



SOME MANAGEMENT LESSONS FROM SŪRAH ĀLI-'IMRĀN BASED ON THE WORKS OF KHALED AND KHAN

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ABSTRACT

This study identifies some management implications from *Sūrah Āli-'Imrān*, the third *sūrah* of the Qur'ān by reviewing the explanations of Khaled (n.d.) and Khan (2012). The general theme of this *sūrah* is developing discipline in the Muslim community. A particular emphasis is placed on the process of consultation (*shūrā*) as a means of rebuilding trust after the battle of Uḥud. Allah emphasises that He loves the believers and that He has forgiven them for their mistakes but that they need to follow the Prophet (peace be upon him). To better understand the wisdom of this *sūrah*, a case study of Ford Motor is reviewed. Trust and consultation were essential to save the company from bankruptcy. Further insights from the literature on decision making and building trust are reviewed. Particular emphasis is put on the work of Collins (2001). The implications for the management education of Muslim managers are discussed.

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1. INTRODUCTION

For several years, this author has written on management from an Islamic perspective. This author has started a project to identify some of the management lessons in the Qur'ān by taking each *sūrah* as a unit of analysis (Fontaine, 2017). This author restricted himself to Khaled (n.d.) and Khan (2012). This study focuses on *Sūrah Āli-'Imrān*, the third *sūrah* of the Qur'ān. A major theme is maintaining discipline in the face of adversity. Towards the end of the *sūrah*, Allah orders the Prophet (peace be upon him) to rely on consultation (*shūrā*).

This is one of the main management processes explicitly mentioned in the Qur'ān and this will be the focus of this study.

2. METHODOLOGY

This research is based on the *Tawhīdic* Paradigm, which assumes that every science should be aligned with the aims and principles of the Qur'ān and the Sunnah. Many management concepts are based on empirical observation without any priori theory. Studying the Qur'ān can help Muslim management scholars assess the management literature. Due to the length and richness of *Sūrah Āli-‘Imrān*, a comprehensive analysis is not possible. This is an obvious limitation to this study. This author will summarize the explanation of Khaled (n.d.) and Khan (2012). Both are popular preachers who influence the way Muslim managers perceive the message of the Qur'ān. Both preachers tend to summarize the work of classical scholars but present their ideas in a manner that makes the Qur'ān relevant to ordinary Muslims. By contrasting the explanations of both preachers, this author will avoid relying on one person's opinion. The aim of this study is to explore the role of consultation as a means of building trust and maintaining discipline.

3. THE PERSPECTIVE OF KHALED (N.D.)

Revealed in Madinah after *Sūrah Al-Anfāl*, *Sūrah Āli-‘Imrān* emphasizes the need to persevere on the methodology presented in *Sūrah Al-Baqarah*. To achieve this goal, Muslims have to be internally and externally disciplined. People lose track due to internal and external factors. Internal factors are confusion about concepts and external factors are confusion about actions. Khaled (n.d.) says that this *sūrah* is divided into two parts:

- (a) *Āyah* 1-120: Persevere on the basis of *tauḥīd* by debating with the “people of the Scriptures” (in Arabic, *Ahl Al-Kitāb*). Khaled (n.d.) never defines what is meant by this expression.
- (b) *Āyah* 120-200: Persevere in obeying Allah and His Messenger. In particular, there is commentary about the battle of Uḥud.

Perseverance covers two aspects. An intellectual side which depends on Muslims' understanding of *tauḥīd* (3:1-3). A practical side

which depends on the effort Muslims make (3:200). Unfortunately, Khaled (n.d.) does not explain which Arabic word he is thinking of when he talks about perseverance. Does he mean Islam (submission), *ṣabr* (patience), or *istiqāmah* (steadfastness)? Khaled (n.d.) is not clear.

To develop perseverance, an accurate understanding of the Qur'ān is critical. Khaled (n.d.) quotes (3:7) in which Allah explains that in the Qur'ān, some *āyāt* are clear and some *āyāt* that are not so clear. People with a diseased heart will seek those *ayah* that are not clear. Khaled (n.d.) is not clear what he means by “an accurate understanding of the Qur'ān.” He does say that Muslims might take some *āyāt* out of context and they will follow their delusions. Perseverance is therefore both an intellectual and spiritual effort. He quotes a number of *āyāt* related to perseverance. These are (i) an *āyah* that relate to the battle of Badr (3:13); (ii) an *āyah* that relate to the disciples of 'Īsā (peace be upon him) (3:52); (iii) an *āyah* concerning the covenant with the prophets (peace be upon them) (3:81); and (iv) an *āyah* concerning dying as a Muslim (3:102). The common theme is that perseverance is a timeless challenge.

Then Allah provides a general formula: adhere to the Qur'ān, surround yourself with righteous people (3:102) and beware of conflicts (3:105). A particular challenge highlighted is perseverance on the battle field (3:146; 3:173-174). Allah warns Muslims about those things that weaken perseverance, such as getting attached to this worldly life (3:14) and committing sins (3:165). The solution is repentance (3:16, 3:89; 3:133). He argues that there are five elements regarding internal perseverance:

1. Turning to Him by making *du'ā* (3:8; 3:9, 3:26). Allah describes how people turned to Allah in the past (3:35, 3:38, 3:147, 3:193-195).
2. Worshipping Allah: the example of Maryam (3:37) and Zakarīyā (3:39) is that they are constantly engaged in prayer.
3. *Da'wah*: Muslims are exhorted to give *da'wah* (3:104, 3:110). This requires a strong foundation in Islamic theology (3:18-19, 3:20, 3:83). The next point is to identify the common ground (3:64, 3:84) and to present logical arguments (3:79). Although the beliefs of the People of the Book are challenged

(3:70-71), a balanced picture emerges as the good of some of the People of the Book are highlighted (3:113).

4. Focusing on worshipping Allah alone (3:191). This is similar to point 2) and is a repetition on the part of Khaled (n.d.).
5. Brotherhood of Islam (3:103).

With regard to external perseverance, the focus shifts to the battle of Uhud. In this battle, a group of archers disobeyed the Prophet (peace be upon him) and this allowed the Quraish to counter-attack. Allah reminds the believers of His mercy (3:123) and tells them to repent (3:133). Allah then gives a consolation (3:139-140), a gentle reproach (3:143-144, 3:153) and another consolation (3:154). Khaled (n.d) notes that “*even after the defeat, the ayah commands the Prophet (peace be upon him) not to abandon consultation with the Muslims*” (3:159). When analyzing the defeat, Allah highlights disputes and disobedience on theological points (3:7) and in worldly matters (3:152), sins (3:155), reliance on other than Allah (3:144) and *ribā* (3:130)

Khaled (n.d.) concludes that this *sūrah* emphasizes the need for perseverance and piety to complete the mission of the Muslims. For Muslim managers, there are various benefits in Khaled’s (n.d.) analysis. The idea that one should first develop internal discipline by increasing one’s understanding of Islam and developing a greater reliance on Allah makes absolute sense. This can be the first part of a development program for Muslim employees. That internal discipline must be complemented by external discipline. In practice, this means one should not engage in disputes about theology, worldly matters and sins. This can become the basis for the second part of a development program for Muslim employees. In the context of this study, Khaled (n.d.) barely elaborated on the importance of consultation (3:159) as a process to create discipline. The explanations of Khan (2012) will now be summarized.

4. THE PERSPECTIVE OF KHAN (2012)

Sūrah Āli-‘Imrān was mostly revealed in the third year of the *Hijrah*. It emphasizes the need for discipline in the Muslim army, and by extension to the Muslim community. This *sūrah* starts by reminding the Muslims of *tauhīd* and contrasting it with those who disbelieve.

Khan (2012) stresses that the expression “*those who disbelieve*” (3:4) needs to be understood in its proper context. The non-Muslims of Makkah had not simply disbelieved. They had ridiculed and insulted the Prophet (peace be upon him) for years, they had tortured Muslims and forced them to leave their homes and all their wealth behind. This is very different from non-Muslims today who are generally ignorant of the message of Islam and who are put off by the poor example of some Muslims. Allah then says,

“It is He Who has sent down to you the Book. In it are verses that are entirely clear, they are the foundation of the Book; and others are not entirely clear. So as far as those in whose hearts, there is a deviation, they follow what is not entirely clear thereof, seeking discord and seeking its interpretation, but no one knows its interpretation except Allah. Those who are firmly grounded in knowledge say, “We believe in it, all of it is from our Master.” None receive admonition except men of understanding (*Ulū Al-Albāb*).” (3:07).

Thus, the various *āyāt* that deal with the legal rulings of Islamic law form the essence of the Qur’ān. Those who have sick hearts will focus on *āyāt* that are ambiguous. By contrast, the people with pure hearts and who are deeply rooted in knowledge say, “This is all from our Master”. Allah highlights a certain attitude toward revelation. People who have doubts in revelation will focus on microscopic details. People who are certain about revelation will not be distracted by these points. Allah describes these people as “*Ulū Al-Albāb*”, men of understanding. Khan (2012) says that in Arabic, there is a difference between *‘aql* and *jahl*. A person with *‘aql* will “tie up his emotions” in order to think clearly. By contrast, a person who is *jahl* is someone whose emotions overcome his intelligence. *Lubb* (plural, *albāb*) is the highest form of *‘aql*. Deep reflection leads one to remember Allah so a person of *‘aql* should naturally become a spiritual person.

Allah then describes the temptations that exist in this world (3:14). These temptations are natural and not sinful. However, a spiritual person will focus on seeking Paradise and the pleasure of Allah (3:15). This requires a spiritual relationship with Allah (3:16). This relationship develops individuals that are patient, truthful, obedient, and generous with their wealth. They wake up in the early morning to seek forgiveness from Allah (3:17). The practical

manifestation of this is the establishment of justice (3:18). All of this leads to discipline.

The next theme is submitting to Allah (3:19). If people argue with you, just say, “I submit myself to the face of Allah” (3:20). Some insights are given into the psychology of those who disbelieve. They were commanded to deal fairly with others. However, a part of them found this inconvenient. They thought that even if they were to enter the Fire, they would only be in there for a short time (3:24). This idea became part of their faith and deluded them (3:24). Allah then continues with a beautiful prayer. Allah says,

“O Allah, you are the *Mālik Al-Mulk*. You give sovereignty to whom You will and you take it away from whom You will. You honor whom You will and You humiliate whom You will. In Your hands alone are all good. You are able to do whatever You want.” (3:26).

The expression “*Mālik Al-Mulk*” is difficult to translate. But it combines sovereignty and ownership. It implies that Allah not only controls the destiny of big events – like the rise and fall of nations – but also owns and controls small events – like the falling of a leaf from a tree. Allah then says that, as Muslims, you should not take non-Muslims as allies and protectors. Allah is your only *Walīy*. If you do, there is nothing for you from Allah (3:28). This *āyah* needs to be properly understood. It is alright for individual Muslims to have relationship and friendship with non-Muslims. It is not alright for Muslims to seek alliances with non-Muslim tribes. Exceptionally, you can seek protection from them but you have to remember that your final return is to Allah. Allah then says,

“If you love Allah, then follow me. And Allah will love you and forgive your sins. And Allah is oft-forgiving, oft-merciful.” (3:31).

The discipline of the Muslims is not established by blind obedience. It starts with a deep insight into Islamic knowledge and this translates into a loving relationship with Allah and His Messenger.

From *āyah* 31 to *āyah* 101, Allah explores the relationship between Muslims and Christians. This is an important section that

however is not relevant to this topic. One observation though is that the Qur'ān criticises *Ahl Al-Kitāb*. This expression sometimes leads Muslims to assume that all Christians and all Jews are being criticised. However, the word “*ahl*” implies someone who is qualified in an academic discipline. A translation of “*Ahl Al-Kitāb*” would be “*the scholars from the Jews and the Christians*”. In other words, the Qur'ān criticizes Jewish and Christian religious scholars because the Qur'ān confirmed previous scriptures. By contrast, ordinary Jews and Christians may not be knowledgeable of their own scripture. Khan (2012) notes that even though the Qur'ān is harsh toward the beliefs of *Ahl Al-Kitāb*, Muslims are not allowed to make comments on their character overall as some scholars among the Jews and the Christians accepted Islam (3:75).

In *āyah* 101 to 103, Allah describes a three-step process to build the Muslim nation. Allah gives us the imagery of holding on to the rope of Allah. These steps include protecting oneself from displeasing Allah (3:102), having a sense of urgency and dying in a state of submission (3:102) and holding on together to the rope of Allah. You may disagree (*ikhtilāf*) but do not break off in factions (*al-tafarruq*). In several narrations, the rope of Allah is described as the Qur'ān. The Qur'ān is the platform that unifies the Muslims.

Allah continues by ordering not to break up into groups (3:105). People will use religious proofs to attack other groups and strengthen their group. However, this is not a sincere use of knowledge. Allah then says, “You are the best ummah raised for humanity” (3:110). Khan (2012) notes that if the wording had been “*min al-nās*”, it would mean “you are the best nation” but the *ayah* says “*li al-nās*”. This *ummah* has been created to serve humanity. Khan (2012) says that most Muslim assume that this *āyah* means that the Muslims are the best. Based on several authentic narrations, it can be deduced that the Muslims living with the Prophet (peace be upon him) was the best nation created by Allah. However, that status depends on following the Prophet (peace be upon him). In an authentic narration, the Prophet (peace be upon him) said,

“There has never been a prophet before me who was not obliged to tell his nation of what he knew was good for them, and to warn against that he knew was bad for them. With regard to this *ummah* of yours, soundness (of religious

commitment) has been placed in its earlier generations, and the last of them will be afflicted with calamities and things that you dislike. Then there will come tribulations which will make the earlier ones pale into significances, and the believer will say: This will be the end of me, then relief will come. Then (more) tribulations will come and the believer will say: this will be the end of me, then relief will come. Whoever would like to be taken far away from the Fire and admitted to Paradise, let him die believing in Allah and the Last Day, and let him treat people as he would like to be treated.” (Narrated by Al-Nasā’ī).

The scholars explain that these kinds of narration should not lead Muslims to despair but to work harder to rectify their current situation.

Allah stresses that some of *Ahl Al-Kitāb* are upright (3:113-115). Allah then informs the Muslims that the Quraish are gearing up for war. So Allah is preparing the Muslims psychologically for the next battle (3:118). Allah informs the Muslims of the inner feelings of non-Muslims (3:119). At the same time, Allah informs Muslims that as long as they have patience and *taqwā*, they should not worry about them as He will deal with them Himself (3:120).

The next group of *āyāt* deals with the battle of Uḥud. The Muslims numbered 1,000 and the non-Muslims were 3,000. The Prophet (peace be upon him) stationed 50 archers to protect the rear and a leader of the archers was appointed. They had strict instructions to not leave their post. Before the battle started, 300 hypocrites left the Muslim army. Two other groups of Muslims had reservations about fighting; they started turning back and then changed their mind. They eventually fought (3:121). Initially, the Muslims were winning the battle and then a group of archers – disobeying their commander – left their post early and this allowed the Quraysh to attack the Muslims from the rear and create chaos in the Muslim ranks. Allah highlights the fact that the battle of Badr was won only because of Allah’s help. This help only comes when you have patience and *taqwā* (3:123-125). However, if the Muslims lose their discipline, that help is taken away.

In the middle of these *āyāt* concerning Uḥud, there is an *āyah* about interest-based loans (*ribā*). Khan (2012) says that a believer is willing to spend his wealth and his life for the sake of Allah.

Hypocrites are unwilling to spend their wealth and they are certainly unwilling to fight for Allah. On the contrary, they want their assets to increase. This materialistic attitude is contrary to the mindset of a believer. Thus taking *ribā* is associating with materialism. Allah tells the believers to rush for forgiveness (3:133). The people of *taqwā* are described as spending their money in good times and in bad times (the opposite of the people who take *ribā*) and they control their anger. Even though the Muslims were tested at Uḥud, Allah tells the Muslims not to be sad and not to grieve because Allah guarantees victory to those who have *īmān* (3:139). Allah sometimes gives the upper hand to the believers and sometimes to the disbelievers to expose the *īmān* of the believers (3:140) as people's loyalties become obvious when they are tested. In periods of apparent loss, the hypocrites separate themselves from the believers. The purification of the Muslim community is a greater victory than the test of Uḥud. Allah then says that He loves those who are patient (3:146) and these patient people say, "Our *Rabb*, forgive us for our embarrassing sins and our excesses in our affairs and plant our feet firmly and give us victory over the disbelieving people" (3:147). Allah replies that He gave them the reward of this life and the reward of the Hereafter and that He loves the doers of good (3:148). This highlights a continuous theme in this *sūrah*: Allah loves those who have discipline and they are constantly making *du'ā* to Him.

Allah now returns to the battle of Uḥud. Allah explains that He has forgiven the archers who left their positions (3:152). Khan (2012) explains that following the chain of authority is absolutely critical in the Muslim community when the leader had been lawfully appointed. Allah describes the chaos on the battlefield and how He helped the believers. This is so the believers are purified in their hearts (3:154). Allah has forgiven the Muslims who showed weakness on the battlefield (3:155). Whether you are killed in battle or you die a natural death, forgiveness and mercy from Allah is better than any wealth you accumulate (3:157). The battle of Uḥud was a very disappointing experience for the Prophet (peace be upon him). It would be normal for the Prophet (peace be upon him) to tell his companions how disappointed he was and it would be normal for them to expect a rebuke. Before the Prophet (peace be upon him) addressed his companions, Allah addressed him. Allah says,

So by mercy from Allah, [O Muhammad], you were lenient with them. And if you had been rude and harsh in heart, they would have disbanded from about you. So pardon them and ask forgiveness for them and consult them in the matter. And when you have decided, then rely upon Allah. Indeed, Allah loves those who rely [upon Him] (3:159).

Khan (2012) argues that from the Qur'anic perspective, the first quality of leadership in a crisis situation is mercy. Leaders that are disrespectful toward their subordinates when they are angry break the unity of their team. Allah instructs His Prophet (peace be upon him) to lovingly pardon them and to ask Allah in private to forgive them. He (peace be upon him) needs to consult them before making decisions. Khan (2012) notes that the *āyah* does not say “pretend to take their opinion”. Today, many leaders are hypocritical when they consult their subordinates. They seek the advice of their colleagues to respect the form of *shūrā* but they end up deciding on their personal opinion. In this *āyah*, Allah is instructing the prophet (peace be upon him) to take the opinions of the Companions seriously. After consulting them, decide (*‘azamta*). This word implies that the decision has been made after a process of analysis and reflection. A decision based on gut feeling would not be described as *‘azam*. After that, one places one's trust in Allah. This now qualifies one for Allah's help. This *āyah* will be analyzed in more detail later.

However, Allah's help is not automatic; it is conditional on the Muslims being disciplined and being true to the message of Islam (3:160). The Muslims wondered why they did not win. Allah explains that it was their fault (3:165) and it was the will of Allah (3:166). Allah then describes the conditions of the martyrs (3:168-171). The efforts of the disbelievers against Islam are bound to fail (3:176) because the disbelievers are trying to undermine Allah. Allah allows them to continue these projects so that they have no good in the Hereafter (3:178). Khan (2012) notes that the Qur'ān asks Muslims to disregard what non-Muslims are doing and to focus on what they can do instead.

Allah says that everybody shall taste death. Success (*fauz*) is being saved from Hell and being entered into Paradise (3:185). This worldly life is nothing but deception. You will definitely be tested in your assets and your own lives and you will definitely hear painful words from the people who were given the book (*ūtu al-kitāb*) and from the disbelievers. Just be patient and have *taqwā* (3:186). Allah then criticises the people who love praise that they do not deserve

(3:188). Allah then describes the men of understanding (*Ulū Al-Albāb*). These had been described earlier in the *sūrah* (3:07). They remember Allah all the time and think about the creation all the time.

Allah then describes the believers making a beautiful *du'ā* (3:192-194). Allah replies with a beautiful reply (3:195). Allah finishes by reminding Muslims that some of the scholars among the Christians and Jews are sincere and will come to believe (3:199). Allah concludes by saying, people of *īmān*, *iṣbirū* (the patient) and *ṣābirū* (those who compete in patience with the enemy) and be on standby and remain alert and have the *taqwā* of Allah are successful in the Hereafter (3:200). Khan (2012) concludes by saying that *Sūrah al-Baqarah* and *Sūrah Āli-'Imrān* describe the Muslim identity. By contrast, *Sūrah Al-Nisā'* and *Sūrah Al-Mā'idah* will touch upon the social and ethical laws of the Muslim community.

5. THE IMPORTANCE OF CONSULTATION

Khaled (n.d.) and Khan (2012) essentially say the same thing but one's impression is very different. Generally, Khaled (n.d.) tries to cover too much in not enough detail so that subtle messages in this *sūrah* are lost. Khan (2012) analyzes it in more detail so that a more authentic representation is possible. This is indeed a beautiful *sūrah*. When one thinks of discipline, one thinks often of harsh words and punishment for lacking in discipline. Yet Allah offers Muslims beautiful inspiration to make them more disciplined. Throughout the *sūrah*, Allah talks about loving the believers and forgiving them. For example, He says, "If you love Allah, then follow me. And Allah will love you and forgive your sins. And Allah is oft-forgiving, oft-merciful" (3:31). This author will now focus on *āyah* 159. Allah says,

"And by the special mercy from Allah, you dealt with them gently. Had you been severe and harsh-hearted, they would have broken away from you, so lovingly pardon them and ask forgiveness for them, and consult them in their affairs. Then when you have taken a decision (*'azam*), put your trust in Allah. Certainly, Allah loves those who put their trust (in Him)" (3:159).

This suggests that leaders must be loving, caring and sincere for their followers. This *āyah* is of critical importance because it states the key process – consultation – that will give Muslims the discipline

to achieve their mission. Consultation is the process that allows Muslims to think deeply about the Qur'ān (i.e. 3:07) and to educate themselves about Islam and other religions. It is the process that allows Muslims to unite and minimize disagreements (i.e. holding on to the rope of Allah mentioned in 3:103, ordering good and forbidding evil in 3:110). On top of that, Allah highlights that it is the process to build trust in the Muslim community. In some narrations, consultation is highly praised. In an authentic narration, the Prophet (peace be upon him) said, "He who is consulted is trustworthy" (Abu Dāwud). However, in other narrations, consultation appears as something harmful if people are not sincere or if they are ignorant. In an authentic narration, the Prophet (peace be upon him) said, "Allah will not deprive you of knowledge after he has given it to you, but it will be taken away through the death of the religious learned men with their knowledge. Then there will remain ignorant people who, when consulted, will give verdicts according to their opinions whereby they will mislead others and go astray" (Al-Bukhārī). Thus consultation is not a full proof solution. It depends on the quality of the people being consulted and the effectiveness of the method used during the consultation process. A careful study is necessary to understand when consultation succeeds and when it fails. Events at Ford shed new light on the best methods of consultation.

6. THE CASE OF FORD

The case that follows is based on Hoffman (2012). One has to start by understanding the corporate culture developed by Henry Ford. Ford surrounded himself with yes-men. He created a culture of fear. This culture of fear continued until the 1990s. Even successful Ford leaders would bring their own problems as they created their own cult of personality that threatened to divide the company into warring camps. By the 1990s, Ford was in trouble. An internal report showed that Ford was not making any money on cheap cars. It only made money on trucks and sports utility vehicles (SUVs). Ford bought luxury brands – such as Volvo and Land Rover – and pumped billions trying to make them profitable. Quality started to deteriorate, workers and dealers were alienated. Things were going from bad to worse. By 2001, Bill Ford took over. By 2005, Ford was losing \$590 for every vehicle it produced in North America. While the top leaders at Ford continued their internal wars, Bill Ford was looking for a new CEO. Bill Ford persuaded Alan Mulally to join Ford in September 2006. There was

little time left. Ford lost \$12.7 billion in 2006 and it was running out of cash.

Mulally had spent almost 30 years at Boeing. He worked on every important project from the 1980s onwards. By the early 1990s, Mulally was put in charge of the Boeing 777. When Mulally took over, the program was behind schedule and Boeing engineers were fighting among themselves. Mulally instituted a program of “enforced cooperation and transparency”. Project leaders would meet every week to go over their progress, discuss problems and work as a team. They met once a week and everybody reported everything important to everybody else. It worked. He would apply the same technique to a variety of challenges at Boeing. He would later apply these principles at Ford. When Mulally arrived at Ford, he was immediately faced with colleagues who managed in silos. People held meetings within their own function and sent partial information to their colleagues in other departments. Nobody at Ford had the whole picture. Furthermore, depending on the audience, managers would inflate or deflate numbers. There were lots of meetings but you never knew what data could be trusted. Mulally called all senior leaders and laid down new rules:

1. There will be one corporate-level meeting every week – the Business Plan Review (BPR) – at the same day and at the same time. Everybody needs to attend the BPR every week.
2. Leaders would deliver a concise report highlighting problems and action plans. It is not a forum for discussion or debates.
3. Any issue requiring in-depth discussion would be discussed in a separate meeting. These would often be scheduled after the BPR and tangible results are expected by the next BPR.
4. Anything discussed in these meetings would be based on facts, not politics or personality.

In short, Mulally instituted a top-level *shūrā*. The benefits of this process include the following:

- Many companies separate planning and execution. The BPR integrated planning and execution. Everybody had to present current data and a five-year forecast. Executives were reporting their progress on the current plan and updating their strategic plan every week.
- The BPR became the mechanism for everybody to see the big picture. Many executives did not know how bad things were

overall. They were only aware of how bad things were in their department. But as everybody was lying to everybody else, the true nature of the problems was hidden to everybody. With the BPR, not only did the CEO get the real picture but everybody else did as well.

- The BPR became a mechanism for resource sharing. Before, a functional manager would only be able to use resources inside his or her function to solve problems. When issues were raised at the BPR, other functional managers would use their resources to help their colleagues.
- The BPR became a mechanism for developing leaders.

When Ford leaders saw the value of the BPR, they implemented the same process inside their own departments. Honesty and transparency were thus cascaded to the whole organization within a few months. The BPR was not a forum for debates or public humiliation; it was a place for finding solutions. The BPR worked because Mulally demanded honesty and transparency from himself and everybody else. In the early days, people tried to lie to him but Mulally could not be fooled very easily. People at Ford had been used to hiding the details. But Mulally liked and understood details. Not only that, he demanded facts. People at Ford soon realized that lying to Mulally was not a smart thing to do.

However, the BPR required one key element – trust. From September 2006 to October 2006, the Ford senior executives were using the BPR but they were still afraid. They were afraid that if they were too honest with the truth, they would lose their jobs. This was, after all, the Ford culture. It took the courage of Mark Fields to start highlighting problems. Not only was Mark Fields not fired, he was publicly praised by Mulally for raising the problem. After announcing the problem, Mark Fields waited. Mulally asked others in the room for help. Two senior people raised their hands. Together with Mark Fields, they would work it out and report the following week. Ford executives realized the truth would not be punished. By surfacing problems publicly, they could get help from other divisions in Ford. They could not do this if they kept their problems private. The lesson was simple. You cannot manage in twos or threes. Everybody has to be involved. Everybody has to be honest and transparent. That is only possible if the CEO creates a culture where honesty is valued and political maneuvering is punished.

The Ford case highlights two points. First, consultation based on facts leads to better decision making. Second, consultation based

on trust allows leaders to develop trust and discipline in the organization.

7. *SHŪRĀ* AND COLLECTIVE DECISION MAKING

Research shows that, sometimes, groups make bad decisions (Sustein and Hastie, 2014). This is because individuals have cognitive biases and poorly led groups magnify these biases. Heath and Heath (2013) summarize the literature on cognitive bias and its negative effect on decision making. Being aware of these biases is not good enough; groups have to develop processes to overcome them. Many groups focus on analysis but groups that develop an effective process did six times better (Heath and Heath, 2013). One can review the life of the Prophet (peace be upon him) and see that innovative solutions came from consultation. For example, Salmān Al-Fārisī proposed to build a trench around Madinah. This practice was common in Persia but unknown to the Arabs. Yet, the Prophet (peace be upon him) used an untried tactic that would – ultimately – ensure the safety or the destruction of the whole Muslim community. Many groups would have simply dismissed such an opinion because “most groups focus on what everybody knows already and don’t take into account critical information that only one person has” (Sustein and Hastie, 2014).

There is growing body of evidence showing that most successful organizations use consultation effectively. Collins (2001) and his team analyzed 1,435 companies in the United States. They then identified the 11 companies having the most outstanding results for at least 15 years. They identified that these great leaders:

- (a) They first got the right people in the right positions. They made sure that the wrong people left their organization.
- (b) They confronted the brutal facts without losing faith.
- (c) They created a culture of discipline.
- (d) They used consultation regularly when making critical decisions.

Collins (2001) notes that putting the right people in the right positions seems like common sense. However, it requires incredible discipline. Collins (2001) relates one incident to illustrate this. When Fannie Mae (an American organization) was in deep trouble, the board appointed David Maxwell as CEO. Before embarking on a new strategy, Maxwell insisted on interviewing all the senior officers and offered a simple choice: stay or leave. Out of the 26 officers, 14

decided to leave. Those who left were good employees but they were unwilling to make the kind of commitment that the organization needed to bounce back (Collins, 2001). Great leaders lead with questions and create an environment where other subordinates can debate the issues (Collins, 2001). These debates are often passionate because the issues are difficult. By contrast, ineffective leaders create a process where people have their say while arriving at a predetermined decision (Collins, 2001). He notes that great teams love and respect one another. He writes, “The people we interviewed from the good-to-great companies clearly loved what they did, largely because they loved who they did it with” (Collins, 2001). This is very different from the majority of organizations whose leaders use fear to get performance.

Tichy and Bennis (2009) add further insights. They argue that making good judgment calls is the essence of good leadership. They started by asking themselves why some people make a better percentage of good judgment calls than others. They write, “We didn’t have the question quite right. The thing that really matters is not how many calls a leader gets right, or even what percentage of calls a leader gets right. Rather, it is how many of the important ones he or she gets right” (Tichy and Bennis, 2009). Everybody will make mistakes. But one cannot afford making mistakes in important calls. Good leaders are better at the whole process: seeing the need for a call, the framing of the issues, identifying what is critical and then mobilizing the team (Tichy and Bennis, 2009). They argue that leaders make calls in three areas: people, strategy and crises. They add that calls about people are the most critical and the most difficult. Making good decisions is never a “solo performance” as “support teams” are vital (Tichy and Bennis, 2009). To make good decisions, it is necessary to be surrounded by people of character and courage. As they put it, character without courage is meaningless and courage without character is dangerous (Tichy and Bennis, 2009). They conclude that, “We have taken the position that people judgment comes first. If there is not a team of trusted leaders, it is impossible to make good strategic judgment as the people politics will undermine what is good for the enterprise.” (Tichy and Bennis, 2009).

8. *SHŪRĀ* AND BUILDING TRUST

Research indicates that trust is often absent in modern organizations. Many leaders are emotional tyrants (Waldron, 2009). Bullying at the workplace is often institutionalized (Lutgen-Sandvik, Namie and

Namie, 2009). About 40% of employee experience stress, often leading to burnout. These employees feel powerless and isolated. A critical factor in reducing this sense of powerlessness is participation in decision making (Tracy, 2009). The key to solving these problems is increasing trust. Trust is often compromised when leaders pay little attention to the opinions of subordinates and doubt their judgments (Gill and Sypher, 2009). Trust is enhanced when leaders favor competence, openness and honesty. Leaders have to be sincerely concerned for their subordinates and seen as reliable. Subordinates need to identify with their organization’s vision, mission, goals and values (Gill and Sypher, 2009). In particular, leaders have to have excellent listening skills. Gill and Sypher (2009) note that “one must listen to lead.” In their chapter regarding crises, Tichy and Bennis (2009) note that crises often occur because of one or several bad judgment calls. These bad judgment calls most likely to produce crises are the ones made about people (Tichy and Bennis, 2009).

Consultation does not automatically lead to building trust. Studies on effective teams were carried out by Belbin (2010). Over a period of 30 years, Belbin and his colleagues experimented with the composition of numerous teams. They measured the IQ and personality of participants and created a variety of types of teams. Some teams were composed only of very smart people. These teams did very poorly as they “spent a large part of their time in abortive debate, trying to persuade other team members. No one seemed to convert another or to be converted. Each seemed to have a flair in spotting the weak points of the other’s arguments. There was no coherence in their decision making and the eventual failure of these teams was marked by mutual recrimination” (Belbin, 2010).

Generally, although there is evidence that consultation leads to trust (e.g., the Ford case), the literature is not as extensive as the link between consultation and good decision making.

9. CONCLUSIONS

I have attempted to draw some management lessons from *Sūrah Āli-‘Imrān*. Although this *sūrah* focused generally on discipline, particular emphasis was put on consultation (*shūrā*) as a process for decision making and building trust. One of the dilemmas in management from an Islamic perspective is what comes first, the Qur’ān or the management literature? In line with the *tawhīdic* paradigm, it is understood that the Qur’ān does not need validation from management

scholarship. However, management scholarship can be validated by the Qur'ān.

The case of Ford is a case in point. It shows how powerful consultation can be. Indeed, one suspects that without Alan Mulally's timely use of consultation, Ford would have gone bankrupt. However if another chief executive officer does not use consultation but still runs the business successfully, it does not change the fact that consultation is the recommended process for decision making and building trust in the Qur'ān.

Collins's (2001) research is useful because he started with 1,435 publicly listed organizations. He eliminated dysfunctional organizations and ended up with 11 great companies. This alone suggests that the overwhelming majority of companies are dysfunctional. One therefore speculates that most of the management literature is based on empirical research based on dysfunctional managers, dysfunctional leaders and dysfunctional organizations. However, when one reviews leaders identified by Collins (2001), one is struck by the similarities with *Sūrah Āli-Imrān*. In other words, management research tells us what most people do in organizations. From the Qur'ān, one can derive lessons about what people ought to do and what people can do. In light of the abovementioned, one can argue that the education of Muslim managers ought to change. They have little to gain from learning of what happens in dysfunctional organizations. They can learn a lot from reflecting on the Qur'ān.

Though this *sūrah* deals with discipline, expressions like "Allah loves those who have patience" or "Allah has already forgiven you" abound. This shows us that real discipline is only possible when individuals have a common belief system and then love one another. However that is not enough. One needs an effective process, namely consultation. Consultation is a key process for better decision making but also for rebuilding trust after a crisis. From the management literature, one suspects that *shūrā* would not work well if teams are composed of the wrong people (Collins, 2001; Tichy and Bennis, 2009) or if they have the wrong process (the Ford case study, Heath and Heath, 2013) or if they do not fulfil the right team roles (Belbin, 2010). Further researcher should be conducted to confirm these assumptions.

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