

SURVEY ARTICLE

A SURVEY OF MANAGEMENT FROM AN ISLAMIC PERSPECTIVE

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1. Introduction

The concept of management has been known since the creation of man, be it regarding his hunting in a group, taking care of his animals, or managing his land. Over the years and as societies developed, a more complex system emerged. From its inception, Islam has supported a free enterprise system governed by the spiritual teachings and regulations of Islam. This system has allowed Muslims across the world to excel in different walks of business throughout Islamic history.

This article aims at presenting a survey of the relevant literature in management from an Islamic perspective. Through our review, we found much work concentrated on public administration, with little innovation or addition of new concepts from what was known centuries ago. Most of the efforts had been expended on translating early Islamic writings into contemporary terms and examples so that the people who are in the field may understand them and relate to them. The main reason for such concentration on public administration and not on project, industrial, or business administration is due to the fact that most of the writers (mostly religious scholars) did not have the background or the experience in the field of management.

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Recently a new generation of Muslim scholars, who have studied the classical theory of management and its tools, together with a good understanding of Islamic knowledge, became interested in management and its relationship to Islam, and have started publishing in this field.

To begin with, we will review briefly some of the recent publications on management in Islam. Following that, our discussion will continue by reviewing relevant literature on methodology, general theory, human resource management, planning, organizing, leadership, motivation, control, conflicts, culture, ethics and finally stress management.

2. Review of Recent Publications on Management in Islam

Among recent publications, two books deserve special mention, one of which is Abu Sin's *al-Idārah fī al-Islām* published in 1986. Though basically a public administration text that covers several topics that are not directly relevant to business administration such as governance, economic planning and public opinion, the book contains four chapters that are of great relevance to our topic. These include chapter six which deals with human resource management, chapter seven which deals with leadership, chapter nine dealing with control and finally chapter eleven where a synthesis of Islamic administrative theory is developed.

The other book is Naceur Jabnoun's *Islam and Management*, published by the Institute for Policy Research, Kuala Lumpur, Malaysia in 1994. It is the only book available on business management which presents an Islamic perspective on different aspects of the management process. It has been designed to enable readers to understand how Islam and the Islamic worldview permeate all aspects of life, including management. The author has derived a number of specific management concepts from the way the Islamic teachings are structured and integrated.

Any manager whether or not he is a Muslim, will derive great benefits by reading this book, which is based on the Qur'ān and the traditions of the Prophet (pbuh) as well as upon a thorough analysis of the leadership styles of the Prophet (pbuh) and his companions, including 'Umar (r.a.) in particular.

2.1 Methodology

It is probably premature to talk about methodology at this stage of the development of the Islamic perspective on management. A methodology is usually developed after a good accumulation of knowledge has been acquired. *Uṣūl al-Fiqh*, for example, was developed later than *fiqh*. Every author, however, uses a certain methodology in his or her work. While most authors do not mention their methodology explicitly, some make it a focal point of their work. al-Bouraei (1990) in his book, *Management & Administration in Islam*, devoted a whole chapter to "The Islamic Roots of Administration." In this chapter, al-Bouraei included the Qur'ān, the administrations of the Prophet (pbuh) and the four righteous caliphs as foundations of Islamic administration. al-Bouraei particularly cited two letters sent by 'Umar and 'Alī to their respective governors. He also included the works of some leading Muslim scholars such as Ibn Khaldūn as major references in this area. Jabnoun (1994) presents his methodology in the introduction of his book. Like others, he relied on the Qur'ān, the Sunnah, and the patterns of leadership set by the caliphs. He also included the works of Muslim as well as non-Muslim scholars, so long as these works did not contradict the teachings of Islam. Perhaps what is particular about Jabnoun's methodology is the fact that he considered the teachings of Islam found in the Qur'ān and Sunnah to be one complete plan, and he tried to deduce some lessons from the way this plan had been structured.

2.2 Islamic Management Theory

The last chapter of Abu Sin's book was on Islamic administrative theory. In this chapter, he gives a brief critique of the scientific management school, the bureaucratic school, the human relations school, the behavioural school, and the system approach school. He observed that modern administrative theories have failed. Where these theories had been applied, the workers appeared to be paranoid for not being able to satisfy their material and psychological needs. As a result, these workers tended to reject formal authority. Abu Sin attributed the failures of modern management theories to the fact that they looked at the organization in isolation from the greater society as well as to the fact that these theories

were not comprehensive for they tended to focus on some aspects and overlook others. For example, scientific management stressed efficiency and considered economic reward to be the main work incentive. On the other hand, the humanistic school, which was a reaction to scientific management, focused on the human side while overlooking the economic factor as well as the importance of formal authority. Abu Sin considered the system approach as an exception to these theories, as it had a comprehensive approach.

After criticizing modern management theories, Abu Sin presented the characteristics of what he called an Islamic administrative theory. The major characteristic of this theory is its comprehensiveness as it encompasses all the variables affecting the administrative operation. The major dimensions of the Islamic administrative theory can be summarized as follows:

- This theory is directly related to the social philosophy of the Islamic society, its values and attitudes. Administration is thus a part of the social order.
- This theory is concerned with economic factors and material incentives, and emphasizes that the material needs of a worker should be satisfied. As such someone responsible for a family would get more income than a single person.
- This theory is equally concerned with the human and spiritual factors. People are treated with respect and are included in the decision process. The level of participation depends on the intellectual and psychological abilities of the individual.
- This theory is equally concerned with systems and structures. Formal authority is respected and compliance is required, so long as the orders do not include committing a sin.

2.3 Human Resource Management

In Abu Sin's book, there is a separate chapter devoted to human resource management in which he has discussed recruitment, salaries, training and development, and human relations. Abu Sin specified that recruitment should be based on trust and strength or skills, on the basis of

the Qur'ānic verse: "Truly the best man for thee to employ is the strong and trusty," (Qur'ān 28:26). He also stressed the fact that appointing someone to a post while there are better qualified people for it, is unacceptable in Islam. He further stated that managers should not recruit people in order to do the latter favours. He also pointed out that the job description should be clarified, nominees should be tested before being appointed, and selection should be done collectively. Finally, the appointee should be given a temporary assignment to test his performance before getting a tenure or a permanent position.

Abu Sin stated that the amount of salary should be set and communicated to the employee before he starts on his assignment. Salaries should be based on the tasks the employees have to carry out, the size of their families as well as on how expensive their lodgings are. As far as training is concerned, Abu Sin merely mentioned some cases where Prophet Muhammad (pbuh) or one of his righteous successors provided some training to their subordinates.

As regards human relations, Abu Sin mentioned the importance of the feelings of security and stability. He also stressed the need to respect employees and deal with them gently. Furthermore he stated that employees and employers should have a sense of belonging and a clarity of goals and responsibilities. Contributions should be recognized and mistakes should be corrected. Finally, he mentioned that employees should have the right and the means of protesting against any mistreatment by their managers. Abdul Aziz (1992), in his article entitled, "Firm Level Decisions and Human Resource Development in an Islamic Economy" has emphasized that the Islamic concept of economic development is wider, for it includes and accords an important role to the moral and social dimensions that are absent in western concepts. The continual acquisition of knowledge necessitates the firms to participate in educating their workers. The article involves an elaborate discussion about staffing, job specialization, wage setting, lay-off policies, workers' participation in management, health care, quality control and quality consciousness in the light of the teachings of the Qur'ān and the Hadīth. The author has concluded that one apparent reason for western-based economies not succeeding in attaining the objective of committed, loyal and dedicated employees is the western adherence to materialistic values and the consequent absence of the spiritual factor.

2.4 Planning

The second part of Jabnoun's book which pertains to the planning process provides an analysis of the concept of mission, the Islamic approach to mission and its relevance to Muslim organizations, long-term targets, the peculiar relationship between the long-term objective of Islam and the various actions that lead to it, feasibility and its components.

The author also emphasized Participative Management where he explained the concept of "*Shūra*" and how it was applied. In his coverage of the Systems Approach, the author stressed the total cohesiveness of the teachings of Islam and how they mutually supported each other. The Gradualism or Staged strategy was rigorously discussed as delineated in the Qur'an and practiced by the Prophet (pbuh). The author further elaborated on Contingency Planning at both the micro and macro levels, issues of consistency, and continuity in implementing plans within their projected horizons. This discussion was based entirely on various facets of the concept of patience and perserverence or "*ṣabr*," outlined by the Qur'an. Finally, the author has focused upon the relevance of the concept of "*tawakkal*," as a critical factor of Muslim behaviour.

2.5 Organizing

Many works on organizing have presented the types of organizational structures that existed in the times of the Prophet and his successors. Jabnoun's work involves a fairly elaborate discussion of authority, responsibility, accountability, and control process. This discussion is based on Qur'anic teachings and their practice by the righteous caliphs. His discussion of organizational structure is no different from what we can find in any book on management. He has tried to justify this by stressing that the structure is a means that has undergone a lot of changes throughout Muslim history.

2.6 Leadership

Abu Sin has clearly defined the concept of leadership and its role. He has delineated three required leadership skills, namely political skills which are more important for political leaders, human skills and technical skills.

With respect to human skills, Abu Sin mentioned that leaders should be role models, just and merciful without being weak, and committed to consultation and participation. He also explained that leaders should be close to their followers making it easy for the latter to approach them and correct them when they are wrong. Furthermore leaders should train their subordinates, delegate authority to them as well as control their performance.

Regarding technical skills, Abu Sin mentioned that leaders should believe in the objective of the organization and be able to share it with everybody else. Moreover leaders must be able to plan, organize, and staff. They should also be committed to their responsibilities and capable of developing the organization.

Jabnoun has provided an elaborate discussion about Islamic perceptions of leadership. He defined leadership as a service offering. According to him, the qualities of an effective leader can be summed up as skills and trustworthiness. He stressed the importance of kindness, consultation, empathy, vision, communication and eagerness to learn. He further discussed the issue of leadership development. The sixth part of Jabnoun's book presents the enriching leadership style of 'Umar Ibn al-Khaṭṭāb. He has presented a case study, based on the personality traits of 'Umar, his participative style of management, his commitment to quality and continuous improvement, and his thorough and highly sophisticated control process. The model suggested through the study is suitable for organizations that pursue total quality management and just in time philosophy.

2.7 Motivation

Sharfuddin Ibn Omer (1988) in his paper, "Motivation – The Concept of Human Performance: An Islamic and Comparative Perspective," has emphasized that work motivation from an Islamic angle is far from being individualistic in character and instead encompasses the corporate behaviour of business enterprises. Jabnoun while discussing the concept of motivation has stressed the importance of establishing a direct cause and effect relationship between the long-term objective and all the

actions leading to it. He further discussed the concept of reward and punishment and stated that people act either out of hope or out of fear. Furthermore he pointed out that justice is the cornerstone of the worker's satisfaction. There is probably a need to examine scientifically the impact of faith on work motivation of truly practicing Muslims and to make a critical appraisal of the existing theories of motivation from an Islamic point of view.

2.8 Control

Jabnoun in his chapter on "The leadership style of 'Umar," has talked about control within the framework of public administration. However, it also has a lot of relevance to business management. Jabnoun starts by outlining the concept of self-control and accountability before Allah (SWT). Then, he talks about administrative or executive control which is exerted by the top management. He further explains that the type of control exercised by 'Umar, was more sophisticated than the basic control process found in today's management literature in that it incorporates the dimension of continuous improvement. He further highlights the methods of control used by 'Umar which included having an open door policy, the annual *Hajj* conference, appointing inspectors, and making frequent visits to the provinces, as well as financial auditing. As observed by Jabnoun, the process of improvements was facilitated by the culture of advice as Prophet Muḥammad (pbuh) has said: "Religion is advice," and by the participative management programmes established by 'Umar. Besides administrative control, Abu Sin mentioned social control or the control exercised by the society, which plays the role of organizational culture. The last type of control mentioned by Abu Sin was carried out through administrative law where members of the organization can voice their complaints about their superiors.

In his paper, "Management Control in Islam: An Introduction," Abo-Hebeish (1988) addresses the subject of management control and relates the discussion to both the contemporary practices and Islamic rules, and concludes that management control is an Islamic concept and has its support in Qur'ānic statements.

Organizational controls refer to those activities that an organization undertakes in ensuring that its activities lead to achievement of its objectives. In this process, it is imperative to carry out performance evaluation which can provide a solid basis for taking corrective action if it is ascertained that performance is not contributing to goal achievement. These issues have been examined thoroughly by Mawdudur Rahman and al-Bouraey (1992) in their paper entitled, "An Islamic Perspective of Organizational Controls and Performance Evaluation," who have addressed these issues from the perspective of Islam and the culture which it has created, and have compared it with a secular culture. They have observed that an Islamic organization's evaluation criteria must transcend an individual's economic and physical needs and have established that an Islamic organization should consider a new order of performance evaluation – one which corresponds to Islamic faith, culture and belief at the individual, organizational, and social levels.

2.9 Conflicts

Before addressing conflicts, we first present the main article written on organizational behaviour by Shareef (1988). This article entitled, "Islamic Principle of Organizational Behaviour – A Conceptual Outline," is an attempt to establish that Islamic teachings extend from an individual to collective and organizational behaviour. It further provides an analysis of Islamic Organizational Behaviour principles (universal, desired and applied ones). With regard to organizational conflicts, Jabnoun has discussed functional conflicts which are encouraged in the teachings of Islam, as well as dysfunctional conflicts, their causes and their managerial consequences. He has pointed out that Muslims are expected neither to reject conflicts altogether, nor allow them to deepen until they become dysfunctional, as Muslims have to follow the wise policy of being justly balanced (Qur'ān 2:143). He has outlined various methods of solving dysfunctional conflicts, stressing upon the alteration of the human variables as the best approach, though it takes a very long time. It is, therefore, necessary to have other methods which will smooth the conflict or solve it in a short period of time, in addition to the process of altering the human variables.

2.10 Culture and Values

The first part of Jabnoun's book introduces the importance of collectiveness and the need for organizing efforts and resources. The author has also elaborated on the concept of organizational culture and its relationship to effectiveness. He has delineated the major characterization of the culture of the companions of Prophet Muhammad (pbuh) and showed how Allah (SWT) made sure that this culture would be maintained through the prescription of the Pillars of Islam.

The publication, *Islamic Values and Management* (1994) edited by Al-Habshi and Ghazali, puts together the four papers which were presented at a seminar held in July, 1993 at Kuching (Malaysia), under the auspices of the Institute of Islamic Understanding Malaysia. Through his article on Islamic values, Al-Habshi discusses the transcendent nature of Islamic values which form the basic justification for their universality and applicability in all spheres of human life. He has outlined Unity (*Tawhīd*), Vicegerency (*Khilāfah*) and Justice (*al-ʿAdl*) as the three fundamental principles for the Islamic worldview and has emphasized the importance of positive universal values. In the article, "Attributes of Virtuous Executives and Administrators in Islam," contributed by Faisal bin Othman, an attempt has been made to lay down the values which should be emulated by executives in order to excel in their management tasks. Another paper entitled, "Executives' Development for Excellence," by Ahmad bin Berek focuses upon careful selection of knowledge, technology, skills, techniques and approaches of western management theories and practices which should be blended with Islamic values in order to be effective. Aidit bin Ghazali's article entitled, "Employer – Employee Relationships: Towards Improved Productivity," stresses upon the need for developing and pursuing an Islamic alternative towards establishing an exemplary work culture since Islam, being a systematic way of life, offers a set of concrete strategies which industrial and management planners can adopt to foster a healthy environment for employer and employee relationships.

2.11 Islamic Business Ethics

Hanafi and Sallam (1988) present a model of behaviour that can be emulated to harmonize human relationships in their paper entitled,

“Business Ethics – An Islamic Perspective.” The Islamic view concerning a code of business ethics has been presented in line with the teachings of the Qur’ān and the Hadīth related to six areas: truthfulness, trust, sincerity, brotherhood, science, knowledge, and justice.

2.12 Stress Management

Ola Abdel-Kawi’s paper (1988), “Islamic beliefs as Moderators of Organizational Stress,” suggests that the integration between the stress cognition process and the Islamic belief system can be utilized for a stress management programme to assist Muslim executives to predict, understand and control stress. It also explains how Islamic beliefs can stimulate higher order needs, increase motivation; and thus decrease stress. The paper suggests the use of the Islamic reward system as a means to reduce stress when motivation is lacking in the work environment. The proposed stress cognition model with the relevant Islamic beliefs as moderators is based upon and is consistent with stress management and cognition theory and research.

3. Conclusion

The development of management literature from an Islamic perspective is still in its infancy. What has been written has shown some encouraging development. Some works reflect depth and comprehensiveness. More, however, need to be developed in terms of concepts, theories and processes. What is urgently needed is probably the development of modern case studies. Most of the cases referred to in the existing literature have been from the early years of Islam. Some empirical studies are needed to evaluate and further develop the existing literature written by Muslim scholars. These empirical studies will test the concepts and processes developed by Muslims rather than the teachings of Islam. In the area of Islamic business ethics, there is a need to examine the Islamic worldview, related to the ethical dimensions of business. Studies should be carried out in order to make a comprehensive evaluation of Islamic and conventional ethics for regenerating, establishing and propagating the pervasiveness of Islamic ethics.

Most scholars look at the concepts and theories that were developed in the west and try to relate them to the Islamic heritage, as we mentioned earlier. Although Abu Sin (1986) developed a framework for Islamic Management and Jabnoun (1994) considered the teachings of Islam as a comprehensive and complete plan and deduced some original managerial concepts from them, the Muslim *ummah* is still waiting to see more innovation in this field, based on a total Islamic philosophy. None of the authors address the fact that "Islamic Management" can only be applied in a society that is based on and governed by Islamic philosophy. That raises a crucial question – can an Islamic management function in an "unIslamic" environment – in other words would it be successful?

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