Authentic leadership, trust, and employees' work engagement: A comparative study of Islamic and conventional banks in Malaysia

ABSTRACT

The paper reports the findings of a study conducted in two types of banks in Malaysia, that is, Islamic and conventional and intended to examine differences in employees’ perception of the authenticity in managers’ leadership style, interpersonal and institutional trust and work engagement. It was expected that the faith-based culture of Islamic banks will provide a strong organizational impetus to promote greater authenticity in managerial style, facilitate interpersonal and institutional trust, and together these factors should contribute to employees' work engagement. Sample consisted of 199 employees from Islamic banks and 306 from conventional banks. Results were in the expected direction. Compared to managers of conventional banks, managers from Islamic banks were rated as more authentic because employees had a higher level of interpersonal and institutional trust, and were more engaged in their work. Results are discussed using situational strength construct.

Key words: Islamic banks, situational strength, authentic leadership, trust, work engagement.
Tuesday, 20 March, 2012

Program

Topic: Banking Performance - Islamic and Western

Chair or co-Chair: Emmanuel O. Ntui, Prince Mohammad Bin Fahd University, Saudi Arabia
Adil Hassan, International Islamic University, Malaysia

Room & Time: Room 3, 1-2:30 PM

Academic Papers or Discussion Panels

Banking Behavior of Islamic Bank Customers in United Arab Emirates by Saeed Obaid Saeed Mohamed Al Shemal and Tengku Akbar Tengku Abdullah both of Kuala Lumpur Infrastructure University College, Malaysia.

Statement of Range of Jordanian Islamic Banks Observance of International Audit Standards and Their Effect upon the Application of Accounting System by Saeed Mkhled Ahmad Al-Naimat, Mohamad Mohamad Humeedat, and Tareq Oudeh Eid Bani khaled all of whom are from Amman University College and Al-Balqa Applied Sciences University, Jordan.

Performance of Islamic and Conventional Banks of the GCC Region: Is the Difference in Performance Statistically Significant? by Zahra Zafer Khan, University of Wollongong in Dubai, UAE

Authentic Leadership, Trust, And Employees’ Work Engagement: A Comparative Study Of Islamic And Conventional Banks In Malaysia by Forbes Ahamed and Adil Hassan both of International Islamic University Malaysia, Malaysia

2:30 to 3 pm Coffee Break