Islamic Reasoned Action: An Islamic Behavioral Model in the Case of Islamic Microfinance Institutes in Bangladesh

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ABSTRACT

The objective of this study is to study an Islamic behavioral framework incorporating core Islamic moral values and contextual behavioral reasons both for and against which influence individuals' empathy toward specific *niyyah* or worshipful intention. With this objective in view, the study explores existing Islamic ethical codes and moral values provided by their Islamic sources employing behavioral reasoning theory (BRT) as its base. In so doing, the study tests the model collating primary data collected from the potential borrowers of Islamic microfinance institutes residing outside Dhaka city. Data were analyzed following PLS-SEM technique using SmartPLS 3 software. The findings indicate that most of the associations between different constructs of the model are statistically significant implying the robust cohesion between the variables included in the model. The results also show that reasons for and against mediate significantly in the association between Islamic moral values and empathy. However, the model implies that it needs further examination in different diversified contexts of behavioral decision making process to confirm the validity of it.

ملخص

يهدف هذا البحث لدراسة إطار سلوكي إسلامي يتضمن القيم الأخلاقية الإسلامية الأساسية والأسباب السلوكية السياقية التي تؤثر على تعاطف الأفراد واتخادهم لنية عبادة محددة. وبهذا فإن البحث يستكشف القواعد والقيم الأخلاقية الإسلامية التي توفرها المصادر الإسلامية باستخدام نظرية التفكير السلوكي (BRT). وتختبر الدراسة نموذج جمع البيانات الأولية للمقترضين المحتملين المقيمين خارج مدينة دكا من مؤسسات التمويل الأصغر الإسلامية. وتم تحليل البيانات باتباع تقنية (PLS-SEM)وباستخدام برنامج (SmartPLS 3). وتشير النتائج إلى أن معظم الارتباطات بين التركيبات المختلفة للنموذج هي ارتباطات ذات دلالة إحصائية وهو ما يفسر التماسك القوي بين المتغيرات المدرجة في النموذج. وتظهر النتائج أيضًا أن الأسباب المؤيدة والمعارضة تؤثر بشكل كبير في الارتباط بين القيم الأخلاقية الإسلامية والتعاطف. ومع ذلك، يجب دراسة النموذج في سياقات متنوعة من عملية صنع القرار السلوكي لتأكيد صحته.

ABSTRAITE

L'objectif de cette étude est d'étudier un cadre comportemental islamique intégrant les valeurs morales islamiques fondamentales et les raisons comportementales contextuelles, à la fois pour et contre, qui influencent l'empathie des individus à l'égard d'une niyyah spécifique ou d'une intention d'adoration. Dans cette optique, l'étude explore les codes éthiques islamiques existants et les valeurs morales fournies par leurs sources islamiques en s'appuyant sur la théorie du raisonnement comportemental (BRT). Ce faisant, l'étude teste le modèle en rassemblant des données primaires recueillies auprès d'emprunteurs potentiels d'instituts de microfinance islamiques résidant en dehors de la ville de Dhaka. Les données ont été analysées

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selon la technique PLS-SEM à l'aide du logiciel SmartPLS 3. Les résultats indiquent que la plupart des associations entre les différents éléments du modèle sont statistiquement significatives, ce qui implique une cohésion solide entre les variables incluses dans le modèle. Les résultats montrent également que les raisons pour et contre jouent un rôle médiateur significatif dans l'association entre les valeurs morales islamiques et l'empathie. Toutefois, le modèle nécessite un examen plus approfondi dans différents contextes diversifiés du processus de prise de décision comportementale afin d'en confirmer la validité.

1. Introduction

'Indeed, Islam as a comprehensive way of life encompasses a complete moral system that is an important aspect of its world-view' (Rassool, 2021; Baqutayan et al., 2018, p. 89). This moral system including its world-view is also unique and distinct from other moral systems and ethical values available in other religions and socio-political perspectives in terms of individual as well as collective or social human behavior. In Islamic world-view, all types of individual human and social behaviors base on certain ethical values given in the Qur'an and exemplified by the noble Traditions of the Prophet Muhammad (peace be upon him- PBUH). All these human and social activities comprise an Islamic way of life whose specific focus reflects primarily on a certain objective that is none but to satisfy the creator or Almighty Allah. As a matter of fact, in Islam, social obligation is more significant on the part of the Muslim humans than their individual piety and religious practices, because Islam cherishes to attain a peaceful and justified society based on its own ethical codes that are called the *Shariah*-Laws (i.e. the Islamic Principles). So, all types of human activities are based on the Islamic principles that comprehensively shape an individual's empathy (compassionate attitude) toward certain sincere worshipful intention (*Niyyah* in Arabic) to perform certain behavior that is called *A'mal* (in Arabic).

There have been several socio-psychological behavioral theories applied in social and business sciences, but there is scanty Islamic behavioral framework incorporating Islamic values in its framework to conduct research in Islamic domains. Yet, there are many empirical research works that are accomplished in different Islamic domains based on those available secular socio-psycho-behavioral theories. In this regard, the present article will necessarily contribute to fill up that

crucial lacking of Islamic behavioral framework applicable in the fields of Islamic economics, finance and banking, business, marketing and entrepreneurship.

The objective of this study is, thus, to examine the effects of Islamic moral values, reasons for and against on empathy toward *niyyah* (worshipful intention). With this end in view, the study explores existing Islamic ethical codes and moral values provided by their Islamic sources, and uses behavioral reasoning theory (BRT; Westby, 2005) as its base including relevant literature before going to show its coherence among different variables of the present research framework.

2. Source and Origin of Islamic Ethical and Moral Values

The origin of the word "ethics" goes back to the Greek word "ethos" that means "character, spirit and attitude of a group of people or culture" (Laeheem, 2018; Al-Aidaros et al., 2013). So, ethics epitomize a body of moral values or principles and rules of behavior that guide a person to make a decision from various options related to a particular behavior (Al-Aidaros et al., 2013; Burks, 2006; Delaney, 2005). Ethics are also called a branch of moral philosophy that governs a person's behavior in systematizing, defending, and recommending concepts that specify whether any particular behavior is right and wrong. So, it is evident that ethics are an anthology of rules of human conduct that identifies what ought to be done or what is important to do and what is not (Al-idaros et al., 2013; Elegido, 2000; Ogbonna & Ebimobowei, 2011).

Ethics have three different categories which are distinct in each of their individual facet. (1) Meta ethics is like metaphysical, epistemological and psychological rules of conduct. It causes for action and human motivation to do something or not to do *per se* (Abbas, Gondal, Junaid, Rana, & Aslam, 2012). (2) Normative ethics is derived for the word "norm" which exemplifies a standard, rule or principle. Based on this standard, a person is expected what should be done and what should not be done (Abbas et al., 2102; Rawls, 1975). (3) Applied ethics is specifically a body of concrete codes that affect human conduct or behavior. It can also be regarded as any action that transforms and re-defines its relationship to its environment (Dusenbery, 2009).

Ideally, Islamic ethical and moral values are distinct from all other sources. As mentioned earlier, sources of Islamic ethical codes and moral values are two-fold – the revelations recorded in the Qur'an and the Hadiths (PBUH)). According to the Holy Qur'an and the Hadiths (practices of the Prophet (PBUH)), every individual human being will be answerable to Almighty Allah (SWT) in

the final judgment day in the life hereafter for one's activities or behavior (a'mal in Arabic) in one's entire life that unfolds between birth and death. That means, all types of behaviors will be judged by Almighty Allah (SWT) based on some moral and ethical standards that are available in the Holy Qur'an and the Hadiths. In fact, Prophet Muhammad (PBUH) himself is the living Qur'an, because he implemented the teachings of Islam (i. e. the Holy Qur'an) throughout his entire prophet hood. Based on these understandings, it is evident that all types of behaviors of an individual Muslim must adhere to the teachings of Islam in order to please Almighty Allah (SWT). These teachings are comprehensively hinged on Islamic ethical Principles (i.e. Shariah Laws) and moral values demonstrated by the Prophet Muhammad (PBUH). Thus, all types of worldly human behaviors are subject to the Islamic ethics and moral values as well as to the contexts of particular traits of concerned physical objects.

3. Theoretical Background

This study utilizes behavioral reasoning theory (BRT) provided by Westaby (2005). This theory modifies the theory of planned behavior (TPB; Ajzen, 1991), which originally extends the theory of reasoned action (TRA; Fishbein & Ajzen, 1975). Like TRA and TPB, attitude remains as the direct antecedent of intention which also acts as another antecedent of actual behavior. According to Westaby (2005), attitude is influenced by some values related to the users' behavioral context. In the same context, Westaby (2005) also establishes another two variables such as reasons against and reasons for to influence attitude as well as user intentions. Comprehensively, Westaby (2005) advances BRT to explain interconnections among reasons, beliefs, global motives and behavioral intentions as presented in Figure 1.

**Figure 1: Behavioral Reasoning Theory (Source: Westaby, 2005)**
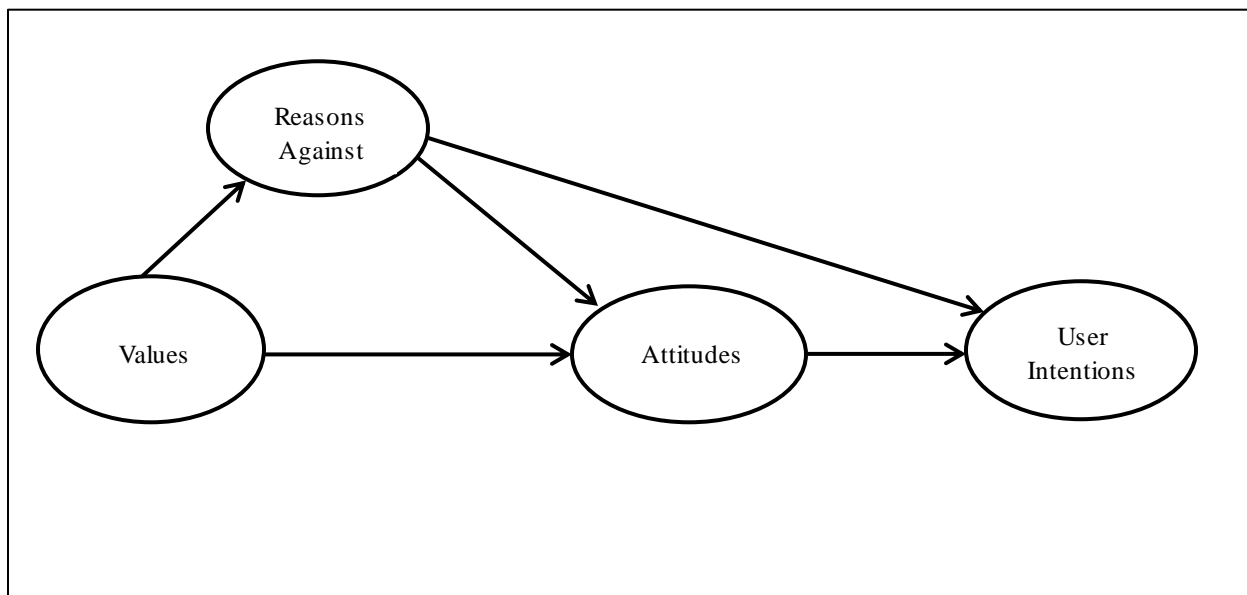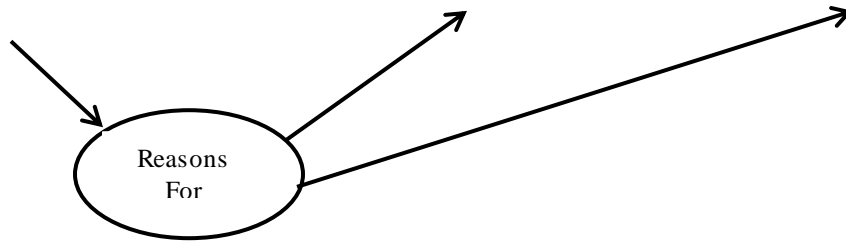
BRT conjectures that positive or helpful or beneficial factors may explicate why one person embarks on a particular behavior, whereas they are incapable of predicting why the person may oppose such behavior in question. These factors, according to Westaby (2005), are denoted as "reasons for" and "reasons against", which clearly hinges on users' innate beliefs and values. So, it is reasonable to contend that reasons may cater the potential connections necessary to explicate the gap between attitude and intention for any particular conduct (Ryan and Casidy, 2018).

Several previous studies applied BRT across diverse contexts such as decision making behavior in leadership and politics (Westaby et al., 2010), alcohol consumption behavior (Norman et al., 2012) and organic food purchase in Indian context (Tandon et al., 2020) and in US context (Ryan and Casidy, 2018). To top it all, their findings demonstrate that BRT has substantiated to be a valid theoretical model in terms of its robustness in predicting explaining complex human behavior in widely used contexts.

4. Research Model and Hypotheses

The current research examines an Islamic theoretical framing (see Figure 2) based on BRT that comprises three independent variables: Islamic moral values, reasons against, and reasons for and two dependent variables: empathy and *niyyah* (worshipful and sincere intention) toward certain action.

Figure 2: Islamic Reasoned Behavior (IRB)
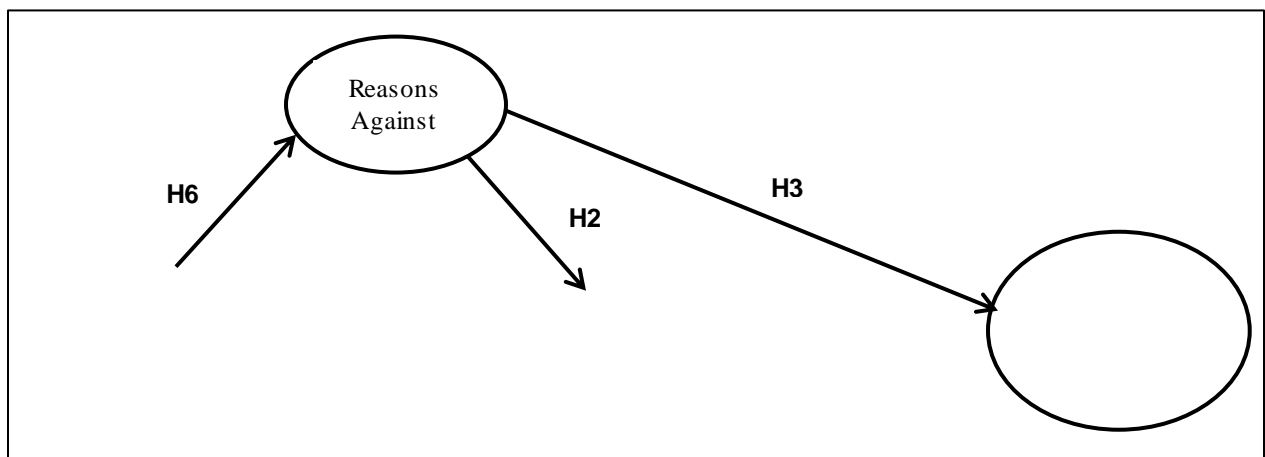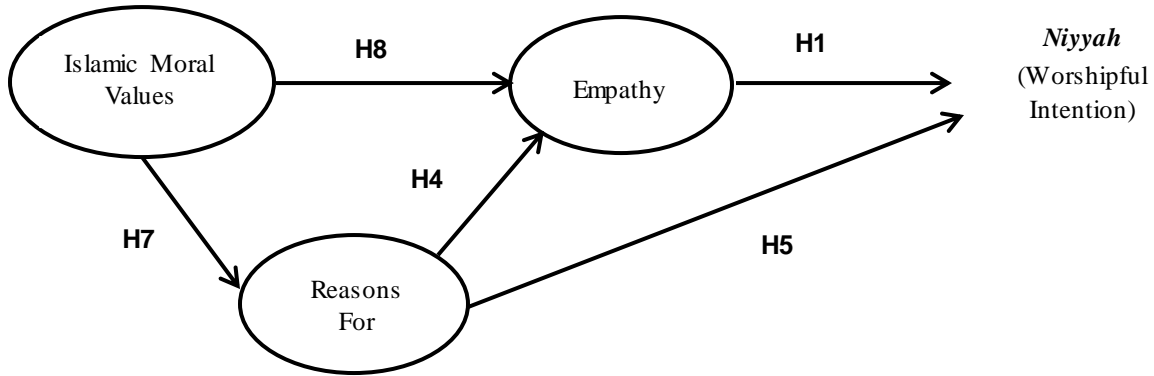
As reasons for and against are specifically contextual, this research leaves up to the researchers to select the case-specific component(s) for them. However, the general components of the Islamic moral values emerge from the Islamic religious principles; for example, honesty, truthfulness and trustworthiness to name a few. This theoretical framework has a total of nine direct postulations ranging from H1 to H9 which are stated as follows:

4.1 Empathy and *Niyyah*

Islam is the last revealed religion bestowed for the welfare of entire humanity (Al-Qur'an, 5:3). So, in Islamic traditions, the notion of social welfare has been presented as one of its principal values (Rassool, 2021; Stefon, 2010; Palmer, 2012). So, a Muslim's religious life remains incomplete if not attended by service to humanity (Palmer, 2012). However, the dictionary meaning of empathy is having or showing sympathy, compassion or benevolence toward a particular behavior (Tandon et al., 2020; Smith & Paladino, 2010). In line with this ideal, Hockerts (2017) maintained that empathy can be rightly placed in place of attitude which is treated as one of the antecedents of intention toward certain behavior (Ajzen, 1991).

Niyyah has been signified as worshipful or sincere intention which precedes an action (a'mal) by Ashraf (2019). There are numerous empirical research papers that validated the positive significant relationship between attitude and intention toward certain behavior across diverse research domains of economics, business and management, marketing, finance, banking, psychology and so on (Ajzen & Kruglanski, 2019; Ajzen, 2018; Ajzen, 1991; Fishbein & Ajzen, 1975). Ashraf

(2019) found that there is a positive significant association between attitude and intention in the context of Islamic entrepreneurship. Thus, it can be postulated that:

H1   Empathy has a positive relationship with n*iyyah*.

4.2 Reasons Against

Apart from the global variables of TPB (Ajzen, 1991), Westaby (2005) added an important premise in the BRT framework as its underlying reasoning process for the observed behavior and context, which permits an unequivocal consideration to reasons for and against taking part toward a specific behavior (Tandon et al., 2020). Prior studies consider different types of barriers to negatively affect individuals' attitudes and intention toward actual conduct such as Ryan and Casidy (2018), Kushwah, Dhir, and Sagar (2019a,b). However, Kushwah, Dhir, Sagar and Gupta (2019) identify dual barriers such as functional (usage, value, and risk) and psychological barriers (tradition and image).

Extant literature suggests that usage barriers may exert negative effects on individuals' attitude, intention as well as actual behavior (Pham et al., 2019; Chiu et al., 2019; Wojciechowska-Solis & Soroka, 2017). Similarly, some studies show that there have been risk barriers that can also affect individuals' attitude, intention and actual behavior negatively (Torres-Ruiz et al., 2018; Chen et al., 2014; Kushwah, Dhir & Sagar, 2019b; Westaby, 2005). Thus, it can be hypothesized that:

H2   Reasons against has a negative relationship with empathy toward *niyyah*.
H3   Reasons against has a negative relationship with *niyyah*.

4.3 Reasons For

Westaby (2005) put forward that reasons for can be a driving force to positively induce someone's attitude and intention toward certain behavior. Several past research works also validated that evidence and suggest that there have been many positive forces to positively induce users' attitude and intention toward adopting certain behavior (Thøgersen et al., 2015; Wojciechowska-Solis & Soroka, 2017; Janssen, 2018; Shin et al., 2019). These studies identify different reasons that influence individuals' attitude and intention positively such as nutritional content (Escobar-López

et al., 2017), ecological consciousness (Lee & Yun, 2015) and naturalness (Janssen, 2018) in organic food purchase behavior (Tandon et al., 2020). All these components of reasons for have positive impacts on attitude and intention to buy organic foods in different country-contexts. Thus, it can be conjectured that

H4   Reasons for has a positive relationship with empathy toward *niyyah.*
H5   Reasons for has a positive relationship with n*iyyah*.

4.4. Islamic Moral Values

There have been numerous moral values in Islamic religion such as charity and philanthropy, honesty, kindness to humans and animals, social justice, fulfillment of promise, modesty and humility, decent speech, trustworthiness, patience, truthfulness, sincerity, and so on. These moral values can have influence on contextual reasons for and against which also can influence users' empathy and *niyyah* toward particular *a'mal.* For marketing any products, honesty, truthfulness and trustworthiness can be the most significant components containing Islamic moral values to affect reasons for and against as well as empathy of individuals' *niyyah* toward actual purchase.

Few empirical studies enunciate that individual values and norms can have potential influence on one's reasons for and against as well as attitudes toward a specific conduct (Tandon et al., 2020; Kareklas et al., 2014; Westaby, 2005). So, Ryan and Casidy (2018) advance that individual values are positively linked with attitudes and reasons for in the case organic food purchase. In the similar domain of organic food marketing, Çabuk et al. (2014), Pham et al. (2019) and Prakash et al. (2018) found that health–related issue or consciousness is important to positively influence attitude and intention to purchase organically produced food items. However, there are some confronting empirical results in this respect, For instance, Konuk (2018) reports that many pregnant women were observed to be willing to buy organic food items with a premium prices in Turkey. Hence, it is evident that further examination in this issue is warranted. Thus, it is hypothesized that

H6   Islamic moral values have positive relationships with reasons against toward empathy.

In similar fashions, Islamic moral values can also have positive influence on reasons for toward empathy and *Niyyah* to perform certain *a'mal.* In reality, Islamic moral values always encourage

good deeds to perform for promoting individual or collective welfare. For instance, supplying healthy food stuffs to the consumers will be highly desirable in Islamic principles. So, in such similar cases, Islamic moral values can exert positive influence on reasons for to perform certain conducts. Hence, it can be conjectured that

H7   Islamic moral values have positive relationships with reasons for toward *niyyah*

Lastly, Tandon et al. (2020) conduct an empirical study in the context of organic food purchase in India and found that value of health consciousness was positively related with consumers' attitude toward purchase intention. Besides, a recent empirical research shows that moral obligation has significant positive influence on worshipful intention or *Niyyah* in the case of Islamic entrepreneurial intention in Bangladesh (Ashraf, 2019). Thus, it is hypothesized that

H8   Islamic moral values have positive relationships with empathy toward *niyyah*.

4.5 Mediating Effects of Empathy and Reasons

Empirical evidence suggests that there is a need to explore the roles of mediating factors of reasons and attitude in order to diminish the attitude-intention gap (Aschemann-Witzel & Aagaard, 2014). Nevertheless, Tandon et al. (2020) argue that as attitude and reasons are contextual factors. In this regard, Çabuk et al. (2014) is a prime example which provides evidence to the significant mediating effect of attitude on intentions to purchase organic foods. Two studies done by Westaby (2005) and Westaby et al. (2010) argue that investigations into the mediating role of reasons may cater further explication for individuals' actions in terms purchasing any products. Thus, Tandon et al. (2020) and Ryan and Casidy (2018) studied and found that the mediating roles of reasons and attitude are significant in consumers' organic food purchase behavior. Thus, it can be conjectured that

H9   Empathy mediates in the link between reasons against and *Niyyah*.

H10   Empathy mediates in the link between reasons for and *Niyyah*.

H11   Reasons against mediates in the link between Islamic values and empathy

H12   Reasons for mediates in the link between Islamic values and empathy.

5. Methods

As this paper's main objective is to examine a conceptual framework in the domain of Islamic behavioral decision-making processes, the study collected data ($n = 385$) from the rural poor who are intended to borrow funds from Islamic microfinance institutes (IMIFs) available to their residential areas. The study has explored the fact that whether people's intended Islamic borrowing behavior is dependent on different Islamic moral values and particular contextual reasons both for and against the actual behavior. Accordingly, the study analyzed the cross-sectional data and presented their analytical findings in the section of results and discussion.

5.1 Research Questionnaire

The present research followed a quantitative research technique using a structured questionnaire. The questionnaire consists of two parts. The first part comprised of independent and dependent variables. The variables include Islamic values (four items) adapted from Ashraf (2019) and Hockerts (2017), reasons against (three items) adapted from Kushwah et al. (2019b), reasons for (three items) adapted from Steptoe et al. (1995) and Lindeman and Väänänen (2000), empathy (three items) adapted from Hockerts (2017) and *Niyyah* (two items) adapted from Ashraf (2019). A total of 7-point Likert scales were used for all the variables' items selected in the questionnaire with 1 referring to strongly disagree and 7 referring to strongly agree. The second part is enlisted with demographic information such as gender, age, education and monthly income.

5.2 Sample and Data Collection

The sample size was selected based on Faul et al. (2009), Cohen (1988) and Hair et al. (2011). Firstly, the G*Power was employed to calculate the minimum sample size based on required statistical power (Faul et al., 2009). An effect size of Cohen's $d = 0.43$ with 80 percent power (alpha = 0.05 two-tailed) was applied. A total of 45 respondents were recommended by G*Power in a paired samples t-test (Cohen, 1988). Besides, a rule of thumb was checked as recommended by Hair et al. (2011) who prescribed that PLS-SEM needs a minimum sample size of 10-times of the number of paths or relationships in the structured model. As there are six relationships in the framework, a total of minimum 60 participants are required. However, the study collected 397 data from the borrowers of Islamic microfinance institutes (IMFIs) and finally selected 385 data for the

purpose of analysis. Hence, it is evident that this sample of 385 deemed sufficient to ensure the validity of statistical power in the analysis of PLS-SEM.

A self-administered questionnaire was used for collecting data from the outskirts of Dhaka city where a number of IMFIs are currently operating. The questionnaires were handed to the borrowers at their own residents and the researcher collected them later at an agreed upon date. This drop-off and collect approach was followed, because it allowed the respondents to fill up the questionnaire conveniently at their own scope and time as recommended by Hair et al. (2003) and Zikmund (2003).

5.3 Data Analysis Method

Data were analyzed employing the partial least squares structural equation modeling technique (PLS-SEM) utilizing SmartPLS 3.2 software (Ringle, Wende & Becker, 2015). For the initial data screening purpose, to examine the issue of non-response bias and the demographics of the participants, the version 20 of the Statistical Packages for Social Science (SPSS) was employed. Two-stage sequential analytical procedures were applied following Anderson and Gerbing (1988). Firstly, the measurement model was evaluated and secondly, the structural model was assessed. A bootstrapping procedure with 5000 resamples was applied to test the significance of the path coefficients (Hair et al. 2014).

6. Results

6.1 Respondents' profile

Table 1 illustrates the demographics of the participants in details.

Table 1 Profile of the Sample

Variables	Percent	Variables	Percent
Age		*Education*	
18 to 24	22.2	No Education	17.8
25 to 30	37.8	Secondary level	61.1
31 to 35	18.9	Higher Secondary level	16.7
36 to 40	12.2	Bachelor	4.4
> 40	8.9		

Gender		Monthly Income (BDT)	
Male	57.8	< 20,000	66.7
Female	42.2	20,000 to 40,000	20.0
Marital Status		40,001 to 60,000	8.9
Single	36.6	Above 60,000	4.4
Married	57.8		
Separated/Divorced	5.6		

6.2 Non-response bias

To check whether there is a non-response bias, Hair et al. (2017) suggested an independent sample *t*-test. This test outlines a comparison between the mean-score of the initial responses provided by the respondents (defined as the first 20 percent of the samples) and that of the later respondents (defined as the last 20 percent of the samples) with respect to all study variables (Rahman *et al.* 2020). The results of the test showed that all the mean-differences were not statistically significant. So, non-response bias is not a problem for the present study and it shows the homogeneity in the different data gathering stages.

6.3 Measurement model evaluation

The threshold levels of item loading value, Cronbach's Alpha, composite reliability (CR) and average variance extracted (AVE) are 0.70, 0.70, 0.70, and 0.50 respectively, as recommended by Hair *et al.* (2017). Having checked all those values for item loading, Cronbach's Alpha, composite reliability (CR), and average variance extracted (AVE) surpassed their minimum levels and showed that all constructs of the study were reliable (Hair et al., 2017). Thus, all the study constructs have attained the convergent validity which is shown in Table 2.

Table 2 Reliability and Convergent Validity

Construct	Item	Loadings	α	CR	AVE
Islamic Values	Q7 - IMFIs are honest in their activities	0.795	0.838	0.892	0.673
	Q8 - IMFIs are trustworthy	0.841			
	Q9 - IMFIs are truthful to their words	0.856			
	Q10 - IMFIs treat borrowers with honor	0.789			
Reasons Against	Q14 - IMFIs transfer funds in goods	0.804	0.759	0.848	0.651
	Q15 – I have low knowledge on Islamic finance	0.783			
	Q16 - IMFIs provide no personal loans	0.832			
Reasons For	Q11- No interest is payable to IMFIs	0.807	0.658	0.815	0.595
	Q12- IMFIs have flexible loan repayment	0.787			
	Q13- Cost of loan is much less in IMFIs	0.717			
Empathy	Q4- IMFIs have compassionate attitude	0.838	0..664	0.855	0.747
	Q5- IMFIs respect their borrowers	0.890			

Niyyah	Q17- I like to borrow from IMFIs	0.937	0.731	0.875	0.779
	Q18- I like to start a small halal business	0.825			

Note: α=Cronbach's Alpha; CR=Composite Reliability; AVE=Average Variance Extracted

The study also applied both measures of Fornell and Larcker and Heterotrait-Monotrait (HTMT) approaches to inspect the discriminant validity of the constructs selected in the research framework. In relation to the Fornell and Larcker method, it was observed that the coefficient of correlation value of any cell is smaller than the square root of AVE values in all its corresponding row or column (see Table 3). So, the model confirmed its discriminant validity as required by Fornell and Larcker (1981). In relation to the Heterotrait-Monotrait (HTMT) approach, which used to be regarded as a more robust measure of discrimination among the constructs, it was observed that all the coefficient ratios were observed to be adequately lower than the standard of 0.85. Hence, the discriminant validity by the HTMT among the constructs was achieved (see Table 4).

Table 3 Discriminant Validity (Fornell and Larcker method)

Constructs	IV	RA	RF	EM	NY
Islamic Values (IV)	**0.821**				
Reasons Against (RA)	0.218	**0.807**			
Reasons For (RF)	0.617	0.485	**0.771**		
Empathy (EM)	0.594	-0.128	0.374	**0.864**	
Niyyah **(NY)**	0.204	0.449	0.521	0.204	**0.883**

Note: The bold diagonal elements are the square root of the constructs' AVEs.

Table 4 Discriminant Validity (HTMT method)

Constructs	IV	RA	RF	EM	NY
Islamic Values (IV)					
Reasons Against (RA)	0.228				
Reasons For (RF)	0.801	0.627			
Empathy (EM)	0.775	0.297	0.563		
Niyyah **(NY)**	0.347	0.480	0.717	0.339	

6.4 Structural model evaluation

After checking the outer model's reliability and validity in the earlier section, the study examined its inner model displayed in Figure 3. In this relation, Hair et al. (2017) recommended the 5-step procedure. Firstly, it is to check the mulitcollinearity of the constructs included in the model of the

study. To this end, the VIF (variance inflation factor) values of all its constructs were calculated and showed that those values were much lower than the suggested value of 3.3 (see Table 5). Hence, there was no such problem of multicollinearity in the study.
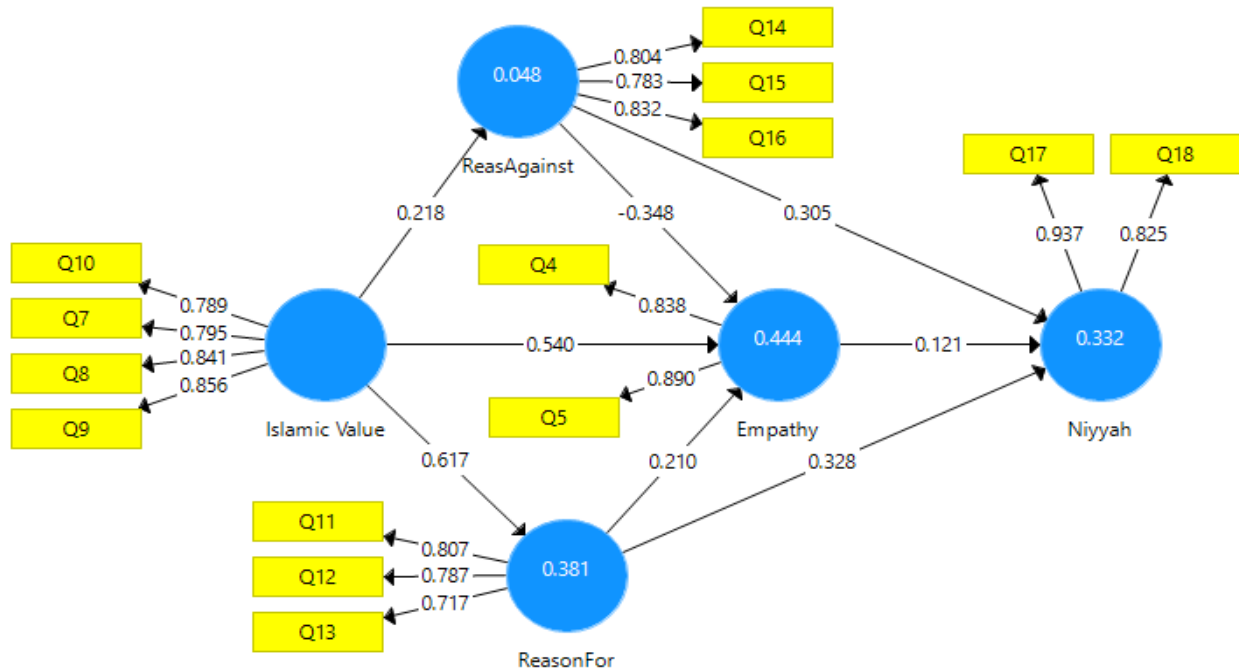
Figure 3: Path Analysis

Table 5 Output of Structural Path Analyses

Direct Effects									
H	Relationship	Beta	SE	t-Value	Supported	R^2	f^2	Q^2	VIF
H1	EM → NY	0.121	0.121	0.995	No	0.332	0.016	0.229	1.362
H2	RA → EM	-0.348	0.112	3.109***	Yes	0.444	0.165	0.303	1.325
H3	RA → NY	0.305	0.115	2.647***	No		0.091		1.531
H4	RF → HA	0.210	0.107	1.962*	Yes		0.039		2.038
H5	RF → NY	0.328	0.135	2.419***	Yes		0.092		1.751
H6	IV → RA	0.218	0.119	1.837*	Yes	0.048	0.050	0.020	1.000
H7	IV → RF	0.617	0.097	6.371***	Yes	0.381	0.615	0.210	1.000
H8	IV → EM	0.540	0.098	5.512***	Yes		0.320		1.637
Mediating Effects									
H9	RA*EM → NY	-0.040	0.056	0.715	No				

H10	RF*EM → NY	0.007	0.500	0.144	No
H11	IV*RA → EM	0.114	0.051	2.222*	Yes
H12	IV*RF → EM	0.356	0.107	3.336***	Yes

$*p < 0.05; ***p < 0.001$

Note: H=Hypothesis, EM=Empathy, NY=*Niyyah*, RA=Reasons Against, RF=Reasons For, IV= Islamic Values

Secondly, the study analyzed the structural equation modeling by employing the bootstrapping technique with 5000 resamples. The analysis was done in two steps to check the direct effects as well as the mediating effects. The results are presented in Figure 3 and Table 5. In relation to direct effects, all the hypotheses were observed significant except H1 and H3. In fact, H3 was appeared strongly and statistically significant, but its dimension was not supported to be negative as it was conjectured earlier. Remarkably, reasons against have negative and meaningful effect on empathy toward *Niyyah* ($\beta = -0.348***$, $t = 3.109$, $p < 0.001$) supporting H2. Similarly, reasons for have positive significant impacts on empathy ($\beta = 0.210*$, $t = 1.962$, $p < 0.05$) as well as on *Niyyah* ($\beta = 0.328***$, $t = 2.419$, $p < 0.001$). Thus, H4 and H5 were supported. Besides, Islamic moral values have positive statistical significant impacts on reasons against ($\beta = 0.218*$, $t = 1.837$, $p < 0.05$), reasons for ($\beta = 0.617***$, $t = 6.371$, $p < 0.001$) and empathy ($\beta = 0.540***$, $t = 5.512$, $p < 0.001$). Therefore, H6, H7 and H8 were also supported.

Interestingly, as shown in Table 5 and Figure 3, among a total of four mediating hypotheses, two were appeared to be statistically significant partially supporting H11 ($\beta = 0.114*$, $t = 2.222$, $p < 0.05$) and fully supporting H12 ($\beta = 0.356***$, $t = 3.336$, $p < 0.001$). The support for H11 indicated that reasons against have a partial mediating effect on the link between Islamic moral values and empathy toward *niyyah*. Similarly, the support for H12 showed that reasons for also have a strong statistical mediating impact on the relation between Islamic moral values and empathy toward *niyyah*. However, other two mediating hypotheses, such as H9 and H10 were not supported.

Thirdly, the explanatory power of the predictors of four dependent variables such as R^2 value was calculated. Table 5 represents that the R^2 values for *Niyyah*, empathy, reasons against and reasons for are 0.332, 0.444, 0.048 and 0.381 respectively, indicating that the models have substantial explanatory power except the construct of reasons against (Hair *et al.* 2017).

Fourthly, the authors investigated for the effect size (f^2) of each predictor of a criterion variable as recommended by Hair *et al.* (2017). As the guiding principle, the f^2 value of 0.02, 0.15, and 0.35

are to be regarded as trivial, mediocre, and substantial effect respectively (Cohen, 1988). Table 5 illustrates that all the independent variables have trivial effect on their corresponding dependent variable except Islamic values on reasons against (0.615) and empathy (0.320)

Finally, the study examined the predictive relevancy (Q^2) of the model. The model is supposed to have predictive relevancy if the Q^2 value is more than zero (Hair *et al.,* 2017). As represented in Table 5, the Q^2 value for n*iyyah*, empathy, reasons against and reasons for is 0.229, 0.303, 0.020 and 0.210 correspondingly, indicating that the predictive relevancy is large except the construct of reasons against.

6.5 Discussion

This study intends to explore a research framework in the domain of Islamic behavioral reasoning and decision-making process, which is sparsely seen in research investigations. As the effect of empathy was observed insignificant to influence Islamic microfinance borrowers' n*iyyah* (H1), this finding does not align with past research works such as Tandon et al. (2020), Ashraf et al. (2019) and Pham et al. (2019) who studied organic food purchase intention in different country-contexts.

The dissimilar impacts of reasons as identified by the findings of this study (H2-H5) validate the controversy that reasons against are not only an argumentative reverse of reasons for but rather have a different and independently idiosyncratic dimension (Tandon et al., 2020; Claudy et al., 2015). Favorable to expectations, reasons against negatively influence empathy (H2), which suggests that for the Islamic microfinance consumers in Bangladesh, usage barriers can impede to borrow from IMFIs.

Contrary to expectations, though the construct of reasons against has a significant negative influence on empathy, it does not insert similar negative impact on Islamic microfinance borrowers' *niyyah* toward actual borrowing of Islamic microfinance (H3). This evidence squares with previous studies that employed behavioral reasoning theory in different fields (Sivanthu, 2018). This dissimilarity has been reinforced again by the strong effect of *β*-values that reasons for have on empathy and *niyyah* compared to reasons against that are aligned with prior studies which employed BRT as theoretical base in different context (Tandon et al., 2020; Sivanthu, 2018). Thus,

the study complements value to the existing research evidence by showing that reasons against can enhance positive influence on worshipful intention toward Islamic microfinance borrowing.

Findings further indicate the construct of reasons for has positive significant influence on empathy (H4) and *niyyah* (H5) in the context of Bangladeshi Islamic microfinance consumers the majority of whom used to follow the Islamic moral values. Similar evidence is also present in the context of organic food purchase intention in India. These findings are advancing important credibility to the positive belief that reasons can integrate a necessary dimension of the microfinance borrowing decision-making process among the Islamic value conscious consumers in the context of Bangladesh financial market. These findings conform to previous several research works conducted in organic food market in different country-context (Lee &Yun, 2015; Zhang et al., 2018).

Islamic moral values are observed to be the most important concerns for the Muslim consumers who are willing to borrow funds from IMFIs in Bangladesh. These facts are lending credence to the suppositions that the Islamic moral values can have positive significant effects on reasons against (H6), reasons for (H7) and empathy (H8) toward Islamic microfinance borrowing in Bangladesh. These findings are supported by a prior study such as Ashraf et al. (2019) who demonstrated that trustworthiness can have a positive significant influence on consumers' attitude toward buying organic food products in Bangladesh.

The present research also investigated the mediating role of reasons (for and against) as well as humane attitudes toward *niyyah* to borrow microfinance from IMFIs. There are a total of four mediating hypotheses such as H9, H10, H11 and H12. Opposing to expectations, empathy was not observed to inculcate mediating influences on any of the two hypothesized associations of H9 and H10. These findings do not support the findings of prior studies which conducted in organic food marketing domain (Ashraf et al., 2019; Çabuk et al., 2014; Westaby et al., 2010). However, both reasons against and reasons for possess significant mediating roles in the link between Islamic values and empathy toward borrowing microfinance from IMFIs. While the construct of reasons against has a partial mediating role supporting H11 and reasons for has a full mediating role supporting H12. These findings are supported by Tandon et al. (2020) in the case of organic food marketing in Indian context. Thus, these findings suggest that the Islamic moral values and specific

reasons for rand against the particular behavioral contexts have both direct and indirect effects on empathy toward Islamic micro-fund borrowing from IMFIs in Bangladesh.

As for the behavior concerned, Islamic microfinance borrowing in this study, the findings indicate that borrowers are persuaded more by their perceptions about the Islamic moral values and contextual reasons for and against than empathy toward n*iyyah* to borrow microfinance from IMFIs. Beliefs about empathy *were* not significant determinants of borrowers' *niyyah* toward Islamic microfinance borrowing.

6.6 Study Implications

From a theoretical viewpoint, the results of this study show the robustness of TRB. As a theoretical base, it aids to construct a new theoretical framework for analyzing decision-making process in the Islamic behavioral domain applicable to any fields of Islamic economics, business, marketing, finance and banking, entrepreneurships (Tandon et al., 2020; Pham et al., 2019; Ryan & Casidy, 2018; Prakash et al., 2018; Çabuk et al., 2014), in leadership and politics (Westaby et al., 2010) and in urban bicycle commuting (Claudi & Peterson, 2014). Theoretically, Islamic moral values are the bedrocks of the theory of Islamic reasoned behavior. Based on such understanding, this new theory aims to predict contextual reasons for and against to influence empathy toward making a decision for a particular intended behavior as well as to explain the determinants that significantly influence that said behavior performed in a certain space and time.

From a practical viewpoint, as more and more research initiatives will come out grounding this theory framework, it would be easier for the users believing in the Islamic ethics and moral values to decide on a particular conduct or behavior. In the present study, it is evident that trustworthiness and truthfulness in rendering Islamic microfinance have the highest item loadings along with other two items of honesty and self-respect are meaningfully associated with empathy toward the intended behavior of Islamic fund borrowing. This empirical result also implies that there could be other Islamic moral values that could be associated with reasons as well as empathy of the users in the particular intended behavior in question. By and large, this theory has been proposed as a general theory which does not specify the particular values which are linked with particular contextual behavior, so determining those Islamic moral values is left up to the investigator.

7. Conclusion, Limitations and Future Work

As the objective of the paper is to explore a conceptual model that lays out a path to explanation and prediction of decision making process in the Islamic behavioral domain, the study used BRT as its research base in doing so. Moreover, the study also tests the relations between the constructs of the framework collating primary data collecting from the respondents residing in the areas where IMFIs are already in operation. The results of the analysis show that most of the associations between the constructs are significant which corroborates the validity of the framework with an empirical checkup. However, the study might not be beyond any limitations.

First of all, the research used a sample which is collected only from the outskirts of Dhaka city to test the model's cohesion between different constructs. As the study areas were confined to particular location of Dhaka district, the limitations in generalizability of the findings may apply. Besides, there are so many Islamic moral values that could determine users' empathy and intended behavior, but this study only used four of them.

As this theoretical framework has been postulated to predict and explain about the determinants of intended behavior in different Islamic behavioral contexts, future studies could examine this model in the contexts other than Islamic microfinance borrowing. These studies could be in the fields of finance, marketing, e-commerce, entrepreneurship and organizational behavior. The future studies could also include other variables which were not used in the present study.

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