

## Issues in Management and Their Remedies in Islamic Perspective

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### Abstract

Islam is a complete code of life; it guides us in every field weather politics, trade, business, education, science etc. It has been proved that foundations of many management concepts were laid by Islamic scholars. But still the modern organizations are following management principles of west. There is a dire need to spread the true Islamic teaching in an un-biased, moderate and practical manner that advocates the preaching of Islam and displays the real picture of the said religion with true colors. This study is an attempt to find remedies of some of the management issues (diversity, ethics and globalization) in Islamic perspective. Some verses of Holy Quran (English Version), sayings of Holly Prophet (PBUH) and journals on management issues have been taken into consideration to prepare this paper. This information will be useful for Muslim managers who wish to solve their managerial problems in efficient and effective way using Islamic guidelines.

**Keywords:** Management Issues, Islamic Perspective, Diversity

### 1. Introduction

Effective management is crucial for organization's success. But almost all organizations face some issues and challenges in achieving their goals and objectives. The adoption of Western practices in various aspects of management have caused gaps in justice, trustworthiness, responsibility and other values of workers in Muslim countries (Hashim, 2008). Islam as a complete code of life has a set of principles and guidelines to solve these issues faced by the management of an organization. According to Robbins (2010), the most recent issues or challenges faced by management include managing workforce diversity, globalization, managerial ethics, managing change and innovation, planning effectively in an uncertain environment and adaptation to the technological advancements. This study attempts to find out the basic guidelines laid down in Islam for solving some of the most common issues faced by management i.e. workplace diversity, managerial ethics and globalization. Following is a brief introduction of these issues.

One of the most important issues facing management in 21<sup>st</sup> century is managing the workplace diversity. Workplace diversity may be defined as variety of differences between people in an organization. Diversity includes differences of race, gender, ethnic group, age, personality, culture, language, education, background, and more. Diversity not only involves ones perception about himself but also how he perceives others. Whereas the process of diversity management is intended to create and maintain a positive work environment where the similarities and differences among employees are valued, so that all can be encouraged to reach their potential and work as a team to achieve an organization's strategic goals and objectives (Patrick & Kumar. 2012). Diversity management is currently becoming a challenge and an opportunity for managers, representatives of governmental institutions, non-profit organizations and also for representatives of educational institutions. It is a challenge bringing organizations a significant competitive advantage (Egerova, 2012).

Another important issue addressed in this paper is "Managerial Ethics". Ethics is study of how our decisions affect other people. It is the study of people's right and duties. The decisions made by managers have a broad reach they influence both inside and outside the organization. So, managers must follow ethical norms and consider social responsibilities. But now days managers are turned into money minting machines and companies are trying to squeeze the last drop of blood out of their bodies in order to earn more. A Manager must be a role model for his subordinates and his decisions must be based on ethical grounds and Islamic Managerial Ethics provides the foundation for framing this role model (Abbas et al., 2012).

Third issue facing management is globalization. Globalization phenomenon is getting popular these days. The term globalization may be defined as the increasing connectivity or the decreasing gap among nations and people around the globe by means of trade, investment, travel, culture, technological advancements and other forms of interaction. This process is a combination of economic, technological, socio cultural and political

forces (Pakeeza & chishti 2012). Global managers have to work in boundary less world. They are responsible for utilizing human, financial, informational, and physical resources in ways that facilitate their organization's overall objectives in turbulent and sometimes hostile environments about which they often understand very little. Following the introduction, Section 2 discusses literature review with immense study of diversity, managerial ethics and globalization in Islamic perspective. Section 3 concludes overall concepts of the study and section 4 gives recommendations and suggestions.

## 2. Literature Review

In literature review the Quran, Hadith and different articles have been studied to define first, what Islam is and then to determine the Islamic perspective and remedies on these issues.

### 2.1 Meaning of Islam

Islam is an Arabic word which means to submit to the will of God in words and deeds and the Muslim's ultimate goal is to strive to achieve a peaceful and healthy society by following the guidance of the Almighty Allah. Many of the Muslims in the Arab world are that by name only and their knowledge of Islam is limited to basic rituals of making ablution and performing the five daily prayers. It seems that Islam is a misunderstood religion even by those who belong to it (Branine & Pollard, 2010). However According to Ali, (2008) Islam is more than just a belief. It is a complete code of life, because it goes beyond acts of worship and guides us on all social and economic activities. According to Branine & Pollard, (2010) all economic and social activities in Islam are guided by three basic principles:

- (1) All wealth and resources are owned by Allah
- (2) Humans manage wealth and resources of Allah as His trustee and
- (3) Those most loved by God are those who are most pious, helpful and useful to other creations, including humans, animals and the environment.

On the basis of these socio-economic principles, Islamic management was derived. So Islam is the religion of Muslims (Hashim, 2012). As in the holy Quran Allah says "This day, I have perfected your religion for you, completed my favor upon you, and have chosen for you Islam as religion" (Surat **Al-Maeda**, verse 3). Now if someone seeks another religion for himself, so Allah says "And whoever seeks a religion other than Islam. It will never be accepted of him, and in the Hereafter he will be the one of the losers". (Surat Al 'Imran, verse 85) Quran says "O you believe enter perfectly into Islam and follow not the footsteps of Satan" (Surat Al-Baqarah, verse 208). So Islam then is not only a religion, but it is also a set of values that governs various aspects of human life. Islam has a significant impact, not only on economic and political organizations, but also on human relationships (Branine & Pollard, 2010).

### 2.2 Diversity in Islamic Perspective

The concept of diversity can be easily found in several verses of the Holy Quran and the Prophet's tradition (Sunnah). The concept of diversity in Islam has been created by the Almighty, Allah said,

"O mankind! We created you from male and female and made you into nations and tribes, that ye may know each other (not that ye may despise each other). Verily, the most honored of you in the sight of Allah is he who is the most righteous of you. And Allah has full knowledge and is fully informed." (Surat Hujurat, verse 13). And "If thy Lord had so willed, He could have made mankind One People: but they will not cease to be diverse." (Surat Hood, verse 118).

It is clear from these Quranic verses that Allah has intentionally created diversity and diversity is the basic feature in God's creations; there is diversity among nations, tribes, diverse weather systems, seasonal change, and night and day, all are evidences to show that the almighty value diversity and co-existence between the various elements of His creation. But in spite of this diversity, all human are equal in the sight of Allah and no one is superior to other on any basis except the one who is most righteous (Muhtada, 2012).

Muhtada, (2012) further states that, the differences of race and language are illustrated as the signs of God. The Quran (Surat Rum, verse 22) says, "And of His signs are the creation of the heavens and the earth and the diversity of your tongues and colors. Surely there are signs in this for the learned." It is implied in the verse that management should respect diversity and learn from it.

Quran also emphasizes on gender equality, it is reflected through several verses that treat male and female equally without any discrimination. The Quran (Surat An-Nisa, verse 124) says, "If any do deeds of righteousness, be they male or female -and have faith, they will enter Heaven, and not the least injustice will be done to them". This verse indicates that all human beings, male or female, are the same before God, so the managers should not judge them on the basis of their gender instead they should be judged on the basis of their performance (Muhtada, 2012).

The recognition of diversity can also be found in the Prophet's tradition (Sunnah). In the last sermon of Hajj-tul-Wida, Muhammad (PBUH) emphasized on the equal position of human beings He said: "All mankind is

from Adam and Eve. An Arab has no superiority over a non-Arab, nor does a non-Arab have any superiority over an Arab; white has no superiority over black, nor does a black have any superiority over white; [none have superiority over another] except by piety and good action. Learn that every Muslim is a brother to every Muslim and that the Muslims constitute one brotherhood. Nothing shall be legitimate to a Muslim which belongs to a fellow Muslim unless it was given freely and willingly. Do not, therefore, do injustice to yourselves” (Muhtada, 2012).

### 2.3 Managerial ethics in Islamic perspective

A Manager within an organization has certain authorities and responsibilities to get the job done through people. Quran clarifies this standing as “We raise some of them above others in ranks, so that some may command work from others”. (Surat Al-Zakahraf, verse 32). So a manager must be a role model for his followers because strength of a manager is his character and the source of inspiration for others. In addition this verse also emphasizes on the creation of appropriate hierarchies within the organization and the division of responsibilities according to individual capabilities (Abbas et al., 2012).

In Islam much emphasis is given on the moral character of someone, a number of Quranic verses and sayings of Holy Prophet (PBUH) can be found explaining the ethical norms and moral codes one must follow, not only in personal and family life but also to follow in business dealings and transactions (Hashim, 2012). In one hadith prophet Muhammad (PBUH) said “I have been sent for the purpose of good morals” and also said that “the best among you is one whose character is best” (agreed). In Quran Allah says “ye have indeed in the messenger of Allah an excellent exemplar” (Surat Al-Ahḏāb, verse 21).

Abbas et al., (2012) have stated that Islam has given a three dimensional ethical system, based on the Quranic verse, “You are the best of peoples, evolved for mankind, enjoining what is right, Forbidding what is wrong, And believing in Allah”( Surat Al Imran , verse110).

According to them the above verse has three basic dimensions for Muslims as: 1 Right (Khair) 2 Wrong (Shar) 3 Faith (Tawheed). **Khair** means that the manager or the management should do the right things which are good for both the organization and the society, the benefit of organization or one party should not be at the expense of other party. The Qur'an says: "As to those who believe and work righteousness, verily We shall not suffer to perish the reward of any who do a (single) righteous deed." (Surat Al-Kahaf, verse30). Hashim, (2012) has quoted the saying of Holly Prophet (PBUH), “Be expeditious in doing goods”. **Wrong** or Shar indicates that management should not only avoid the unethical practices itself but also forbid its employees and encourage and train them to perform their duties within the framework of ethics prescribed in Islam. After that there is a need of **Faith** (Tawheed) or strong believe in Allah that Allah is observing all of the activities and will reward or punish them on right or wrong deeds in the world hereafter.

### 2.4 Globalization in Islamic perspective

According to Branine & Pollard, (2010) Islam has neither fully accepted globalization, nor rejected it. Some Arab countries perceive globalization as an opportunity for economic growth and display a level of modernity. Whereas according to Pakeeza & chishti, (2012) globalization is also seen as a threat, because in various aspects it clashes with the Islamic values, it has an impact on both national culture and Islamic beliefs. It is generally believed by Muslims that Globalization is being directed by the West. However the fact is that Islam has sent the message of universality and globalization fourteen centuries ago (Rifaie, 2005). As in Quran Allah says; “And We have not sent you, [O Muhammad], except as a mercy to the worlds” (Surat Al-Anbiyāa , verse 107) and, (Say: O men, I am sent unto you all, as a messenger of Allah). In these Quranic verses Allah has addressed the whole humanity by using the words “all” and “Worlds”.

According to Rifaie, (2005) Islam emphasizes the mutual interest among people, irrespective of their national, racial gender, color or religious affiliation, as in Quran Allah says “and not let the hatred of others to you make you swerve and depart from justice. Be just: that is next to piety” (Surat Al Maeda, verse 8).

In Quran it is further stated that, “For each [religious following] is a direction toward which it faces. So race to [all that is] good. Wherever you may be, Allah will bring you forth [for judgment] all together. Indeed, Allah is over all things competent” (Surat Al-Baqarah, verse 148).

It is clear from the above Quranic verses that difference in culture, civilization, faith and belief should not be seen as a source of conflict and destruction instead it should be seen as an opportunity to compete and cooperate with one another in deeds which are good and beneficial for whole society.

### 3. Conclusion

The objective of this study was to determine Islamic remedies for most frequently encountered issues of management like diversity management, managerial ethics and globalization. Several Quranic verses, sayings of Holly Prophet (PBUH) and other Islamic literature related to these problems have been studied and it is concluded that Islam has a complete guidance and solutions for such problems, but the need is to just explore

and enhance once knowledge about these principles of Islam and then apply this knowledge in management practices. These Islamic remedies will also be useful for non-Muslim managers.

#### 4. Discussions and Recommendations

From the review of literature it has been clear that, Islam is the religion of Muslims, and Allah has made this religion perfect for us so the Muslims should not seek another religion for the solution of their problems. Islam has complete guidance on each and every aspect of life. Talking about diversity, Islam has clearly emphasized on the equality. No individual is superior to another on any basis except "Taqwa". So the managers, specifically the Muslim managers should provide equal employment opportunities to all and should not indulge in the practices of discrimination and biasness. They should not have barriers in implementing diversity in their workplace. Similarly managers should consult the Islamic guidelines to solve the ethical problems, as Islam has greatly emphasized on the concept of "right" and "wrong". They should be aware of the supremacy of Allah and avoid such practices which are against His will, no matter how much loss they have to bear. Because in this world they may get benefit from an unethical deed but in the world hereafter they would definitely suffer.

In the same way the Islamic literature about the issue of globalization is also revealed in the study, according to which the Muslim managers should not oppose to the trend of globalization because Islam from the beginning has laid great emphasize on universality and rational globalization. Allah is the creator of all the creations and Holy Prophet (PBUH) was sent for the guidance of humanity. Islam emphasizes the mutual interest among people, irrespective of their national, racial gender, color or religious affiliation. So the Muslims should cooperate with the non-Muslims and act as a partner in the right deeds, which are beneficial for the society. They should not view globalization as a threat rather it should be perceived as an opportunity to work for the welfare of whole society by partnering with foreign companies or non-Muslims.

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