Impact of Islamic Management Principles on Organizations Regardless of Religion

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Abstract

To be well organized, an organization needs an expert in the field. Today, organizations operating around the world face many challenges. How corporate managers achieve their duty is the necessary matter to the office of the research company. This provides an example of Islamic management; where leaders and those in authority were to go to the "divine" precepts and customs, and the discipline of the fullness of instruction, access, had put in the name of the organization. Surrender to "divine". First the precepts of humility, and took over their duties in the offices of heads are in their best holistic approach to management. This article concludes: Islamic business model is flexible enough to accommodate all organizations, regardless of religion.

Keywords: Islamic knowledge resources, abandon holistic approach, Education, Islamic Model Management, Organizational Management.

1. Introduction

Islam means "surrender", that is, it leaves man to the will and purpose of God. Islam is an Arabic word that indirectly indicates submission, surrender and obedience. As a religion, Islam means complete submission and obedience to Allah. Another literal meaning of the word Islam is "serenity" and that means that we can achieve true peace of mind and body than by submission and obedience to Allah. Islam is Submission and Obedience to Allah, the Blimey of the Universe (Mawdudi, 1960). Islam has created a unique management paradigm that promotes civility, prosperity, diversity and happiness. Among people of different religious doctrine and cultures from around the world for more than 1,000 years. In today’s scenario, Muslims must build organizations that simulate an inspiring model of Islamic management.

Islamic management analysis is an important area of research for modern management researchers (Abbasi et al., 2010). Islamic positions are shown and discussed on the basis of the informant unveils Islamic knowledge. Al-Qur’an and Hadith taking as a law on the basis of the investigation. (Kazmi, 2003).

Research Question; Is the Islamic model of successful management applicable in all organizations, regardless of religion?

The objectives of this paper are as follows

i). Analyze the principles of the Islamic management system through the literature.

ii). Study the meaning of Islam on organizational work behavior and current policies along with principles in human resources

2. Islamic Knowledge Sources: Al-Qur’an, Hadith and Ijma

2.1 Al-Quran

Al-Qur’an is the fundamental religious text of Islam. Islamic Teachings, al-Qur’an is the book of “Divine” guidance and Address for humanity. As per Islamic faith, Al-Quran is the ultimate revelation of Muhammad (PBUH) by Allah (God) through the angel called Gabriel.

Al-Quran is the profound religious book of Islam. Islamic teachings, Al-Qur’an is the script of "Divine" and the direction for humanity is. according to Islamic belief, Al-Quran is the final disclosure To Holy Prophet Muhammad (PBU) by Allah (God) through the angel called Gabriel.

2.2 Hadith/Sunnah

Hadith (plural Ahadith) are the verbal traditions of the Prophet Muhammad (PBUH). Ahadith are considered as the principle of education Islam. The success of the organizations depends on the addresses of the authorities. Hence the precepts about the acts of the leaders should be confined within in Hadith and the Sunnah, Even though the organization is running with the ample amount of money fails, however, if it lacking a good management(Kvint, 2009).
2.3 Ijma, Consensus

Ijma’ means consensus, that is, acceptance of a matter by a specified group of people. In Islamic jurisprudence (fiqh) the matter on which ijma’ is of interest is understood in one of the two following ways:

Signifies the consent of a certain apprehension of a group on a particular matter is called Ijma’. Islamic jurisprudence (Fiqh) which is Ijma ‘interest in two ways:

1) Any matter related to Shari’ah
2) Any matter (of interest to Muslims)

The consent of the congregation, in the following, in which the exception has been made of young people (children) and those who are suffering from the disease of heat:

1) All Muslims Scholars and Honest of all times
2) All Muslim Scholars of a particular time

3. Instruction

Involved (Ta’awun) (Fear of Allah), Ehsan (Forgiveness), Amana (Trust), Adl (Justice), Siaq (Truthfulness), Ikhlus (Sincerity), Shura (consultation), Khud Ehtesab (Being by Allah), Equality (Masawat), Patience (Sabr-o-Tahammul), Guidance (Rehnumai), Co-operation (Ta’awun) and Responsibility (Zim-e-dari)

4. Methodology

Descriptive method of analysis has been used to find that either the Islamic Managerial Instructions derived from the sources of Islamic knowledge how that they work closely and if one is left, the structure should not be completed.

4.1 Analyses of Instructions

4.1.1 Taqwa (Fear of Allah) Analyses

Without this fact, the whole structure becomes meaningless, whosoever has the fear of God will automatically refrain from evil. An atheist is like a free-lance beast, for he/she has no fear to be checked of his deeds. When a person is filled with fear of Al-Mighty Allah he refrains from injustice and will do good deeds. It is a self-accountable characteristic which shapes the behavior of an individual, either manager or subordinate, in a way so that he/she may honestly perform his duties and accomplish the tasks assigned to him/her. Such principle is a kind of check and balance and on employee and employer considers him/herself accountable to Al-Mighty Allah for his/her wrong actions. This the foremost piece of instruction from the set of Islamic instruction for one who has no fear of Allah, he can do anything wrong.

4.1.2 Ihsan (Forgiveness) Analyses

The word Ihsan can be used in many contexts. Forgiveness, amelioration, completeness of faith etc are some of the meanings of Ihsan, however, it is a way of attaining Al-Mighty Allah’s Satisfaction, to worship Allah as you see Him and He sees you. Ihsan is related to Imán (Faith) which mean Faith in Al-Mighty Allah so in this context undertaking the economic activities wealth generation, ownership, equality and social justice and keeping in mind Allah’s guidance. Managers can perform their tasks, related to subordinates, aptly with high level of Ihsan such as training and development, behavior with employee and their involvement in job. Besides, encourage employees to participate in decision making. Do not know the act of forgiveness, get ready for the punishment. “to err is human, to forgive, Divine”, nobody can escape from errors irrespective of employers or employees. This shows the maximum importance of forgiveness.

4.1.3 Amana (Trust) Analyses

Trust is the core value of operating a social relationship and by this everyone, he or she is accountable for his actions and deeds. The Holy Quran says, “O you that believe! Betray not the Trust of God and the Apostle nor misappropriate knowingly things entrusted you”, (Chapter8, Verse-27).4 Ta’eb (1996)5 opines that by trust consultation and delegation of authority can be accomplished. Trust can be an organization for its owner and its employees. Business are being run on the base of trust, A broken reed person cannot get success in every walk of life. This shows that trust a vital part of this set of Islamic instructions.

4.1.4 Adl (Justice) Analyses

Wilson (2006) stated that justice is a quality everyone should develop irrespective of his gender (he/she) and level of employment (manager/subordinate). The Holy Quran says about justice in these words, “O you who believe stand out firmly for God as witnesses to fair dealing and let not the hatred of others to you swerve to wrong and depart from justice...” (Chapter-5, verse-8)

Islam teaches the lesson of justice without personal interests and likeness. It should be free of prejudice. There is no restriction of beliefs in Islam and everyone should practice his/her belief freely. This can be proved from the Holy Quran in these words, “there is no compulsion in religion” (Al-Quran, Chapter-2, Verse-256). Even the sayings of Prophet Muhammad (PBUH) provide a documented proof regarding the equality of all human beings, “An Arab has no preference over a non-Arab, nor a non-Arab over an Arab, nor is a white one to be preferred to a black one, nor a black one to a white one, except in piety (righteousness)”. Equality can be achieved through justice and for equality those at managerial positions
should be mild. Managers should create and maintain an environment of justice by providing a chance of participation to employees. “Justice delayed, Justice denied” unjustness urges people to violate, and where there is a violation there is a halted system. Justice has a great significance.

4.1.5 Sidq (Truthfulness) Analyses

Sidq means exactness in sayings and actions, and what is right as per the best of someone’s knowledge. Lie to cheat someone is strictly forbidden in Islam. The Holy Quran on many occasions abhors lying. Managers, leaders, owners and subordinates should be truthful and not be guided by his/her personal will or feelings. They should perform their duties with honesty and trustworthiness. The center of effective management is honesty and trustworthiness. By trust resources cannot be misused, hence, everyone would perform his/her job with responsibility. The concealment of secrets is another thing but “lie” means simply cheating and lie is considered as the mother of all evils, therefore if this instruction is absent then organizational management would suffer a lot.

4.1.6 Ikhlas (Sincerity) Analyses

Sincerity and keeping promise are the important principles of Islamic management. One should fulfill his or her moral obligations with sincerity and should keep the promises. The Holy Quran states, “O you who believe! fulfill (all) obligations”10. Hence, sincerity tries to infuse a culture of trust, confidence truthfulness and cooperation among managers and subordinates.it would be harmful monetarily if there is no sincerity among employees or employers, for the employees won’t care when they see any wastage of assets of materials of company if that doesn’t fall in their domain. That is why this piece of instruction is also very important for organizational management.

4.1.7 Shura (Consultation) Analyses

An important principle of Islamic management is Shura. A Muslim leader should work by seeking the suggestions of its subordinates through consultations. He or she should not adopt autocratic style of management. The Holy Quran states, “Their matters are settled through Shura among them.” (Chapter-42, Verse-38)11. All matters of life including socio-economic and political etc. should be decided by consultation. The principle of Shura is an important concept of Islamic management which guides managers to behave with their subordinates with equality and justice. This proves that consultation is playing a significant role for smooth organizational management.

4.1.8 Khud Ehtesabi (Being Watched by Allah) Analyses

In this practice there is always a clear sense that all (employer and employees, seniors and juniors), everyone is being watched by Allah, this belief restrict the people from corruption. The absence of this instruction, let the employees or employer free, they may start forgery, scamming and corruption freely. Hence, being watched by Allah is very much necessary for crystal clear organizational management.

4.1.9 Equality (Masawat), Analyses

This instruction depreciate the favoritism, most of the time it has been observed in the organizations that incapable persons are obliged more than the capable or deserving due to favoritism. Islam severely condemn this activity and appreciate and promote the Equality. This piece of instruction deals with the fairness.

Everyone should be treated equally or fairly, the absence of equality may raise the disloyalty among the employees or employers. This may lead to the failure of management.

4.1.10 Patience (Sabr-o-Tahammul) Analyses

In al-Qur’an, God explicitly identifies patience as one of the defining characteristic for the followers of Islam (Beekum et al., 1996)12. Patience has two aspects. First, it is called mental-patience which is restraint on demands of carnal desires and anger. In misfortune, it is required against violent outbursts in the form of crying, tearing of clothes etc. Firmness of mind is required to control anger and greed for wealth. Secondly, it is called bodily patience which is endurance of physical pain felt in performing devotional or non-devotional acts in disease and in injury (Alhabshi et al., 1994)13. Patience and perseverance in every day management activities have a magical effect before which difficulties disappear and obstacles vanish (Keith, 2004)14. Every manager encounters many disagreements, deviations, misinterpretations and gaps in planned and actual outcomes. Therefore, Islamic value system emphasizes patience. Except such as have Faith, and do righteous deeds, and (join together) in the mutual teaching of Truth, and of Patience and Constancy. (Al - Qur’an 103:3)15. Patience is one of the most important teachings of Islam. While following the righteous way, one may face turmoil and problems. In Islamic value system, every member of the organization supports each other in facing all such obstacles and motivates each other for patience. This ensures that the whole organization moves towards the objective with firmness.

Patience is playing a very vital role, if there is no patience, there is no existence of any relation. Patience is essential for the existence of every relation, in the same way, Leaders, Managers, Employers, Subordinates, Seniors and Juniors everyone should have to have patience for not even a single human being is free from error. If we do not make mistakes we cannot learn. Thus, Patience occupies a significant place in Islamic instructions.
4.1.11 Guidance (Rehnumai), Analyses

The importance of guidance can be obtained from the Hadith "I (Prophet Muhammad, PBUH) sent as a teacher"\textsuperscript{16}, and it is quite obvious that a teacher is a guider. Therefore we all need guidance and we act as a guider in our places. Hence this instruction is also having very much importance in organizational management.

4.1.12 Co-operation (Ta’awun) Analyses

The best example of co-operation had been shown in the history of Islam by the “Ansar” a community of Muslims, at the time of Makkah (Holy city of Muslims) refugees called “Muhajers” came to the holy city Madina to seek shelter, there were Ansaris who offered them by the instructions of Holy Prophet Muhammad (PBUH) half of their assets willingly and happily. Therefore, in the analyses of co-operation instruction, we find it very necessary in organizational management for it has been observed that many a times we need help and we have to share our hands as well.

4.1.13 Responsibility (Zim-e-dari) Analyses

A leader (not only leaders or managers but every single person from top to bottom) must be responsible for his decisions, actions because he/she accepts the prerogative to direct (Chaffee, 1997)\textsuperscript{17}. All items must be delivered with responsibility (Kraines, 2001)\textsuperscript{18}. Leaders who the best in history are those who know they are officials serving their followers (Fairholm, 2001)\textsuperscript{19}. Accountability reflects an image of reliability is given both an instrument and a goal. What began as to improve the efficiency and little by little it became a goal in itself. Islamic lessons flatly explicate the construct of the following verses of al-Qur’an: “So anyone who makes an atom weight Well, watch it! And the one who made an atom Weight of evil, shall watch it. (Al-Quran 99: 7-8)\textsuperscript{20}. A cargo carrier cannot bear the burden of others. “Yes A very charged should call another to carry his load, It is not the least part of it that can be realized (on the other), although he is closely related to it” (Al-Qur’an 35:18)\textsuperscript{21}. The responsibility in this very wide sense, basically it is used to positively influence the state of the performance of a leader. This “reactivity” approach, “A sense of responsibility” and the will of Act in a fair and truthful way (Bovens,2005)\textsuperscript{22}.

4.1.14 Humility Analyses

In response to the order of Allah, Musa (AS) asked for the first time Allah’s help to improve His skills and make Him able to complete the assigned task successfully. His request aid the mark of a Muslim leader’s humility and His complete dependence on His Lord for everything (Unus,2005)\textsuperscript{23}. (Moses) said: “O Lord, extend my breast; relieve my duties for me “(al-Qur’an N 20: 25-26)\textsuperscript{24}.

Charismatic leaders always have great self-confidence. However, they are very humble. They are prepared to accept that they do not know and cannot be the best at all. It is the reason why we are constantly looking for

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\caption{Islamic management model}
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learning. Humility means surrender to Allah's will which is very necessary for God dislikes arrogance, so employer, manager or employee, whoever has the arrogance can't perform his task well.

In the light of above analyses, we find all the instructions having a great importance for Islamic management system.

5. Islamic Management Model

This model is shown in figure 1.

6. Literature Review,

Reference (1) stated that, Islamic principles are flawless and of great importance, easy to adopt and implement. Reference (2) Enlighten the aspects of Islamic principles, how they are adapt to almost every organization and community. Reference (3) Kazmi had suggested a docket of Islamic perspectives.

In management studies, that these perspectives surely prove the fruitful results in organizational management. Reference (4) In 2009 Kvint presented an amalgam of western strategic management theories with Islamic managerial principles, and he was inclined to Islamic principles that these are the major ones and most of the western models derived from them. Reference (5) Al-Qur'an stresses on, to stop betrayal the trust of God. Reference (6) discusses some of the implications of Islamic values for management of the workforce in organizations in Muslim countries in the light of the rise of Islamist movements in many of these countries. Reference (7) states the Qur'anic Verses, “O you who believe stand out firmly for God as witnesses to fair dealing and let not the hatred of others to you swerve to wrong and depart from justice. Reference (8) Qur'an Stresses to stop corruption, as its verse states "there is no compulsion in religion, (Islam)". Reference (9) Qur'an depreciates the class distinction and promote the piety and righteousness. Reference (10) Holy Qur'an instructs to be true to your words and have to fulfill the obligations. Reference (11) Qur'an instructs to solve your matters through consultation. Reference (12) Discussed the Islamic principles and depicts that how they successfully implemented in organizational management to get win-win situation. Reference (13) As Albshi indicated that how Patience is necessary in organizational management. Reference (14) Either Keith is inclined to have patience for smooth and good management. Reference (15) All the views regarding Islamic principles are derived from Qur'an and Hadith, and Patience has been discussed thoroughly and of great significance in Al-Qur'an as well. Reference (16) Teaching plays a very vital role, the necessity of teachings can be understood by the saying of Holy Prophe "I (Prophet Muhammaam, PBUUM) sent as a teacher" Reference (17) Indicates the value of responsibility, that how a person should be responsible and will be liable to his/her responsibility. Reference (18) Responsibility is stressed by Holy Qur’an. Reference (19) Fairholm depicts the responsibility a very important part of the management, according to him best managers are those who own their responsibilities. Reference (20) “So anyone who makes an atom weight Well, watch it! And the one who made an atom Weight of evil, shall watch it, this shows that Holy Qur’an stresses on fulfilling of the responsibilities. Reference (21) “Yes A very charged should call another to carry his load, It is not the least part of it that can be realized (on the other), although he is closely related to it”, again Holy Qur’an instructs in fulfilling the responsibilities. Reference (22) "A sense of responsibility" and the will of Act in a fair and truthful way, Said by Bovens, that means that Boven either inclined in fulfilling the responsibility. Reference (23) Humility considered the valuable thing as per Unus, for Allah dislikes arrogance. Reference (24) It is stated in Holy Qur’an, that Allah (S.W.T.) likes humility. Reference (25) Allah Almighty has bestowed human being with the bounty of wisdom and then describe the two ways right or wrong and let the man free to choose. Reference (26) Concept of Consultation is very important. Hence, it is stated that, Shura (Consensus) creates a positive learning environment within and organization. Al-Qur’an states that the concept of shura is mandatory upon an organization. Reference (27) It is seemed that western culture either lean towards Islamic Principles, that shows that comprehensiveness of Islamic managerial laws.

7. Discussion & Conclusion

The construction bars of Islamic Management Model are the ideas of Islam. Awareness of Islamic laws is very important and then execution, (al-amal, pious acts and efforts).

God has revealed His teachings through four books named (Taurat(Torah) the 1st revealed book revealed on Hazrat Mosa (A.S) (Moses) the meaning of the word Torah is "a writing, written calligraphically ’’ , Zabur The Second revealed book, revealed on Hazrat Dawood (A.S), meaning of the word Zabur is “a writing in Bold font), Injeel (Bible) the 3rd revealed book, revealed on Hazrat Esa (Jesus Christ) meaning of the word Injeel is “ Good news”, fourth and final Allah's revealed book is Holy Qur’an revealed on Hoply Propher Muhammad (PBUH), meaning the word Qur’an is “frequently Read Book”, Holy Qur’an is the crux of previous 3 books, latest and the everlasting book of Allah (subhanuho Wata'alla). Prophet, through the Ahadiths and Sunnah (What the Prophet Muhammad (S.A.W.) said, did, agreed or disagreed to). Our Believe in Allah (S.W.T.) is mused in our routine work, shaped by our lesson system made and comprise within us, it is spiritual “”Belief is not hope and not outbound decorations, in fact the deep rooted in the heard and actualize by actions.”

Knowledge (spiritual, wisdom and scientific) is the foundation of all acts of al-amal which would be futile and unproductive without the search for further knowledge,
to enhance the wellbeing of society. Islam places great importance on good research, which may serve the humanity and prohibits evil research which astray the mankind.

In Islam a person, who has faith, knowledge and pious devotion, manifested in effort and acts, using reason and experience and adheres to the teachings of the Al-Qur’an and Prophet Muhammad (PBUH), is a person of Taqwa, adhering to the philosophy of Tawhid. He is fulfilling his purpose on earth to perform as per Allah’s will, through obedience (Ata’at), which conforms to his true and essential nature (fitrah) of man. This relates man to God through everything an individual does, including spiritual duties, thoughts, actions and deeds to other people. As man operates in a social environment, Islam prescribes a number of forms of business organization, through which his obligations can be fulfilled. If it is observed keenly then everybody has to raise his/her hand to agree irrespective of religion to the Islamic principles. Because these are very much close to human needs or in other words these are the reflectors of human needs for everybody needs justice, needs equal rights, needs cooperation, needs guidance but this all will happen only when a person has Taqwa (Fear of Allah/God), in fact the above mentioned model applicable to every organization regardless of religion for the basic human needs are same everywhere in every community.

Allah (S.W.T.) equipped man with the faculties of understanding right and wrong, so that he may obtain a bright destiny. Man has a free choice in what he chooses. Opposition and straying from his true nature (fitrah) will bring discord to the individual where negative attributes will distort his true nature, which could lead him into doing evil deeds. The individual has his al-iman (Having Islamic beliefs) and al-ilm (Knowledge) to keep him from this path of self-destruction (al-fasad), which would manifest itself through nepotism, favoritism, envy, greed, corruption, injustice and ignorance. This in Islam is the influence of satan, manifested in many different ways to man to lure him away from God’s chosen path for him. Man becomes unfocused through ignorance and lack of knowledge.

Shura is complete company’s community involvement in determination, to make sure that organization takes the good views which are creative to develop employees’ agreement about the decision which has been made to get effectuation of decisions and make the Islamic brotherhood strong.

Shura works as the controller of an organization to narrowing the distance of ignorance, capacity and subjugation, so that the organization can carry on to oblige its participants and to sustain the broader community itself.

Shura makes a cocksure learning atmosphere in the organization. Al-Qur’an states that the concept of shura is mandatory upon an organisation.

From the last a few tenner Western management thoughts and morals have become nearer to principles of Islam Stephen Covey27 a devout practicing member of The Church of Latter-Day Saints, evangelistically preaches personal development, fulfillment and spirituality within the context of the organization. Covey’s first book “The Seven Habits of Highly Effective people set a standard of highly ethical and humanistic principles that all individuals should strive for in business.

- Start the assignments with keeping in mind the final result, distraction should be kept at arm’s length and put attention only on relevant chores, that will able you to produce a lot.
- Manage perfectly and put forth the most important work first and then the less important and so on,
- People will understand you if you listen to them first and this will help you to build strong relation with others.
- Seek that how people can work together hormonally in order to get good results, which is far better than people work individually.
- Extensively find self-renewal, mentally, spiritually, socially, emotionally and physically.

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