



Editorial Note

This special issue of the IIUM Journal of Case Studies in Management provides show cases in managing Islamic banking and finance businesses where *Shari'ah* compliance in governance is a necessity.

The five case studies dedicated for this issue are based on the Kingdom of Saudi Arabia (KSA) banking and finance industry which are operating in their local business environment but with international perspectives. They are the Alinma Bank, the Bupa Arabia Medical Insurance Company, the AlRajhi Bank, the Arab National Bank (ANB) and the National Commercial Bank (NCB). These entities are primarily based on areas of Islamic banking, finance and takaful (risk management). In fact, findings of these case studies could serve as the foundation to start the Case Writing, Publishing and Teaching Division of the College of Business and Economics (CBE) at the Qassim University, Buraydah, Saudi Arabia.

The first case study entitled “Emerging Islamic Banks in the KSA: The Case Study of Alinma Bank” discusses the key factors that assist the bank in achieving its objective of becoming a premier Saudi financial institution that offers Shariah-compliant banking standards in all its services and transactions. It seeks to ensure continuous business operations in present day challenging times not only serving the local needs but regionally as well as for the global level. Alinma Bank endeavours to assist its clients to succeed in their businesses by providing an array of Shari'ah-compliant corporate financing products such as *LC Murabahah*, *Bai Al-Ajel*, *Forward Ijara Murabahah*, *Forward Ijara Musharaka* and *AlIjarah*. Remarkably, despite competitive challenges from other banks, this Islamic bank managed to upsurge its profitability. This is evidenced from its Return on Equity (ROE) performances.

Secondly, “How Risky is Risk Management: Case Study of Bupa Arabia” discusses the real and positive impacts on the health risks of stakeholders such as company’s clients, its employees and communities at large i.e. in protecting them from health problems via comprehensive health insurance coverage. The management of Bupa assures that the company does not limit itself to merely providing best high-quality health insurance services, but go beyond. Accordingly Bupa extends its services to include Corporate Social Responsibility (CSR) programs with holistic healthcare in the stakeholders’ daily lives.

The third case study entitled “Al-Rajhi: the Kingdom’s Global Bank” deals with the financial banking operations and corporate banking investment services of Al-Rajhi Bank which is based in Riyadh, Saudi Arabia. As the name indicates, it belongs to Al-Rajhi family, a Saudi Arabia’s wealthiest non-royal family establishment who are considered to be among the world's leading

philanthropists. Currently, Al-Rajhi Bank is a full-fledged Islamic bank that provides wholesale, retail and commercial banking and investment services. “Think Globally, Act Locally” is the idea behind creating a platform for local and Saudi Islamic banking and finance entities like Al-Rajhi Bank to compete in the global atmosphere.

The fourth case study entitled “ANB-Reckoned with the Past Four Decades of Exceptional Performance” deals with matters relating to the importance of human resource management principles and practices. Even though the Arab National Bank (ANB) focuses on banking and financial services it is also strong on CRS programs. It also intends to emphasize the emergence and the ongoing practices of Islamic banking expansion in the bank. Finally, this study examines efforts carried out by the ANB in the area of Small and Medium Enterprises (SMEs) operating in the business environment of the KSA.

Finally, the fifth case study elucidates about the National Commercial Bank (NCB). This bank is fully in the *Shari'ah* compliance mode as this is a major source of its organizational business policies. The NCB is influenced heavily by the Saudi culture and the “Saudisation” initiatives. The bank relies on religious doctrines as the guidance for core values of folkways, mores and *Shari'ah* laws to inculcate local customs in its business operations. The application of such value system by the NCB reflects positively on its entire performance and leads to employees’ commitment and customer loyalty as it serves its clients including non-bankable ones through social institutions.

In the end, this special issue is a humble contribution that could provide the necessary shift for an alternative banking system instead of the mundane conventional bank management practices. Indeed, this kind of Socio-Islamic banking system emphasizes on the Islamic values and *Shari'ah* perspectives in its forefront and all its undertakings.

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(Guest Editor)

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