



AENSI Journals

Australian Journal of Basic and Applied Sciences

ISSN:1991-8178

Journal home page: www.ajbasweb.com



Islamic Leadership Inventory For Organisations

Mahazan, A.M., Mizan Adiliah, A.I., Wan Mohd. Fazrul Azdi, W.R., Nurhafizah, S., Mohd. Zainol, A.A., Salhah, A., Amin Al-Hadi, S., Saedah, A.G., Abdul Halim, H.

Faculty of Leadership and Management, Universiti Sains Islam Malaysia.

ARTICLE INFO

Article history:

Received 8 August 2014

Received in revised form

12 September 2014

Accepted 25 September 2014

Available online 2 November 2014

Keywords:

Islamic Leadership Inventory,
Leadership Behaviour, Managerial
Leadership, Servant Leadership

ABSTRACT

The purpose of this research is to develop a specific inventory of Islamic Managerial Leadership (IL) for Islamic professionals in organisations. The inventory is expected to be a combination of modern dimensions of conventional managerial leadership and fundamental dimensions of Islamic leadership. The dimensions of ILI were inductively developed through comparative content analysis based on the concept of Servant Leadership (S-L) and the Islamic Leadership (I-L). The content analysis revealed 19 separate clusters in which 79 items were identified for ILI. Most of the items are self-developed, based on several widely-used managerial leadership inventory. ILI was distributed to 120 Muslim professionals with leadership roles in Malaysia. The results of the Principal Component Analysis revealed the presence of 10 clusters with eigenvalues exceeding 1, explaining 56.47% variance. The 10 clusters could validate the 19 clusters identified in the comparative content analysis based on the reason that most of the items are loaded in the 10 clusters. In addition, each dimension has good internal consistency, with a cronbach alpha coefficient between 0.612 to 0.957. As a result this paper argues that ILI could be used to measure Islamic Leadership practices of professionals based on the theoretical foundation of the inventory and the above results obtained from the empirical investigation conducted for the inventory. Future research could investigate ILI with leadership performance variables to increase the validity of the inventory.

© 2014 AENSI Publisher All rights reserved.

To Cite This Article: Mahazan, A.M., Mizan Adiliah, A.I., Wan Mohd. Fazrul Azdi, W.R., Nurhafizah, S., Mohd. Zainol, A.A., Salhah, A., Amin Al-Hadi, S., Saedah, A.G., Abdul Halim, H., Islamic Leadership Inventory For Organisations. *Aust. J. Basic & Appl. Sci.*, 8(16): 70-78, 2014

INTRODUCTION

The current development of leadership theories and models has moved researchers to revisit some of the fundamental and underpinning philosophies. The movement has enlightened researchers to incorporate spiritual elements in the development of leadership concepts and theories (Khaliq Ahmad, 2011; Abdul Rashid Moten, 2011; Bird, Ji, & Boyatt, 2004). Nevertheless, the efforts of those scholars were insufficient in exploring and emphasizing the religious practices and values among leaders (Badawi & Beekun, 1999). Although there are researchers who have investigated the importance of religiosity towards leadership (see Shee, Ji, & Boyatt, 2002), the researchers only incorporate certain religious values of leaders in studying the leaders' managerial and leadership behaviours. Furthermore, the religiosity and spirituality elements are rarely integrated with current development of managerial leadership behaviour measures. The lack of integration has caused the variable (i.e. religiosity and spirituality) to be perceived as distinct but interrelated with leadership behaviour.

The Islamic Leadership Inventory or ILI acts as a measure of effective Islamic leadership behaviour. Theoretically, this could be done by integrating list of behaviors that have been identified as important for organizational leaders with behaviors that are stressed in classical and modern literature discussing leadership in Islam. In other words, ILI is expected to act as a set of Islamic leadership behaviour taxonomy which consist of dimensions or constructs that are uniquely related to Islamic Leadership. Based on its theoretical foundation, each of the dimension in ILI consists of both effective leadership and Islamic leadership behaviour items, which could help researchers to explore the concept of Islamic leadership behaviour in various context and settings.

This research, therefore, provides an argument that religious philosophies could be represented in several dimensions and could be adapted in the conventional measures of managerial leadership. Moreover, this research demonstrates a clear pattern of Islamic leadership behaviour inventory or could be established by applying the measure to a group of executives and professionals in business and non-business organisations. As

briefly discussed above, in the case of Islamic Leadership Inventory or ILI, this research contends that the process of developing the inventory should commence by conducting a structured procedure to analyse conventional literature of managerial leadership theories and practices. In performing the analysis, this research organised the differences between conventional managerial leadership behaviour theories and practices with Islamic leadership concept through hermeneutics content analysis (Neuman, 1997). The content analysis was conducted on some selected literature of Islamic Leadership and Servant Leadership.

Managerial leadership literature was used to provide important dimensions of managerial leadership behaviour in the attempt to frame the content analysis in a more organizational-centric manner (i.e Yukl, 2013; Yukl, Gordon, & Taber). The notion to adopt content analysis to establish the dimensions of Islamic Leadership and Servant Leadership arose from three scholastic arguments pertaining to the concept of Servant Leadership.

Firstly, Badawi and Beekun (1999) argue that the ideas that underpinned the concept of Servant Leadership have been outlined in the teachings of Islam. Secondly, Humphreys (2005) states that the concept of Servant Leadership is only practical in static environments. Finally, Whetstone (2002) argues that the concept of Servant Leadership is insufficient to be used on employees or followers who are less-naïve and are capable of exerting excessive and self-interest influence on leaders.

On the basis of the above arguments, particularly the first one, this research aimed to enrich the understanding of Servant Leadership by examining it from the perspectives of Islamic Leadership. In other words, the basic dimensions of the analysis are expected to be Islamic Leadership while incorporating Servant Leadership items in the dimensions. The understanding of Managerial Leadership will frame the analysis in order to maintain its organisational-centric nature. In line with the aim of this research, the development of a specific inventory of Islamic Leadership will be utilized among executives and leaders of organisations. Figure 1 depicts the relationship between the three concepts clearly:

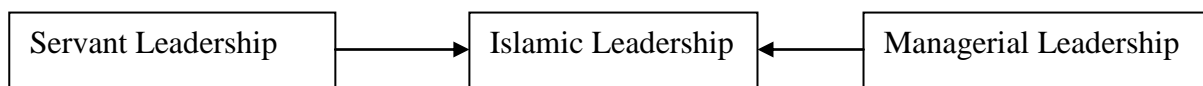


Fig. 1: Islamic Leadership as the Centre of Managerial Leadership and Servant Leadership

a. Islamic Leadership:

Islamic Leadership could be manifested from both exoterical and esoterical features. Exoteric refers to the outer dimension of Islamic leadership such as the behavior, process and skill; while esoteric explains the inner dimension of Islamic leadership namely values, its relation to the Sacred, the sovereignty of God and others (see Faivre, 2005 in Jones *et al.*, year, p. 2842). Exoterical features are perceived as the conventional definitions of leadership in which leadership is treated as a process, ability, skill or behaviour (Yukl, 2006). Esoteric, on the other hand, is the root of Islamic leadership, from which the exoterical features bloom and manifest. The esoterical features of Islamic leadership are underpinned in the philosophy, concept and core values of Islam. The exoterical features are the observable and sensible factors which derived from the esoterical features. For instance, a Muslim leader leads his people through deliberation (*shura*) and empowerment (*tafwid*), backed by principles and core values of Islam.

Mankind as the vicegerent of God, the Most High (*Al- 'Ali*), represents Him in the task of comprehending, conveying and executing the stipulated rules of Allah SWT. Man act as leaders in its varieties of level: upon self, family, neighborhood or state; and areas: religion, education, politics, economics and armed forces. (Al-Zuhayli, 1418H, pp. 122-135).

In the Quran and the Sunnah, the issues of leadership have been mentioned in many ways, either by emphasizing on its principles or examples. The word Imam, which means leader in its many forms such *Imam*, *Imaman*, *Imamihim* and *A'immah* has been mentioned 11 times in the Quran and innumerable in the Sunnah (Muhammad Fu'ad, 2001). Besides the word *imam* or leader, *Al-Quran Al-Karim* also discussed bad leadership. For example, Surah Al-Naml 27: verse 34 Allah SWT described bad leadership in the story of Queen Balqis: "She said: "Kings, when they enter a country, despoil it, and make the noblest of its people its meanest thus do they behave." Thus, it should be understood that in Islam, leadership should not only be perceived from the standpoint of effective leadership process but also from the perspectives of how a leader could be perceived as bad and sinful.

b. The Concept of Servant Leadership:

Robert K. Greenleaf (d. 1990) is recognised as the founding father of S-L. The *Servant as Leader* (1970) and *Servant Leadership: A journey into the nature of legitimate power and greatness* (1977; 1991; 2002), have contributed significantly in influencing the writings of scholastic journals and articles (Frick and Spears, 1996). In addition, there are more than 90 unpublished essays that Greenleaf left after he died. Some of the books issued are based on these unpublished essays and have subsequently been published as edited collections. The

books entitled *On Becoming a Servant Leader* (1996) and *Seeker and Servant: Reflections on Religious Leadership* (1996) are among the examples. These books that were published posthumously conveyed “to the public for the first time essays that reveal Greenleaf’s evolution in thinking over a period of fifty years of his works” (Frick & Spears, 1996, p.xiii). In addition to Greenleaf’s essays and articles that have been republished, there are also journals and articles from different authors that analysed the concept of S-L by Greenleaf. Therefore, his influence has forced many scholars to re-think the *bonafide* purpose of leadership.

Drawing from the work of Greenleaf in discussing the concept of S-L, this article examines in greater detail the concept of S-L found in the literature. Cunningham (2004, p.1) concurs that S-L is a concept which attempts “to instigate a cultural revolution-not just in terms of executive behaviours, but in terms of the mindset that dissociate material situations from psychological or spiritual health”. In a similar vein, Cunningham indicates that the “concept of S-L intends to communicate that serving, leading, receiving and giving are intermingled and not so discrete and dissociated as some economists or social theorists might think” (Cunningham, 2004, p.2).

Stone, Russel, and Patterson (2004) argue that the main understanding which underpins the concept of S-L is that the theorists or researchers should disengage from the materialistic and leader-focussed elements in leadership activities. They contend that the scholastic work should move to the ones that are more spiritual in nature and focus more on followers or members of any organisations. The concept of S-L requires leaders to be compassionate, caring and also trustworthy to the members of organisations. It is argued that the S-L concept is useful in enhancing the quality of leadership performance. The current research also argues that S-L is a very convincing concept which could potentially replace other traditional and modern concepts of leadership due to its influence in inculcating morals and ethics (Ciulla, 2005; Dittmar, 2006; Lloyd, 1996; Riverstone, 2004).

c. Managerial Leadership:

The research on conventional managerial leadership generally aimed to investigate the extent to which a leader is able to exert his or her influence toward the followers in multiple or across organizational levels (Hunt, 1991; Yukl, 2006). Although there were disagreements in categorising leaders in different levels of managerial positions (Hunt, 1991), the confusion does not hinder researchers’ interest to study leadership from multiple perspectives. Leadership researchers were emphasized to focus on multilayers of leaders and through variety of methodology in disseminating information with regard to leadership or leadership practices (Yukl, 2006).

In line with the above arguments, it has become the impetus of this research to focus not only on leadership but also on the outcomes of leadership processes. Yukl (2006) also stated that most leadership researchers and theories always treated leadership variables as the independent variables in their research. He further stressed that this situation should be rectified since leadership variables could function as the independent and dependent variables. This reasonable argument is supported by other groups of leadership scholars (e.g. House & Aditya, 1997; Zaccaro, Kemp, & Bader, 2004) who investigate the process of leadership or behaviours.

Moreover, the scholars also highlight that leadership researches should not only focus on leadership per se. Researches need to incorporate organizational elements such as followers’ characteristics, economic conditions, nature of organizations and work (House & Aditya, 1997; Yukl, 2006). Hence, the call for integrating multidimensional perspectives of leadership research which focuses on factors of leadership process and its outcomes has made future study of leadership to be very challenging and enriching.

Scholars also argued that the previous leadership researchers mainly focused on theory- building that were based on experiments or observations conducted on non-leaders (i.e; college students) (Yukl, 1989; 2006). Undeniably, the approach has vastly contributed to the development of leadership theories and models. Nevertheless, continuous efforts should be carried out by further investigating the information obtained in laboratories on leaders from multiple levels and across organizations. Thus, based on the critiques and gaps found in the literature, this current research aims to expand previous theories and researches on organizational leadership. The aim is to be achieved by investigating the issue of effective managerial leadership practices from the perspective of conventional managerial leadership and Islamic leadership. Furthermore, the findings of this research are expected to be able to bridge the gap between the arts of Islamic leadership (that has been thoroughly discussed in some classical Islamic literature) and modern leadership practices.

The Islamic Leadership Model that will potentially be developed in this research utilizes the data that will be obtained from Malaysia Muslims’ managers and leaders in various organizations. This research proposes that the analysis of modern leadership theories and practices from the Islamic leadership viewpoints and investigate them upon contemporary Muslim leaders and managers, could facilitate a greater understanding of the process of Islamic leadership.

Research Methodology:

This section is divided into three subsections; the research approach, data collection procedure, and data analysis.

a. Research Approach and Design:

This research applied both inductive and deductive approach in developing and validating the Islamic Leadership Inventory. Through inductive approach, this research content-coded three categories of literature or (1) Islamic Leadership, (2) Servant Leadership, and (3) Managerial Leadership. The focus of the content analysis was to establish relationships between the three concepts above while contemplating its understanding (Neuman, 1997). In doing so, this research argues that the basic dimensions of the inventory should be derived from Islamic Leadership literature while Servant-Leadership elements will be incorporated in the dimensions. Meanwhile, Managerial Leadership was adapted in order to maintain the organisational-centric nature.

In relation to Islamic Leadership, this research has focused on analysing the characteristics of leadership that underpin the concept of S-L by drawing on the principles of I-L which are regarded as universal.

The characteristics of I-L have been identified by Noor (2002) and Badawi and Beekun (1999). These characteristics of I-L were further compared to the characteristics of S-L that could be found in the works of Dittmar (2006), DeGraaf, Tilley, and Neal (2004), and Spears and Lawrence (2004) in order to identify the similarities and differences between I-L and S-L. Details of Managerial Leadership were obtained through the work of Yukl (2013) and Yukl, Gordon, and Taber (2007) in their Tridimensional Leadership Theory and the widely-used Managerial Practice Survey (MPS).

The focus is to examine the characteristics of S-L, M-L with I-L. A series of comparative content analyses have employed an Interpretative Social Science (ISS) perspective. Comparative content analysis and Interpretative Social Science (ISS) are closely related with hermeneutical approach used by this research (Neuman, 1997). In the deductive procedure, this research applied rotated and unrotated Principal Component Analysis to investigate the relationship between each behaviour of Islamic leaders. The results of the PCA was further compared to the dimensions of Islamic Leadership behaviour that were identified by using comparative content analysis procedure above.

b. Data Collection Procedure:

In line with the inductive procedure, the data was obtained from secondary sources. Articles from the literature were considered as the units of analysis (Neuman, 1997) for this research (1st procedure). In the second procedure, this research has distributed original version of Islamic Leadership Inventory which consists of 79 items with 5 point Likert-scales (1 Strongly Disagree to 5 Strongly Agree). The items were identified based on the comparative content analysis which was conducted on three categories of leadership literature. The inventory was distributed to 120 selected Muslim professionals and executives with leadership roles in an Islamic-based organisation in Malaysia (Islamic University). The executives in Islamic organisation were chosen to enable the findings of this research to be more central toward Islamic environment. Nonetheless, based on the factor that the data were collected from the respondents with different academic backgrounds (religious and non-religious) and hold organisational managerial and leadership roles, this research argues that the findings could also be used to represent managers and leaders in other organisations. The argument could be supported by the design of the inventory which has incorporated conventional and Islamic leadership behaviours.

c. Data Analysis Procedure:

In the first procedure (content analysis), this research organised the data by using two cataloguing or coding systems, namely open coding system and axial coding system (Strauss & Corbin, 1998). The data were first catalogued through open coding. Open coding is a process of breaking down, examining, comparing, conceptualising, and categorising the data (Strauss & Corbin, 1998). This process ensures that every detail of the literature that could provide this research with data would be identified in order to be further analysed by using an axial coding process. Strauss and Corbin (1998) emphasize that the best step to open code is by conceptualising, categorising or naming, and subcategorising the data. The coding system used in this study accords with the purpose of answering the research questions and the research objectives.

In open coding process, the data were categorised into two major categories, firstly the background of the literature and secondly, the contents framework of the literature. Each of the major categories has their own subcategories. In the data analysis procedure, based on the works of Noor (2002) and Badawi and Beekun (1999), 19 characteristics and values of leadership were identified in order to analyse the major characteristics and values of leadership that were found in the literature of S-L and M-L. These characteristics were used to develop the preliminary framework for the content analysis, with the literature clustered accordingly. The 19 clusters are; (1) Mutual Consultation and High in Diplomacy, (2) Justice and Equity, (3) Freedom of Expression, (4) Empowering Intelligent, Wisdom and Encourage Synergy, (5) Protection of Employees Integrity, (6) Accountability and Trustworthiness, (7) Shared Values and Beliefs, (8) Security, (9) High Morality, Ethics, Humility with Self Esteem and Good Personality, (10) Profit-Oriented, (11) Orientation to Altruism and Employees, (12) Moderation and Balance, (13) High Self-Esteem and Emotional Maturity, (14) Mutual Respect and Maintenance of Relationship, (15) Spirituality, Religiousness and Piety, (16) Willingness to Learn, (17)

Being Influential and Supportive, (18) Social Responsibility, and (19) Coerciveness under Certain Circumstances with Limitations.

All leadership characteristics and values that were found in the literature were coded using these 19 characteristics. The focus was aimed to compare the concept of S-L, M-L with I-L in the categorising steps. The process facilitated this research in identifying the similarities and differences between S-L, M-L and I-L. Any additional data were also noted for later categorisation in the process of analysis.

In the second procedure, 79 items with 5 point Likert-scale were developed based on the nineteen characteristics of I-L. Specifically, the items were adapted from widely-used Managerial Practice Survey (MPS) (Yukl, Gordon, & Taber. 2007); Yukl, 2013). Nonetheless, in order to make the items suitable with I-L, items from MPS were applied to provide this research with clear guidelines of organization-based survey items. In doing so, the items were modified and some items were created based on the focus of nineteen clusters of I-L. The 79 items which represent the 19 clusters were then distributed to 120 respondents with leadership roles. This research applied the factor analysis procedure and cronbach alpha reliability analysis to analyse and compare the findings with the results of the first procedure or the content analysis procedure which revealed that I-L has nineteen separate dimensions.

Results:

In addition to the content analysis procedure conducted on the literature of I-L, S-L, and M-L, this research analysed the data collected from 120 Muslim executives with leadership roles by using two analyses. First is the factor analysis and secondly the Cronbach alpha reliability analysis. Factor analysis was conducted in order to explore possible factors that reveal based on the responds of the 120 Muslims executives. The analysis is important to enable this research to explore the validity of ILI based on its construct (Pallant, 2001) as compared to the initial nineteen clusters identified by using content analysis procedure. The separate clusters revealed in the factor analysis were further analysed its reliability by using Cronbach's alpha reliability analysis procedure.

a. Validity of the ILI:

This research applied two techniques to measure validity of the scales used. The two techniques were content validity and construct validity (Sekaran, 2003). This research assessed content validity of the instruments and scales by using face validity technique (Sekaran, 2003). In the face validity procedure, the original English version and the translated Malay version of the measures were forwarded to two senior lecturers in the management field of study. The lecturers gave a positive feedback on the measures and agreed the items in the scales are suitable to be used in this research. Nevertheless, face validity procedure is often regarded as insufficient to assess the goodness of measures used in a research (Sekaran, 2003). Due to this reason, in addition to the face validity procedure to establish content validity, this research also assessed the construct validity of the scales by using one procedure factor analysis procedure (Sekaran, 2003). Specifically, this research applied principal component analysis (PCA) procedure or "a form of factor analysis that is commonly used by researchers interested in scale development and evaluation" (Pallant, 2001, p.156). It is also worth to note that, even though ILI is supported by theories, the construct validity of the scales could be increased if a researcher conducted a specific test to verify its underlying structure. In the following paragraphs, based on the guides of Pallant (2001) as well as Hair *et al.* (2010), this research will discuss procedures or steps taken to conduct the analysis of PCA on the 79 items of ILI.

According to Hair *et al.* (2010), after identifying the objectives of factor analysis, researchers should design the procedure of factor analysis. There are three initial steps that need to be taken to design a factor analysis and to assess the suitability of data for the procedure (Hair *et al.*, 2010; Pallant, 2001). First, assessing "the sample size necessary, both in absolute terms and as a function of the number of variables in the analysis" (Hair *et al.*, 2010, p.100). Second is "inspecting the correlation matrix for coefficients of 0.3 and above, and calculating the Kaiser-Meyer-Olkin Measure of Sampling Adequacy (KMO) and Bartlett's Test of Sphericity" (Pallant, 2001, p.157). And finally, "determining how many underlying there are in the set of variables" (Pallant, 2001, p.157).

In the first procedure, based on the advice of Hair *et al.* (2010), this research assumed that the observations conducted for this study, (i.e. 120 observations) are sufficient to enable the principle component analysis (PCA) procedure to be conducted. This is because Hair *et al.* (2010) suggested a sample size of higher than 100 would be preferable for factor analysis procedure. Thus, the 120 observations conducted in this research should be considered as sufficient. In addition, the observations are far higher than the minimum requirement highlighted by statisticians or 50 observations and a desired ratio of 5 observations per variable (Hair *et al.*, 2010). Furthermore, researchers should always "specify the potential dimensions that can be identified through the character and nature of the variables submitted to factor analysis" (Hair *et al.*, 2010, p.99). Thus, based on the reasons that ILI scale has theoretical supports and adapted items for ILI were investigated in previous studies, the researcher assumed the variables were fit for factor analysis procedures. The factor analysis procedure could also be used to assess the construct validity of ILI when compared with the original 19 clusters identified by using content analysis procedure.

In the second procedure of PCA, this study assessed the correlation matrix of the ILI scale. The correlation matrix revealed the presence of many coefficients of 0.3 and above. Furthermore, as also displayed in table I, the Kaiser-Meyer-Oklin value was 0.658 for ILI scale exceeding the recommended value of 0.6 (Kaiser, 1970, 1974, as cited in Pallant, 2001). The same was also found in the Bartlett's Test of Sphericity (Bartlett, 1954, as cited in Pallant, 2001). The scores of the ILI scale reached statistical significance of < 0.05 as suggested by Pallant (2001) and Hair *et al.* (2010). Therefore, the scores justify the factorability of the ILI scale.

Table I: Kaiser-Meyer-Oklin (KMO) Value and Bartlett's Test of Sphericity Value for the ILI Scale

Measures	Kaiser-Meyer-Oklin (KMO) value	Bartlett's Test of Sphericity value
Islamic Leadership Inventory	0.658	Sig. 0.000

Table II: Varimax Rotation of Ten Factor Solutions for ILI Scale

ITEM S	F1	ITE MS	F2	ITE MS	F3	ITE MS	F4	ITE MS	F5	ITE MS	F6	ITE MS	F7	ITE MS	F8	ITE MS	F9	ITE MS	F10
B6	.811	B10 _1	.64	B1 3_8	.68	B1 2_2	.71	B9 _4	.71	B3 _6	.66	B15 _6	.76	B9 _3	.68	B1 0_5	.58	B13 _10	.66
B5	.809	B10 _2	.62	B1 3_7	.58	B1 2_1	.64	B1 1_1	.64	B1 _3	.64	B15 _5	.51	B1 0_4	.58	B6 _3	.57	B13 _9	.63
B4	.807	B15 _3	.55	B1 4_4	.55	B1 6_2	.48	B1 1_2	.53	B1 _2	.52	B15 _2	.50	B1 5_4	.58	B1 3_4	.32	B1 _1	.38
B3	.802	B9 _2	.52	B1 4_3	.55	B7 _3	.48			B3 _8	.51	B15 _1	.43	B4 _5	.57			B13 _1	.36
B3	.790	B11 _4	.51	B1 4_2	.51	B1 2_4	.45			B3 _7	.50			B1 5_7	.48				
B3	.779	B16 _1	.49	B6 _1	.43	B1 2_5	.43			B1 _4	.41			B2 _3	.36				
B8	.772	B11 _5	.49	B1 3_6	.39	B1 6_3	.42												
B7	.766	B13 _2	.48			B7 _2	.37												
B6	.749	B13 _3	.43			B1 4_1	.35												
B6	.747	B13 _5	.40																
B8	.743	B11 _3	.39																
B5	.728	B10 _3	.37																
B2	.719																		
B8	.707																		
B9	.700																		
B3	.687																		

Note. Only loadings above 0.3 are displayed

In the third procedure of PCA, this research assessed how many underlying structures there are (Pallant, 2001) in the ILI scale. PCA revealed the presence of ten components with eigenvalues exceeding 1 explaining 60.469 cumulative percentage. Furthermore, an inspection of the scree plot in figure 1 showed an obvious break after the second component. Hair *et al.* (2010) suggested few considerations to assist researchers to retain the number of factors for any metric scale. First, researchers should look for factors with eigenvalues greater than 1.0. Second, researchers should have a predetermined number of factors based on previous studies or theories

and in this case the nineteen clusters of I-L that was identified by using content analysis procedure. Third, sufficient factors to meet a specified percentage of variance explained, usually 60% or higher. Fourth, factors shown by the scree test to have substantial amounts of common variance. Fifth, more factors when heterogeneity is present among sample subgroups. Based on the advice of Hair *et al.* (2010), this research retained ten components for further investigation. This is based on the reason that items are clearly loaded in the 10 components rather than the original 19 components. Nevertheless, the results did not restrict the 19 original clusters of I-L because most of the items loaded well within the 10 components identified in PCA. In order to interpret the above results, Varimax rotation was performed for the ILI scale (Pallant, 2001). The results from Varimax rotation in table II below and showed the items were not grouped clearly in 19 components. Based on the advice of Pallant (2001), this research reduced the items into 10 components. The results from Varimax rotation as displayed in table II below showed the items loaded quite well on 10 components. Even though, some of the items loaded more in component I and II, we could argue that the results seem to show the scale has ten separate dimensions.

b. Reliability of the ILI:

This research measured the reliability of its scales by using Cronbach's coefficient alpha test (Sekaran, 2003; H. Osman, 2004; Pallant, 2001). This is because the 79 items of ILI were measured by using multipoint-scaled items (Sekaran, 2003). The procedure of coefficient alpha checks for internal consistency of scale, assesses whether the items in the scale is measuring the same underlying constructs, and whether the scales are free from measurement error (Pallant, 2001; Sekaran, 2003; Thorndike, 2005). This research assumes the scales used in this research are reliable if the Cronbach's coefficient alpha scores of each tool exceed the minimum scores highlighted by scholars which are 0.60 to 0.70 (Hair *et al.*, 2010; Nunally, 1978).

Based on the data collected from the 120 samples, Cronbach's alphas reported for every component identified by using PCA are presented in table II below. Based on table III, the scales that were used in this research have an average to high internal consistency with Cronbach's alpha coefficient values between 0.612 and 0.957 for all components.

Table III: Cronbach's Alphas for each of the Ten Dimensions of ILI

Measures	Cronbach's alphas	Measures	Cronbach's alphas
Factor 1	0.957	Factor 6	0.714
Factor 2	0.821	Factor 7	0.705
Factor 3	0.758	Factor 8	0.657
Factor 4	0.820	Factor 9	0.612
Factor 5	0.694	Factor 10	0.701

Based on table III above, the scales that were used in this research have an average to a high internal consistency with Cronbach's alpha coefficient values found between 0.612 to 0.957. The alpha value obtained for ILI scale could still be accepted because it was higher than the acceptable minimum value 0.6 to 0.7 (Hair *et al.*, 2010). Therefore, based on the factor that the Cronbach's alpha coefficient values for ILI exceeded the minimum level of alpha values as argued by scholars (Hair *et al.*, 2010; Nunally, 1978), this research assumed the ten components of ILI have good internal reliability. Nevertheless, a scale should not only be reliable but also valid. The validity of ILI could be supported based on the reason that the original 19 clusters of ILI were developed based on three theories of leadership or I-L, S-L, and M-L. Furthermore, the identified 10 components of ILI based on the PCA did not nullify the 19 original components. This is because, all of the items for the 19 clusters of ILI loaded quite clearly in the 10 components of ILI.

Suggestion and Conclusion:

This research aims to introduce a specific Islamic Leadership inventory that enable to cover three important worldview of leadership or Islamic Leadership, Servant Leadership, and Managerial Leadership. In this research, I-L is regarded as the foundation of ILI while S-L and M-L were incorporated in ILI to ensure it practicality to be used in organisations. ILI undergoes two levels of analyses or first content analysis which revealed 19 clusters of ILI and secondly, factor analysis which revealed the 19 clusters could be simplified into 10. Based on the factor that most of the items loaded well in the 10 components found by using PCA, this research suggest that the concept of S-L and M-L are congruent with the concept of I-L. Moreover, based on the findings of this research, it is affirmed that further research needs to be carried out on ILI. First, the underlying factor of ILI should be investigated further by using more classical and contemporary Islamic Leadership literature. This is in order to increase the theoretical validity of the inventory. Second, ILI needs to be supported with enough contemporary empirical data that focuses on the processes of leadership. This means that ILI, as has been discussed by Badawi and Beekun (1999) and Noor (2002), could be seen as merely highlighting important behaviors of Islamic Leaders that needs to e be explored further from the perspective of leadership performance and outcome. This does not mean that this research questions the practicality of ILI, but further

analysis based on empirical data from various organisations, which cover leadership outcome and performance, could reveal the theoretical discussion of ILI with enough evidence to support the arguments pertaining to validity of ILI to be used by Muslim managers and leaders.

REFERENCES

- Abbasi, S.M., K.W. Hollman and J.H. Murray, 1989. 'Islamic Economics: Foundations and Practices'. *International Journal of Social Economics*, 16(5): 5-17.
- Abdalla, A., 2000. 'Principles of Interpersonal Conflict Intervention: A Search Within Islam and Western Literature'. *Journal of Law and Religion*, 15(1/2): 151-184.
- Abeng, T., 1997. 'Business Ethics in Islamic Contexts: Perspectives of a Muslim Business Leader'. *Business Ethics Quarterly*, 7(3): 47-54.
- Abuznaid, S., 2006. 'Islam and Management: What Can Be Learned?' *Islam and Management: What Can Be Learned?*, 48(1): 125-139.
- Achbar, M., J. Abbot and J. Bakan, (Writer), 2004. *The Corporation*. In M. E. P. Ltd. (Producer): Madman Entertainment Pty. Ltd.
- Ahmad, I., 2004. 'Islam, Commerce, and Business Ethics'. Plenary address at the Loyola Institute for Ethics and Spirituality in Business International Ecumenical., pp: 10-12.
- Ahmad, Khaliq et al., 2010. *Workplace Leadership Principles from an Islamic Perspective*. (Paper Presented in the International Conference of Da'wah and Islamic Management 2010). Kuala Lumpur: Palace of Golden Horses Hotel.
- Al-Darimi, 'Abdullah Ibn 'Abd Al-Rahman. (1407H). *Sunan Al-Darimi*. Beirut: Dar Al-Kitab Al-'Arabi.
- Al-Mubarakfuri, S.-R., 2001. *The Sealed Nectar (Ar-Raheequl-Makhtum) : Biography of the Noble Prophet saw* (2 ed.). Riyadh, Jeddah, London, New York: Darussalam.
- Altalib, H., 1993. *Training Guide for Islamic Workers*. Herndon: Virginia: International Islamic Publishing House.
- Al-Zuhayli, Wahbah, 1985. *Al-Fiqh Al-Islami Wa Adillatuhu*. Dimashq: Dar Al-Fikr.
- Al-Zuhayli, Wahbah. (1418H). *Al-Tafsir Al-Munir Fi Al-Aqidah Wa Al-Shari'ah Wa Al-Manhaj*. Dimashq: Dar Al-Fikr Al-Mu'asir.
- Askari, H., 2006. *Middle East Oil Exporters, What Happened to Economic Development?*, Cheltenham, UK: Edward Elgar Publishing Limited.
- Badawi, J., and R.I. Beekun, 1999. *Leadership : An Islamic Perspective*. Maryland: amana publications.
- Beekun, R.I., 1996. *Islamic Business Ethics*. Herndon, VA: International Institute of Islamic Thought.
- Benn, Stanley, I., 2006. *Democracy - Encyclopedia of Philosophy* (2 ed.). Borchert, Donald M. et. al. (eds.) USA: Thomson Gale., 2: 699-703.
- Brown, R., 2007. 'Servant Leadership: Jesus and Paul'. *Interpretation, Proquest Religion*, 61(1): 99-100.
- Ciulla, J.B., 2005. 'The State of Leadership Ethics and the Works that Lies before Us'. *Business Ethics: A European Review*, 14(4): 323-335.
- Cunningham, R., 2004. 'Servant Leadership: An Introduction'. *Global Virtue Ethics Review*, 5(3): 2-6.
- DeGraaf, D., C. Tilley and L. Neal, 2004. 'Servant-Leadership Characteristics in Organizational Life'. In L. C. Spears & M. Lawrence (Eds.), *Practicing Servant-Leadership: Succeeding Through Trust, Bravery, and Forgiveness* (pp. 133-165). San Francisco: Jossey-Bass: A Wiley Imprint.
- Dittmar, J.K., 2006. 'An Interview with Larry Spears, President & CEO for the Greenleaf Center for Servant Leadership'. *Journal of Leadership and Organisational Studies*, 13(1): 108-118.
- Fadl, K.A., 2007. *The Great Theft: Wrestling Islam from the Extremists*. San Francisco: Harper San Francisco.
- Faivre, Antoine, 2005. *Esotericism - Encyclopedia of Religion*, (2 ed).. Jones, Lindsay et. al. (eds.) USA: Thomson Gale.
- Frick, D.M. and L.C. Spears, (Eds.), 1996. *On Becoming A Servant-Leader*. San Francisco: Jossey-Bass Publishers.
- Gerges, F.A., 2003. 'Islam and Muslims in the Mind of America'. *ANNALS, AAPSS*, 588: 73-89.
- Haykal, M.H., 2002. *The Life of Muhammad* (I. R. al-Faruqi, Trans.). Kuala Lumpur: Islamic Book Trust.
- Humphreys, J.H., 2005. 'Contextual Implications for Transformational and Servant Leadership: A Historical Investigation'. *Contextual Implications for Transformational and Servant Leadership: A Historical Investigation*, 43(10): 1410-1431.
- Iacocca, L., and C. Whitney, 2007. *Where Have All the Leaders Gone*. New York: Scribner.
- Kasule, S.O.H., 1998. *Leadership Module. General Theme: Leadership. Workshop 1*. Kuala Lumpur: Malaysia: Tarbiyyah and Training Center, International Islamic University Malaysia.
- Kellerman, B., 2004. *Bad Leadership*. Boston, Massachusetts: Harvard Business School Press.

- Kingsley, B. (Writer) (n.d.). *Religion of the World*. In L. I. E. I. i. a. w. G. Television (Producer). Wynewood PA Liberty International Entertainment. Inc. in association with Greenstar Television.
- Lawler, James M., 2006. *Communism - Encyclopedia of Philosophy*, (2 ed.). Borchert, Donald M. et. al. (eds.) USA: Thomson Gale., 2: 361-368.
- Lichtman, M., 2006. *Qualitative Research in Education: A User's Guide*. London and New Delhi: SAGE Publications.
- Lloyd, B., 1996. 'A New Approach to Leadership'. *Leadership and Organisation Development Journal*, 17(7): 29-31.
- Muhammad Fu'ad 'Abd Al-Baqi, 2001. *Mu'jam Mufahras Li Alfaz Al-Quran Al-Karim*. Cairo: Dar Al-Hadis.
- Muslim Ibn Al-Hajjaj. n.d. *Sahih Muslim*. Beirut: Dar Al-Jayl.
- Nasr, Seyyed Hossein, 2002. *The Heart of Islam: Enduring Values for Humanity*. USA: HarperCollins Publishers Inc.
- Neuman, W.L., 1997. *Social Research Methods: Qualitative and Quantitative Approaches* (3 ed.). Needham Heights Allyn and Bacon.
- Noor, I., 2002. *Prophet Muhammad's Leadership : Altruistic Management* (2nd ed.). Kuala Lumpur: Utusan Publications & Distributions Sdn, Bhd.
- Quasem, M.A., 1975. *The Ethics of Al-Ghazali: A Composite Ethics in Islam*. Selangor: Central Printing Sendirian Berhad.
- Qutb, S., 2000. *Social Justice in Islam* (J. B. Hardie & H. Algar, Trans.). Kuala Lumpur: Islamic Book Trust.
- Riverstone, L., 2004. 'Servant Leadership: a Manifestation or Post-materialism'. *Global Virtue Ethics Review*, 5(3-4): 95.
- Sendjaya, S., and J.C. Sarros, 2002. 'Servant Leadership: Its Origin, Development and Application in Organisations'. *Journal of Leadership and Organisation Studies*, 9(2): 57-64.
- Sa'ad, A., 2007. 'If live in Muhammad were to Europe' [Electronic Version]. *Reading Islam: Muhammad and the Message*. Retrieved 30 August 2007 from <http://www.readingislam.com/>.
- Shah, S., 2005. 'Educational Leadership: an Islamic Perspective'. *British Educational Research Journal*, 32(3), *British Educational Research Journal*.
- Smart, J.J.C., 2006. *Utilitarianism : Encyclopedia of Philosophy* (2 ed.) Borchert, Donald M. et. al. (eds.) USA: Thomson Gale., 9: 603-611.
- Spears, L.C., and M. Lawrence, (Eds.), 2004. *Practicing Servant Leadership* (No. 34 ed.). New York: Leader to Leaders Institute.
- Stone, A.G., R.F. Russel and K. Patterson, 2004. 'Transformational vs Servant Leadership: A Difference in Leader Focus'. *Leadership & Organisation Development Journal*, 25(3/4): 349-361.
- Strauss, A., and J. Corbin, 1998. *Basics of Qualitative Research: Techniques and Procedures for Developing Grounded Theory* (2 ed.). London, New Delhi: Sage Publications.
- Tamaddonfar, M., 1989. *The Islamic Polity and Political Leadership: Fundamentalism, Sectarianism, and Pragmatism*. Colorado: Westview Press, Inc.
- Thaib, L., 1995. 'The Islamic Polity and Leadership'. Kuala Lumpur: Delta Publishing Sdn Bhd.
- Washington, R.R., C.D. Sutton and H.S. Field, 2006. 'Individual differences in Servant Leadership: the roles of values and personality'. *Leadership & Organisation Development Journal*, 27(8): 700-716.
- Whetstone, J.T., 2002. 'Personalism and Moral Leadership: The Servant Leader with a Transforming Vision'. *Business Ethics: A European Review*, 11(4): 385-392.
- Yousef, D.A., 1999. 'Islamic Work Ethic: A moderator between organisational commitment and job satisfaction in a cross-cultural context'. *Personnel Review*, 30(2): 152-169.
- Yukl, Gary, 2006. *Leadership in Organizations*. New Jersey: Pearson Prentice Hall.
- Zaccaro, S.J., C. Kemp and P. Bader, 2004. 'Leader Traits and Attributes'. In J. Antonakis, A. T. Cianciolo & R. J. Sternberg (Eds.), *The Nature of Leadership*. London, New Delhi: Sage Publications.