## THE RELATIONSHIP OF ISLAMIC VALUES AND ORGANISATIONAL LEADERSHIP: A CASE STUDY OF MUSLIM EMPLOYEES IN MALAYSIA

By

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#### Abstract

This study seeks to measure how Islamic values relate with organisational leadership in Malaysian Banks. The determinants of Islamic values included under this study are modesty, motivation, and beliefs. The researcher sampled 194 staff as respondents employed in banks in Kuala Lumpur, Malaysia. The sample consisted of 70 male and 124 female respondents with ages ranging from 20 to 60 years. The findings show that there is a significantly strong positive correlation between organisational leadership and Islamic values, organisational leadership and modesty, organisational leadership and motivation, as well as organisational leadership and beliefs. Furthermore, there is a strong and significant correlation between Islamic values and modesty, motivation, and beliefs.

Keywords: organisational leadership, Islamic values, Muslim employees, motivation, modesty, beliefs

#### Introduction

Many scholars and researchers have argued that leaders must possess certain basic values and principles to be effective, while others argued the contrary and that only results matter, not how you get them. Research in the field of spirituality in the workplace has found many clear relations between spiritual values and practices and measures of leadership success<sup>1</sup>. Due to the wide global spread of Islam, an important mutual faith, comportment, and cultural legacy is shared. Islam is a religion revealed by God through prophet Muhammad (PBUH) to organise every aspect of man's daily affairs. It is not only a religion of spiritual practices, but a comprehensive and complete way of life that plays a very important role in Muslims lives<sup>2</sup>. The comprehensiveness of Islam appears in its ethical system which is considered one of the major ethical systems<sup>3</sup>. Thus, scholars have argued that Islam exerts a very important influence on ways in which leadership is applied and practiced in the Muslim world<sup>4</sup>.

Although much has been written on leadership in Islam, to date, empirical studies investigating how Islam influences leadership decisions within real organisational settings remain limited. In the interest of addressing this lacuna, this paper examines whether Islamic values influence leadership issues among employees of Islamic banks in Malaysia, and if so, how.

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<sup>&</sup>lt;sup>1</sup>Reave, L. (2005). Spiritual values and practices related to leadership effectiveness, *The Leadership Quarterly*, 16, 655 – 687.

<sup>&</sup>lt;sup>2</sup>An-Nabahani, T. (2001). The system of Islam. London. Al-Khilafah Publications

<sup>&</sup>lt;sup>3</sup>Obid, S.N.S., & Demikha, L. (2012). Structural Framework of Islamic Aqidah on the Practice of Earning Management. Journal of Middle Eastern and Islamic Studies, 6 (4), 51-71.

 $<sup>^{4}</sup>$ Khaliq, A. (2009). Leadership and work motivation from the cross cultural perspective, International Journal of Commerce and Management, 19(1), 72 – 84.

# Leadership in Islam

Khaliq (2009) argued that leading in the dissimilar global environment frequently means being more delicate in the direction of time, cultural, social, religious, language, and civilization differences, which is no simple mission. This complexity, lead to revolutionary research among Muslim intellectuals and academicians who wrote on leadership form an Islamic perspective and the association between Islamic values and leadership<sup>5</sup>. This is because in Islam leadership is considered to be the most important tool in establishing an ideal society that shares the noble values of Islam. For example, Khaliq and Rodrigue<sup>6</sup> argued that leadership in Islam is a trust (amanah). It signifies a mental contract between a leader and his followers that he will do his best to provide them guidance, to protect them and treat them with justice. Thus, the emphasis of leadership in Islam is to ensure goodness in the community. Khaliq (2009) argued that the leader should be a visionary leader to direct society towards accomplishing its objectives.

In addition, the Qur'an and Suna'ah is an on-going basis of guidance, if offers the main guidelines of what Islamic leadership should look like. The Quran (4:58) teaches Muslims, "When you judge between people that you judge with justice." Indeed, the concept of justice in Islam is closely attached to the matter of leadership and leaders. In terms of Sunnah, one of the famous Hadiths of the Prophet (PBUH) is, "Kullu kum ra'in wa' kullu ra'in mas'ul an rai'yati-hi [...]" meaning, "Every one of you is a caretaker, and every caretaker is responsible for what he is caretaker of" (Sahih Muslim).

In this context, scholars determined principles of Islamic leadership by depending on the Qur'an and Sunnah as sources for developing a framework of Islamic leadership that departs from Islamic ethics<sup>7</sup>. For instance, Khan (2007) identified the following as fundamental Islamic leadership principles; faith and belief, knowledge and wisdom, courage and determination, justice and compassion, unity and mutual consultation, honesty and trust, commitment and sacrifice, patience and endurance, lifelong endeavour, and gratitude and prayers. Lukman (1995) in his work classified six general principles: sovereignty (*al-Siyadah*), mutual consultation (*al-Shura*), equality (*al-Musawat*), justice (*al-'Adalah*), freedom (*al-Hurriyyah*) and forbidding the evil and enjoining the right. Adnan (2006) determined ten values of a Muslim leader, namely, conviction (*yaqin*), mutual consultation (*shura*), knowledge (*ma'rifah*), mercy (*lin*), justice (*'adl*), eloquence (*fasah*), self-sacrifice (*tadhiyah*), humility, patience (*sabr*), and enterprise (*iqdam*). This research seeks to identify the impact of Islamic ethics on leadership.

## **Concept of Islamic Values**

Values have been defined as the principles or standards that people use, individually or collectively, to make judgments about what is important or valuable in their lives<sup>8</sup>. Values exist and are communicated through social connections and may vary in different cultures and different countries<sup>9</sup>. There are a small number of core ideas or cognitions present in every society about desirable end-states<sup>10</sup>. Values are the ideas and beliefs that influence and direct our choices and actions. Many

<sup>&</sup>lt;sup>5</sup>Khaliq, A. (2009). Leadership and work motivation from the cross cultural perspective, International Journal of Commerce and Management, 19(1), 72 - 84.

<sup>&</sup>lt;sup>6</sup>Khaliq, A., & Rodrigue, F. (2011). Islamic Leadership at the International Islamic university Malaysia. International Journal of Economics, Management and Accounting, 19 (2), 121-135.

<sup>&</sup>lt;sup>7</sup>Khan, A. (2007). Islamic leadership: a success model for everyone and all times, available at: http://americanchronicle.com/articles/view/33073 (accessed 10 October 2014).

<sup>&</sup>lt;sup>8</sup> McEwan, T. (2001). *Managing Values and Beliefs in Organizations*. Prentice Hall.

<sup>&</sup>lt;sup>9</sup> Fisher, C., & Lovell, A. (2003). Business Ethics and Values. Prentice Hall.

<sup>&</sup>lt;sup>10</sup> Rokeach, M. (1973), The Nature of Human Values. New York: Free Press.

researchers regard values as consisting of independent dimensions which can be measured by single items<sup>11</sup>. Rokeach (1973) argued that values are separately organised into relatively enduring hierarchical structures of terminal and instrumental values. Terminal values are defined as a person's beliefs concerning desirable end-states of existence (ends) while instrumental values refer to a person's beliefs regarding desirable modes of conduct (means to achieve the ends).

Values in Islam are more difficult to define, and while many authors have offered some definitions, no one captures the full meaning of the word. Islamic values have been defined by Nurdin<sup>12</sup> as something that is according to the Qur'an and the hadith must adhere to truth. The Islamic values referred to in this study is that having values of Islam include: Islamic values in honesty, the Islamic values of justice, Islamic values in the mandate, Islamic values in fathonah, values in istiqomah, Islamic values in sincerity, Islamic values in patience. It has been posited that these values can deliver morally and intellectually graceful human beings<sup>13</sup>. Many researchers have sought to discover the best approach and tools for measuring Islamic values. However, the researchers in this study have identified the following three dimensions of Islamic values: modesty, motivation, and beliefs. These dimensions were chosen because they are very important characteristics for leaders and employees. Leaders as well as organisations are looking for meaning and higher purpose. This has led to discussions of the role of spirituality, religion and faith in the business world<sup>14</sup>.

# Methods

# Participants and procedure

One hundred and ninety four (194) Muslim employees were randomly selected from different Malaysian banks to participate in this study. The gender distribution was 70 male and 124 female. Their ages ranged from 21 to 60 years. Participants were assured that their responses would be kept confidential and utilised for the research purpose only. They were requested to complete the questionnaire by following the instructions found at the top of the questionnaire. Rapport was established by explaining the importance and the relevance of the study. For more information, Malaysia has a dual banking system consisting of conventional and Islamic banking.

## Measures

*Organisational Leadership*: organisational leadership was developed by Griffith<sup>15</sup> and the researchers in this paper attempt to adapt the items with the current study. After modification, we settled on 18 items. The Cronbach's alpha was .89. Participants completed the questionnaires conducted by the researcher. The scale uses a 5-point Likert response format, ranging from (1) "Strongly Disagree" to (5) "Strongly Agree".

<sup>&</sup>lt;sup>11</sup>Schopphoven, I. (1991). Values and Consumption Patterns: A Comparison between Rural and Urban Consumers in Western Germany, European Journal of Marketing, 25 (12), 20-35.

<sup>&</sup>lt;sup>12</sup>Nurdin, M. (2013). Internalization Of Islamic Values In Shaping Consciousness Pai Anticorruption Through Curriculum Development In Secondary Schools, International Journal of Scientific & Technology Research, 2(2), 30-34.

<sup>&</sup>lt;sup>13</sup>Nurdin, M. (2013). Internalization Of Islamic Values In Shaping Consciousness Pai Anticorruption Through Curriculum Development In Secondary Schools, International Journal of Scientific & Technology Research, 2(2), 30-34.

<sup>&</sup>lt;sup>14</sup>James, M., Kouzes, B. Z., Posner. (2007). The Leadership Challenge, (4th edition), John Wiley & Sons, Inc. Willowbrook, Illinois.

<sup>&</sup>lt;sup>15</sup>Griffith, J. (2003). Relation of principal transformational leadership to shool staff job satisfaction, staff turnover and school performance. Journal of Educational Administration, 42(3), 333-356.

*Islamic Values:* Islamic values consisted of 17 items. These variables were adopted from the Islamic perspective to examine its relationship with organisational leadership for which 15 items were used. The sample items include "He tries to keep a good relationship with employees in this organisation." (Item-7) and "He is sharing his opinions when he thinks that it will improve a situation" (Item-15). The scale uses a 5-point Likert response format, ranging from (1) "Strongly Disagree" to (5) "Strongly Agree".

Table 1 presents the results of the reliability statistics and exploratory factor analysis. Most of the factor loadings for each instrument exceeded 0.55, meeting the essentially significant level of convergent validity. Furthermore, the research instrument was tested for reliability using Cronbach's coefficient an-estimate, as reported in Table 1. Scale reliability greater than .70 is considered reliable. The Cronbach's a-values for all dimensions ranged from 0.84 to 0.91, exceeding the minimum of  $0.6^{16}$ .

Many studies have shown that extracting factors on the basis of the Eigen values being bigger than one can lead to an over estimation of the number of retained factors<sup>17</sup>. Accordingly, in this study the Eigen values of the factors retained was greater than 2.1. This reduces the risk of over-factoring which implies that retaining factors that have little theoretical basis can lead to misinterpretation and they may not lead to replicability of results<sup>18</sup>. In this case, factor 1 represents the maximum variance i.e. 26.63%, factor 2 (20.37%), and factor 3 (13.67%). However, retaining a one-factor solution can lead to under-factoring as it may cause considerable error<sup>19</sup>. Furthermore, the percentage variance explained by factors was sufficient (60.68%). Table 1 shows that only three factors have been retained: the first factor modesty (*F1*), the second factor motivation (*F2*), and the third factor beliefs (*F3*).

No	Items	<b>F1</b>	F2	<b>F3</b>	Alpha (a)
					.933
6	He loves his brothers and sisters in Islam as he	.902			
	loves himself.				
7	He tries to keep a good relationship with	.771			
	employees in this organisation.				
8	He is immediately apologises if he wrongs	.696			
	others.				
10	He cares about his good relations with	.693			
	employees.				
5	He deals with employees in this organisation	.675			
	as he deals with his family members.				
9	He is frequently sharing and discusses Islamic	.661			
	values with his colleagues and employees.				
12	Director/Head of department encourages his		.801		

<sup>&</sup>lt;sup>16</sup> Hair, J. J. F., Black, C. W., Babin, B. J., Anderson, R. E., & Tatham, R. L. (1998). *Multivariate data analysis* (5th ed.). NJ: Prentice Hall.

<sup>&</sup>lt;sup>17</sup> Henson, R. K., & Roberts, J. K. (2006). Use of exploratory factor analysis in published research. Educational and Psychological Measurement, 66(3), 393-416.

<sup>&</sup>lt;sup>18</sup> Fabrigar, L. R., Wegener, D. T., MacCallum, R. C., & Strahan, E. J. (1999). Evaluating the use of exploratory factor analysis in psychological research. Psychological Methods, 4, 272-299.

<sup>&</sup>lt;sup>19</sup> Wood, J. M., Tataryn, D. J., & Gorsuch, R. L. (1996). Effects of under- and overextraction on principal axisfactor analysis with varimax rotation. Psychological Methods, 1, 354–365.

	employees to create and experiment with new				
	ideas.				
15	He is sharing his opinions when he thinks that		.800		
	it will improve a situation.				
13	Director/Head of department encourages		.654		
	employees to keep trying even when the work				
	is challenging.				
16	He is working hard to achieve the		.609		
	organisation's goals in the specified time.				
14	He always thank a person when he is doing		.556		
	something nice.				
1	Director/Head of department believes that			.896	
	religion is very important for our life.				
2	Director/Head of department believes that			.872	
	Islam can solve all life problems.				
4	He makes effort to deepen his understanding			.558	
	of Islamic law.				
17	He is praying the 5 compulsory (fard) prayers			.551	
	(solat) every day.				
	Coefficient Alpha (α)	.913	.864	.844	
	Eigen values	8.485	1.233	.648	
	% of variance (total=60.96%)	49.90	7.25%	3.81%	
		%			

**Table 1**: Varimax-rotated factor loadings of the Islamic values items (N=194)

Scales/Variable	Μ	S.D	1	2	3	4	5
1. Islamic Values	63.64	9.73	1				
2. Modesty	22.24	4.11	.932**	1			
3. Motivation	18.78	2.95	.892**	.744* *	1		
4. Beliefs	15.90	2.68	.773**	.590* *	.542**	1	
5. Org Leadership	66.39	8.96	.724**	.685* *	.661**	.520* *	1

\**P* < .05. \*\**P* < .01.

**Table 2**: Correlations between Islamic values, modesty, motivation, beliefs, and organisational leadership

Table 2 shows that there is a strong positive and significant correlation respectively between organisational leadership and Islamic values (r=.724, p =.000 < 0.01), organisational leadership and modesty (r=.685, p =.000 < 0.01), organisational leadership and motivation (r=.661, p =.000 < 0.01) as well as organisational leadership and beliefs (r=.520, p =.000 < 0.01). Furthermore, there is a strong and significant correlation between Islamic values and modesty (r= .932, p = .000 < 0.01), Islamic values and motivation (r= .892, p = .000 < 0.01), and Islamic values and beliefs (r= .773, p = .000 < 0.01).

#### Discussion

This study sought to measure Islamic values and to assess its relationship with organisational leadership in Malaysian Banks. The determinants of Islamic values included under this study are modesty, motivation, and beliefs. This study emphasises that there is a strong and significant relationship between Islamic values and organisational leadership. Leadership has been defined by Murad<sup>20</sup> as the ability to see beyond assumed boundaries and to come up with solutions or paths that only few can visualise. Majali<sup>21</sup> also defined leadership as the ability to show the way, to guide or conduct, to direct and govern, and to influence the actions or opinions of others. Leadership requires leaders to have a vision that goes beyond the expectations of the followers. Beekun and Badawi<sup>22</sup> relied on two primary leadership definitions: first, it refers to a process by which the leader seeks voluntary involvement of followers in an effort to reach organisational objectives, and second, it distinguishes leadership from the more routine processes associated with management.

Nowadays, leadership has become a very important issue in organisations and is increasingly considered as a key factor for the success of any organisation. Muslim managers or leaders of global business must possess Islamic leadership skills to survive in the competitive market<sup>23</sup>. This move has caused scholars and researchers to incorporate spiritual components in the development of leadership concepts and theories<sup>24</sup>. Nevertheless, the efforts of those scholars were insufficient in exploring and emphasising the religious practices and values among leaders<sup>25</sup>. Although there are researchers who have investigated the importance of values and religiosity toward leadership <sup>26</sup>, the researches only incorporate certain religious values of leaders in studying the leaders' managerial and leadership behaviours. In this paper, the Islamic values like modesty, motivation, and beliefs are considered necessary values for any Muslim leader. These values and others Islamic core values pertain to belief, good disposition, and human relationships, such as honesty, fairness, patience, gratefulness, sincerity, and trust in Allah are mentioned by Kamar and Abdul Razak<sup>27</sup>. An in-depth understanding of knowledge and faith in Islamic matters and priorities contained in the Qur'an forms Islamic values that need to be practised by Muslims especially leaders. For example, a Muslim who possesses understanding and has the most profound conviction in Allah's reward and punishment will be motivated to internalise these values such that good attitudes and inclination toward obedience to Allah are developed.

Islam is a religion that does not separate actions that are good for one's life in this world and those that are good in the hereafter, as all actions of a person are considered religious duties, as stated in the Qur'an. Allah say: "*Truly, my prayer and my service of sacrifice, my life and my death, are (all) for Allah, the Cherisher of the Worlds.*" (Qur'an, 6:162). The Prophet Muhammad (PBUH) said, "*If Allah puts anyone in the position of authority over the Muslims' affairs and he secludes himself (from them),* 

<sup>&</sup>lt;sup>20</sup> Murad, K.(1996). Islamic Movement Theory and Practice: A Course for Those Striving for Islamic Change in the West. United Kingdom: Young Muslims.

<sup>&</sup>lt;sup>21</sup> Majali, A.S.(1990). A Proposal for the Establishment of an Islamic Leadership Institution. Islamic Academy of Science, 3(4), 251-254.

<sup>&</sup>lt;sup>22</sup>Beekun, R., & Badawi, J. (1999). Leadership: An Islamic Perspective. Kuala Lumpur: Amana Publications.

<sup>&</sup>lt;sup>23</sup>Ather, S. M., & Sobhani, F. A. (2008). Managerial Leadership: An Islamic Perspective, IIUC Studies, 4, 7-24.

<sup>&</sup>lt;sup>24</sup>Khaliq, A. (2011). An Empirical Assessment on Islamic Leadership Principles. International Journal ofCommerce and Management, 21 (3), 291–318.

<sup>&</sup>lt;sup>25</sup> Beekun, R., & Badawi, J. (1999). Leadership: An Islamic Perspective. Kuala Lumpur: Amana Publications.

<sup>&</sup>lt;sup>26</sup> Shee, S., Ji, C., & Boyatt, E. (2002). Religiosity in Christian educational leadership. Journal of Research on Christian Education, 11, 59-86.

<sup>&</sup>lt;sup>27</sup> Kamar, O.K., & Abdul, R.A.H. (2007). Managerial Ethics of Public Administrators from the Qur'ānic Perspective." Proceedings of International Conference on Management from Islamic Perspectives. Hilton, Kuala Lumpur: Kulliyyah of Economics and Management Sciences, International Islamic University Malaysia.

not fulfilling their needs, wants, and being spared from poverty, Allah will keep Himself away from him, not fulfilling his need, want, and being spared from poverty" (Sahih Muslim). Toor <sup>28</sup> reported that the values are very important in the Islamic leadership framework. He considers values fundamental in the leadership framework and the formation of leader characteristics that are required by Islam.

Modesty as well as humility are Islamic values among the many layers of meanings of the term Godconsciousness. For a leader, it is of paramount importance as the power and authority he acquires can easily make him arrogant. Zaid bin Talha reported, God's Messenger (PBUH) as saying, "*Modesty and Faith are companions; when one of them goes out, the other follows it.*" He also reported, God's Messenger said every religion has a character and the character of Islam is Modesty. Prophet Muhammad (PBUH) is the best example for us; he was a perfect model of modesty.

Motivation refers to internal factors that impel action and to external factors that can act as inducements to action. Motivation refers to a leader who is able to inspire and motivate the followers to share the vision of the organization and willingly participate in the effort to achieve the organization's goals<sup>29</sup>. Furthermore, motivation can affect not only the acquisition of people's skills and abilities but also how and to what extent they utilize their skills and abilities<sup>30</sup>. Several studies stated that there a positive relationship between leadership and motivation. Linlin and Milla<sup>31</sup> found that the positive relationship between leadership and motivation is very strong, which means that the more effective leadership, the more motivated employees. By meeting employee requirements and needs, leaders may motivate employees to contribute more. Organisational literature has stated that higher productivity, lower rates of employee turnover, higher levels of job satisfaction, and higher motivation are immediate consequences of transformational leadership more than any other leadership style<sup>32</sup>.

A good leader creates a sense of trust, appreciation and respect from their followers<sup>33</sup>. Furthermore, the leader tries to focus on goal achievement through enhancing and motivating the employees' self-confidence. As earlier emphasized, transformational leadership enhances the employees' confidence to be effective players to the overall organisational effectiveness. It promotes the development of critical and creative thinking skills and being responsible<sup>34</sup>. Leaders are identified by their followers as role models and are deeply trusted and respected by the followers. Leaders present visions to their followers. By establishing intense emotional bonds with followers, the leader inspires and motivates followers to become committed and willing to share the visions. Transformational leadership attempts

<sup>&</sup>lt;sup>28</sup> Toor, S.R. (2007). An Islamic Leadership Theory: Exploring the Extra Dimensions. Proceedings of International Conference on Management from Islamic Perspectives. Hilton, Kuala Lumpur: Kulliyyah of Economics and Management Sciences, International Islamic University Malaysia.

<sup>&</sup>lt;sup>29</sup> Bass, B. M., & Avolio, B. J. (1994). Improving organizational effectiveness through transformational leadership. Thousand Oaks, CA: Sage.

<sup>&</sup>lt;sup>30</sup> Locke, E. A., & Latham, G. P. (2004). What Should We Do about Motivation Theory? Six Recommendation s for the Twenty-First Century. The Academy of Management Review, 29(3), 388-403.

<sup>&</sup>lt;sup>31</sup> Linlin, JU. & Milla, T. (2005) In Search of Linkages – Examining the Relationships between Employee Attitudes, Customer Satisfaction and Business Performance.

http://gupea.ub.gu.se/dspace/bitstream/2077/2235/1/Linlin\_+\_Toropainen\_MIM.p df (accessed 10/02/2010).

<sup>&</sup>lt;sup>32</sup> Masi, R. J., & Cooke, R. A. (2000). Effects of transformational leadership on subordinate motivation, empowering norms, and organizational productivity. International Journal of Organizational Analysis, 8(1), 16-47.

<sup>&</sup>lt;sup>33</sup> Bass, B. M., & Avolio, B. J. (1993) 'Transformational leadership: A response to critiques', In M. M. Chemers and R. Ayman (eds.), Leadership theory and research: Perspectives and directions, San Diego, CA, Academic Press, 49-80.

<sup>&</sup>lt;sup>34</sup> Sosik, J.J., Godshalk, V.M., & Yammarino, F.J. (2004). Transformational leadership, learning Goal Orientation And Expectations For Career Success In Mentor-Protégé Relationships: A Multiple Levels Of Analysis Perspective. Leadership Quarterly, 15, 241-261.

to motivate followers to be innovative and creative by trying new approaches to deal with problems in the organization. In addition, by developing personal relationships with each follower, noticing the individual needs of followers, and giving each follower considerations depending on their differences, leaders create supportive climate in the organisations so that followers can be assisted to become self-actualised<sup>35</sup>.

Based on the literature on the concept and role of beliefs in the context of employees in organisations, the beliefs are a very important factor for the employees and leaders. James et al<sup>36</sup> found that effective leaders set the example through daily actions that demonstrate that they are deeply committed to their beliefs. James et al also stated that the most admired leaders are people with strong beliefs about matters of principle. They have an unwavering commitment to a clear set of values.

In Islam, leadership is rooted in belief and willing submission to the Creator, God. It centres on serving Him. A leader with strong *iman* (conviction) will consider himself and all his possessions as belonging to God. He will bow his ego, his ideas, his passions and his thinking to God<sup>37</sup>. *Iman* also implies belief in the life hereafter and in one's ultimate accountability for one's deeds. A leader with firm *iman* will not dodge responsibility for his actions, and will continuously emphasise good deeds. To reinforce this idea, the Qur'an links *iman* with good deeds no less than 60 times. Although Muslims consider it desirable to appoint a leader with *iman*, it may not always be possible to find such a person. An organisation may have to choose between a strong Muslim with weak leadership skills and a strong leader with moderate/weak Islamic understanding<sup>38</sup>. The example of Amr Ibn al-'Aas is to be remembered here. He had been a Muslim for only four months when he was appointed by the Prophet Muhammad (PBUH) to a key leadership position. This issue was explained by Ibn Taymiyya in his book *al-Siyasah al-Shar'iyya*<sup>39</sup>. Beekun and Badawi<sup>40</sup> also stated that a leader with weak or inadequate expertise can bring disaster to an organisation whereas a skilled leader may advance and help the same organisation. Even if the skilled leader is not a strong Muslim, his shortcomings can be made up through *shura* or the consultative process of decision making.

## Conclusion

This study sought to measure the Islamic values of modesty, motivation, and beliefs to assess its relationship with organisational leadership. The results showed that there was a positive and significant relationship between organisational leadership with Islamic values. Islamic values are very important factors for Muslim leaders. Leaders are people with strong beliefs and values about principles and observe daily actions that demonstrate that they are deeply committed to their beliefs, basic values. They are able to inspire and motivate followers to share the vision of the organisation and willingly participate in the effort to achieve the organisation's goals. Furthermore, effective leadership has the greatest impact in those conditions in which it is most needed. This evidence supports the present widespread interest in improving leadership as a key to the success of organisations.

<sup>&</sup>lt;sup>35</sup> Northouse, P. G. (2001). Leadership-Theory and practice (2nd ed.). London: Sage Publications.

<sup>&</sup>lt;sup>36</sup> James, M., Kouzes, B. Z., Posner. (2007). The leadership challenge, (4th edition), John Wiley & Sons, Inc. Willowbrook, Illinois.

 <sup>&</sup>lt;sup>37</sup> Beekun, R., & Badawi, J. (1999). Leadership: An Islamic perspective. Kuala Lumpur: Amana Publications.
 <sup>38</sup> Ibid.

<sup>&</sup>lt;sup>39</sup> Jabnoun, Nacer. (1994). Islam and Management, Institut Kajan Desar, Kuala Lumpur, Malaysia.

<sup>&</sup>lt;sup>40</sup>Beekun, R., & Badawi, J. (1999). Leadership: An Islamic perspective. Kuala Lumpur: Amana Publications.

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