19.6 percent of a sample size of 1 million Muslim customers used both traditional and Islamic banking products. This action research highlighted that there is a lack of awareness with regard to Islamic banking in the Western Cape. For Islamic banking products to be considered as banking as usual in the minds of employees and customers, it will require the support from a number of stakeholders including religious bodies as recommended by Gerrard and Barton Cunningham (1997). If Islamic banking does not serve as a profitable offering due to lack of usage, I am concerned that the bank may consider terminating the offering. For the bank to remain competitive, they also need to look at product development and particularly launch a mortgage product, which could lead to a higher take up of Islamic banking.

After going through this entire journey with a mission to improve the behaviour of front-line employees through training, the findings of this action research study enables me to make a claim to knowledge. This action research study concludes that implementing internal marketing and

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external marketing and all its activities are mutually inclusive in this study. It is, however, important to note that the activities implemented within this study may not necessarily generate similar outcomes in another study. The practice of action research has been fundamental in improving the behaviour of front-line employees. It is with this in mind that I recommend that further steps can be implemented by the bank, such as introducing senior and middle management to an action research course or training that could assist them in improving their own practices and that of their employees. I believe that this action research thesis could serve as a guide for banks that wish to adopt Islamic banking within a traditional banking environment.

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Appendix A: Title Changes

UNIVERSITY of the
WESTERN CAPE

The Chairperson
Higher Degrees Committee
EMS Faculty

Dear Chairperson

Please find enclosed the following matters for your consideration

3. Request to Change Title

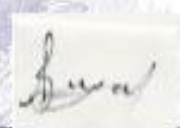Candidate: Shameem Damon

Student number: 2447527

Programme: MCOM

Department: SBF

Previous Title: Front-line employee's ability to offer Islamic banking: An action research intervention at a local bank in South Africa

New Title: The internal promotion of Islamic banking offerings at a South African conventional bank: An action research study

Supervisor: abdullah bayat

Kind Regards,

Supervisor

FROM HOPE TO ACTION THROUGH KNOWLEDGE

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Appendix B: Information sheet and letter of consent for organisations

The Faculty of Economic and Management

Participation Information Sheet

Research Title: Front-line employee's ability to offer Islamic banking: An action research intervention at a local conventional bank in South Africa

Dear Participant

My name is Shameem Damon (student number 2447527). I am a registered Masters student in the Economic and Management Sciences Faculty at the University of the Western Cape. In partial completion of my research thesis, I am conducting a study which focuses on the front-lines employee's ability to offer Islamic banking. The purpose of the document is to inform you of the research and to invite you to be a participant in the study.

Background of study

In 2010 I joined a local South African bank as an Islamic banker. I am currently a business banker with a strategic focus on Islamic banking. During the past seven years I observed front-line employees are not confident in offering the banks Islamic banking products to customers and often omit to include the Islamic banking products in client discussions. As an area of concern to me, I have selected this challenge as the primary topic for my Master's thesis.

Early this year I have adopted action research as a research approach. Action research involves the researcher as a participant and the presence of collaboration with the client organization to diagnose a problem and develop solutions that may solve the problem. This means that I will be actively involved in the research process from the beginning, as it will help me to learn and identify whether my intervention will contribute to a change in front-line employee behaviour. The following intervention will be implemented;

- **Islamic banking training for consultants**

Training will be provided to frontline staff about the various Islamic banking products. The purpose of the training is to equip frontline staff with the necessary knowledge and skill to offer the Islamic banking product. The results of the training will be measured against sales generated.

Objective of research and research questions

The aim and objective of the study is firstly for me to improve in my role as an ambassador for Islamic banking. Secondly I would like to see customers make an informed decision about their banking needs based on sound advice. Thirdly, that the local South African bank could increase their Islamic banking sales and finally to add the body of knowledge with regards to Islamic banking. In order to obtain the give direction to the study, I have developed the following research questions to address the problem;

- How can I influence front-line employees' to offer Islamic banking products to customers?

Data collection methods

In order to answer the research questions, data will be collected by means of questionnaires, semi-structured interviews, observations, photos and videos. Data will be recorded and captured on electronic devices and kept safe and secure. Semi-structured interviews will take about 30 minutes.

Potential benefits of the study

The potential benefits of the research relates to the increase awareness of Islamic banking as well as the understanding of Islamic banking principles. Furthermore when employees' are trained and understand Islamic banking it may lead to an increase in the uptake of Islamic banking products.

Confidentiality

Please be advised that the results of this study will neither divulge the organizations particulars nor the individual's particulars, as to maintain confidentiality at all times. Any information that can connect the responses to an individual or organization will remain confidential and will be disclosed only with your permission. The researcher shall keep all records, including a signed consent form which is required from you locked away at all times.

Voluntary Participation and Withdrawal

Your participation in this research is entirely voluntary, which means that you are free to decline from participation. It is your decision whether or not to take part. If you decide to participate in this study, you are free to withdraw at any time. You may also choose not to answer particular questions that are asked in the study.

Informed Consent

Your signed consent to participate in this research study is required before I proceed to interview you. The consent form is included with this information sheet.

Contact Information

Should you have any further enquiries or question, I can be contacted as follows;

Student Name	: Shameem Damon
Student Number	: 2447527
Mobile Number	: 072 531 0388
Work Number	: 021 957 7800
Email	: 2447527@myuwc.ac.za

I am accountable to my supervisor	: Dr. Abdullah Bayat
Faculty	: Economic and Management Sciences
Telephone	: 021 959 3332
Email	: abbayat@uwc.ac.za

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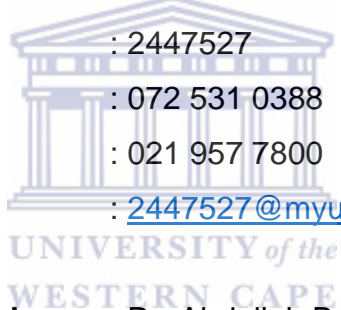
Appendix C: Consent form

The Faculty of Economic and Management Sciences UNIVERSITY of the WESTERN CAPE

Consent Form

Name of researcher: Shameem Damon

Title of research project: Front-line employee's ability to offer Islamic banking: An action research intervention at a local conventional bank in South Africa

By filling out this questionnaire / answering the questions put to me:

- I agree to participate in this research project.
- I hereby provide permission that research may be conducted at the organisation I represent.
- I have read this consent form and the information it contains and had the opportunity to ask questions about them.
- I agree to my responses being used for education and research on condition my privacy is respected, subject to the following: – (tick as appropriate)

	Yes	No
My name may be used in the published research		✓
The name of the organisation may be used in the published research		✓
My personal details (e.g. age, occupation, position) may be included in the published research		✓
My responses can only be used in a way that I cannot be personally identifiable		✓

- I understand that I am under no obligation to take part in this project.
- I understand I have the right to withdraw from this project at any stage.
- I understand that this research might be published in a research journal or book. In the case of dissertation research, the document will be available to readers in a university library in printed form, and possibly in electronic form as well.

Name of Participant : HAROON AHMED ABRAHAMS

Signature of Participant :

Date : 3 may 2017

The researcher must supply you with an *information sheet* which provides his / her contact details, outlines the nature of the research and how the information will be used and explains what your participation in the research involves (e.g. how long it will take, participants' roles and rights (including the right to skip questions or withdraw without penalty at any time), any anticipated risks/benefits which may arise as a result of participating, any costs or payment involved (even if none, these should be stated)				
Has this been provided?	Yes	✓	No	
Have your received verbal confirmation/explanations where needed?	Yes	✓	No	

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Appendix D: Information sheet and letter of consent for training participants

The Faculty of Economic and Management

Training Participation Information Sheet

Research Title: Front-line employee's ability to offer Islamic banking: An action research intervention at a local conventional bank in South Africa

Dear Participant

My name is Shameem Damon (student number 2447527). I am a registered Masters student in the Economic and Management Sciences Faculty at the University of the Western Cape. In partial completion of my research thesis, I am conducting a study which focuses on the front-lines employee's ability to offer Islamic banking. The purpose of the document is to inform you of the research and to invite you to be a participant in the study.

As a participant who gave consent of your participation in this study, you will be required to:

- Complete a questionnaire before the training session to establish your level of understanding of Islamic banking.
- Complete a questionnaire after the training session to establish the impact of the training on you level of understanding of Islamic banking
- Complete a questionnaire two month after the training session to determine the sustainability of the learning obtained during the training session

Your participation in this research project is voluntary and your responses will be treated as confidential. It will assist me to achieve the objective of the study which is to investigate the ability of front-line employees' at a conventional bank to confidently offer Islamic banking products to customers. Should you have any questions regarding this study or would like to report any problems you have experienced related to the study, please contact me at 072 531 0388 or via email at 2447527@myuwc.ac.za.

You may also contact my supervisor Dr A. Bayat at abbayat@uwc.ac.za.

I hereby consent to voluntary participation in this study. I have been given a copy of this form.

_____   _____

Name of Participant   **Date**

Appendix E: Pre-training interview schedule

Pre-Training Interview Schedule

Select an option which best describes you.

1. How long have you been with the bank?

   _____Yr. _____Months

2. How long have you been in a front-line role?

   _____Yr. _____Months

3. Where is your site/branch located?

Southern Suburbs	Northern Suburbs	Cape Town CBD	Table Bay	Helderberg

   Which branch are you situated at? (Optional)

   _____

4. How would you rate your understanding of Islamic banking?

Very Good	Good	Fair	Poor	Very Poor

5. What do you understand about Islamic banking?

   _____
   _____
   _____
   _____

6. What is not so clear about Islamic banking to you?

   _____
   _____
   _____

7. How often do customers who visit your branch request Islamic banking products?

Almost	Often	Sometimes	Seldom	Never

8. What are the products that customers request? (optional)

Transactional	Wills	Vehicle Finance	Investment	Contractual Savings

9. How often do you offer Islamic banking products to customers during consultation?

Almost	Often	Sometimes	Seldom	Never

10. "I am confident to discuss our Islamic banking offering with customers".

Extremely	Very	Moderately	Slightly	Not at all

11. I receive the required support from senior management to actively promote Islamic banking.

Almost always	Often	Sometimes	Seldom	Never

12. What are your expectations of the Islamic banking training session?

_____

_____

_____

_____

13. Any further comments?

_____

_____

_____

Appendix F: Post-training interview schedule

Post-Training Interview Schedule

Select an option which best describes you.

1. How would you rate the training venue?

Very Good	Good	Fair	Poor	Very Poor

2. All questions I posed were answered by trainers/subject matter experts?

Always	Sometime	Somewhat	Very little	Not at all

3. How would you rate your understanding of Islamic banking now?

Much better	Somewhat better	Stayed the same	Somewhat worse	Much worse

4. "I am confident to discuss our Islamic banking offering with customers"

Extremely	Very	Moderately	Slightly	Not at all

5. I will include the Islamic banking offering in my discussions with clients now.

Definitely	Probably	Possibly	Probably Not	Definitely Not

6. To what degree have your learning expectations been met now?

To a great extent	Much	Somewhat	Very little	Not at all

7. Please provide a brief description of how the training has assisted you to confidently discuss Islamic banking products with customers.

_____

_____

_____

_____

_____

8. Please state any recommendation you may have for the improvement of internal marketing of Islamic banking.

Appendix G: 2 month post-training interview schedule

2 Month Post-Training Interview Schedule

Select an option which best describes you.

1. I confidently discuss the Islamic banking offering with customers.

Extremely	Very	Moderately	Slightly	Not at all

2. My sales of Islamic banking products have increased.

Extremely	Very	Moderately	Slightly	Not at all

3. I receive the required support from senior management to actively promote Islamic banking.

Almost always	Often	Sometimes	Seldom	Never

4. I educate my colleagues about the features of the Islamic banking products.

Almost always	Often	Sometimes	Seldom	Never

5. I will recommend Islamic banking training for all front-line employees.

Definitely	Probably	Possibly	Probably Not	Definitely Not

6. Please provide a brief description of how the training have or have not equipped you to confidently offer Islamic banking.

_____

_____

_____

_____

7. Please state any recommendation you may have for the improvement of internal marketing of Islamic banking.

_____

Islamic Banking Performance Criteria Checklist

Name of Employee: Employee number:

Performance Criteria	Competent	Not Yet Competent	Comments/ Recommendations
The participant is familiar with accessing the Islamic Banking Product information			
The participant is able to differentiate between conventional and Islamic banking			
The participant discusses and includes Islamic banking in all client engagements			
The participant can engage clients confidently about Islamic banking			
The participant is comfortable in explaining the different Islamic banking concepts (i.e. Ijaarah, Qardh and Mudarabah) to customers			
The participant is able to explain Shari'ah law and why there is a Shari'ah Supervisory Board			

Learner Signature : _____ Date: _____

Facilitator Signature: _____ Date: _____

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Appendix I: Title Changes

UNIVERSITY of the
WESTERN CAPE

The Chairperson
Higher Degrees Committee
EMS Faculty
18-July 2018

Dear Chairperson

Please find enclosed the following matters for your consideration

3. Request to Change Title

Candidate: Shameem Damon

Student number: 2447527
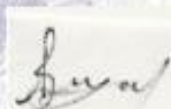
Programme: MCOM

Department: SBF

Previous Title: The Internal promotion of Islamic banking offerings at a South African conventional bank: An action research study

New Title: The Internal promotion of Islamic banking offerings at a South African raditional bank: An action research study

Supervisor: abdullah bayat

Kind Regards,

Supervisor