

ISLAMIC CORPORATE GOVERNANCE IS A HOLISTIC WAY OF IMPROVEMENT: EVIDENCE THROUGH ASSOCIATION BETWEEN ISLAMIC CORPORATE GOVERNANCE AND NON-FINANCIAL PERFORMANCE

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DOI: <https://doi.org/10.5281/zenodo.14992117>

Received	Revised	Accepted	Published
15 January, 2025	15 February, 2025	01 March, 2025	08 March, 2025

ABSTRACT

This study aims to make readers understand that Islamic Corporate Governance is an efficient tool to optimize the non-financial performance of Islamic Financial Institutions. Hence, a complex and comprehensive research model has been developed through combining knowledge and contextual and methodological gaps. The data was collected through quota sampling methods from leading Islamic banks. The total Sample size was one hundred and twenty-five respondents included in top-management of five major Islamic Banks. Analysis has been made through using structural equation modeling and findings indicated that Islamic Corporate Governance is an effective and efficient tool for optimization of non-financial performance of Islamic Banks that actually affect philosophy and concept of banking and indirectly optimizes the non-financial performance of Islamic Banks.

Keywords: Islamic Corporate Governance, Non-Financial Performance, Islamic Banks & Philosophy & Concept of Banking.

BACKGROUND:

Several studies indicate the importance of corporate governance. Most of the studies claimed that betterment of corporate governance is fruitful for the institution. However, there is a substantial difference in the practices of corporate governance adapted in financial and non-financial institutions. There are several reasons behind the increased importance of corporate governance in financial institutions; among these reasons, risk and its different types are found to be the most dominant. Hence, corporate governance in financial institutions must focus effectively on the mitigation of risk-related factors; otherwise, these factors may harm the firm and result in its failure (Zain & Shafii, 2018).

The concept of Islamic Financial Institution came into existence back in the 1970s. However, since then, the concept has been propagated all over the globe. Research observed a significant increase in growth, which has been phenomenal, especially in the past decade. However, the growth of the system must also be supplemented with a governance mechanism that is required to optimize the investor's trust and the performance of the institution (Zain & Shafii, 2018). However, Islamic Corporate Governance originated even after Islamic Banking. Initially, there was no literature related to Islamic Corporate Governance, and neither was there any phrase in Arabic that was found to be associated with "Corporate Governance". However, we may use "Al-

Siyasah al-Shariyyah” to confirm the ideology of Islamic Corporate Governance based upon Islamic Legal Principles, which highlights the importance of good governance and the importance of cooperation among authorities (Jan et al., 2021). Hence, it is better to define Islamic Corporate Governance as the system that is used to make institutions achieve all of their legal objectives without compromising on the rights of any of the stakeholders. Islamic Banks are highlighted as one of the major examples of the institutions that follow the mechanism of Islamic Corporate Governance. Studies related to the Sharia Governance Mechanism are unified on the point that theoretically, operations of Islamic Banks are much different as compared to their counterparts. However, to achieve social fairness, Islamic Banks are required to social fairness through Islamic rules and regulations related to profit and loss sharing, etc (Darma & Afandi, 2021).

INTRODUCTION

Initial studies indicated that corporate governance is based upon five major principles, i.e., transparency, responsibility, fairness, accountability, and independence. According to studies, most of the time, corporate governance is associated with financial outcomes for addressing the impact of corporate governance over firm performance. However, non-financial outcomes may also be considered to understand the impact of corporate governance practices on the firm's performance. Literature mentioned customer satisfaction, quality of services, involvement of management, and completion of responsibilities by the workforce as major determinants of non-financial indicators of corporate governance. Some of the studies also mentioned non-financial indicators as the main predictors of corporate governance. Non-financial measures are more impactful for boosting firm performance in a longer time. Studies also mentioned that non-financial measures became significantly important during crises, e.g., recession and financial crises and uncertain economic conditions, when companies use these non-financial measures to optimize satisfaction of investors,

customers, and other stakeholders (Rahman & Haron, 2019).

However, Islamic Banks are much different from conventional banks, which mean performance measurement must also be based upon different criteria (Rahman & Haron, 2019). Sharia Governance and related principles are the main point that differentiates Sharia Governance from traditional corporate governance (Zain & Shafii, 2018). According to studies, Islamic corporate governance adds substantial restrictions on the operations of Islamic Financial Institutions. Similarly, under the concept of Islamic Corporate Governance directors are also bound to follow governorship of sharia board Hence, the directors of the institutions are not free to take advantage of growth of any of the promising business sector neither they can allocate resources in the business sector of their own choice (Darma & Afandi, 2021).

Statement of Problem:

Studies highlighted that the Sharia Governance mechanism may result in the optimization of performance of Islamic Financial Institutions. However, it is better to investigate the relationship of Islamic Corporate Governance and its impact on the financial and non-financial performance of Islamic Financial Institutions (Zain & Shafii, 2018). However, the study of Alalmai et al. (2020) investigates the impact of a company's religious environment over the financial structure and indicates that companies operating in Islamic countries may have lesser leverage as compared to their counterparts. Studies also indicated that poor governance mechanisms in Islamic Banks may not only affect the performance of the Islamic Bank but will also harm shareholders' value (Khan & Zahid, 2020). Hence it is better to assess the impact of Islamic Corporate governance of those firms that are operating in Islamic Countries (Alalmai et al., 2020) especially about Asian countries not only to assess the impact of Islamic Corporate Governance effectively but also to contribute vividly in literature of Islamic Corporate Governance (Khan & Zahid, 2020).

Theoretical Framework:

Study indicated that use of Islamic Corporate Governance to achieve financial and non-financial benefits is associated with resource-based theory. The assumptions seem to be valid as use of Islamic Corporate Governance protocols in Islamic Banks are based upon firms' intellectual capabilities related with the board of directors & sharia supervisory board (Risman & Susanti, 2023).

Research Model:

The review of literature reflected that there is a definite relationship between Islamic corporate governance and nonfinancial benefits institutions (Risman & Susanti, 2023 & Zain & Shafii, 2018).

However, previous studies are generic, e.g., Zain and Shafii (2018), which assessed the

impact of the effect of Islamic Corporate Governance practices over financial and non-financial performance. Very few studies, e.g., Al-Beshtawi et al. (2014), reflected the non-financial benefits of Islamic Corporate Governance quantitatively.

Hence, using the reference of Al-Beshtawi et al. (2014), the predicting variable of this research is Islamic Corporate Governance, and the outcome variable is Non-Financial Performance of Islamic Banks. However, to derive effective quantitative outcomes, it is important to use indications of Grassa (2019), who mentioned Islamic Corporate Governance practices as the important tool for fostering ethical work practices in staff and management. Hence, in the light of these parameters, it is imperative to use the concept and Philosophy of Banking as the mediating variable.

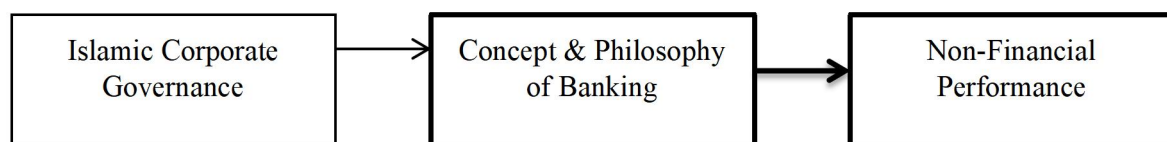


Figure 1: Research Model

Major Research Questions:

Based on the problem statement, literature review, and research model, the following are the major research questions that are associated with this study:

RQ1: What is Islamic Corporate Governance?

RQ2: What are the uses of Islamic Corporate Governance?

RQ3: How is Islamic Corporate Governance different from Traditional Corporate Governance?

LITERATURE REVIEW

According to the studies, non-financial measures of corporate governance are positively associated with long-term competitive advantage and sustainability. Furthermore, attaining a high ranking in non-financial measures of corporate Governance not only increases the probability of future better financial performance but also decreases the company's focus on earnings management (Zain & Shafii, 2018).

Islamic Corporate Governance and Philosophy & Concept of Banking

A study concerning Islamic Banks indicated that implementation of corporate governance under Sharia Principles will increase stakeholders' confidence in the working of Islamic Banks, which ultimately improves the goodwill and image of the Islamic Bank (Risman & Susanti, 2023). Studies also claim that the implementation of sharia principles in the corporate governance mechanisms of financial institutions will also optimize the attitude and behavior of staff and management that ultimately makes them avoid unethical behavior (Grassa, 2019).

Concept and Philosophy of Banking and Non-Financial Performance

Ethical Behavior is important in every industry. Hence, there is no exemption in the financial industry, too. According to studies, the banking sector needs to be more sensitive towards ethical practices due to their intermediary role between depositor and creditor. Hence, the decisions of banks are supplemented with a high level of ethical

pressure and probability to disrupt the reputation & prestige (Hossan Chowdhury, 2011). However, there are very few studies that reflected upon the association between ethical leadership and firm performance. This association was found to be significantly lower for the banking sector, especially in terms of quantitative analysis. However, some of the recent studies are found to be in favor of the association between ethical leadership and the performance of the firm (Chukwujiokwe, 2018)

Islamic Corporate Governance, Philosophy & Concept of Banking and Non-Financial Performance

Islamic Banks are fundamentally different from conventional banks due to their risk-sharing model and their mission related to social and societal development. Hence, the balance sheets of Islamic Banks contain unique elements as compared to their conventional counterparts. Hence, the business model used in Islamic Banks is also different as compared to the conventional banks. Hence, all the points also require different methods of corporate governance that are supplemented with Sharia supervisory boards that act as the secondary board in order to assure all the activities of the Islamic Banks are in line with Sharia principles. Hence, the use of the Stakeholders theory is effective to be related with the governance structure and its impact over the Islamic Bank performance to optimize the performance of the Islamic Bank in a longer period. Hence, it is optimal to indicate that the use of Islamic Corporate Governance is beneficial for the overall philosophy, ethics, and leadership of Islamic Banks that ultimately resulted in better performance of departments, teams, and organizations. Moreover, the use of Islamic Corporate Governance is also beneficial for the increase in the confidence of shareholders and stakeholders (Alatassi & Letza, 2018). A similar view has been endorsed by a recent study by Hirsanudin and Martini (2023) that Islamic Corporate governance fosters honesty and accountability that ultimately creates stakeholders' trust that is part of the non-financial performance of the company. However, some of the latest studies indicated that the robust nature of Islamic Corporate

Governance may not always result in the improvement of the performance of Islamic Banks (Ferriswara et al., 2024). Hence, considering these points, the following hypotheses are proposed

H_{1A}: There is a positive association between Islamic Corporate Governance and the Concept & Philosophy of Banking

H_{2A}: There is a positive association between the Concept & Philosophy of Banking and the Non-Financial Performance of Islamic Banks

H_{3A}: Concept & Philosophy of Banking Mediates Between Islamic Corporate Governance & Non-Financial Performance of Islamic Banks

RESEARCH METHODOLOGY

Research Methodology is the part of the study that is developed to make the reader understand the process behind the development of the study. Moreover, research methodology is also helpful in making it clear why the researcher prefers a particular parameter over the others (Kothari, 2004). Sekaran and Bougie (2016) indicated that research methodology can be divided into two parts, i.e., research design and sampling design.

Research Design:

The purpose of this study is to uncover the relationship between Islamic Corporate Governance on non-financial benefits of the bank. Hence, the concept of the research onion developed by Saunders et al. (2007) was used along with the indications of Sekaran and Bougie (2016) to develop the study effectively. The philosophy of this study is epistemology; as indicated by Saunders et al. (2007), it is the philosophy of knowledge. However, there is a significant lack of studies that may explore the relationship between Islamic Corporate Governance and Non-Financial Benefits. However, the study by Al-Beshtawi et al. (2014) indicates the importance of corporate governance for non-financial benefits of Islamic Banks. Hence, using the reference of Al-Beshtawi et al. (2014) and linking it with Grassa (2019), this study aims to investigate the indirect association of Islamic Corporate Governance with the Non-

Financial Performance of the Islamic Banks. Therefore, it is optimal to use epistemology as the philosophy behind the conduction of this study, which is also believed to be the philosophy of knowledge in the literature of Islamic economics and Islamic Banking (Choudhury, 2011). The philosophical stance used in this study is post-positivism which is introduced by Saunders et al (2015) The purpose of the post-positivism stance is to test theory and to produce results on the basis of relationship between independent and dependent variables (Habib, 2000). Therefore, the closed-ended questionnaire was used to collect data from respondents in their natural settings. Hence, the study setting is non-contrived, the nature of the experiment was a field experiment, and the unit of analysis is individual (Sekaran & Bougie, 2016).

Sampling Design:

Al-Beshtawi et al.. (2014) conducted their study concerning all the Islamic and Commercial banks operating in Jordan. However, the population does not include customers, and only ten questionnaires were distributed to every bank to collect a sample of 160 respondents from 16 banks.

However, this study is based upon the relationship between Islamic Corporate Governance and Non-Financial Performance, which forces researchers to exclude the entire list of commercial and Islamic Window Banks. Hence population includes only five Islamic Banks, i.e., Meezan Bank Limited, Bank Islami Pakistan Limited, Faysal Bank Islami Limited, Bank Makramah Limited, and Dubai Islamic Bank. Therefore, to achieve reliable data, the researcher personally visited the head office and corporate branches to collect responses from the top management of

these banks. Similar was the work of Al-Beshtawi et al.. (2014), who used a non-probability sampling technique to collect data from top management of 16 banks from Jordan. However, for this study, the population includes only five banks, which make researchers collect 25 responses from every bank to make the total responses 125.

Research Instrument:

Research Instrument used in this study is a closed ended questionnaire that follows five-points Likert Scale. Similar type of research instrument has been used by previous studies that are based upon relationship between corporate governance and non-financial performance of conventional and Islamic banks, e.g., Al-Beshtawi et al.. (2014); Chukwujiokwe (2018) and Hossan Chowdhury (2011).

STATISTICAL TESTING AND ANALYSIS

Al-Beshtawi et al. (2014) investigate the impact of corporate governance over financial and non-financial performance of Islamic and Conventional Banks. However, the model was assessed through SPSS, and there was no mediator used in the study. However, this study is based on the model that is based on research gaps that require the use of a mediating variable. Therefore, to assess the complex model, it is required to use parameters highlighted by Dong et al. (2023) for effective measurement of the relationship that exists between observed and latent variables. Hence, for this purpose, structural equation modeling (SEM) has been used through SMART-PLS in order to increase the impact of analysis in comparison to the other tools like regression (Gunzler et al., 2013).

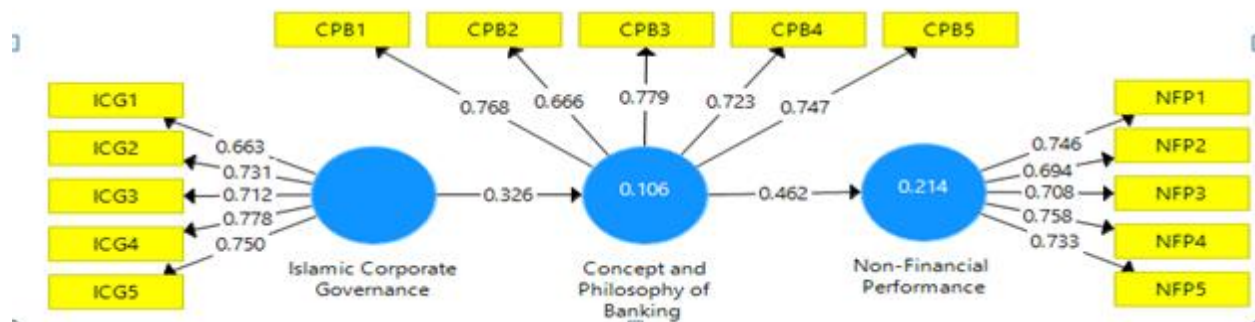


Figure 2: CFA & Outer Loading

Variable	Outer Loading	Cronbach's Alpha	Goldstein rho	Composite Reliability	AVE
Islamic Corporate Governance	0.663	0.787	0.816	0.849	0.530
	0.731				
	0.712				
	0.778				
	0.750				
Concept & Philosophy of Banking	0.768	0.792	0.802	0.856	0.5444
	0.666				
	0.779				
	0.723				
	0.747				
Non-Financial Performance	0.746	0.780	0.785	0.849	0.530
	0.649				
	0.708				
	0.758				
	0.733				

Table 1: Construct Reliability and Convergent Validity

Table 1 indicates descriptive statistics measures that are reflected by Ab Hamid et al. (2017). However, the table does not retain all the measures that are related to descriptive statistics. Table 1 is based on some of the major elements related to descriptive statistical measures. e.g., outer loading, elements of internal consistency, and AVE. Outer loading has the purpose of making readers check and understand the weightage of every indicator related to the research model (Afthanorhan, 2013). A preferred value for outer loading is in the range of 0 and 1, but the benchmark value for assessing outer loading is 0.70 or above. However, the researcher may also delete any of the indicators that have outer loading in between 0.60 and 0.70 if the deletion increased convergent validity. Relating analysis

with internal consistency, it has also been revealed that the range for convergent validity is also from 0 to 01 (Ab Hamid et al., 2017). However, most of the time, researchers do not prefer to have convergent validity more than 0.90. Last but not least, table 1 also encompasses values of AVE that are sufficient to assure convergent validity with values from 0.50 to 1.00, but researchers do not prefer elements with 0.90 to be included in the process research (Ab Hamid et al., 2017). Hence, Table 1 also reflects convergent validity through using outer loading and AVE, as convergent validity is the combination of outer loading, composite reliability, and AVE (Adeleke et al., 2015). However, if the value of AVE is more than or equal to 0.50, then AVE alone is sufficient to reflect convergent validity

without stressing on outer loading and composite reliability (Ab Hamid et al., 2017). Therefore, in the light of the above-mentioned parameters related with reliability and validity it is optimal to indicate that Table 1 is successfully fulfilling the requirements of reliability and validity. The point is valid as there is no indicator that is less than 0.60 in

terms of outer loading. Similarly, the values of Convergent Validity are also more than 0.5 and Average Variance Extracted (AVE) is also found to be more than 0.50 for every case. Therefore, it is legitimate to assume that Table 1 is successfully fulfilling the requirements of reliability and validity. Heterotrait-Monotrait Ratio (HTMT)

	Concept and Philosophy of Banking	Islamic Corporate Governance	Non-Financial Performance
Concept and Philosophy of Banking			
Islamic Corporate Governance	0.369		
Non-Financial Performance	0.572	0.258	

Table 2: Discriminant Validity

Table 2 is the measurement of discriminant validity. According to research, discriminant validity is perceived as the prime measure for model fit (Hair et al., 2010). Iqbal et al. (2021) mentioned the Heterotrait-Monotrait ratio as the prime tool to assess the discriminant validity. The purpose of the Heterotrait-Monotrait Ratio is to reflect the distinctiveness of variables that are used in the study (Malik et al., 2021). However, there is a range of values that may substantiate the use

of Heterotrait-Monotrait ratio as indicated by Hair et al (2019) which highlighted that values used in the matrix must not be equal to or greater than 0.85 as values reached the mentioned point are the indication of non-exclusiveness of the variables that are used in the research. Hence, optimal to indicate that the study also has discriminant validity as no value in Table 2 is found to be equal to or greater than 0.85.

	R Square	R Square Adjusted
Concept and Philosophy of Banking	0.656	0.639
Non-Financial Performance	0.541	0.520

Table 3: Quality Criteria (Co-efficient of Determination)

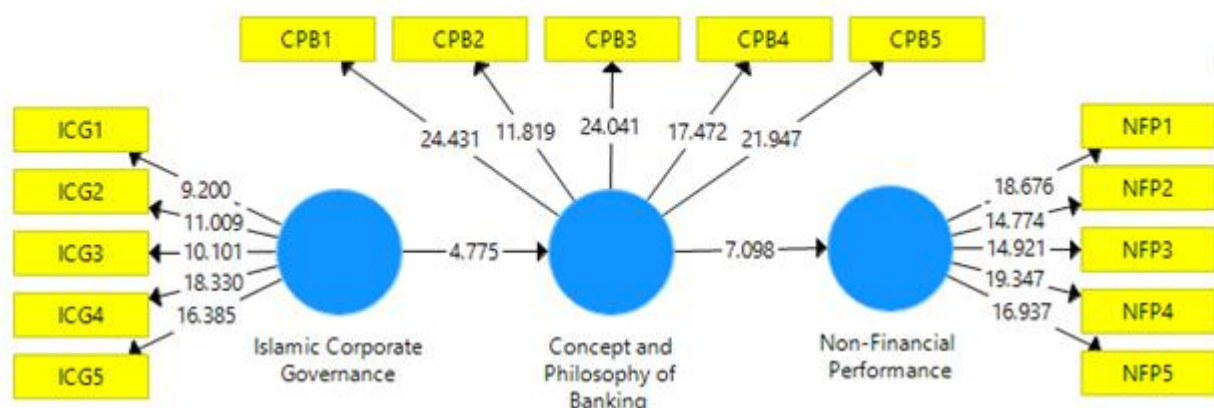


Figure 3: Path Coefficient

Table 3 is the measurement of predictive accuracy that has been highlighted through R-Square. Some of the researchers also mentioned this measurement as the "Quality

Criteria" that is the reflection of model fitness. Hence, the analysis is related to the inferential statistical section of the paper derived through measurement and the structural model

(Purwanto et al., 2020). Wong (2013) indicated that predictive accuracy ranges from 0 to 1, where less than 0.25 is not considered a reliable value, while values between 0.50 and 0.75 highlight a moderate model fit, and values equal to or greater than 0.75 indicate a

substantial model fit. Hence, considering the values of R-Square from Table 3, it is better to assume the model is a moderate fit and effective to be assessed further for inferential statistical analysis.

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Concept and Philosophy of Banking → Non-Financial Performance	0.462	0.475	0.065	7.098	0.000
Islamic Corporate Governance → Concept and Philosophy of Banking	0.326	0.337	0.068	4.775	0.000

Table 4: Path Coefficient

Table 4 is the illustration of valid paths and relationships to reflect the valid relationship in the model of research (Silaparaasetti et al., 2017). Hair et al. (2017) highlighted the method to legitimize the relationship between variables of interest through benchmarking p-values and t-statistical values. According to the study, the p-value should be less than or equal to 0.05, and t-statistical values must be greater than or equal to 1.97 to highlight the

relationship between variables. Considering the association highlighted in table 4, it is optimal to indicate that both the relationships are valid and effective to be used in the study as in both of the cases the p-values are lesser than 0.05 and t-statistical values are greater than 1.97. Therefore, researchers are rejecting H_{1O} and H_{2O}.

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Islamic Corporate Governance → Concept and Philosophy of Banking → Non-Financial Performance	0.151	0.161	0.042	3.557	0.000

Table 5: Specific Indirect Effect

Table 5 indicates specific indirect effect for the mediation analysis of Concept and Philosophy of Banking in between the relationship of Islamic Corporate Governance and Non-Financial Performance. The parameters used for analysis are the same as the indicators used for path coefficient analysis, i.e., Table 4. Hence, in the light of these parameters, i.e., p-values and t-statistical values it is valid to indicate that Islamic Corporate Governance does have an indirect effect over the Non-Financial Performance of Islamic Banks and the Concept and Philosophy of Banking also has the mediating role in between the

relationship of Islamic Corporate Governance and Non-Financial Performance.

Hence, based on analysis, researchers are rejecting the H_{3O}, which entails that the Concept & Philosophy of Banking do not mediate between Islamic Corporate Governance & Non-Financial Performance of Islamic Banks

CONCLUSION

Based on detailed analysis, this study revealed that there is a definite association between Islamic Corporate Governance and Non-Financial Performance of Islamic Banks. The study proves its claim that Islamic Corporate

Governance creates a positive impact over the philosophy of banking that ultimately increased Non-Financial Performance of Islamic Banks. The study also proves that the use of Islamic Corporate Governance is creating a substantial and positive impact on banking philosophy, which restricts management from favoring any particular set of stakeholders. Similarly, there is a definite association in positive change in banking philosophy and Non-Financial Performance of Islamic Banks. Hence, ultimately, the increase in the non-financial performance of the banks is dependent upon the implementation of Islamic Corporate Governance.

DISCUSSION

After detailed analysis and assessment of results, it is also required to validate research findings through comparing the findings with the prior research work (Carnahan, 2012). Hence, to initiate the validation of findings of this study, the team of researchers started the process of result validation with the work of Zain and Shafii (2018), who mentioned that it is better to understand the relationship of Islamic Corporate Governance with the financial and non-financial performance of Islamic Banks. Especially due to the difference in environment in Islamic and non-Islamic countries (Khan & Zahid, 2020), studies from Islamic countries (Alalmai et al., 2020) and from Asia (Khan & Zahid, 2020) will be more fruitful. Hence, through following a unique research model that is based upon the indications of Al-Beshtawi et al. (2014), Grassa (2019), Risman and Susanti (2023), and Zain and Shafii (2018), the objectives of this study are unique, comprehensive, and worth mentioning. The study is beneficial for multiple stakeholders from academia to the pragmatic world who may use this study for conducting thorough research and also to improve policy making in Islamic Financial Institutions. Points that are in support of the study are not vague, as this study is not only developed with the reference of research gaps but has also been related and aligned with the results of prior research work.

Justifying the significance, reliability, and validity of this study's initial point is related to the development of the study. The study is

conducted to understand the effect of Islamic Corporate Governance over the Non-Financial Performance of the Islamic Banks that is aligned with the points mentioned by Zain and Shafii (2018). The study also addresses the points mentioned by Alalmai et al. (2020) and Khan and Zahid (2020) to assess the impact of Islamic Corporate Governance on the Islamic Financial Institutions that are operating in the Islamic countries of Asia. Discussing the impact of Islamic Corporate Governance on the Non-Financial Performance of Islamic Banks, this study is consistent with points highlighted by Grassa (2019) and Risman and Susanti (2023) to reflect the positive relationship of Islamic Corporate Governance and Philosophy & Concept of Banking.

Similarly, this study is efficient in highlighting the association between the concept and Philosophy of Banking and the Non-Financial Performance of Islamic Banks. Therefore, it is optimal to indicate that the findings of this study are in line with Chukwujiokwe (2018) and Hossan Chowdhury (2011). Lastly, this study is significantly aligned with the major claim of the study, i.e., the indirect impact of Islamic Corporate Governance on the Non-Financial Performance of Islamic Banks. Hence, to posit the association, it is worthwhile to mention that the findings of the study are consistent with Alatassi and Letza (2018) to signify an indirect association between Islamic Corporate Governance and Non-Financial Performance. Therefore, it is imperative to indicate that analysis of this study refutes the points mentioned by Ferriswara et al. (2024) that due to robust nature it is not necessary to believe that implementation of Islamic Corporate Governance may always increase firm performance.

POLICY IMPLICATIONS, SCOPE, AND SIGNIFICANCE

Based on this study managers and intrapreneurs must devise an appropriate set of policies to ensure ethical work practices in Islamic Financial Institutions, especially in Islamic Banks. Similar points were emphasized by the study of Javed et al. (2021) concerning Islamic Banks operating in Pakistan. Other than the evidence from Javed et al. (2021), this point is also valid as there is a definite Impact

of banking concept and philosophy on the non-financial performance of the Islamic Banks (Mohamed, 2010). Hence, to maintain a good reputation in the market, ethical work practices and equal consideration to all the stakeholders are necessary. Similarly, Islamic Banks also need to have effective customer relationships and sales teams to make customers understand the difference between the governance mechanisms of Islamic and Commercial Banks.

AREA FOR FUTURE RESEARCH

Further studies may be conducted on multiple grounds, i.e., concerning model verification, model optimization, and model categorization:

- i. Initially, we will highlight the areas that may be explored through model verification, which includes a comparison between Islamic and Islamic Window Banks. Similarly, researchers may also compare the use of Islamic Corporate Governance on Non-Financial Performance of Islamic Banks and Islamic MicroFinance Banks.
- ii. Secondly, researchers may opt for model optimization through adding moderating variables or may opt for serial mediation analysis through classifying Non-Financial Performance under relevant categories.
- iii. Lastly, the model may be categorized based on Islamic Banks operating in other Islamic Countries and Pakistan. Researchers may also categorize the model based on the base Islamic Banks operating in Islamic Countries and non-Islamic countries.

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