

CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

The issues concerning banks have been unique and changing over the long haul. Each bank ought to get familiar with the progressions in the accessible assets so that they can conquer rivalry and gain (CA) in this ceaselessly evolving world. Subsequently, it is expected to assemble the idea of the study on some related theories. Many scientific studies have appeared from secondary data sources related to the variables of this study.

To accomplish the research targets, the literature review is divided into many parts to define the pertinent ideas connected with the research variables and clarify how and why these critical ideas are connected. In this chapter, the details of the study are presented first by the underpinning theories, second by the independent variables; HRM Practices represented by training and direct compensation and the moderator variable; indirect compensation, then third by the mediator variable; (IWB), followed by drawing the literature on some relationships, then presenting (CA); the dependent variable with some highlight on that relationships and lastly showing the gap of the study related to these variables.

2.2 Underpinning Theories

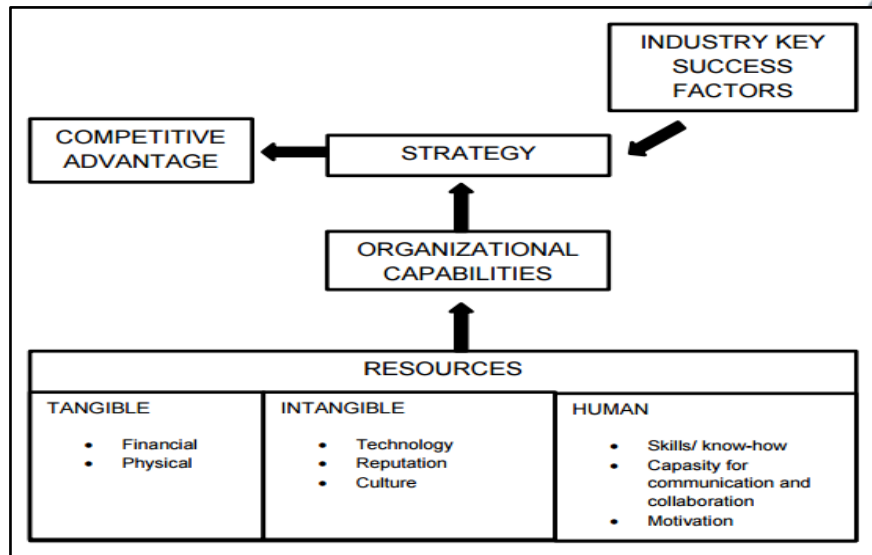
This section explains the underpinning theories related to (CA), HRM practices (such as training and compensations) and (IWB) to support the development of the research framework and hypotheses.

The Resource Based-View (RBV) theory is one of the main theories that connect the (CA) of the services in the organization with the intangible resources, i.e., employees' knowledge. Based on RBV, human knowledge is one of the organization's main success keys of (CA). The knowledge in the working environment is represented by HR in the organization. According to RBV theory, Barney (1991) and Grant (1996) classified the firm resources into two main categories:

Physical capital resources: physical technologies, production facilities, equipment, geographical location and accessibility to raw materials.

Human resources assets: training, individuals encounters, judgment, knowledge, connections, and understanding of the organization's supervisors and laborers. Barney and Wright (1998) mentioned that human resource is one of the main elements of RBV to sustain the (CA) in the organization. Most managers believe that the most crucial factor that separates them from their competitors is the Knowledge of the employees (Liebowitz, 2000; Helm-Stevens et al., 2011). Miller and Shamsie (1996) argued that the (CA) of the organization's services is affected strongly by HRM knowledge applied to conduct the services. Thus, the organizational capabilities are based on knowledge assets (Marr et al., 2004). According to Grant (2005), the (CA) in the organization would be addressed by applying the organization's strategy and capabilities. Thus, human resources are responsible for conducting the services based on the organization's strategies

using their knowledge and skills to support other resources such as technology and physical equipment (Figure 2.1).



Source: Grant (2005)

Figure 2.1: Resource Based View

Based on RBV theory, it can be concluded that the HRM is one of the essential resources to address the (CA) in the organization. Hence, HRM is crucial to support improving the services (CA).

Zack (1990) mentioned that HRM should be managed effectively to produce innovative knowledge in the working environment, which supports the presentation of innovative services and consequently enhances the (CA). Innovative knowledge gives the organization its cutthroat situation over its opponents. An organization with innovative knowledge can present innovative items or administrations, possibly assisting it with turning into a market leader (Makadok, 2001; Kozlenkova et al., 2014).

Innovative work behavior (IWB) can be defined as the norms and attitudes toward the deliberate creation, presentation and utilization of novel thoughts inside a work job, gathering or organization to help job execution, the

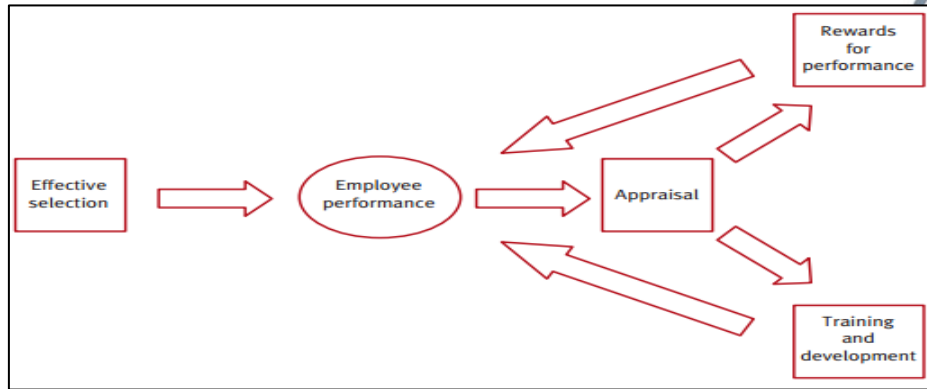
community, or organization (Lee et al., 2001). Therefore, the employees should have positive behaviors (norms and attitudes) toward innovation in the working environment.

On this behalf, the social exchange theory (Blau, 1964) explains the importance of motivating the (IWB) in the working environment through two exchange types: (1) the economic exchanges to motivate the (IWB) based on indirect benefits (i.e., tangible benefits) such as salary, rewards, and promotions; (2) The social exchanges to motivate the (IWB) based on direct benefits (i.e., intangible benefits) such as good relationships in working environments, travels and training. The social exchange theory aims to satisfy the direct and indirect needs of the employees to motivate their attitudes and norms toward innovation in the job climate.

In the context of the social exchange theory, one of the best ways of involving HRM for people and organizations is through utilizing a pack, arrangement, or an arrangement of HRM rehearses simultaneously (Lepak et al., 2006). The study of (Abdullah, Salleh, Muda, & Omar, 2016) used social exchange theory in the context of (IWB) and mentioned that employees are in charge of committing more obligations, which demands creativity and innovation. Thus, (IWB) in the banking industry intensifies when employees are given greater responsibility. Along these lines, it is essential to recognize those groups of HRM. Lepak et al. (2006) argued that there are a great variety of HRM practices, such as compensation and training practices (Cabello-Medina et al., 2011).

One of the models developed based on the social exchange theory is the Harvard Model (Beer et al., 1984). Harvard Model (Figure 2.2) shows that the

employees' performance, including the working innovation, could be motivated using direct benefits such as rewards and indirect benefits such as training.

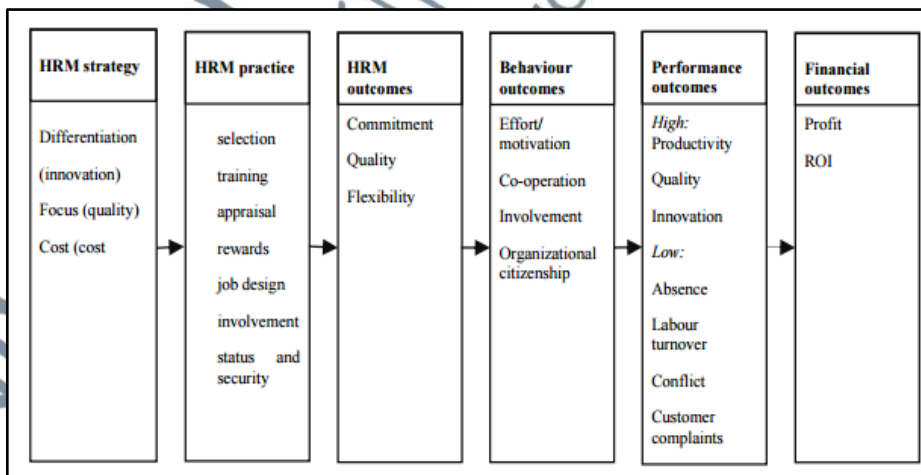


Source: Farnham (2010)

Figure 2.2: The Harvard Model

Then, there is the Guest model (Guest, 1997), as shown in Figure 2.3, which works on the conviction that a bunch of incorporated HRM practices will bring about prevalent personal behaviors such as efforts, cooperation, and involvement, which support the (IWB) in the working environment.

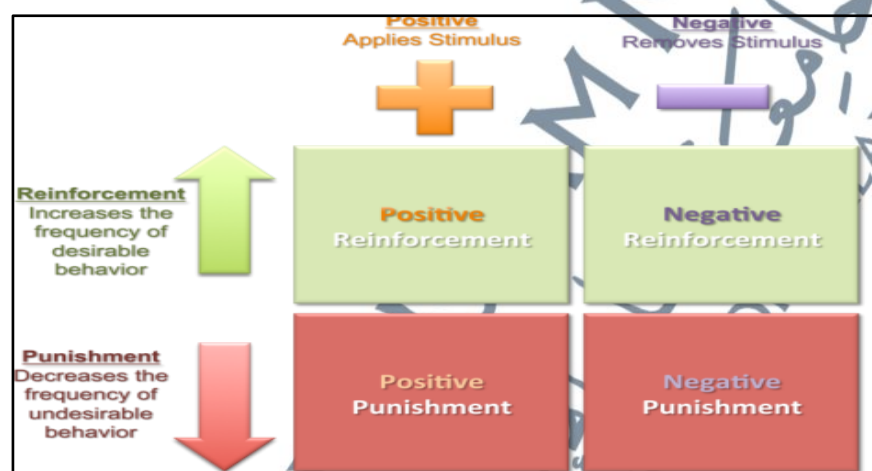
The case of the Guest model that it is better than others is incompletely supported as it plainly outlines the field of HRM and depicts the information sources and results.



Source: Hartog et al., (2004)

Figure 2.3: Guest Model

According to Huitt and Hummel (1997), four strategies are utilized in operant molding: positive and negative reinforcement, also positive and negative punishments. The reinforcement viewpoint focuses on the connection between behavior, its ramifications, and how employees' behavior can be changed by adequately applying quick rewards and discipline. The hidden idea is that emphatically built-up conduct will probably be repeated (Steers et al., 2004). Figure 2.4 is derived from the table created by (Huitt & Hummel, 1997).



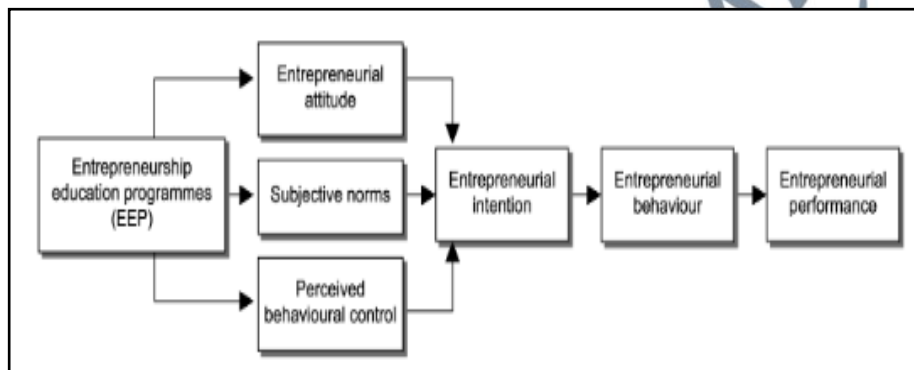
Source: (wikispaces.psu.edu)

Figure 2.4: Reinforcement Theory

On the other hand, the theory of planned behavior supports the importance of the training programs as direct benefits to motivate the (IWB) in the organizations. The planned behavior has been used in different contexts, areas, and populations to assess the employees' behaviors (Ajzen, 2008; Ajzen & Manstead, 2007) and has been used to evaluate the effects of education programs (i.e., training) on the working behaviors such as innovation (Fayolle et al., 2006; Souitaris et al., 2007; Florin et al., 2007).

In particular, Fayolle et al. (2006) show how education programs impact the three factors that the theory of planned behavior covers; attitudes, norms, and

intention (Figure 2.5). In short, participation in an education program would be motivated the (IWB) by producing self-assurance in the person's capacity (Krueger & Carsrud, 1993), fortifying information on the environmental factors, confidence in their control and, thus, building up pioneering aim and, in this manner, innovative behavior. Additionally, this behavior impacts execution and innovation (Desset al., 1997).



Source: Fayolle et al. (2006)

Figure 2.5: Theory of Planned Behavior

Concluding all the above, the social exchange theory and models recommend applying HRM practices to motivate the (IWB) in the working environment. The innovation in conducting the services in the organization is related to the RBV theory, which focuses on applying the employees' knowledge in innovative ways to improve the (CA) of the organization's services. The connection between the social exchange and RBV theories reflects the importance of motivating HRM using training and compensations practices to extract HRM outcomes by the result of their behavioral outcomes, which represent (IWB), and lastly, finding the result in services outcomes like quality, which relates to achieving (CA).

Although the social exchange theory is essential to motivate the (IWB) in the working environment, the (IWB) is affected by the application fairness of HRM practices. According to Gerhart et al. (1995), organizations need to recognize the effectiveness of providing HRM practices for the employees based on their innovation efforts in the working environment. The (IWB) could be motivated when the employees feel that the plan of HRM practices is not fair or ideal.

The equity theory propounded by Adams (1963) expects equilibrium of employees' data sources and results when contrasted with others. Equity theory, as Figure 2.6 shows, recommends that employees' view of what they add to the organization, what they receive consequently, and how their return-commitment proportion looks at to others inside and outside the organization, 'decide how far they see their work relationship to be (Adams, 1963).

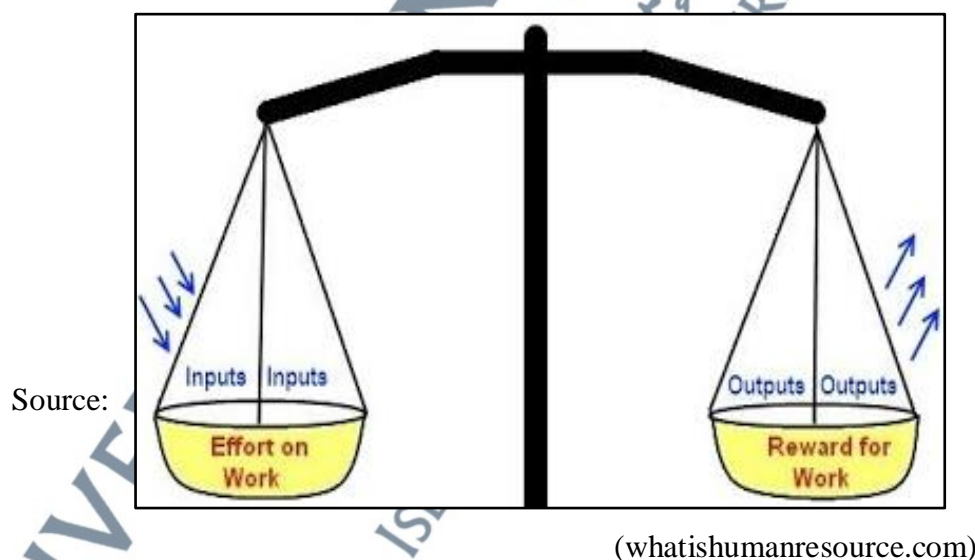


Figure 2.6: Equity Theory

Whenever the rewards are not seen as decent and impartial; employees attempt to look for the balance once more, for instance, by adjusting their bits of

feedback and results or leaving the work. In this way, a straightforward compensation increment or advancement doesn't further develop inspiration when the employees see it as discriminatory compared with different employees (Daft, 2006; Pritchard, 1969).

Based on the reviewed theories in this section, The (CA) of the organization depends strongly on the knowledge of HRM in the organization (RBV theory).

Thus, the employees must continually improve their knowledge to conduct innovative services. Hence, the (IWB) needs to be motivated using direct and indirect benefits such as HRM practices (social exchange theory). The compensations such as rewards and promotions are considered direct factors to boost the (IWB) (Harvard model, Guest models, and reinforcement theory). On the other hand, training is regarded as an indirect factor in innovating the (IWB) (planned behavior theory). For compelling motivation of (IWB), compensations and training should be provided ideally (i.e., fairness) based on the innovation efforts of the employees in the working environment (equity theory). The general direction of the research framework based on the underpinning theories is illustrated in Figure 2.8.

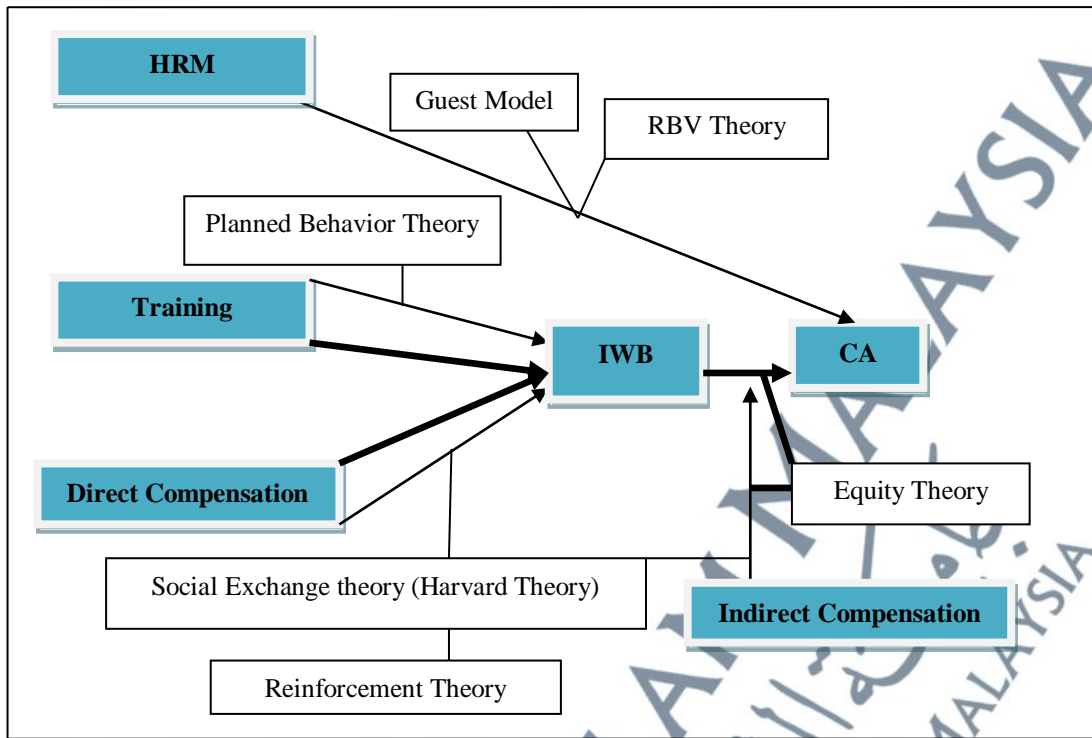


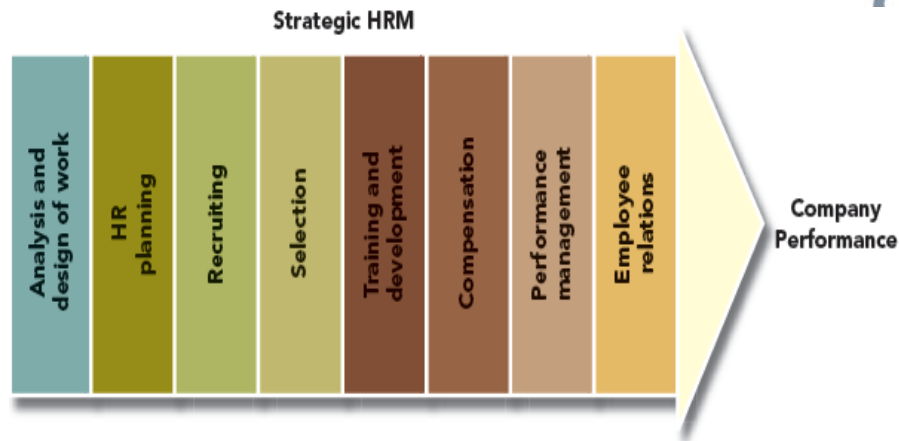
Figure 2.7: Research Framework

2.3 Human Resources Management (HRM) Practices

Effective organizations never again see employees as a plan of action whose essential capacity is to give labor and products. Instead, employees are considered to be the service organization (Omar & Shehada, 2015). Wright; et al. (1994) have shown that HRM can be a wellspring of (CA) since they meet the models for being a wellspring of feasible (CA). Firm HRM practices refer to involving people practices; refers to the policies, practices, and systems that influence employees' behavior, attitudes, and performance (Noe et al., 2003).

HRM practices incorporate analyzing and designing work, deciding human asset needs, attracting possible employees, picking employees, showing them how to play out their positions and setting them up for the future, compensating

employees, assessing their exhibition and establishing a positive workplace (Mathur, 2015). The following figure shows the HRM practices.



Source: Noe et al. (2003)

Figure 2.8: HRM Practices

Hamadamin and Atan (2019) inspected the impact of the essential HRM executives (HRM) practices on the accomplishment of (CA) that will be practical, with an assessment of the interceding job of human resources improvement and the responsibility of employees in chosen colleges in Erbil City of Iraq, utilizing structural equation modeling with the utilization of Smart Partial Least Square PLS. Their discoveries uncovered a direct and positive impact of the key HRM on the supportability of (CA); vital HRM was likewise found to emphatically impact human resources improvement and the responsibility of employees to the organizations; the impact of both human resources advancement and employees' responsibility was found to have a halfway intercession in the vital HRM practices and reasonable sustainable (CA) relationship.

Many studies focused on HRM practices as a title, but they implemented some of the whole practices. Almutairi and Alsawalhah (2020) explored the impact of strategic human resource management (SHRM) as recruitment,

training, compensation, and performance management, on hierarchical commitment as regard for values and morals, eagerness to resolve to work, innovative behavior at work, in Jordanian Islamic banks. They found that SHRM and employee commitment levels are high.

According to Madanat and Khasawneh (2017), Jordan banks might profit by focusing on TQM standards as they affect HRM practices. When an organization is focused on quality, HRM practices will be transformed from conventional to quality-situated practices. Overseeing HRM will expand employees' fulfillment and urge them to commit to the organization's accomplishments.

Cherif (2020) investigated the job of HRM and employee job satisfaction in foreseeing organizational commitment in the Saudi Arabian banking sector. HRM is connected decidedly with employee job satisfaction and organizational commitment. Then again, employee job satisfaction was viewed as absolutely associated with hierarchical responsibility. The two independent variables made critical individual commitments to the expectation of organizational commitment.

Gidado et al. (2014) used training, salary & wages, and directors' compensation as functions of human resource development. They found that their investment has a positive and significant relationship with the bank performance in Malaysia and Nigeria. Also, Jaradat and Al Azaam (2013) represented (job analyses and design, recruitment, training and development and employee performance appraisal) as HRM practices by finding their impact on achieving (CA) for 40 industrial companies at al Hassan industrial Estate in Jordan where the HR training and development dimension shows that there is no significant impact on achieving (CA).

Pahuja and Dalal (2012) looked into how (CA) is created involving HRM practices in the State Bank of India according to the employees' viewpoint and distinguished five critical variables as recruitment and rewards system, training and ability improvement practices, organization environment, employee participation and empowerment and effective correspondence framework. Suifan (2015) used a sample of 500 employees of public and private organizations in Jordanian industries to examine the impact of (training, person-organization fit, and rewards) as HRM practices on organizational commitment and found that there are significant and positively associated with each other. Suifan (2015) measured training using a scale developed by Yahya and Goh (2002), where the rewards construct was measured by a scale adopted from Sejjaaka and Kaawaase (2014).

Employee education and training are turning into an ideal solution to complex business challenges, and the administration of HRM is taking a focal job in present-day management. The reward framework urges employees to become motivated and increment their investment in contributing development thoughts, which prompts high hierarchical advancement. Compensation is a significant issue that should be tended to because it straightforwardly or in a roundabout way influences the productivity and intensity of an organization and the prosperity of employees. It significantly affects employees' lifestyles and tells them how much the business values their commitment.

It is a significant device for businesses in affecting employee perspectives, for example, the impression of decency and employee behavior, including whether an employee is drawn to and stays with the company and how the employees utilize their time at work. The compensation bundle is regularly

separated into Direct and Indirect Compensation. These involve financial and non-financial rewards (Noe et al., 1996). Therefore, this study employed training and compensation as HRM practices.

The study of Al-Ma'ani (2013) on 5 Jordanian commercial banks found that equivalent dispersion of grants to employees in a satisfactory way is adequate to persuade employees. Al-Hawary et al. (2013) indicate that of 300 employees of commercial banks in Jordan, motivation should be one of the principal jobs of the manager in the organization; a supervisor should recognize that his/her employees are the main resource they have to have an unmistakable result whether it is a substantial item or theoretical assistance and expenses of putting resources into this resource will constantly be to assist the organization.

Alkhazali et al. (2015) found the significant role of HRM in improving performance using descriptive and analytical approaches through 175 respondents from public, and commercial banks. Al-Ghazawi (2012) reached that there is a significant impact of HRM activities (Staffing, Training & Development, Incentives, and Retention Policy) investment on its effectiveness (Human Capital Value Added, Human Capital Return on Investment, and Turnover Rate) using a descriptive and analytical approach through 16 commercial banks, 174 managers.

Many researchers present the work of the most related studies to HRM practices implemented in different banks in Jordan. Some studies indicate HRM's role in their recommendations for Jordanian banks. Al-Khasawneh (2014) recommended that commercial banks managements are pointed out to focus better on forming the knowledge collection of employees through instructional classes, additionally compensating frameworks should be actuated to remunerate and compensate employees who exhibit imagination, experience, knowledge, and

higher scholastic capability. The labor force is answerable for consumer loyalty, items, and service quality. Human resources should extend the program to develop different abilities, skills, certainty, and knowledge (Bataineh, 2014).

The resource-based theory indicates that various motivations to put resources into training should pay off (Koch & McGrath, 1996). Initially, the degree to which inside advancement makes human resources explicit to the firm, besides the degree to which these firm-explicit abilities manage the cost of assurance from quick competitive apportionment of vital resources. At last, the degree to which employee improvement saves the firm from the cost of recruiting individuals with shown abilities in the outer work market.

This research chooses only two practices of HRM, Training and Compensation, due to its ease of access in terms of data and statistics that can be derived from the bank's annual reports and the previously available literature and due to its importance that can be noticed from the high expenses, the banks offer to the employees.

2.3.1 Training

Training has been defined as the systematic development of an individual's knowledge, skills and attitudes to perform a given task or job adequately (Armstrong, 1997). According to Hashim (2008), employee training alludes to programs that provide laborers data, new abilities, or expert improvement unique open doors. Organizations benefit from better interchanges abilities, investigate the secret power of a student, more practical work and better business benefits from the training results. These excellent outcomes could impact the country's advancement (Dorjkhoo, 2013).

According to Aguinis and Kraiger (2009), the term training alludes to both training and improvement endeavors; it is regularly challenging to learn whether a particular exploration concentrates on addressing training, development, or both. To differentiate between training and development, Kulkarni (2013) defined training as the nerve that does the trick of the need for normal and smooth working of work which helps in improving the nature of work life of employees and organizational improvement as well, while advancement is a cycle that prompts qualitative as well as quantitative progressions in the organization, particularly at the administrative level; it is less considered with actual abilities and is more worried about information, values, mentalities and behavior notwithstanding explicit skills. Consequently, advancement can be said to be a constant cycle through training with explicit regions and targets. Along these lines, each organization needs to concentrate on the job, the significance and benefits of training and its positive effect on improving the organization's development.

Various practices are continued in multiple ventures and different organizations as well. Along these lines, the need for training and development programs depends on the necessities of the job profile. Alshwabkeh and Alsawalhah (2019) studied the effect of training Strategies (training process stages, diversity of training programs, adapting and using new technologies, support and commitment of senior managers) on employees' performance at Amman's municipality employees' perspective\Jordan. The researchers found that training strategies implementation was average level & the employees' performance was average.

Al Hanini (2012) argued that Jordanian banks should hold regular training classes for old and new employees to show them the significance of their obligation to the control methodology regarding the well-being and security of the computerized accounting frameworks and train them to utilize techniques.

Al-Abedallat and Jaafreh (2012) arrived at the point that there is a connection between the training staff credit and long periods of involvement and the decrease of the obligation issue in Jordanian banks. Furthermore, there is a connection between the presence of an arrangement of material and moral incentives and diminishing the problem of terrible obligations. They suggested the accompanying: 1 -The banks of Jordan should focus entirely on the issue of the training system to stay up with ongoing advancements in the banking business. 2 - The banks should foster an appropriate arrangement of financial and moral motivations, for instance, an excellent reason for improvement, overhaul, and include employees in navigation.

The study of Bataineh (2014) delves into the effects of employee training in commercial banks of Jordan towards performance using the qualitative method: content and logical analysis techniques in housing bank for trade and finance.

The study by Al-Nsour and Al-Weshah (2011) thought that the abilities of human resources in Jordanian banks are suitable for changing their banks into learning organizations. The center intensity of the financial business profoundly depends on the capacity of supervisory groups to be a learning organization deliberately (Al-Onizat, 2012).

Alnaweigah (2013) prescribed the need to chip away at the training of remarkable bank specialists to advance their encounters and educate them regarding the motivation of the relative multitude of logical turns of events and

innovations concerning the banks using descriptive and analytical methods, commercial banks.

According to Al-Hmoud (2015), the necessity for charging departments to work to control the standards of training excellence is to reconsider the practiced training methods. The aspects and skills managers need to be trained in are strategic planning, management of HR, time management, leadership and team building, negotiation skills, employees, stimulation, marketing skills, communicating with others, and innovative thinking of using computers. He used 241 staff of Jordanian banks.

2.3.1.1 Courses Quality

The Success or disappointment of an organization relies upon the nature of its HRM and training being a vital piece of the technique to incorporate HRM with an organization's business strategy (Dabale et al., 2014). Training courses of the organizations attempt to concentrate on particular job proficiency.

The training and development program is an arranged education part with an uncommon strategy for sharing the organization's way of life, which moves from one work abilities to comprehending the work environment expertise, creating administration, imaginative reasoning and issue-settling (Meister, 1998). According to Jehanzeb and Bashir (2013), the prerequisites for a specialized training program for employees help to comprehend the organization's way of life, which leads to the organization's accomplishment. Employees will be more helpful, assuming that organizations give them training according to the necessity of the job. An ideal employee training and development program should combine knowledge, vocational improvement and objective setting. These methodologies

will help the program to be more valuable for the employees and organization. Today, most organizations have developed various projects for the training and development of their employees.

The substance regions should have the option to overcome any issues between what and what should be. The substance or the practical areas to be remembered for the training program should be founded on the aftereffects of the training needs evaluation. These themes should reflect the knowledge, perspectives, values and abilities required for an individual to work effectively in their work or in regions where these capabilities will be utilized. People attending great instructional classes show much higher effects than bad quality courses (Chong & Galdo, 2006). So it's more helpful to focus on the quality of the courses when selecting specific employees to be trained in a thorough training program.

Regarding employees' perception of the objectivity of appraisal, Abu Shiekhah et al. (2015) recommended that performance appraisers at Jordanian ministries should be trained on behavior and specialized evaluation abilities through training programs with specific destinations and utilizing training strategies that focus on the pragmatic and applied aspects. Bourini et al. (2013) recommended that organizations hold instructional classes for the employees in Jordan banks to perceive the information executives' idea and standards and their significance, to more readily comprehend their part in information on the board in movements of every sort.

Alsharah (2014) recommended that banks give additional instructional classes and foster an arrangement of grants for recognized employees with the end goal of employee holding.

2.3.1.2 Training Methods

There is no specific strategy for fostering the employee's training; there are no best-fit training techniques or solutions; it relies upon many factors, for example, hierarchical size, structure, culture, environments, the board style, number of employees, employee's knowledge, abilities and behavior, etc. (Dorjkhuu, 2013). There are extensively two unique techniques that organizations might browse for training and innovating skills of their employees. These are on-the-job training given to authoritative employees while directing their everyday work in similar settings. Off-the-job training includes removing employees from their standard workplaces. Consequently, all fixations are forgotten about in training.

The on-the-job training includes work revolutions and moves, training and additional tutoring. Then again, off-the-work training models incorporate gatherings, pretending, and much more, as clarified exhaustively underneath. Armstrong (1995) contends that on-the-job training may comprise educating or instructing by more experienced individuals or coaches in the work area or the seat. Various organizations are persuaded to take on various training techniques for various explanations behind the model; (1) contingent upon the organization's system, objectives and assets accessible, (2) contingent upon the necessities recognized at that point, and (2) the objective gathering to be trained which might incorporate among others individual specialists, gatherings, groups, office or the whole organization.

Numerous organizations lead in-house training programs for their employees that are more valuable and modest. Nonetheless, administrators can make the best fit training techniques appropriate to the hierarchical attributes. It

expects that the rule of persistent learning is the objective of the whole organization.

Human resources assume a considerable part during the time spent on information amassing, usefulness development and financial development in any nation. Especially, formal training may be more helpful and have the option to carry out with minimal expense to the organizations in the innovating economies.

It should be the obligation of the organization to guarantee that employees have information, abilities and capacities, and these abilities should be as per the necessary level of the job. There are many methods of training programs such as checklists, lectures, discussions, demonstrations, videos, required reading, hands-on, written exercises, program instruction, diagrams, flow charts, role play, case studies, role modeling, shadowing, goal setting, and coaching. These methods ranged between on-job training and off-job training. Today, organizations are widely involving the Information Technology frameworks for their learning programs. Information and data frameworks are quickly pushing forward, and those organizations can't endure that give exceptional information on I.T. to their employees. For another errand, employees should be trained so they can adapt to the new undertaking without much of a stretch,

The exercises and training strategies ought to be adaptable and versatile to suit the different learning styles of the members. Some viable training methodologies incorporate brainstorming, bunch conversation, and role-play (Training guide & training techniques, 2004). Peariasamy and Abu Mansor (2008) clarified how businesses could rehearse employees information partaking in their day-by-day work exercises by presenting 12 methodologies; peer help, training and tutoring, testing projects, expected set of responsibilities, work turn,

broadly educating, and sharing meetings, likewise talked about how on-the-job training dividing can advance individual execution between employees.

Masa'deh and Obeidat (2014) focused on the implementation process of the training programs using information systems in Jordan banks and pointed to some expertise that all bank employees should have honed to some expertise that all employees should have, which are: proficient and talented in managing clients; sufficient knowledge about the bank's central goal and destinations and different financial assistance items; show interests in self-advancement to offer better financial types of assistance; and be skilled in providing types of service, using qualitative method interviews of five banks represent 33.3% of the population through 200 HR professionals.

This study adapts training items from (Demo et al., 2012), which are: I can use knowledge and behaviors learned in training at work, the organization I work for helps me develop the skills I need for the successful accomplishment of my duties (e.g., training, conferences, etc.).

2.3.2 Direct Compensation

Employee compensation assumes such a crucial part since it is at the core of the business relationship, being of fundamental significance to the two employees and managers (Gerhart et al., 1995).

For bosses, compensation choices impact their expense of carrying on with work and, in this manner, their capacity to sell at a severe cost in the item market. What's more, pay choice impacts the business' capacity to go after employees in the work market (draw in and hold) and their perspectives and practices while with the business. Employees need to be persuaded to partake in the acquiring and

sharing of knowledge (Wong, 2005). Santana (2013) indicated that "effective compensation and incentive-based systems for innovation require more research" (p. 201).

Islam directs a businessman to pay a reasonable wage at the right time, as a famous saying of the Prophet (PBUH), who said: "give the laborer his wages before his sweat dries" (IbnMajah). The more the employee is paid, the more he feels there is decency regarding others' work inclusion and his organization and the more contributions he will make to work (Hsiung, 2014).

Employee compensation is given to save them from loss of pay and to satisfy additional expenses connected with work-related wounds or ailments. The regulations regularly gave as a substitution of lost pay, and single amount incapacity installments and for some restoration, and passing advantages to survivors.

Many studies carried out the variables of a total compensation system as direct and indirect; Indartono and Chen (2008) investigate that age, tenure, employee rank and work status are positively related to the perception of direct and indirect compensation fulfillment in a hazardous work environment. They suggest direct compensations consist of wages, living allowances, long-term incentives and bonuses. In contrast, indirect compensation includes allowances, work tool availability, end-year gift, breaking time on work, vacation time and workroom availability.

Furthermore, Hasibuan (2016) mentioned that compensation could be divided into three: direct financial payment in terms of salary, incentives, bonuses and commissions; indirect financial payment in terms of benefits and insurance; and nonfinancial rewards such as flexible work hours and prestigious office.

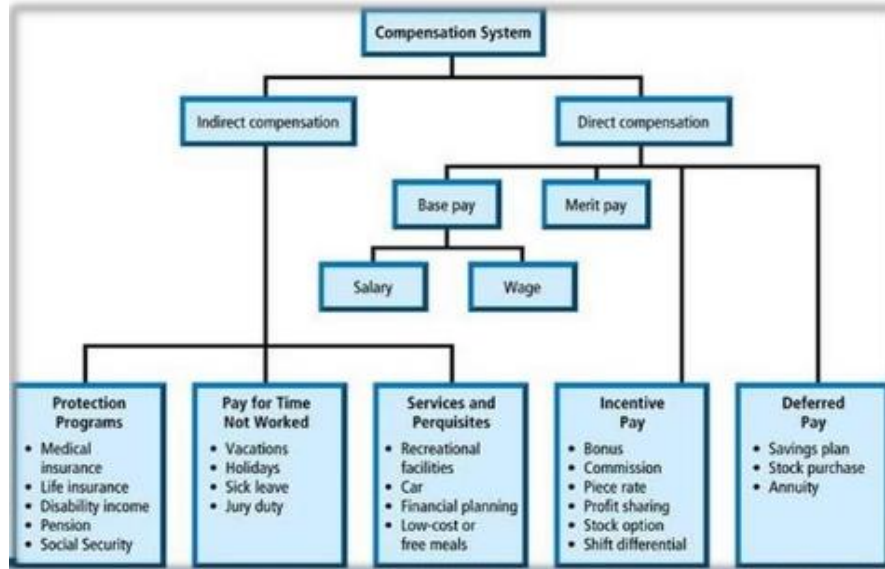
Compared with pay (direct compensation), the communication of benefits (indirect compensation) is a more significant challenge for employers. Although benefits typically comprise at least a third of total compensation costs, many benefit plans are not apparent to employees. For example, vacations, holidays, and other forms of paid time off are part of employees' paychecks. They are not consistently recognized as benefits, even though they represent an expense to employers. Also, some benefits (e.g., pension and flexible benefit plans) can be complicated for employees to understand (Mccaffery, 2005).

As also Mthis and Jackson (2011) described, compensation is divided into two, direct and indirect compensation, where direct compensation is provided as wages, salaries, bonuses and incentives, while indirect compensation is provided in allowances, health insurance, retirement programs and other facilities (Manurung, 2017).

According to Fogleman and McCorkle (2009), direct compensation may consist of base pay as wages, salary, and bonuses, while indirect compensation consists of social security, health insurance, retirement programs, paid leave, and child care or moving expenses.

Employees regularly rely upon wages, pay rates, etc, to give an enormous portion of their pay and on advantages to turn out revenue; these can be expected as immediate pay presented for every employee. Direct compensation incorporates an employee's base salary which can be an annual or time-based wage, and any exhibition-based compensation that an employee gets, for example, profit-sharing bonuses. As per Nurul Absar et al. (2010), direct compensation incorporates hourly and, month-to-month appraised wages or pay

rates, and motivating forces, for example, rewards, commissions, and benefit-sharing plans.



Source: (Kaplan & Atkinson, 2015)

Figure 2.9: Total Compensation System

Figure 2.10 explains that total compensation is classified into direct and indirect compensation. Direct compensation can be defined as the pre and fixed compensation paid to the employees regarding their typical performance. Indirect compensations are the post and conditional rewards paid to the employees for what they perform more or for their innovative behavior during the work. The next following section highlights direct compensation.

2.3.2.1 Salary

Compensation is vital for the presentation of the employees. Like this, they are essential for the organization as well. Mphil et al. (2014) assumed that salary is addressed by pay of the elements connected with compensation like salary, rewards, indirect compensation and employee performance.

According to Chhabra (2001), the term 'salary' is ordinarily used to mean compensation to employees of the workplace, foremen, supervisors, experts and specialized staff. Salary is essentially given on a week-by-week, month-to-month or yearly premise. The term for which salaries are shown is fundamentally higher than wage installments.

There appeared a few studies related to salary in the view of HRM. Alsharah (2014) inferred that Saudi banks quickly have employee fulfillment by supplying wages and compensations that coordinate with work size and obligations. Mohammad et al. (2014) recommended improving overall salary packages for employees based on productivity rewards. Demps et al. (2012) investigated employees' views of salary decreases to keep up with business. Employee perceptions consist of two-generation groups: gender; seniority; hierarchical job; salary; and whether or not upper administration additionally takes a salary decrease. It was resolved that more examination is expected to get a more prominent understanding of this phenomenon.

2.3.2.2 Allowances

The allowance is an income if the employee is not required to account for his employer. Allowances have represented the right of employees to do their jobs. The holy Quran highlights the importance of it in (Al-Quran, the Heights 7:85): "Give just measure and weight, nor withhold from the people the things that are their due, and make no mischief on the earth after it has been set in order."

There is no exact way of giving an allowance to an employee; it only depends on the commitment of the employee toward the organization, so it can

decide when and how to offer, as well as the percentage to be given based on the employee's position (Yazdanifard & Usman, 2011).

Different allowances are consistently paid to incorporate occupation-related allowances (allowances for taking great posts, unique abilities, excellent participation or great execution) and other allowances which are paid by employee's very own conditions, for example, family, commuting, and housing allowances (Yuping, 2004). Osibanjo et al. (2014) analyzed the impact of compensation bundles (salary, bonus, motivators, allowances, and incidental advantages on employees' job performance and retention in a selected private University in Nigeria supported by structural equation modeling. The results showed a strong relationship between compensation packages and employees' performance and retention.

2.3.2.3 Bounces

The administration of the banking area should give employees different kinds of bundles to hold and motivate employees on their level of behavior as well as job performance. Ahmada et al. (2015) concentrated on the effect of (Benefits and compensation, working climate) on employee retention by persuading the Pakistan banking sector.

The three methodologies evaluated as generally essential to the banking area are appealing rewards and acknowledgment, yearly execution examination and training valuable open doors. Moreover, the compensation bundle is most significant in the organization.

2.3.2.4 End of Service Indemnity

Employees are qualified for end-of-service gratuity at the end of the business relationship in all conditions other than a dismissal for activities that add up to outrageous unfortunate behavior (Smith, 2012). It isn't legal for a business to concur with its employees to keep away from the finish of service gratuity given. According to Smith (2012), upon termination, the business should pay its employees a severance installment (or gratuity) of 21 days' salary for every one of the initial five years of service and 30 days' salary for each extra year of job one year's ongoing assistance. The most extreme sum payable as a gratuity is two years' salary, which is an extensive additional risk for managers.

There are limitations on the conditions in which the full gratuity should be paid. Any Labor Law prerequisite to pay an administration gratuity, and intended to give a sum of benefit for exile employees. It is feasible to structure the gratuity as a regularly scheduled installment assuming that the business works a corporate benefit conspire, at the choice of the employee.

Assuming the employee leaves with conditions that imply he was not qualified for the finish of administration gratuity, later on, it is far-fetched that the business would have the option to guarantee back the installments made under such a plan. Notwithstanding, bosses should factor in the income issues of making an enormous single amount installment on end while organizing their work courses of action.

During the hour of work, private plans are financed altogether by the organization or together by the organization and the employee.

The characterized benefit plan is one well-known type of annuity plan. In this, the business guarantees to give an advantage chosen by an unequivocal recipe at the hour of employee retirement. A characterized commitment plan is one more kind of retirement plan; rather than a known advantage, it takes a fixed or general yearly commitment.

This study adapts direct compensation items from (Nurul Absar et al., 2010), which are: Salary and benefits are competitive, salary and benefits are offered based on competencies or abilities of the employees, pay survey is conducted regularly, non-financial benefits are emphasized. And also adapted some items from (Demo et al.,2012) as the following: In the organization where I work, my salary is influenced by my results, and the organization I work for offers me a salary that is compatible with my skills, training, and education.

2.3.3 Indirect Compensation

According to Dessler (2011), indirect compensation is the backhanded money-related and non-financial compensation employees land for proceeding with their position with the organization, which is a fundamental component of each employee's compensation. According to Tsai (2011), indirect compensation assists organizations with drawing in and holding exceptionally competitive employees who are viewed as essential assets in reaching (CA) (Ahmed Mashal & Ahmed Abu Bakar, 2014).

In Islam, using compensation to reach better results is encouraged. (Surat Al-Zalzalah,7,8), Indicated the saying of Allah SWT: "So whoever does an atom's weight of good will see it, And whoever does an atom's weight of evil will see it."

Compensation is the essential HRM practice that organizations can use to build

up employees' practices and incite them to follow hierarchical objectives. Compensation is all types of monetary returns and unmistakable administrations and advantages that employees get as a feature of a business relationship. Firm employees require hierarchical motivators to improve the advancement interaction. Rewards and acknowledgment can be characterized as advantages, for example, promotion coming about because of the yearly audit of performance (Al-Hawary, 2015).

According to Zhou et al. (2009), a rewards framework is a system through which organizations show appreciation toward employees for their responsibility, execution, abilities, information or dedication to the organization. Therefore, leaders can motivate employees to learn new knowledge through these drivers of motivation. It isn't suitable to compensate individuals for what they are expected to do now. Incentive systems in companies compensate all employees for going about their responsibilities and frequently give something else for accomplishing more. The motivators are not simply awards for staying safe. Instead, the acknowledgment is for exceptional execution and administration in consistency and morals.

Organizations must have unique and valuable strength that is necessary to determine the retention of employees to compute the factors that are relevant to the rewards, training as a career exposure management, and teamwork, which contributes towards employee retention in an organization. According to Kanwal and Majid (2013), all these factors lead to a synergic effect, resulting in the increased overall performance of the employee in banks in Pakistan. Indirect compensation is undeniably more shifted, including everything from legitimately expected public assurance projects, for example, Social Security, to health care

coverage, retirement programs, paid leave, and life cycle benefits, for instance, kid care or moving costs. Both sorts of compensation are significant in fostering a competitive compensation bundle. According to Nurul Absar et al. (2010), indirect compensation incorporates benefits, for example, suitable assets, medical coverage, excursions, organization vehicle, outfitted house, retirement benefits, investment opportunities, and such.

2.3.3.1 Rewards

The ideas about remuneration have encountered five stages through summarizing the significant records. According to Jiang et al. (2009), "Total Compensation" and "Total Reward" is recorded independently. In any case, they have frequently considered the different expressive types of one administration approach, even though some concede the slight distinction between them. These days, the reward system won't just focus on the employee's payment but consider more appealing non-monetary advantages in the inspiration of the board. What's more, out of the inquiry, it is the sure upturn that advanced complete reward technique will be well known in assortments of organizations and gets its inflexible status in this profoundly innovating world.

Rewards are one of the most proficient instruments of the board while attempting to impact individual or gathering conduct, to work on the organization's adequacy. Most organizations use pay, advancement, rewards and different remunerations to inspire employees and expand their exhibition. It is fundamental for an administrator to get employees' intentions without simply making a presumption. Asking an employee how he feels about a specific circumstance doesn't accurately assess his necessities (Dobre, 2013).

Mendonso (1998) said that rewards and advantages give the premise to become cutthroat in the workplace. Total reward depicts an award methodology that brings parts, for example, learning and improvement along with workplace details, into the advantages bundle. Alsharah (2014) explored the effect of rewards and incentives on employees' work fulfillment in Saudi banks. The monetary, individual and aggregate motivating forces assume a huge part in fostering banks' exercises, empowering advancement, lessening employees' turnover rate, limiting the grumbling and disappointment, and raising employees' confidence.

2.3.3.2 Insurance

Laborers' compensation insurance is excellent for laborers and great for business. Allah SWT says in (Surat Al-Nisa 29): "O you, who have believed, do not consume one another's wealth unjustly but only [in lawful] business by mutual consent."

If the employees get injured, it furnishes them with clinical treatment, installment for time misfortune and handicap, and even re-employment help, assuming they need it. It is narrated in a hadith of the Prophet Muhammad (Peace be upon him) that "Your body has a right over you" (Sahih Muslim). Numerous Muslims get health care coverage through their mate or their folks; hence, purchasing a health care coverage plan empowers Muslims to give medical care admittance to their whole family. Some time ago, specialists who were harmed frequently needed to sue their bosses to find support for their costs. To the specialist, this either implied no advantages or a long postponement. To the business, it indicated potential monetary ruin assuming the laborer won a huge

honor in court. Laborers' pay protection was the response to the two issues. It supplanted lawful responsibility with no-issue protection.

Many organizations have characterized commitment benefit plans as expecting employees to pay the whole expense (before charges) of more liberal medical coverage decisions. Goldman et al. (2005) inspected employee pay choices during three years when healthcare coverage expenses were rising quickly. They suggest that higher healthcare coverage charges should incite changes in the innovation of all-out pay, either in lower after-charge compensation or diminished commitments to different advantages.

2.3.3.3 Social Security

Social security is a protection framework that is governmentally administrated. Both; business and employees should contribute to the framework as per regulation, and up to the greatest cutoff, a distinct % of the employee's salary is given. How much is contributed by the boss and employee settles on the normal month-to-month wage. It's essential intention to give employees monetary help when they resign (Byars & Rue, 2008). Participation in decision-making is an essential element of the psychological factors, which contribute to improving the motivation of employees towards work and help them to satisfy the basic needs they have clarity, and social relations; these needs lead to the activation of feelings of acceptance and commitment, security and the challenge the more innovative they have and improve their performance (Hussein & Safety, 2007).

According to Merican (2010), social security protects employees and their families against monetary and social misery when they support injury or passing.

All in all, it offers specific advantages to employees in instances of weakness and

business injury, including work-related infections. Commitment is the amount of cash payable to the Organization by the vital business for the protected employees. Concerning Saiman and Jemon (2014), social security programs for transient specialists in ASEAN nations contains advanced age, deficiency, survivors, clinical consideration, disorder and maternity (cash advantages) and work injury.

2.3.3.4 Travel

As well as paying employees for finishing their allocated errands and giving the typical yearly audits and rewards, organizations now and again offer employees unique remunerations and acknowledgment. These might incorporate rewards, for example, travel, monetary rewards, little tokens or letters of appreciation. These rewards and acknowledgments help make up the way of life of an organization; employees regularly form their behavior in light of who gets compensated and who doesn't (Murphy, 2011).

Travel rewards can best be characterized as an eye-to-eye occasion intended to inspire, either straightforwardly or in a roundabout way. In 2005, there was a review directed by the Center for Concept Development; 51% of respondents saw that movement is recollected longer than other motivation rewards. The performance incentives, according to Njanja et al. (2013), included normal extraneous rewards, for example, cash rewards, gift vouchers, grant focuses, and travel grants, as well as inborn rewards, for example, having more opportunity and independence at work, having the option to pick fascinating activities, and being doled out to guide different employees.

Given the essential importance of (HRM) in organizations and the absence of analytical instruments to quantify employees' discernments about approaches and practices of HRM, this study adjusted the things of the roundabout pay from (Demo et al., 2012), which are: In the organization where I work, I get incentives such as promotions, commissioned functions, awards, bonuses, etc. the organization I work for remunerates me according to the remuneration offered at either the public or private marketplace levels, the organization I work for considers the expectations and suggestions of its employees when designing a system of employee rewards.

2.4 Innovative Work Behavior (IWB)

Many past investigations endeavored to distinguish the determinants of development, considering their importance (Kheng et al., 2013). The advancement determinants were ordered into three general classifications: individual, hierarchical and ecological (Damanpour, 1991). According to Damanpour (1991), determinants connected with individual variables have been considered the most critical among the three classifications. People are the ones who create, empower, answer and change thoughts, which are the necessities and fundamental achievement factors for innovation (Abstein & Spieth, 2014).

Miron et al. (2004) found that people are not always highly innovative. Paauwe (2004) claimed that employees' work-related behavior is supposed to be viable, assuming employees act according to the organization's recommendations.

A model for business-related behavior is (IWB).

Innovative work behavior (IWB) is not born randomly; it's an inside intention to behave or innovate. Allah says in (Surat Al-Ra'd, 11): "Indeed, Allah

will not change the condition of a people until they change what is in themselves.” Usually, (IWB) isn't a piece of the regular occupation of most employees. It is recognized as extra-job behavior, which alludes to optional behavior that isn't determined as part of the set of working responsibilities (Katz & Kahn, 1978) but attempts to benefit the organization (Organ et al., 2006).

Past research about innovative behavior generally is extensive because innovation plays such an essential role in the innovation of (CA) (Janssen, 2005). The benefits and advantages of (IWB) incorporate the public better exhibition of the organization and individual social gifts for employees or gatherings of laborers like work fulfillment or working on relational interchanges (Janssen, 2000). Lu and Zhang (2007) defined innovative behavior: in the work cycle, employees produce innovative thoughts or answers for issues, and endeavors will be paid to the training. Jong and Hartog (2008) defined (IWB) as an individual's behavior that aims to achieve the initiation and intentional introduction (within a work role, group or organization) of new and valuable ideas, processes, products or procedures. Various account audits connected with advancement in work organizations have been distributed, yet not many quantitative surveys have been led (Hammond et al., 2011). Be that as it may, studies on innovative behavior in the help area stand out from scientists (Oke, 2007).

Two usually raised classifications of service innovation are item development and process advancement (Avlonitis et al., 2001). For example, Gadrey et al. (1995) sorted four kinds of administration development as per administration setting, in particular advancements in assistance items, engineering advancements that pack or un-group existing help items, advancements that outcome from the change of a current help item and developments in cycles and

organization for a current assistance item. Further et al. (2003) recognized help process developments as (1) administrations profoundly (managerial cycle advancement), (2) support proper cycles (mechanical cycles development), (3) extend and uphold client interacting processes (innovative assistance development) and (4) support between hierarchical cycles and tasks (innovative incorporation advancement). A similar approach was taken by Hammond et al. (2011) in their meta-analysis; they explored the connections between four indicator types (individual contrasts, inspiration, work attributes, and relevant impacts) and individual-level working environment advancement. Results demonstrated that distinct elements, characteristics of the gig, and elements of the climate were respectably connected with periods of the advancement cycle.

Specialists have investigated the effect of the mental highlights of employees on innovative behavior. Janssen (2000), for example, concentrated on the impact of instructive level on the innovative behavior of people. It created the impression that higher-instructed employees show more innovative behavior. Likewise, the critical thinking style is considered a mental capacity that influences the (IWB) (Scott & Bruce, 1994). Notwithstanding, as per Yuan and Woodman (2010), the qualities of people don't exclusively impact individual advancement. The assumptions for employees concerning the results, dangers and gains of the exhibition likewise influence (IWB). Li and Zheng (2014) summarized the fundamental elements influencing innovative behavior, including hierarchical responsibility, mental capital on the superior level, authoritative development air, administration, social capital, and work qualities in the classic story. Coakes and Smith (2007) contend that innovative behavior can be upheld and worked with by development "champions." These development champions

have an inherent capacity to advance. Also, they are specialists in their field and can assist with supporting innovative behavior inside their organizations due to their standing (Coakes & Smith, 2007). Notwithstanding, the innovative interaction would stop by then, except if there were different components for scattering the data. Boschma and Terwal (2007) contended that the best instrument for diffusing new advancements is to work with and foster stimulating working environments informal organizations.

Prieto and Pérez-Santana (2014) inspected the job of high-contribution HRM rehearses in (IWB) of employees, with the intervention of steady workplace conditions utilizing relapse examination in 198 Spanish firms. The outcomes demonstrate that capacity-improving and opportunity-upgrading HRM rehearses decidedly connected with (IWB) by mediating two workplace factors: the executive's backing and associates' support.

Labrenz (2014) clarified the impact of HR rehearses on innovative behavior and inspected how line supervisor conduct directs this relationship through an audit that uncovers that HR rehearses (cooperation, execution of the executives, rewards, training and advancement, assignment of obligations) can further develop employees' innovative behavior when planned appropriately. In addition, line supervisors can build the impact of HR rehearses on innovative behavior by maintaining an excellent relationship with their subordinates. Nonetheless, line administrator behavior that is communicated in a bad-quality connection will block the impact of HR rehearses on innovative behavior. This implies the impact of HR rehearses on innovative behavior is subject to line supervisor conduct. Consequently, organizations can advance the adequacy of their HR rehearses, eventually prompting (IWB).

Instances of (IWB) remember thinking for elective ways, looking for enhancements, sorting out better approaches to achieve assignments, searching for new advances, applying new work strategies, and exploring and tying down assets to get groundbreaking thoughts going. Innovative work behavior (IWB) regularly incorporates investigation of chances and the age of novel thoughts (innovativeness-related behavior), however, it could likewise incorporate practices coordinated towards executing change, applying new information or further developing cycles to upgrade individual and additional business (execution situated conduct) (Scott & Bruce, 1998; Jansen, 2000). The innovative behavior is divided into two phases, the idea generation phase and the implementation phase (Janssen, 2000; Ramamoorthy et al., 2005).

Innovative work behavior (IWB) can be characterized as the purposeful age, advancement and acknowledgment of groundbreaking thoughts inside a work job, workgroup or organization to help job execution, the gathering or the organization (West & Farr, 1990; Scott & Bruce, 1994). For the most part, past exploration of innovative behavior is broad since advancement assumes such a significant part in leadership production. Kleysen and Street (2001) separated individual innovative behavior into five phases: searching for open doors, innovating thoughts, research supporting, and applications by the 289 personal innovative practices engaged with 28 literary works. This study utilizes (IWB) as a demonstration of investigating, producing, supporting and utilizing innovative reasoning, which empowers employees to use innovative perspectives, and rapidly and precisely answer client request changes (Woodman et al., 1993; Scott & Bruce, 1994).

2.4.1 Opportunity Exploration

Acknowledging something new starts with an individual distinguishing new open doors (Amabile, 1988). The beginning of an advancement cycle is not entirely settled by coincidence: the revelation of an open door, an emerging issue, or a riddle that should be tackled. The trigger might be an opportunity to develop other conditions or a danger requiring prompt reaction.

Drucker (1985) distinguished seven wellsprings of chances, including surprising victories, disappointments or outside occasions; confusions or holes between 'what is and what ought to be'; the process needs in response to recognized issues or reasons for disappointment; changes in modern or potentially market structures; changes in socioeconomics, for example, rates of birth or workforce synthesis; changes in insight; and, new information. An open door is frequently a suitable occasion and purposefully finding such circumstances might appear to be a consistent difficulty. Nonetheless, specific individuals genuinely have all the earmarks of being reliably 'fortunate', suggesting their investigation behavior is unique (Leonard & Swap, 2005). Opportunity investigation incorporates searching for ways of working on ebb and flow administrations or conveyance processes or attempting to ponder work cycles, items or administrations in elective courses (Farr & Ford, 1990).

2.4.2 Idea Generation

Idea generation is the following component of (IWB) and structures an initial phase in abusing chances. Mumford (2000) recommends that, eventually, the individual is the wellspring of any groundbreaking thought. To have the option to enhance, other than monitoring a need or an open door, the capacity to

develop better approaches to address the market is likewise essential (Kanter, 1988). Thought age alludes to producing ideas with the end goal of progress. The age of thoughts might connect with new items, administrations or cycles, the passage of new business sectors, enhancements in current work processes, or simple terms, answers for distinguished issues (Amabile, 1988).

By all accounts, the way to thought age seems to be the blend and redesign of data and existing ideas to tackle issues or further develop execution. Smart thought generators can move toward issues or execution holes from an alternate point. Kanter (1988) discusses 'vivid reasoning.' In a kaleidoscope, a bunch of pieces structure an example; however, when shaken or contorted, similar parts structure a new model. Thought age regularly includes improving previously existing reports into another entirety.

2.4.3 Championing

Advocating is a pertinent part of (IWB) once a thought is produced. Most views should be sold. Even though ideas might have some authenticity and seem to fill an exhibition hole, for most reviews, it is unsure whether their advantages will surpass the expense of innovating and executing them, and protection from change is not out of the ordinary (Kanter, 1988). Likewise, Mumford et al. (1997) observed that the ability to join and rearrange ideas is probably the best indicator of innovative accomplishment. The innovative person who gets a sense of ownership with the presentation of developments is regularly not officially delegated, but rather somebody who feels a solid individual obligation to a specific thought and can 'offer' it to others (Kanter, 1988).

A boss has been depicted as somebody in a casual job that pushes an innovative thought past road obstructions inside the organization (Shane, 1994) or as somebody who arises to invest amounts of energy into acknowledging imaginative ideas and rejuvenating them (Kleysen & Street, 2001). This can include the hero's own or others' opinions. Advocating incorporates practices connected with tracking down help and building alliances, for example, convincing and impacting different employees or the board and pushing and arranging (Ven, 1986).

2.4.4 Application

A boss has been depicted finally; the upheld thought should be carried out and tried. Execution can mean working on existing items or systems or growing new ones. Employees must have impressive exertion and an outcome-arranged demeanor to get thoughts going. Application behavior connects with the endeavors people should advance to foster a belief chosen for execution into a viable suggestion. The application frequently suggests making advancements a standard piece of work processes (Kleysen & Street, 2001). It incorporates practices like growing new items or work cycles and testing and altering them (West & Farr, 1990).

This study employs such items of the (IWB) questionnaire (Kleysen & Street, 2001) and (Jong & Hartog, 2007) as the following:

- Opportunity Exploration: the employees look for opportunities to improve an existing process, technology, product, service or work relationship, recognize opportunities to make a positive difference in their work, department, and

organization or with customers, pay attention to non-routine issues in your work, department, organization or market place.

- Idea Generation: the employees search out new work methods, techniques or instruments, generate original solutions to problems, and find new approaches to execute tasks.

- Championing: the employees encourage key organization members to be enthusiastic about innovative ideas, and attempt to convince people to support innovative ideas.

- Application: the employees systematically introduce innovative new ideas into work practice, contribute to implementing new ideas, and put effort into developing new things.

What makes changes to the employees and encourages them to innovate is related to many relationships, flowingly are the relationships investigated to test what can influence (IWB).

2.5 Training and Innovative Work Behavior (IWB)

Recognition that HRM practices cannot be viewed in isolation is growing (Becker & Matthews, 2008). After distinguishing HR rehearses, HR approaches and frameworks, an end can be brought that viable HR frameworks are the most persuasive and could welcome the best outcomes on the (IWB) of employees.

Laursen and Foss (2003) contended that the reception of a bundle of corresponding HRM practices and strategies could be anticipated to influence innovative behavior substantially more unequivocally than just individual HRM practices or arrangements. In this way, a more profound examination is of high

importance to lay out a broad perspective on which HRM frameworks could be most potent in molding the (IWB) of employees.

To examine the relationship with innovative behavior, a few qualifications must be made regarding training and development, specifically training and general employee turn of events.

Hence, employee training programs are significant perspectives that must be considered and centered around. The central target of training is to ensure the accessibility of a gifted and willing labor force to the organization (Kulkarni, 2013). Labrenz (2014) contended that training is the establishment of innovative behavior, yet training alone doesn't ensure advancement. It follows that innovative behavior can be upgraded through training and development by a mix of crucial training phases to imagine the current work area and general employee advancement to engage employees to think past their daily practice.

But according to Dorjkhoo (2013), it is challenging to assess the adjustment of employees' work demeanor and behavior after the training. It requires a lot of time to estimate its effect on employees' work results and usefulness execution. Training decidedly affects the abilities and information of employees and employee behavior, inspiration, and development (Adewale & Anthonia, 2013). Training intended to upgrade imagination is viewed as emphatically connected with the level of employees' thought age (Scott et al., 2004).

By getting critical open doors for training, employees are urged to concoct novel thoughts and propel them further (Jiang et al., 2012). As Axtell et al. (2000) contended, chances to take on a more extensive, gifted, and independent job at work are significant for producing rather than executing thoughts.

In Jordanian banks, training is the coordinated arranged exertion that gives HRM at the regulatory level specific information to improve and foster their abilities and capacities and change their behavior and patterns emphatically (Dora & sabbagh, 2010).

In their study on public sector firms, Aris et al. (2019) discovered that for employees to engage in (IWB)s, they require more training, incentive, support, and guidance from role models. For this reason, managers and leaders need to possess entrepreneurial skills to train staff members in innovative work practices. According to Sheeba and Christopher (2020), training and development are indispensable among the different HRM rehearses, which assists employees with keeping them updated with the imperative information, abilities and perspectives (KSAs) vital for growth. It is fundamental for organizations to zero in on inspiring innovative practices among their employees to make action conceivable. Non-routine mental positions assist employees with being innovative, comprehending the significance of innovation, and getting familiar with the essential abilities for innovative behavior.

Through training phases, HRM can impact employees' innovativeness by expanding ability, inventiveness abilities and assignment inspiration; HRM likewise affects thought age and, henceforth, the innovative behavior of employees (Jiang et al., 2012).

Azevedo and Shane (2019) have created a new framework for the training program and assessed how training affects both (IWB) and innovative cultural intelligence. They looked at two groups—one of the professionals and the other of MBA students—to see how applying for training programs affected them before and after. The results showed that both groups' levels of cultural

intelligence had increased following training. Additionally, results indicated that both groups (IWB) have grown. In addition, the study assessed how training boosts employees' levels of resilience, which may further foster (IWB) because resilient individuals are known to exhibit high levels of innovative behavior, (Phan, 2019).

The impact of ability, motivation, and opportunity-enhancing activities on (IWB) through coworkers' support and organizational support was examined by Prieto and Pérez-Santana (2014) using a similar holistic approach. The results show a strong correlation between HRM strategies that improve performance and innovative work behavior. Training and job rotation are examples of ability-enhancing activities that help employees learn more about their jobs and develop their knowledge, skills, and understanding. This improves their ability to think innovatively, which is directly related to giving the company a (CA). Similarly, this study has also looked at the relationship between HRM strategies that improve opportunity and motivation and (IWB).

In addition to the aforementioned, Bos-Nehles and Veenendaal (2019) studied how HRM methods are seen in (IWB). According to the authors, employees' ability, knowledge, and skills to accomplish organizational goals through innovative means are increased through training; nevertheless, this process requires novel training methods that will boost employees' innovative capacities. Additionally, encouraging employees through fair treatment is vital, in addition to training, to inspire them to adopt innovative work practices.

Thus, since there are many arguments about this relationship, the researcher tries to confirm which can support it. Therefore the hypothesis that will be tested based on is:

Hypothesis #1: There is a significant positive relationship between Training Practice and Innovative Work Behavior (IWB) in Jordanian Islamic Banks.

This hypothesis is supported by the planned behavior theory and consistent with the findings of (Azevedo & Shane, 2019; Prieto & Pérez-Santana 2014; Bos-Nehles & Veenendaal, 2019; Aris, et al. , 2019).

2.6 Direct Compensation and Innovative Work Behavior (IWB)

Innovative practices indeed seldom have a place crafted by most employees. Subsequently, employees are seldom straightforwardly or unequivocally compensated for innovative practices (George & Brief, 1992). Innovative work behavior (IWB) is planned to produce some advantage and has a clearer applied part (Jong & Hartog, 2007). As age is overwhelmingly subject to inherent inspiration rather than outward inspiration (Amabile et al., 1996), it is hard for HRM experts to configure reward structures that invigorate advancement. Significantly more so, it is contended that rewards repress innovative behavior as they decrease hazard-taking and characteristic inspiration (Kohn, 1993).

Al Ziadat (2015) found that there is an impact of organizational policies on human capital effectiveness. The study recommends training and compensations for employees to enhance their capabilities, invest in human capital and provide a convenient atmosphere for supporting innovation in 350 employees of the commercial banks in Jordan. The study is about the impact of organizational Policies (Incentives and promotion, relations, administrative support, goals, and performance evaluation) on the Effectiveness of Human Capital (knowledge, skill) using descriptive and analytical methods.

Sanders et al. (2010) studied the effect of satisfaction with primary rewards on innovative behavior and the relationship between HRM practices and general job satisfaction. They found a negative impact of satisfaction with direct rewards on innovative behavior: the more employees are satisfied with their salary, the less innovative behavior they show.

Jiang et al. (2012) contended that employees' rewards influence their inspiration to be innovative, propose new suggestions and investigation with new practices. Albeit this framework brings about employees encountering monetary motivators to act as indicated by the framework's standards, such frameworks likewise produce unreasonable results. By thinking about whether employees feel genuinely redressed, rather than taking a gander at the kind of pay framework that an organization has, they sidestep these unreasonable impacts. (IWB) is advanced when employees feel opportunity rather than when they feel constrained to attempt boosted assignments for which their practices are controlled. Further, pay is what organizations pay employees in return for their work, in which customary assignment explicit practices are illustrated (Folger & Konovsky, 1989).

In organizations performing great as individuals, the executives often utilize remuneration and advantages programs to compensate employees, yet as an instrument to impact behavior, gain responsibility, and guarantee snugness of fit (Stiles, et al., 2006).

As per Ng'ang'a and Nyongesa (2012), culture impacts most parts of hierarchical life, for example, how choices are made, who makes them, how rewards are circulated, who is advanced, how individuals are dealt with, how the organization answers to its current circumstance, etc. Culture impacts individuals' perspectives and behavior at work. Bahloq (2011) noticed that there is proof of

observable changes in employee's behavior towards scrutinizing specific errands once execution measures were presented, moreover that it went about as an inspiration factor, and where employees were spurred to accomplish their undertakings and meet their presentation markers knowing that not doing as such will influence their yearly exhibition.

Different creators support the possibility that innovative behavior results from hierarchical exertion (Amabile et al., 1996). Subsequently, HRM rehearses in their organization's molding nature will probably impact employees' innovative behavior. Tsai (2011) introduced the idea of innovative behavior by researching authoritative inspiration, individual innovative attributes, and environment for development in both interior and outside employees for colleges in Taiwan. Results show that external employees are more roused by outward rather than inherent inspiration and internal behavior is surer than outer employees.

Authors like Liebowitz (2000) and Helm-Stevens et al. (2011) supported the notion that HRM practices such as compensation (direct and indirect) may significantly impact knowledge innovation and sharing among employees. Innovative knowledge gives the organization a competitive position over its rivals. Karin et al. (2010) proposed that compensation (both direct and indirect) often leads to increased innovation and (IWB) of employees; however, it depends on a fair distribution of rewards and appreciation of employees' efforts without favoritism. Prieto and Pérez-Santana (2014) investigated that direct and indirect compensation positively impacts (IWB).

However, when leaders compensate employees in unfair manners, other employees do not engage in (IWB); even some of this compensation may negatively influence (IWB). Furthermore, they asserted that those employees who

are intrinsically motivated do not give importance to rewards and compensation; thus, the effect of compensation on (IWB) will not be significant. Apart from this, some employees also consider rewards and compensation to be a source of stress because they take stress to get rewards, which may decrease the motivation level of employees, especially when they are not rewarded according to their efforts.

Similarly, Bos-Nehles and Veenendaal (2019) conducted a study in the context of Dutch manufacturing companies. They found that employees' perception regarding the fairness of HRM practices decides whether it would be involved in (IWB) or negatively affect those already engaged in (IWB). Scholars noted that employees' perception of unfair treatment and rewards generates double edge loss for the organization. One loss is due to giving rewards, while the other is due to the negative impact of rewards on (IWB) because rewards are not distributed fairly among those employees who put their efforts into achieving organizational goals through innovative means. Apart from the above, Dorenbosch et al. (2005) have confirmed the adverse scenario of unfair compensation to employees (IWB). They highlighted that only those employees are interested in rewards, which are not intrinsically motivated but need extrinsic motivation to encourage them towards the (IWB).

So the hypothesis that will be tested based on these studies is:

Hypothesis #2: There is a significant positive relationship between Direct Compensation Practice and Innovative Work Behavior (IWB) in Jordanian Islamic Banks.

This hypothesis is supported by social exchange theory and consistent with the findings of (Stiles, et al. 2006; Jiang et al. 2012; Ng'ang'a & Nyongesa, 2012; Bahloq, 2011; Liebowitz, 2000; Helm-Stevens et al., 2011).

2.7 Competitive Advantage (CA)

The importance of (CA) can be derived from the Holy Quran exactly (Al-Quran. The Defrauding 83:26): “The seal thereof will be Musk: And for this let those aspire, who have aspirations.” Competitive advantage (CA) is a significant component that allows a fundamental opportunity for the organization to accomplish numerous pointers used to demonstrate that the organizations have a (CA) as willing strength, minimal expense, and a portion of the overall industry exchanging notoriety, client's fulfillment uniqueness, mimicking trouble, work adaptability, innovation, business, usefulness, productivity and speed conveying merchandise to clients. Jaradat and Al Azaam (2013) contended that in a period of globalization, a large portion of organizations needs to perceive scholarly resources or intangibles in their yearly reports. Subsequently, elusive resources have become the main impetus in acquiring (CA) and worth financial creation (Rehman et al., 2012; Scott, 2011; F-Jardon & Gonzalez- Loureiro, 2013). They are differently connected with the administration, human and scholarly capital, working environment culture, development, versatility, brand value, notoriety and the nature of collusions and organizations that make an organization or business fruitful.

Abdel Razzak and Khalil Abu Hajar (2016) figured out practical directors' perspectives in open shareholding compound assembling organizations in Jordan, towards utilizing serious needs' measures quality, cost, conveyance, and adaptability in providers' assessment and determination followed, insightful order process (AHP) strategy for gathering information, and factual investigation.

Aftereffects of the review showed that practical supervisors lean toward quality as the main provider's choice model among all serious needs with an overall list

worth of (0.53). Followed by cost, conveyance, and adaptability, consecutively with relative file upsides of (0.22), (0.14), and (0.11), individually.

Others consider (CA) a capacity to deliver items or proposition administrations different from what contenders do by using the qualities that organizations have to add esteem such that contenders find it challenging to copy. Harasim (2008) contended that variables associated with immaterial resources, for example, organization culture, brand, picture, nature of administrations offered, high capabilities, and staff abilities, as well as relationship banking, have a lot more prominent potential for making (CA). They have a place generally with the purported unmistakable capabilities, albeit bunches of banks are aware of the significance of elusive resources in (CA); just not many of them utilize the information in their methodologies. This is, in all likelihood, because of inaccessible resources. The board needs the abilities and experience that the financial area needs.

One study implemented on 209 managers of (3) banks: The Housing Bank for Trade and Finance, Arab Bank, and Jordan Islamic Bank; Omari and Bataineh (2012) identified the impact of electronic banking on achieving (CA) (Benefit percent for Shareholders, expanding exchanging volume and yearly benefit development, Offering administration to clients with high effectiveness, Market share development and focusing on new business sectors, Cost and valuing adaptability for banking administrations, Multiplicity and variety of E-banking administrations presented by the bank). The outcomes showed a genuinely massive effect at the degree of importance ($\alpha = 0.05$) for e-banking administrations in accomplishing (CA) in the financial area in Jordan.

Al-alak and Tarabieh (2011) studied achieving (CA) and performance through customer orientation, innovation differentiation, and market differentiation in 16 banks, including the three Islamic local banks. Through SEM and CFA, the review expresses that client direction accomplishes (CA) through advancement separation and market separation, which work on authoritative execution. Subsequently, to improve classic execution, development separation is moderately more significant rather than zeroing in on market separation in the hierarchical cycles and constructions. Also, doing both simultaneously accomplishes (CA) that prompt more noteworthy hierarchical execution.

Zuriekat and Al-Sharari (2008) argued that the dimensions of market competition of Jordan banks were operationalized; these include price, new service development, marketing, market share, competitors' actions and a number of competitors.

Rawashdeh (2014) evaluates TQM as a source of bank performance and (CA) (delivery dependability, cost or price, time to market, and product innovation) in all Jordan banks, using descriptive and analytical methods in 164 Jordanian banking branches, the results points that TQM practices have a positive and significant impact both on bank performance and (CA).

Top management given by (Lai et al. 2007) alludes to the superior presentation related to critical rivals in a similar industry guideline. It has been affirmed partitioned into three aspects: cost advantage, the variety of administrations and the nature of administrations given, contrasted and contenders. A fruitful organization should zero in on its center capability and put resources into improving exercises, making worth and arriving at the center ability that is the wellspring of (CA). Shammot (2014) found a significant

relationship between the role of HRM (selection, training, motivating, attracting, employing, evaluating employees, and the setting of salaries, fees and rewards) in the realization of competitiveness in Industrial business organizations in the city of Amman. Organizations need to know their (CA) and their capabilities to grow and maintain this advantage to execute a successful strategy.

To create (CA) in the banking industry, the changing organization, employees, stakeholders and groups of people within it using planned and unplanned training can be through the use of talent development strategy, as Achieng et al. (2014) looked to decide the impact of various ability advancement procedures on (CA) among business banks inside Nakuru town in Kenya. They observed that ability improvement was low in banks which drove them to suggest more endeavors that should be done mainly in ability phases of training to accomplish quantifiable improvement in the hierarchical (CA).

Tuan and Yoshi (2010) measured the (CA) of 102 firms in Vietnam as the implementation of strategies of cost-leadership, quality, and innovation by using (sales growth) as the only financial performance indicator and controls some variables, including firm size, firm age, legal status, and environmental dynamism. They found that the organizational capabilities are related to (CA) and the (CA) is related to performance. So, the (CA) mediates the relationship between organizational capabilities and performance.

Jafari and Rezaee (2014) lit on resource-based view (RBV) (substantial resources, elusive resources, leader capacity, human asset ability, the board ability) and its job to arrive at economic and (SCA) inside the financial industry of Iran. A legitimate exploration instrument was used to direct a review of 150 top-and center-level supervisors from Mellat bank of Iran utilizing content

legitimacy. Cornbrash's alpha was used to decide the dependability of the survey (RBV poll 0.934, SCA poll 0.843). The review used SEM and a progression of exploratory and corroborative component examinations, and they tried the incorporated model of MKM and SCA. In addition, it has been shown that RBV had the best impact available focused on SCA, while it had minimal effect on the monetary focus. The discoveries offer significant experiences on the generalizability of MKM in an exploration setting. Primary condition displaying has been carried out, and the concentrate likewise utilized the freedman test to rank the variables, and the outcomes show that substantial resources were the main element (0.71), trailed by immaterial resources (0.70), human asset capacity (0.69), leader ability (0.64) and the board capacity (0.62) was the last significant element.

Competitive advantage (CA) is controlled by many dimensions, such as production costs, quality, delivery time, and flexibility (Krajewski & Ritzman, 1999). These dimensions are affected by the way that employees accomplish their working tasks. Helms (1996) thinks that quality and usefulness can be utilized as essential weapons to accomplish (CA).

Foo and Friedman (1992) proposed six cutthroat needs, adding administration and assembling innovation to the above while growing time to market and lead times. Others have added Innovation' and Dependability. Awwad (2013) anticipated the connection between the severe needs (quality, cost, adaptability and conveyance) and the (CA) of firms in the Jordanian Industrial Sector. A populace of 88 Jordanian assembling firms enrolled on the Amman Stock Exchange was designated utilizing a cross-sectional overview using a survey technique for information assortment. The outcomes demonstrate a

massive connection between aggressive needs and (CA). In 1984, Hayes and Wheelwright recommended that organizations contend in the commercial center by temperance of at least one of the accompanying cutthroat needs: time, quality, cost, and adaptability, which this study directed. Many creators and experts have added to and adjusted this rundown throughout the long term. Naqshbandi and Idris (2012) distinguished the cutthroat needs of Malaysian assistance firms: cost, quality, conveyance and adaptability.

The utilization of top administration individuals as key respondents is moderately average in procedure research (Snow and Hrebiniak, 1980; Bowman and Ambrosini, 1997). Individuals from the top supervisory groups are accepted to have the capacity to distinguish wellsprings of an organization's economic competition with a severe level of unwavering quality (Aaker, 1989). Corridor (1993) recommends that individuals from the top supervisory crew are the prominent people with liability regarding overseeing elusive assets. Various RBV studies in the financial business have utilized top administration respondents to appraise bank assets. For instance, Reed et al. (2009) involved ranking directors accountable for the Personal Banking unit to concentrate on the significance of asset changes in light of ecological dynamism affecting bank execution. Ranking directors were approached to give Likert-type appraisals on the differences (increment/decline) in human resources and inner/outside friendly capital things.

Davis and Simpson (2017) distinguished the degree to which and in what the future holds. Africa views employees as a wellspring of expected support (CA) and whether RBT is being applied practically utilizing a subjective examination explicitly a constructivist grounded hypothesis research approach.

There are suggestions for employees regarding their turn of events, work plan and

commitment and for HRM supervisors to create an HRM system. The examination recognized that RBT and SCA through employees' skills are minimal perceived and minimal appreciated. There is extensive wariness around RBT, and organizations have all the earmarks of being presently mismatched to take on RBT regarding their outlook and internal organization. Human resources managers felt that the absence of help, information, assets and employees' responsibility would plan to see any purposeful spotlight on RBT to fall flat.

The conceptualization of an organization (CA) is not set in stone by the idea of the organization being examined (Kasasbeh, Harada, and Noor, 2017). In monetary establishments or studies that deliberate (CA) utilizing economic measures, it is characterized as the yearly turn-out benefit of the organization, estimated by Return of Equity (ROE) or/and Return on Assets (ROA). From the non-monetary measure point of view, (CA) is characterized as the organization's innovative thoughts and inventive item improvement interaction. It is additionally described as administration advancement and expansion in deals and development, administration quality, responsiveness to clients, hierarchical center skill and cost viability.

In this way, (CA) is a similar term as firm/organization execution when estimated with builds that mirror the organization's development or advancement and other related forms. In both of these cases, the place of the development in the exploration model decides the took on estimating aspects. This shows that procedure through various conceptualizations like development and quality. The administration has been viewed as related to (CA). This study employs time, quality, cost and flexibility as competitive priorities of (CA).

2.7.1 Time

The present clients would instead not pause, and organizations that can address their issues for quick help are becoming innovators in their businesses. This includes settling on fast choices and moving materials and data inside the tasks (Batista, 2009). Focusing on time implies contending in view of related issues, like quick conveyance and on-time conveyance. Fast conveyance alludes to how rapidly a request is gotten; on-time conveyance alludes to the time conveyances are made on schedule. Whenever time is a cutthroat need, the occupation of the activities is to fundamentally examine the framework and join or wipe out processes to save time. Regularly organizations use innovation to accelerate processes, depend on an adaptable labor force to satisfy top need periods, and dispose of pointless strides in the innovation cycle.

Conveyance time can be a wellspring of (CA) when firms attempt to diminish the timeframe for getting and tolerating client orders and arrangements of items or administrations to clients (Stonebrake & Leong, 1994). It is likewise a proportion of the organization's adherence to conveyance plans settled upon with clients. The speed of item improvement also alludes to the time factor, the time frame between items through ages till accomplishing the last goal or innovation (Evans, 1993). As indicated by Sarpong and Tandoh (2015), time organizations can consider the time component to contend with one another.

2.7.2 Quality

As financial globalization has become more articulated, the capacity of hierarchical to contend in the worldwide commercial center is even more attached to the nature of their HRM (El Saghier et al., 2015). For the making of significant

results and accomplishment of (CA), the firm's explicit and particular skills and assets are packaged and renewed. The item and administration quality improvement could be upgraded through (CA) alongside the expense and innovation decrease, the assistance and item quick conveyance and the option to give precision in the innovation and administrations (Schulze & Hoegl, 2006). The nature of administrations and items can be accomplished by adding credits to items to improve their cutthroat allure to help clients (Bratić, 2011). Prophet Muhammad said: "Allah likes that when someone does anything, it must be done perfectly well."

Quality is tied in with doing things right. It implies reliably innovating labor and products that measure up to assumptions. The quality goal can be accomplished by arranging blunder-free items or administrations that satisfy client necessities. This requires a gifted labor force, sufficient work details, appropriate advancements, and viable correspondence (Batista, 2009). Crosby (1995) characterized quality in his ideas of the four absolutes of value and the expense of low quality as an adjustment to specific determinations. Juran (2004) portrayed quality as Readiness for use, where the client characterizes wellness.

Weinberg (1993) characterizes wellness all the more comprehensively as "worth to some individual." According to Best (1997), quality can be accomplished by adding remarkable traits to items to upgrade their cutthroat appeal to help clients in the last stage (Sarpong & Tandoh, 2015; Al-Rousan and Qawasmeh, 2009). Likewise, quality can be accomplished through a few aspects, for example, the nature of the plan, which means adjusting the item plan to its capacity (Adam and Ebert, 1996), and the nature of similarity, which represents the authoritative ability to change contributions to comparable results (Hill, 1993)

or yields in agreement to the particular plan attributes, and the quality attention will be reflected in a competitive level and benefit of the organization.

In an investigation of the precursors of administration and item quality and their impact on bank notoriety, Wang et al. (2003) utilized client respondents to gauge highlights, for example, dependability and responsiveness on a seven-point Likert scale to address clients in the general assessment of administration quality.

Quality as a cutthroat need has two aspects. The first is a superior execution plan. This implies that the task's capacity will be intended to zero in on parts of value like predominant highlights, close resistances, high strength, and excellent client care. The subsequent aspect is item and administration consistency, which estimates how frequently the item or administration meets the specific plan particulars. One of the primary perspectives that should be tended to is item plan quality, which includes ensuring the item meets the client's prerequisites. A subsequent viewpoint is process quality, which manages planning a cycle to deliver blunder-free items. This remembers centering for gear, laborers, materials, and every part of the activity to ensure it works how it should. Organizations that contend given value need to address both of these issues: the item should be intended to address client issues, and the interaction should deliver the item precisely as planned.

2.7.3 Cost

Contending in light of cost implies offering an item at a low value compared to competing items' costs. Expenses can be immediate or circuitous, fixed or variable, and short or long haul. Moreover, the cost can likewise be communicated by its goal. Further, the value cost can be partitioned into

disappointment, examination, and counteraction costs (Juran, 2004). Cost execution is tied in with doing things financially. Minimal expense is a generally appealing angle. The lower cost of innovation or administration conveyance reflects the client the type of lower cost. Cost decrease can be accomplished by growing great organizations with providers, a great arrangement of providing contracts, getting the right blend of assets and offices as data sources, and so on.

As per Sarpong and Tandoh (2015), firms should make some sort of give and take between the expense and the attributes of their items and administrations. As a general rule, most organizations reduce complete expenses by stripping fixed costs and applying nonstop control on unrefined substances, lessening employee remuneration rates and accomplishing more elevated levels of efficiency (Dilworth, 1992). To foster this serious need, the task's work should zero on reducing expenses in the framework, like work expenses, materials, and offices. Organizations that contend given cost concentrate on the framework of their tasks cautiously to dispose of all waste. They could offer additional training to employees to limit scrap.

For the most part, organizations that contend in light of cost offer a restricted scope of items and item includes, take into consideration little customization, and have a tasks cycle that is intended to be just about as effective as could be expected.

2.7.4 Flexibility

Meadow and Jarvenpaa (1994) portrayed adaptability as a fundamental property for keeping fit between business processes and their supporting frameworks in evolving conditions. Adaptability is the capacity to respond to

changes (Forster, 2006). As per Sarpong and Tandoh (2015), adaptability is the capacity of the cycles to change, starting with one item and then onto the next or starting with one client and then onto the next at minimum expense or effect. Adaptability additionally can be characterized as the capacity to adjust the innovation ability to changes in the climate or market requests (Evans, 1993).

Adaptability likewise includes item adaptability, characterized as the capacity of the organization to follow changes in purchasers' requirements, tastes and assumptions to complete modifications in item plans. The subsequent adaptability has to do with volume representing the organization's ability to answer to changes in shopper interest. It is accepted that such adaptability can yield advantages, for example, presenting new items alongside item assortment and controlling volume and conveyance time (Stake et al., 1998).

Adaptability can be accomplished by utilizing more adaptable gears, providers with excellent adaptability execution, and the multi-gifted labor force (Batista, 2009).

This study uses some items related (CA) priorities adapted by (Verma & Young, 2000), who used a cluster analysis procedure to develop a classification model of low-contact services based on seven operations objectives. The effectiveness of the classification scheme is tested by demonstrating the link between the objectives, competitive priorities, and performance. They identified eight underlying factors of competitive priorities in low-contact services. From these areas, the following:

- Time: Provide fast deliveries, meet delivery promises on time, reduce lead (waiting) time between order and service delivery, and recognize the regular customer.

- Quality: Knowledge/skills of employees in dealing with customers, friendly and polite customer service personnel, maintaining consistent & reliable quality of services, process improvement for better service quality.

- Cost: Reduce operating cost by process improvement, reduce operating cost by automation, and reduce the net worth of service to the customer, reducing operational cost by improving productivity.

- Flexibility: Offer a large number of service features and variety, developing and providing innovative and unique services, developing and introducing new services, and developing a more comprehensive line of services.

2.8 Innovative Work Behavior (IWB) and Competitive Advantage (CA)

In the present fast-changing climate, the capacity of a business to acquire (CA) is halfway subject to the ability of a company to improve (Ramamoorthy et al., 2005). Ramadan (2010) said that three types of capital resources can be identified as a business (CA) source: organizational resources, HR and physical resources. Employee behavior, discernment, and devotion are sources to support (CA) (Mathur, 2015). In this way, organizations must go to lengths to animate the development readiness of employees and advance their advancement conduct (Li & Zheng, 2014). Individuals are responsible for innovating as the Holy Quran mentioned in (Al-Quran, The Cow 2:30): "Behold, thy Lord said to the angels: "I will create a vicegerent on earth." Assuming innovation as a driver of (CA), Kahreh et al. (2011) planned to represent the job of enabling employees the acquiring (CA) particularly development, responsiveness and proficiency by applying academicians and specialists related to the monetary administrations in

Iran, and observed that the elements of employee's strengthening are emphatically impacted on acquiring feasible (CA) for organizations.

Most studies used (CA) as a dependent variable; Abou-Moghli, Al Abdallah, and Al Muala (2012) investigated the impact of innovation on realizing (CA) (Cost, Time, Quality, and Flexibility) in all 25 banks with a sample size of 21% in Jordan performing reliability analysis, descriptive statistics, and regression analyses. The results illustrated that innovation has a direct positive impact on (CA) and that banks should support innovation in all aspects of business and operations.

Anning-Dorson (2018) has conducted a study in India and Ghana to investigate the relationship between innovative behaviors and (CA). The study also included organizational leadership as a mediating variable between innovation and (CA). Authors have converted innovation into market innovation and employees' innovative behaviors. The results revealed that innovative behaviors have a positive impact on enhancing the overall (CA) of the organization. However, market innovation has a more substantial effect on (CA) because that is directly linked with differentiating an organization from products and services from other organizations. Also, the authors found that low power distance can further enhance the (IWB) of employees, which will increase (CA).

Liu (2017) conducted a study in the context of hotel management. Authors argued that hotel management also becomes a competitive sector, where learning new skills, services, and opportunities are essential for survival (CA). The study found a positive impact of the learning environment on (IWB). They further evaluated that this (IWB) leads to (CA). They utilized intellectual capital theory to explain the relationship. They asserted that (CA) depends upon the open-

mindedness of hotel management staff to learn and accept new opportunities, skills, and services to get innovative models to apply for. Conversely, rigidity and a close-minded mentality restrict new opportunities that do not encourage (IWB); thus, reducing the (CA). Similarly, McGrath et al. (1996) and Nasifoglu Elidemir et al. (2020) have found that (IWB) leads to sustainable (CA).

A help regularly described Firms that constantly offer imaginative types of assistance arranged workspace, better cross-work coordination and clear-cut training and learning components. Employees in such conditions might be more fulfilled and propelled to learn and construct new information (Brown & Duguid 1991). employees should find out about the new cycles or administrations Whenever another help interaction is given, or another assistance item is sent off. Thus, employees often become more innovative and secure further information (Rubery et al., 2002). Also, assuming firms send off new administrations as a standard practice, employees will be more ready to adjust to new jobs and practices in selling the new administrations (Smith et al., 2005). Schuler and Jackson (1987) characterized that quality upgrades, cost decrease, and advancement can be carried out by specific arrangements of HRM rehearses and are said to impact employees' work behavior.

Advancement can prompt the improvement of explicit vital assets for the organization; give (CA) and superior execution, which could serve as reinvestment in development to acquire (CA) (Ben Zaied et al., 2015). Tsou and Chen (2007) concentrated on assistance development as an essential organizational ability through which data innovation reception impacts (CA) about financial firms in Taiwan. They recommended that taking on data innovation perfectly affects administration advancement rehearses, which

increment (CA) of the organizations. Ekmekçi and Ersoy (2007) pick four significant gatherings of determinants of (CA), meant as the 4Cs: creation and development, contest, participation, and co-choice. People who are holders of information address a device for the age of action; they will help organizations to achieve a (CA) (Saha & Gregar, 2012; Hana, 2013). Costa and Cabral (2010) selected the firm-specific factors, learning and knowledge. They hypothesized their influences on the (CA) through the full mediator and innovativeness for using the study model in Brazilian export companies. The effect depends on the dimensions, subject to the moderate impact of organization age. In turn, innovation affects a firm (CA) in differentiated ways and the competitive environment moderates this relationship.

The study by Abu Sheikha and Khrawish (2008) suggested that employees have to foster their capacities to be inventive and imaginative, innovating abilities of subordinates and supervisors, addressing client's necessities and expanding the utilization of innovation; the review uncovered that there is a critical relationship existed among benefit and employee training and employees improvement in the 30 modern organizations in Jordan during the period (2000-2004). The general information connected with the review test was gathered from a few sources, including the contemporary organizations' fiscal reports, notwithstanding the Jordanian Central bank and Amman monetary market (month to month and every year) notices.

Harahsheh (2015) distinguished supporting procedures for authoritative advancement through (hierarchical style, investment, traditional culture, hierarchical construction, motivators, training and development) and their impact

on achieving (CA). The study found no effect of independent variables on (CA) except the independent variable (training and development).

So depends on the previous literature on the relationships between training, direct compensation, (IWB), and (CA), this study is supposed to prove the following hypothesis:

Hypothesis #3: There is a positive relationship between Innovative Work Behavior (IWB) and competitive advantage (CA) in Jordanian Islamic Banks.

This hypothesis is consistent with the findings of (Anning-Dorson, 2018; Liu, 2017; McGrath, Tsai, Venkataraman & MacMillan, 1996; Nasifoglu Elidemir, Ozturen & Bayighomog, 2020).

Hypothesis #4: There is a mediation effect of Innovative Work Behavior (IWB) between Training, Direct Compensation Practices, and Competitive Advantage (CA) in Jordanian Islamic banks.

2.9 Indirect Compensation towards Innovative Work Behavior (IWB) and Competitive Advantage (CA)

Indirect Compensation is a desirable outcome resulting from a desirable behavior. The reason for indirect compensation is to recognize that good performance encourages employees' hard work. Allah said in the verse of (Surat Al-Kahf, 30): "we never waste the reward of anyone who did well." Also, Prophet Muhammad said: "Whoever puts an effort and gets two new lands and whoever puts an effort and does not succeed gets one reward."

Indirect compensation can't increment skill straightforwardly, exclusively by remunerating employees, for example, going to training phases. Like this, rewards should zero in on compensating conduct that goes before advancement.

Motivators must be accommodated, for example, data sharing and going to training stages that target expanding aptitude and abilities, which may ultimately prompt thought age. One more model is given by (Gupta and Singhal, 1993); to defeat the 'not imagined here' disorder, a few organizations laid out a 'not concocted here' grant. Embracing and executing a thought from outside the organization is compensated and supported. Those remunerating systems focus on task inspiration and demeanor towards thought age and execution rather than on direct impact on abilities and mastery. This is upheld by the discoveries of (Shipton et al., 2006), that found that connecting rewards straightforwardly with innovative behavior yielded no relationship.

Employees ought to have a feeling that they can evaluate novel thoughts unafraid that a foolish idea will involve pessimistic results; heads of imaginative organizations should be keener on learning "by botches" rather than rebuffing employees for rash ideas - it is better when mix-ups are made when thought is executed, rather than when there are no mix-ups because there are no thoughts (Maher, 2014). Innovative practices do officially seldom have a place crafted by most employees. Consequently, employees are seldom straightforwardly or unequivocally compensated for innovative practices (George & Brief, 1992). By and by, invigorating individual advancement can help an employee. Employees might acquire inborn rewards for their behavior, similar to the acknowledgment or the likelihood of extending their abilities. This might bring about sensations of improved individual control and resolve and hence a principal obligation to self and one's work (Schuler & Jackson, 1987).

Nonetheless, rewards attached to training accomplishments decidedly affected innovative behavior. Moreover, it is featured that rewards are frequently

connected with momentary results. Still, because of the questionable and tedious nature of the advancement cycle, employees don't take a stab at accomplishing rewards associated with imaginative behavior. Another idea is that rewards have a converse U-formed impact on innovative behavior. This means that the extrinsic reward approach has positive effects on innovative behavior. Still, excessive extrinsic incentives will deviate or erode the intrinsic motivation of employees toward creativity and will reduce their innovative behaviors (Zhou et al., 2011).

Al-Nawaiseh (2014) found that the impact of HRM functions (employment, wages, incentives, training and development, performance evaluation) interprets (64.6%) of the variance of (CA) using a descriptive and analytical approach through 426 employees of Jordan Islamic Bank.

Markova and Ford (2011) uncovered that non-money-related rewards are a more grounded indicator of inherent inspiration than financial rewards. Further, they feature that "characteristic inspiration was found to completely intervene the connections between non-money related rewards and execution and advancement" (p.813). It follows that non-financial rewards can animate innovative behavior through an expansion of inherent inspiration. Furthermore, line managers can utilize non-money-related rewards more deftly and quicker than financial compensations.

They can compensate innovative behavior with non-money-related impetuses promptly as the innovative behavior happens. This permits giving employees appreciation during the execution stage, which can expand the fruitful reception of imaginative thoughts. In closing, one might say that financial rewards can predominantly increment innovative behavior related to works on

invigorating inborn inspiration. Notwithstanding, non-financial rewards affect genetic impulse directly and, thus innovative thinking.

Al-Mahayreh and Abdel- Qader (2014) studied many factors, such as salaries and bonuses on the innovation level in Islamic banks operating in Jordan that cause job satisfaction. The random sample consisted of 339 employees. The study results indicated a statistically significant effect of the level of rewards and incentives on the Innovation level. The review suggests laying out unique units in the Islamic banks, particularly with advancement and initiative, and the need to focus entirely on the monetary incentives as a method for supporting innovation in the bank's workplace. Al-Abedallat and Jaafreh (2012) suggested that the banks of Jordan should concentrate on the issue of the training project to stay up with late improvements in the financial business, and banks should foster a reasonable arrangement of monetary and moral motivating forces, for instance, a great reason for advancement, redesign, and include employees in navigation.

According to Abu-Qaued, Khraim, and Al-Kwere (2014), the Islamic financial framework is relied upon to confront contest from two essential sources. The game's principal wellspring relies on traditional business banks, while other Islamic banks will present the subsequent. Subsequently, the showcasing technique of the Islamic bank should be worried about its capacity to acquire (CA) and lay out a solid, serious position. To make faithful clients and accomplish long haul (CA), the Islamic bank of Jordan ought to guarantee client responsiveness, speedy advancements, and adaptability. New measures ought to, consequently, ceaselessly be made to give criticism on these sources.

Al_Qudah et al. (2014) inspected the impact of HRM rehearses (enrollment and determination, remuneration) on employee execution in the Malaysian Skills

Institute (MSI) utilizing a survey. A general examination was performed in the given elucidating measurements and connection investigation. The outcomes showed that enrollment, choice, and pay altogether connected with employee execution in MSI.

The achievement of any organization relies upon its employee's behavior and choice, even though numerous variables contribute to that achievement, for example, the organization's size and the climate in which the future held activities. HRM practices can straightforwardly impact the organization's exhibition by working on employees' abilities and quality (arranging, choice, enlistment, and training), though it can, in a roundabout way, do such by expanding employee inspiration (work assessment and pay) (Saif & Sartawi, 2013). The reason why performance listed in this literature is regarding its relationship to behavior and innovation; Kaplan (2003) clarified the fundamental strategies for assessing employee execution in light of 1) employees ascribe affirmed attributes or characteristics vital to the firm, 2) employees practices which are generally utilized for assessing or characterizing employees practices essential to follow through with a task effectively, and, 3) employee accomplishments which show the degree to which explicit goals or points have been met, surpassed, or not met.

Aldaibat and Irtaimeh (2012) revealed a significant correlation between strategic human resources (selection, training, evaluation, and compensation) and total quality management in the Jordanian bank sector using the descriptive-analytical method.

Based on this, the study will test if the last hypothesis is accepted or rejected:

Hypothesis #5 (+): There is a vital moderation of Indirect Compensation Practice on the mediation relationship between Innovative Work Behavior (IWB) and Competitive Advantage (CA) in Jordanian Islamic Banks.

2.10 Research Gap and Conceptual Model

The four most important priorities of (CA) in Jordanian banks are time, quality, cost, and flexibility. These drivers of (CA) are given little attention in Jordanian Islamic banks, where the match between what is found in the literature and what is implemented in Jordanian banks is supported and led the researcher to focus on these priorities to be achieved through HRM in Jordan Islamic banks.

The writing demonstrates that the qualities of the banking business take serious actions to recreate and supportability of (CA) hard to accomplish. Be that as it may, until now, no audit has been done to catch the experiences of the RBV experimental explores in the Islamic banking industry up to the researcher's extent of knowledge. It clearly can be observed that there is no one of the studies in the literature that connect all the study variables, and there is a lack of studies that separate the compensations into direct and indirect. None of them tried to connect such relationships with the (IWB) in the HRM and behavioral studies to feed back the organizations of the business and environmental improvements and success using RBV.

In terms of (IWB), there is a gap in identifying (IWB) in Jordanian banks' literature. There is no Innovative Behavior study of Jordan bank employees to the extent of the researcher's knowledge. This represents one of the most critical gaps founds in Jordanian banks.

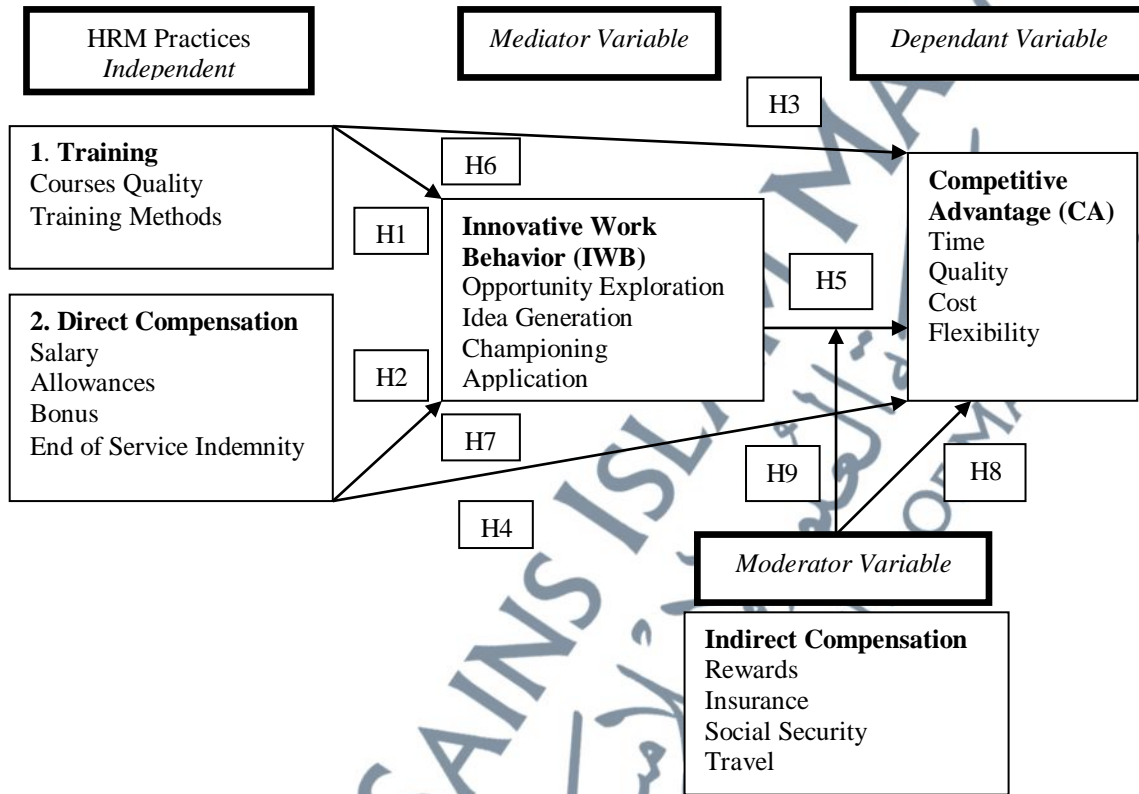
So this study came to cover the dimensions not covered by the studies mentioned above, the impact of HRM practices on (IWB) in achieving (CA) in Jordanian Islamic Banks. Hence, the research tries to match all the previous variables to ensure that the employees improved their innovative behavior through training and direct compensation as independent variables to achieve the (CA) through indirect compensation.

The literature shows a close picture of each of the variables, but in some cases, there were clashes in the pronouns or a misunderstanding between innovative behavior and performance. Analysts possibly considered inner elements while researching the creative force of organizations and their employees. Notwithstanding, the outside tension for development through a contest or the eagerness/protection from advance inside an industry might address an influence that should not be undervalued (Labrenz, 2014).

Clashes in adjoining nations and facilitating displaced people keep on placing Jordan's social and financial tensions on the economy, remembering the economic and outer records. Regardless, development is getting, expansion is low, the monetary and outside positions are slowly reinforcing, and the financial framework is sound by and large (Suleiman, 2014). The tremendous innovative advancement in the financial area constrained Jordanian banks to adapt to these progressions to acquire (CA) (Al-Rfou, 2013). The Central Bank of Jordan fosters its vision to have a proficient and cutthroat financial framework in Jordan that fulfills worldwide guidelines of best practices in hazard the executives and corporate administration, conforms to relevant regulations and guidelines and fulfills the credit needs of the homegrown economy along these lines supporting the monetary advancement of the Kingdom (Bawaneh, 2011). Jordanian

consumers have a positive attitude toward Islamic banking (Assaf & Tuama, 2012).

Figure 2.11 illustrates the proposed model of this research based on the study variables and the connection between these variables.



Source (Labrenz, 2014; Jiang et al., 2012; Scott et al., 2004; George & Brief, 1992; Tsai 2011; Li & Zheng, 2014; Schuler & Jackson 1987)

Figure 2. 10: Research Model

Based on the above Figure, five main research hypotheses are essential to be declared to achieve the overall aims of the study, which are as the following:

Hypothesis #1: There is a significant positive relationship between Training Practice and Innovative Work Behavior (IWB) in Jordanian Islamic Banks.

Hypothesis #2: There is a significant positive relationship between Direct Compensation Practice and Innovative Work Behavior (IWB) in Jordanian Islamic Banks.

Hypothesis #3: There is a positive relationship between Innovative Work Behavior (IWB) and competitive advantage (CA) in Jordanian Islamic Banks.

Hypothesis #4: There is a solid mediating effect of Innovative Work Behavior (IWB) on the relationship between Training and Direct Compensation and Competitive Advantage (CA) in Jordanian Islamic Banks.

Hypothesis #5: There is a solid moderating effect of the Indirect Compensation Practice on the mediation relationship between Innovative Work Behavior (IWB) and Competitive Advantage (CA) in Jordanian Islamic Banks.

2.11 Chapter Summary

There have been many studies recently implemented in Jordanian commercial and Islamic banks using various samples to prove many theories and relationships related to different areas of finance and economics, electronic banking and e-business, and accounting (Abu Shihab et al., 2013; Saleh & Zeitun, 2007; Albdour & Altarawneh, 2012; Ramadan et al., 2011; Taani, 2013; Guesmi et al., 2012; Omari & Bataineh, 2012). Also, some studies implemented the value creation, e-Business, and electronic banking systems in Jordan (Alawneh & Bani Younis, 2014; Al-Rfou, 2013; Alawneh & Hattab, 2009).

Many types of research present studies related to these study variables implemented in the banking industry of Jordan but taken separately.

The training practice was implemented by research in Jordanian banks (Al-Nawaiseh, 2014; Al-Ghazawi, 2012; Al-Shawabkeh, 2014; Bataineh, 2014;

Masa'deh & Obeidat, 2014; Al-Hmoud, 2015; Aldaibat & Irtaimeh, 2012). Based on the literature on training practice, There are two essential sub-variables referred to training which are; courses quality, which was implemented by (Chong & Galdo, 2006; Bourini et al., 2013), and training methods implemented by (Dorjkhuu, 2013; Peariasamy & Abu Mansor, 2008).

Also, compensation practice was implemented in Jordanian banks (Al-Shawabkeh, 2014; Aldaibat & Irtaimeh, 2012). There are two kinds of compensation; direct and indirect (Dessler, 2011 & Tsai, 2011; Nurul Absar et al., 2010; Fogleman & McCorkle, 2009; Manurung, 2017; Hasibuan, 2016). Based on the annual reports of Jordanian banks (Mphil et al., 2014; Osibanjo et al., 2014; Goldman et al., 2005; Smith, 2012; Merican, 2010), direct compensation consists of many sub-variables; Salary, Allowances, Insurance, End of service Indemnity, and Social Security. On the other hand, indirect compensation consists of many sub-variables; rewards, bonuses, and travel (Kanwal & Majid, 2013; Jiang et al., 2009; Ahmada et al., 2015; Murphy, 2011).

However, (Scott & Bruce, 1998; Jansen, 2000; Ramamoorthy et al., 2005) identified that (IWB) is represented as Opportunity Exploration, Idea Generation, Championing, and Application. According to the social exchange theory, the (IWB) would be enhanced using HRM practices such as training and compensations. Moreover, The RBV theory shows the importance of motivating the (IWB) in the working environment to conduct innovative services, improving the (CA) in the banks.

Competitive advantage (CA) of the services includes major dimensions such as reduced service cost, improved quality, reduced service time, and providing flexibility (Abou- Moghli et al., 2012; Rawashdeh, 2014). The RBV

theory shows that the (CA) dimensions could be improved based on the development of HR knowledge. Thus, HR should be motivated to develop their knowledge and skills to perform innovative services and improve the (CA) of the services.

Consequently, the following are the connections between the variables of the proposed model:

Based on the above variables, HRM can influence employees' creativity by increasing expertise, creativity skills and task motivation through, e.g., training; HRM also has an effect on idea generation and hence innovative behavior of employees (Labrenz, 2014; Jiang et al., 2012; Scott et al., 2004). This connection represents the 1st hypothesis; there is a significant positive relationship between Training Practice and (IWB) in Jordanian Islamic Banks.

On the other hand, innovative behaviors formally rarely belong to the work of most employees. Therefore, employees are seldom directly or explicitly rewarded for innovative behaviors (George & Brief, 1992; Tsai, 2011). This connection represents the 2nd hypothesis there is a significant positive relationship between Direct Compensation practice and (IWB) in Jordanian Islamic Banks.

Moreover, particular HRM practices can implement service quality enhancement, cost reduction, and innovation and influence employees' work behavior. Organizations have to take measures to stimulate the innovation willingness of employees and promote their innovative behavior (Li & Zheng, 2014; Schuler & Jackson, 1987). This connection represents the 3rd hypothesis there is a direct relationship between (IWB) and (CA) in Jordanian Islamic Banks.

Thus, from the literature, we derived the 4th hypothesis about the mediation role

of (IWB) on the relationship between training, direct compensation practices, and (CA).

Furthermore, Theories such as equity mentioned that fairness in providing HRM practices (i.e., compensations) would motivate the (IWB). The employees need to feel that they get ideal compensation based on their efforts compared to other employees in the bank. Hence, indirect compensation would be provided based on the innovation efforts of the employees in the working environment. The 5th hypothesis: there is a strong moderation effect of Indirect Compensation practice on the relationship between (IWB) and (CA) in Jordanian Islamic Banks.

Based on the research gap, this study's proposed model comprises three main variables: HRM practices, (IWB), and (CA). The proposed model aims to test the effect of HRM practices on motivating the (IWB) in the banks, consequently improving the (CA) of the bank's services.

Firstly, the HRM practices in the proposed model contain two main dimensions that are training and compensation. The reinforcement theory shows the importance of compensation practices in motivating the (IWB) in organizations. On the other hand, the planned behavior theory shows the importance of training practices to encourage the (IWB). The compensations and training practices are considered extrinsic and intrinsic benefits, which support the vision of social exchange theory in motivating the (IWB) in the working environment.

Examining the relationships between the independent, mediator, moderator and dependent variables should match many standards. Thus fulfilling all the previous variables leads us to structure its theoretical literature by using it methodologically, how and why, as the next chapter will discuss in detail.