



# Spirituality in Management from Islamic Perspectives

Edited by

*AAhad M. Osman-Gani*

&

*Suhaimi Mhd Sarif*



# **Spirituality in Management from Islamic Perspectives**

***AAhad M. Osman-Gani, Ph.D***

*Professor of HRD & International Management*

**&**

***Suhaimi Mhd Sarif, Ph.D***

*Asst. Professor of Business Management*

*Faculty of Economics & Management Sciences*

*Department of Business Administration*



**IIUM Press**

51283

469276

Copy no: 1272050  
Initial: NABA  
Date: 9/10/12  
Location: MAJLIS/ISTAG/NILAI/K/K2/II/BF

Published by:  
IIUM Press  
International Islamic University Malaysia

First Edition, 2011  
©IIUM Press, IIUM

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Perpustakaan Negara Malaysia

Cataloguing-in-Publication Data

Ahmad M. Osman-Gani and Suhaimi Mhd Sarif  
Spirituality in Management from Islamic Perspective  
Ahmad M. Osman-Gani and Suhaimi Mhd Sarif  
Include index  
Bibliography: p. 149  
ISBN 978-967-5272-94-3

ISBN: 978-967-5272-94-3

Member of Majlis Penerbitan Ilmiah Malaysia - MAPIM  
(Malaysian Scholarly Publishing Council)

Printed by :

**IIUM PRINTING SDN. BHD**

No. 1, Jalan Industri Batu Caves 1/3

Taman Perindustrian Batu Caves

16800 Batu Caves

Selangor Darul Ehsan

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## CHAPTER 8

### Spirituality in Leadership from Islamic Perspective

*Lokman Effendi Ramli and AAhad M. Osman-Gani*

#### Abstract

*Scholars and practitioners concluded that effective leadership behaviours can facilitate the performance improvement when organisations face the new challenges. It is widely believed that leadership creates the vital link between organisational effectiveness and people's performance at an organisational level. Organisations are looking for new type leadership in today's dynamic business environment. In the past, leadership has been studied extensively from various different perspectives. But, the effects of leaders' individual spirituality and religiosity on performance has not been studied sufficiently, particularly from Islamic religious perspectives. Since spiritual leadership from Islamic perspective is a new area that needs to be explored intensively, this chapter presents a conceptual model of spirituality in leadership from Islamic perspective, based on intensive literature review and analysis. The chapter also provides some recommendations for future research in the areas of spiritual leadership and Islamic leadership style, which will make new contribution to the existing knowledge of leadership.*

#### Introduction

During the past four decades, the impact of leadership on organisational performance has been a topic of keen interest among academics and practitioners because of the widespread belief that leadership significantly effect the performance of organisation (Cannella, Gorman, Rankin & Rowe, 2005). Scholars and practitioners suggest that effective leadership behaviors can facilitate the im-

provement of performance when organisations face the new challenges. It is widely believed that leadership creates the vital link between organisational effectiveness and people's performance at an organisational level (Judge & Piccolo, 2004; Keller, 2006; McGrath & MacMillan, 2000; Yukl, 2002).

Scholars have done most of the research to look into the effectiveness of leadership styles from Anglo-Saxon perspectives (Fielder, 1967; Stogdill, 1974; Bass, 1999; Yukl, 2002). Recently, a new dimension of leadership was observed from spiritual perspective (Fairholm, 1996; Dent, Higgins & Wharff, 2005; Fry, 2003; Fernando, 2007). Some scholars like Fairholm (1996), Fry (2003) and Dent *et al.* (2005), attempted to put the terms spiritual and leadership together to explain spirituality in context of workplace leadership. Other scholars proposed spiritual leadership models to be linked to emotional intelligence, ethics, values, as well as to other leadership model like charismatic, stewardship, servant and transformational (Biberman, Whitty & Robbin, 1999; Cacioppe, 2000; Tischler, Biberman & McKaeg, 2002).

Another dimension of leadership theory discovered lately, but not sufficiently explored is the leadership from an Islamic perspective (Kazmi, 2004; Ali, 2005). In Islam, the whole life is considered as an *ibadah* (worshipping *Allah*), and every one will be accountable for this. Also, all human activities involve relationships between humans to God (*Allah* (s.w.t)), humans to humans, and humans to other creatures are considered as *ibadah*, if these activities were properly done. To get the best reward from *Allah* (s.w.t), such *ibadah* should comply with *Shariah* (Islamic rules & regulations), and be accomplished with *ikhlas* (sincerity) as perfect as possible.

"I have only created jinn and *insan* (human) that they may serve me" (*Al Quran*, 51: 56)

Based on Islamic perspective, a Muslim leader in any organizations who really understands this concept (the whole activities of life is *ibadah*), will deliver his or her best in order to receive the best reward from *Allah* (s.w.t). By doing so, such Muslim leaders would be able to demonstrate the best impact on organizational performance. However, until now, not many empirical studies were done to identify the nature of relationships existing between Islamic leadership style and organizational performance (Kazmi, 2004; Ali, 2005). This sce-

nario indicates "a theoretical gap regarding the use of Islamic framework to investigate leadership issues in business world" (Mohsen, 2007, p. 6).

Mohsen (2007) in his research mentions that the leadership concepts from *Al Quran*, is based on the characteristics of *Al Muttaqin* (people who hold *taqwa's* characteristics). He divided the characteristics of *Al Muttaqin* into two dimensions; spirituality (*Iman*, *Ibadat* and *Tawbah*) and responsibility (emotion control, *sadaqah*/charity, forgiveness, integrity, patience and justice). Furthermore, Mohsen (2007) conducted a cross-sectional study in Yemen to analyze the relationship between *taqwa* (independent variable), trust (mediator) and business leadership effectiveness (independent variable). The findings of this study showed that *taqwa* and trust influences the leadership effectiveness.

Since spiritual leadership from Islamic perspective is a new area that needs to be explored further, this chapter presents a conceptual framework, developed from intensive literature reviews and analysis, to study spirituality in leadership from Islamic perspective. The chapter also provides some recommendations for future research in the areas of spiritual and Islamic leadership, which will make new contributions to the existing knowledge of leadership.

## Literature Review

Leadership has been a topic of interest for thousands of years, scientific research in this area only begun in the 20th century (Fry, 2003, Cannella, Gorman, Rankin & Rowe, 2005). Since the great man theory of leadership (Judge, Bono, Ilies, & Gerhardt, 2002), scholars found that the condition also plays a vital role in determining leader effectiveness and that; to be effective, leaders must behave differently in different situations (Stogdill, 1974). The focus then shifted to discovering which behaviors and circumstances must be joined to produce effective group and organisational outcomes (Fry, 2003). Early research regarding this area were done at Michigan and Ohio State universities, where they discovered that leaders must attend to both task-oriented and social/emotional issues through directive and supportive behaviours (Fry, 2003; Keller, 2006; McGrath & MacMillan, 2000; Yukl, 2010).

## About the Chapter Authors:

**Ibrahim Mohamed Zein** is currently Professor of Islamic Studies and Comparative Religion at the Department of Usul Al-Din and Comparative Religion, Kulliyah of Islamic Revealed Knowledge and Human Sciences (KIRKHS) at the International Islamic University Malaysia (IIUM), Kuala Lumpur. He obtained a B.A. (Hons) in Philosophy from the University of Khartoum, and Ph.D in Religion (1989), Temple University. He helped to establish the Department of Islamic Studies in the University of Khartoum, and to restructure the Department of Islamic Revealed Knowledge and Heritage in the International Islamic University Malaysia. He wrote numerous articles and book reviews. Through his academic administration of Islamic Studies programs, supervision of postgraduate research and teaching he has made a definite impact on the field. His first book was published in 1983 entitled "*Al-Sullāh fī fikr al-Muslimīn*"

**Isa Mohammed Adamu** is a Lecturer at the Department of Business Administration, Kaduna Polytechnic, Nigeria. He holds a Master in Business Administration from Ahmadu Bello University, Nigeria. Currently, he is a doctoral researcher at the Faculty of Economics and Management Sciences at International Islamic University of Malaysia. His research area is studying the effects of spirituality and religiosity (Islamic perspective) on entrepreneurial outcomes such as motivation, performance and social responsibility. He can be contacted at isaardo@ymail.com.

**Junaidah Hashim** is a professor of Human Resource Development at International Islamic University Malaysia. She joined the university in 1998. Prior to joining the university, she spent 12 years working in training department for several companies. At the university, she teaches HRM course to undergraduate as well as to post graduate students. She has published several articles in Personnel Review and International Journal Islamic and Middle Eastern on the



topic of HRM in Islamic perspective. He has written 2 books on Islamic Human Resource Management. Her current research interest is on spirituality at workplace.

**Khaliq Ahmad** is currently Dean, Kulliyah (Faculty) of Economics and Management Sciences, IIUM. He has previously served as Director of IIUM Graduate School of Management and Deputy Dean of Research Management Centre. His area of interest in teaching and research is Management from Islamic Perspective. He can be contacted by email at [khaliqahmad@iium.edu.my](mailto:khaliqahmad@iium.edu.my).

**Lokman Effendi Ramli** obtained Master in Business Administration (MBA) from Waseda Business School, Tokyo and currently is completing his Doctorate in Business Administration (DBA) at International Islamic University of Malaysia, where his interests are in the areas of leadership, human capital and strategic management. He has vast experience working in public sector as Administrative and Diplomatic Officer (PTD) while he was serving in various Government agencies such as Prime Minister Department, Ministry of Finance, Ministry of Transport, Ministry of Agriculture, and Accountant General Department. He also serves as Assistant Superintendent Police (ASP) in Royal Malaysia Police (PDRM) before joining PTD service.

**Mohamed Sulaiman** studied B.A from University of Malaya, MBA with Distinction from the Catholic University of Leuven, Belgium and PhD in strategic management from the University of Wales at Cardiff. He was Associate Professor at University Sains Malaysia (USM), where he was tasked with starting the School of Management, which was realized in 1989. He was made the founding Dean, where he remained until 1997. He was also the founding President of the Asian Academy of Management (AAM). He was appointed to the prestigious Tun Abdul Razak Chair at the Ohio University, Athens, Ohio from 1997 to 2000. He retired from USM in 2007 and was awarded the Emeritus Professor title. Later he joined IIUM where he is now Head of Department of Business Administration. His major

research areas are in strategic management, leadership and organizational behavior.

**Naail Mohammed Kamil** is a PhD Candidate in Business Administration and a Graduate Teaching Assistant at the department of Business Administration of the Kulliyah of Economics and Management Sciences, IIUM. He holds an MBA degree with specialization in Islamic Banking and Finance from IIUM, and a Bachelor of Science degree in Geological Engineering from the Kwame Nkrumah University of Science and Technology, Kumasi, Ghana. He is also a graduate of AlAzhariyya School for Islamic Ideology, Kumasi, Ghana. Mr. Naail's research and teaching interests lies in Quantitative and Qualitative research methods, Organizational Behavior, Management from Islamic Perspective, Cross Cultural Perspectives of Business Ethics, Strategic Management and HRM. Mr. Naail speaks seven languages including English, Arabic, French (intermediate level), Bahasa Indonesia, Bahasa Melayu, Hausa (Native), and Asante.

**NoorHazilah Abd Manaf** is Associate Professor at the Department of Business Administration, Kulliyah of Economics and Management Sciences at the International Islamic University Malaysia, where she teaches Quality Management at both the undergraduate and postgraduate levels. She received her MPA and PhD from University of Malaya and has been writing on various topics on quality management, public administration and healthcare management in both international and local journals. Apart from her academic work, Dr Hazilah is also the Deputy Dean for Postgraduate and Research at the Kulliyah of Economics and Management Sciences.

**Rodrigue Fontaine** is British. He worked in a number of multinationals in Great Britain and France throughout the 1990s. He immigrated to Malaysia in 1999 and started teaching management in a private university. He completed his PhD in cross-cultural management in 2004 and continued working in private universities until 2009. In 2010, he joined the International Islamic University Malaysia. His specialization is Management from an Islamic perspective (MIP), which

allowed him to co-author a textbook entitled "Management from an Islamic perspective" published by Pearson.

**Yusof Ismail** has been a Senior Lecturer in the Faculty of Economics and Management Sciences at International Islamic University Malaysia since 1986. He obtained his BS in Finance and MBA in Management and Marketing from the USA, and embarked on research into strategy in the UK. He teaches and researches into strategy, Islamic management, human resource management, and business ethics. He is associated with the Islamic perspectives technical committee and working committees with SIRIM (a national organization in industrial research to fulfill the industry needs by blending new innovations with quality and standards). He can be contacted through email: [yusof\\_iiu@yahoo.com](mailto:yusof_iiu@yahoo.com).

**Zabeda Abdul Hamid** has a Ph.D. in Human Resource Management and specialises in the field of Knowledge Management. She is attached to the Faculty of Economics and Management Sciences, International Islamic University Malaysia (IIUM) and is the current Head of the Masters in Business Administration programme at the Graduate School of Management, IIUM. Zabeda teaches undergraduate and postgraduate students as well as supervises research students in the areas of Management, Organisational Behaviour and Knowledge Management. She has published and presented her papers at local and international levels as well as been invited as guest speaker at international conferences, including a workshop organised by the United Nations.

**Zaireena Wan Nasir** received her Bachelor of Business Administration (specialization in International Business) with First Class Honors from Universiti Kebangsaan Malaysia, Bangi in 2000. She completed her M.Sc. Management from Universiti Putra Malaysia in 2005. She is currently working on her doctoral thesis on Workplace Spirituality at the Graduate School of Business, Universiti Kebangsaan Malaysia. She teaches Management and Organizational Behavior at

the Department of Business Administration, Kulliyah of Economics and Management Sciences, IIUM.

**Zulkarnain Kedah** is an Assistant Professor at the Faculty of Economics and Management Sciences at International Islamic University of Malaysia. He holds a PhD in Management from Cass Business School, London. His research interest's concern issues related to entrepreneurship such as spirituality, religiosity, motivation, corporate social responsibility and performance. Zulkarnain Kedah can be contacted at [zulkarnain@iium.edu.my](mailto:zulkarnain@iium.edu.my)



# Spirituality in Management from Islamic Perspectives

Organisations are continually searching for methods to improve work environments and workplace relationships. Both academic scholars and employers have recognized that employees are now looking for soul enriching fulfillment at work. Management scholars are taking urgent steps to include spirituality studies in responding to this trend, particularly after the recent episodes of ethical and moral violations through many financial scandals in the corporate world. Spirituality in workplace is now gaining prevalence as a mainstream topic in management theory. Although Spirituality has been studied from several religious perspectives, very little research has been done from Islamic perspectives, and no book or major publication is available that covered the Islamic religious issues which are closely related to spirituality studies. This book, *Spirituality in Management from Islamic Perspective* attempts to fill this gap, and presents the functions, roles, and purposes of spirituality studies based on the learning from the Islamic religious scripture (Holy Qur'an), and teachings of the prophet (Ahadiths). The book covered several major areas of organizational management (e.g., Human Resource Management, Organisational Behavior, Quality Management, Entrepreneurship, Business Ethics, Leadership, Human Capital Development), and discussed the implications of spirituality from Islamic perspectives on these areas. The various chapters of the book presented several conceptual models, which were developed based on extensive reviews of relevant literature. Those conceptual frameworks would help future researchers in designing new research agenda for studying the effects of several independent variables on relevant dependent variables of individual and organizational performance. The conceptual frameworks may also help managers and policy makers to understand the potential impacts that spirituality might have on employee performance, and thereby management could be inspired to nurture and develop employees' spirituality at workplace for enhancing ethical standards, integrity, and commitment to work. Hopefully this book will trigger substantial research interests among the readers for conducting empirical research in future, results from which would provide significant contributions to the contemporary Management literature.

## IUM Press

International Islamic University Malaysia  
P.O.Box 10, 50728 Kuala Lumpur, Malaysia  
Tel : +603 6196 5014  
Fax : +603 6196 4862  
E-mail : [rescentre@iium.edu.my](mailto:rescentre@iium.edu.my)  
Website : <http://research.iium.edu.my>

ISBN 978-967-0225-41



9 789670 225418