

## Human Capital Development from Islamic Perspective

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### Abstract

The term ‘human capital’ is being employed by economists, as labour (one of three factors of economic production), nonetheless, according to social psychologists, the term encompasses a wider scope of human capacity and ability of production and management of life. Besides this complementary divergence, both economists and social psychologists agree on the importance of human capital development to cope with the rapidly changing economic, political and administrative circumstances of human life. Today, the importance of improving the ‘human capital’ is best illustrated by the massive international and national efforts through educational and academic programs to enhance the administrative and productive talents of human individuals. Thus, academicians, social scientists and scholars of education have made an imperative endeavour, to expose effective measures of how to develop and improve revenues of the ‘human capital’. Likewise, through its educational system and intellectual teachings, Islam has provided certain ways and methods to develop and improve the human capacity of economic production and life management. This is because, according to the Qur’an, Allah (*s.w.t*) will not change the social, economic and political conditions of human communities unless communities give effort for change to the betterment of their economic and social life; nevertheless, such change for the betterment of economic and social life is not conceivable without effective human capital development. Through textual and analytical methods, this paper aims to expose conceptual understanding and theoretical measures as well as methods of human capital improvement in the Islamic perspective. The Qur’anic dictums and the Prophetic statements related to the subject would be exposed, while the opinions of the Muslim jurists and theologians on the subject would be unveiled.

### Introduction: Concepts and importance

There are various definitions of “human capital” development by the cotemporary scholars of economics and human resource management. For instance, Schultz (1961) defines that human capital as the knowledge and skills people acquire during education and training, and this capital is the result of deliberate investment that yield return.<sup>1</sup> This definition explains that investing in the human capital through both formal and informal education and training, improves individuals productive skills and talents that are necessary for economic development. However, the definition proposed by Fitz-Enz (2000) seems to be more inclusive of the contemporary trends of human resource management, than the former definition. This definition states that human capital development is based on the development of the person’s traits, intelligence, fulfilling work energy, positive attitude, reliability and commitment, ability to learn, imagination, and creativity.<sup>2</sup> This definition appears to be more appropriate to the modern life of human being, in the era of technology and human capitalization.

Furthermore, scholars of social psychology like (Sharon S. Brehm, Saul M. Kassin, and Frederick X. Gibbons, 1981) agree with Fitz-Enz’s inclusive approach of human capital, and maintain that “human capital” is wider than the economic production skills of the individual.<sup>3</sup> According to the *Dictionary of philosophy and psychology 1986*, human capital includes the

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<sup>1</sup> Schultz, T.W. *Investment in Human Capital*. (New York: The Free Press, 1971).

<sup>2</sup> Fitz-Enz, J. (2000). How to leverage your human capital ROI. *T & P: Tooling & Production*, 66, 28-43.

<sup>3</sup> Sharon S. Brehm, Saul M. Kassin, and Frederick X. Gibbons (ed), *Developmental Social Psychology: Theory and research*, (New York: Oxford University Press, 1981).

individual's health strength, education, training, and skills that people bring to their jobs.<sup>4</sup> In this understanding, human capital is the collective power of human assets available to the organization, as well as the human skills generated by investments in education and health. Whilst the economist emphasize on the productive skills and technical knowledge embodied in labor that contributes to the process of economic production, social psychologist understand human capital to be the unique intellectual and moral capabilities and expertise of individuals, as well as the quality of labor resources which can be improved through investments, education, and training. The former contention (economist) understands human capital as the human resources used in the economic productions, while the later contention (social psychologist) identifies it with the human nature itself.

Besides these peripheral and complementary divergences between economists and social psychologists on the subject, human capital comprise the human assets which consist items such as the human nature, working skills, learning attitudes and stock of knowledge embodied in an individual as a result of education, training, and experience, that makes him or her more competitive and flexible. Therefore, "human capital" is the combined ability, knowledge, skills, expertise, competence, and innovative talents which the human individuals possess both through daily life experiences and through formal training and educational courses.

In this paper "human capital" is employed as the human ability and capacity that includes all the skills, knowledge and expertise that people accumulate over time, that allow them to increase their productive and life management capacity as individuals, members of formal organizations and within society at large.

### **Importance of human capital**

Contemporary leadership and management theories recognize that people in organizations and businesses are vital and indispensable assets who can contribute to improvement and growth of organizations, in a similar way as physical assets such as machines and money.<sup>5</sup> While the term "human capital" indicates the importance of human individuals in today's rapidly changing social and economic life, the term also signifies the concept of capital as an asset of an organization, implying recognition of the importance and monetary worth of the skills and experience of its employees. Besides money and machines, manpower (human capital), which is equivalent to the collective talents, skills and abilities of people contribute to organizational performance and productivity, is vital for the growth and achievements of the firm. In addition, as having good staff who are skilled and motivated can make a significant difference, every effort should be taken, whether formally or informally, to develop skills and abilities and to provide opportunities for people to maximize their contribution, thus, any expenditure in training, development, health and support is an investment, not just an expense.

### **Islamic understanding of human capital development**

With regards to the Islamic understanding of human capital, Muslim jurists and commentators of the Qur'an have employed the term *ahliyah*, to signify the human capacity and fitness to perform and hold certain social and religious obligations. Literally, *ahliyah* denotes aptitude, fitness, competence validity, authority, and qualification, which collectively connote the human ability and quality to perform certain duties diligently.<sup>6</sup> According to Muslim jurists *ahliyah* is

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<sup>4</sup> James Mark Baldwin, (ed), *Dictionary of philosophy and psychology*, (New Delhi: Cosmo Publications, 1940).

<sup>5</sup> For further discussion see: Becker, G. Murphy, K. & Tamura, R. (1990). "Human capital, fertility, and economic growth", *The journal of political economy*. (University of Chicago Press, 1990), Vol. 98. No.5. Part 2.

<sup>6</sup> Hans Wehr, *A Dictionary of Modern Written Arabic -Arabic-English-* (London: Macdonald & Evans LTD, 1974), p.33.

understood as the “eligibility to hold duty and the validity of having legitimate rights”.<sup>7</sup> Eligibility here denotes the human ability of performing and contributing effectively to the betterment of life consciously. While primarily the term *ahliyah* denotes the human nature in the Islamic jurisprudence, administratively, obtaining *ahliyah* means to reach the level of intellectual maturity and mental fitness, where the individual is entitled to be fully responsible and accountable, and expected to contribute to the betterment of human life. Hence, though in legal terms *ahliyah* paves the way for the individual to have legal obligation and rights, it grants the rights of labour and freedom of choice for the person.

*Ahliyah* consist of various categories of human capital development, first is *ahliyah al-wujub*, i.e., the capacity to enjoy with all due rights as a human being. This type of *ahliyah* is due to each human individual from the stage of foetus to death, where apiece and every human being are respected and treated respectively. It grants the individual to enjoy the basic human rights, such as the right of ownership, and the right of protection and security. This kind of human capital is imperative and vital groundwork for the development of human talent of production, for the reason that without recognizing the basic rights of ownership and existence of the human-individuals, it is impossible to think about human growth and progress. After enjoying, the basic rights and needs, the individual then moves to the level of *ahliyah al-ada'a al-naqisah*, i.e., the partial capacity/aptitude to perform certain duties, due to age and immaturity. At this stage the individual is not totally independent, but with the supervision of someone, he is allowed to perform certain tasks, without bearing the legal consequences of such supervised actions.

Third, upon enjoying with basic rights of ownership and security, and upon completing the necessary training and reaching the age of maturity, the individual is know elevated to *ahliyah al-ada'a al-kamilah*, i.e., the total quality of being accountable and the competence of delivering due obligations. This type of *ahliyah* demands the person to be in charge of his affairs; his actions and words have legal ramifications. To enjoy with the total quality of human capital is to fulfil four conditions of adulthood namely; maturity (*bulugh*), intellect (*aql*), knowledge (*Ilm*) and capacity (*qudrah*). At the age of adulthood the person's human capital becomes perfect where all spiritual and intellectual elements are fully operational.

*Ahliyah al-ada* includes all human assets which comprise items such as the human nature, working skills, learning attitudes and stock of knowledge embodied in an individual as a result of education, training, and experience that makes the individual more competitive and flexible. Thus, this state of *ahliyah kamilah* signifies the persona of the individual which elevates the person to a level of maturity; a level in which the individual is fully in charge of his affairs including struggling for better life. This maturity encompasses intellectual, spiritual and physical adulthood or *insān al-kāmil* (الإنسان الكامل), i.e., wholesome and balanced personality, which is supposed to balance between spiritual and social development, and intra-personal dimension with inter-personal dimension in the context of achieving a meaningful life on earth.

Furthermore, Islam teaches that this wholesome personality which constitutes the human capital is achievable through lifelong learning and education. This means continues improvement of productive talents, managerial skills, creative aptitudes and problem solving techniques. In this respect, the best word to describe the Islamic concept of *ahliyah* is the term “qualification or capacity” based on which professions are assigned to their respective employees.

According to the Islamic perspective of human resource management, *ahliyah* or human capital is improved through removing perceptual and intellectual obstacles (*awaridh*) that are detrimental to human development and progress. Islamic understanding of human capital development endeavours to elevate human capital (*ahliyah*) from the state of ignorance (*jahal*) to knowledge, from laziness (*kasal*) to hardworking (*amal da'im*), from carelessness (*hazal*) to focus, and finally from coercion (*ikrah*) to freedom.

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<sup>7</sup> Abdul Karim Zaydan, *al-Wajiz fi Usul al-Fiqh*, (Beirut: Mu'assasat al-Risalah, 2001), p.280

## SCHEMES OF HUMAN CAPITAL DEVELOPMENT IN ISLAM

### 1. *Tawhidic* foundation of human capital development

What makes the Islamic perspective of human nature in general, and human capital development in particular unique is the *tawhidic* conception, which bonds every aspect of human psyche including the human capital to Allah (s.w.t), the Creator of everybody and everything. *Tawhidic* conception combines all different aspects of human nature, into a homogeneous whole including human capital, economic, political, religious, and social facets and stresses the idea of steadiness and order (*istiqamah*). While literally the term *istiqamah* means moral integrity and straightness, its conceptual denotations include intellectual uprightness which consists consistence and continuous upgrading of the individual's knowledge, moral behavior and productive skills. In one occasion the Prophet of Islam (s.a.w) was asked to say a final word about the ultimate wisdom of human life, and replied: “*qul amantu bi Allah thumma istaqim*, i.e., to believe in God and to maintain uprightness”.<sup>8</sup> While commenting on this narration Imam al-Nawawi (d.676 H), said: “*istiqamah* is a comprehensive word and it comprises the entire human efforts and struggle for development and uprightness.”<sup>9</sup>

With regards to the qualities of “human capital development” the *tawhidic* worldview of Islam teaches that “human capital” is both “noble and prolific”. It is noble because human capital consists the intellectual and moral attributes upon which man becomes *khalīfah* (vicegerent or trustee). Both the *Qur'anic* dictums and Prophetic pronouncements teach that, though every aspect of human character is imperative, caliphological duties of man are only actualized through resourceful and proficient human capital. This is because, the job of planning, organizing controlling and producing, which is vital for economic growth and social development, is achievable only through multi-faceted and resourceful professionals.

In various occasions the Prophet of Islam (s.a.w), insisted that: “*al-mu'min al-qawi khayr wa ahab ila Allah min al-mu'min aldha'if*, i.e., the strong and the competent believer is better and closer to Allah than the weak believer”. Despite the fact that each and every *mu'min* (believer) is individually good, but the comparison and superlative words used by the Prophet (s.a.w) in this narration such as “best and nearer” signify the importance of “human capital” in relation to social and economic growth of the society in the Islamic perspective, hence the talented and skilful Muslim professionals are better than the layman Muslims.

Moreover, it is prolific because unlike the material utilities of economic production (money and machines) which diminish through consumption, human qualities of knowledge and productive skills grow through utilization, and thus remain the real assets of development and growth. Many of the contemporary economists agree that, it is human resources of nation, not its capital nor its material resources, which ultimately determine the character and pace of its economic and social development. Psacharopoulos and Woodhall (1997) assert that: “Human resources constitute the ultimate basis of wealth of nations. Capital and natural resources are passive factors of production, human beings are the active agencies who accumulate capital, exploit natural resources, build social, economic and political organization, and carry forward national development”.<sup>10</sup>

The contemporary Muslim scholar al-Faruqi (d.1986) furthers the discussion and argues that according to the *tawhidic* conception of Islam, the development of human capital is important not only because it is noble and prolific, but because of it is purpose. This is because, while man's

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<sup>8</sup> Reported by Muslim

<sup>9</sup> Al-Nawawi, Abi Zakaria Yahya b. al-Sharaf, *Riyadh al-Salihin*, (Damascus: Dar al-Ma'mun Li al-Turath, 1989), p.58

<sup>10</sup> Psacharopoulos, G and Woodhall, M. (1997) *Education for Development: An Analysis of Investment Choice*. (New York Oxford University Press).

life is neither accidental nor through random occurrences which are aimless and without responsibility, the ultimate objectives of human capital development is not limited to financial outcomes of the organization, but through the concepts of *taskhir* (stewardship) and *ta'mir* (development or civilization), it goes beyond such parameters and strives to win the rewards of the Almighty Allah, and to make the entire universe an inhabitable place.<sup>11</sup> Within the conceptual frameworks of *taskhir* (stewardship) and *ta'mir* (development) the "human capital" is elevated into a level of stewardship and guardian rather than being economic labor of production and consumption as the conventional theories of economics claim. Likewise, through the concept of *ta'mir* human capital is properly upgraded into a level of developer and builder with teleological aims. Thus, whilst these two terms contribute to the improvement of human capital, they on the other hand, provide proper guidelines of conservation and utilization of resources, land and environment at large.

Therefore, development of human capital is based on the notion that, God has empowered man with qualities of intellect, knowledge, freewill and guidance, in order for him to carryout his "responsibility" of being vicegerent effectively. Thus, unlike the contemporary conventional theories of human resource management which are influenced by Darwinian school of interpretation of man's origin, where mankind existed merely through evolutionary transformation or a natural gradual process from lower animals to his current shape without purpose and aim, according to Islamic perspective of human capital development, man's existence is both purposive and meaningful.

## 2. Promotion of work and its relation to human capital development

Among Islamic procedures of human capital development is the promotion of work and productivity. Allah (*s.w.t*) has commanded every human individual to work and produce; and promised that work will indeed earn merit for the worker. No one will receive any more or any less than what he or she has endeavored for. On this understanding, Islam discouraged the acts of begging and laziness, and rather encouraged hardworking and being productive. The Prophet of Islam (*s.a.w*) described the true believers as those who diligently establish faith on earth and reconstruct the world around them so as to make it a place of plenty and peace for all. According to the Prophet (*s.a.w*): "*ma akala ahadun ta'aman khayrun min an ya'kula min amali yadihi*, i.e., no one eats a better-food than what he or she has competently attained through his or her manual work",<sup>12</sup> while the best income according to the Prophet (*s.a.w*) is: "*amal al-rajuli biyadihi wa kulu amal in mabrur*, i.e., that which proceeds from the work of one's hand, as well as every legitimate business."<sup>13</sup>

On another occasion, the Prophet indicated that whoever returns home at the end of the day exhausted from his labor, will be forgiven by God. Furthermore, the Prophet also said that the hand which shows the effect of hard work is worthy of being kissed. Similarly, the Prophet (*s.a.w.*), while promoting human productivity and resourcefulness, said that: "it is better for anyone of you to carry a bundle of wood on his back, and sell it than to beg of someone whether he may give or refuse",<sup>14</sup> thus according to the Islamic conception of human resource, human capital development and productivity is not limited to specific time and place even: "if the last hour strikes and finds you holding a nursling in your hand go ahead and plant it".

All these Prophetic narrations advocate the idea of continuation of *amal* with perfection (*itqan*) and quality (*amal salih*), with the mind that sustainable social progress and durable

<sup>11</sup> See: Al-Fārūqi, Ismā'īl Rāji, *Al-tawhīd: its implications for thought and life*, (Herndon: International Institute of Islamic Thought, 1982.)

<sup>12</sup> Reported by al-Bukhari

<sup>13</sup> Reported by Bukhari and Muslim.

<sup>14</sup> "قال رسول الله صلى الله عليه وسلم: "لأن يحتطب أحداكم حزمة على ظهره، خير له من أن يسأل أحداً، فيعطيه أو يمنعه". متفق عليه.

economic prosperity are achievable through striving hard for continues human capital development. The Qur'ānic term *amal* (work) is always followed with the description “*ṣaliḥ*, i.e., good” and is always stated as *amal ṣaliḥ* which means “good work” and that indicates improvement and enhancement of work. The *Qur'anic* dictums like “*wa amilu aṣ-ṣaliḥati*”,<sup>15</sup> and “*wa amila amalan ṣaliḥan*”<sup>16</sup> constitute the basic guidelines for professionals to strive for quality in administration and production. Professionally, the Prophet (*s.a.w*) commanded the Muslims to perform their daily works perfectly, with quality, by saying: “verily Allah (*s.w.t*) has prescribed proficiency (*itqan*) in all things, and if you slaughter, slaughter well; let any one of you sharpen his blade and let him spare suffering to the animal he slaughters.”<sup>17</sup>

Besides work (*amal*), the *Qur'an* promotes human capital development through the concepts of “commitment and continuation” where Muslim professionals are commanded to work continuously hard, and to be committed to the enhancement and improvement of the quality of their professions. Various Qur'anic verses and the Prophetic tradition state “singular: ‘*imal* or ‘plural: ‘*imalu*”, i.e., keep working or work continuously, individually and collectively.<sup>18</sup> According to *Qurṭubi*, the command “‘*imalu*”,<sup>19</sup> i.e., work continuously, generally demands every believer (including professionals) to continue their work with commitment and consciousness.<sup>20</sup> Hence, employees’ commitment to their work (*amal*)<sup>21</sup> and successful delivery of their responsibility with full trust and honesty is strongly demanded and advised.<sup>22</sup> Though, generally continuation of work means enhancing individual’s ability to produce meaningfully and work for change, the greater part of such work lies on the shoulder of the human resource managers. Moreover, while the *Qur'an* teaches that Allah (*s.w.t*) will not change a community unless they give effort for change to the betterment of their life, such change for betterment is not conceivable without effective human capital. Therefore, the community might be left behind in terms of economic, political and administration, if laziness, inefficiency and lack of human resource development spread out in the governing system. Hence, coping with the rapidly changing natural and social environments demands leaders and public administrators to continuously enhance and reinforce the human resources of their workforce.

### 3. Protection of the human intelligence and human capital development

Islam values the human intellect and weighs great importance on it as a vital tool for human survival and development. Various *Qur'anic* dictums demand man the utilization of human intellect to cope with rapidly changing social and environmental circumstances. Nonetheless, not

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<sup>15</sup> See the Qur'an, (102: 3)

<sup>16</sup> See the Qur'an, (25:70)

<sup>17</sup> Reported by Muslim.

<sup>18</sup> The *Qur'ān* reads:

And say: “Work (righteousness and continuously): Soon will Allah observe your work, and His Messenger, and the Believers: Soon will ye be brought back to the knower of what is hidden and what is open: then will He show you the truth of all that ye did.” (Sūrah at-Tawbah, verse: 105)

<sup>19</sup> The term '*imalu* is the plural form of the Arabic word *amal* which literally means deed, work and profession. However, in the professional usage, the term *amal*, and all of its ramifications, are equally applicable to all manifestations of “work and profession”.

<sup>20</sup> Al-Qurṭubi, Mohamad b. Ahmad, *Al-Jāmi' li Ahkām al-Qur'ān* (Beirut: Dār al-Kutub al-Ilmiyah, 1993), 8<sup>th</sup> volume, p.160

<sup>21</sup> *Qur'ān* says that if the person fulfils the good work; there is none nobler than him. Furthermore, Allah (*s.w.t*) promised in the *Qur'ān* that if anyone among you; whether he or she engage good deeds and maintain the faith in Allah, he will enjoy good life here and hereafter. Sūrah al-Naḥl, verse: 97

<sup>22</sup> Furthermore, they should be conscious of their responsibilities and of their own abilities, mental resourcefulness and experience. See: Sūrah al-Qaṣaṣ, verse: 26

only Islam acknowledges the imperative role of human intellect for human life and development, but also through its dietary laws and intellectual teachings, Islam provides protective measures and motivational incentives to promote the efficiency and the competence of human intelligence. Among various protective measures are *first*, the prohibition of consuming alcoholic and intoxicative items which can incapacitate or disrupt the functions and the productivity of the human mind, such as drug addiction and consumption of wine. *Second*, is the removal of all mental obstacles which could cause the human mind to be dysfunctional, such as overloading or forcing (*ikrah*) someone to work more than what they can. In the Islamic view, work is to be done according to some one's ability and capacity, where Islam teaches that every human individual is accountable with his or her intellectual capacity and maturity. Hence: "No soul shall have a burden laid on it greater than it can bear."<sup>23</sup>

To pave the way for effective human capital Islam proscribed all items that can endanger the functions of human intelligence and creative abilities of thinking, problem solving and decision making such as *ikrah* (coercion), *khamr* (alcoholic items) and *takhdhir* (drug addiction and intoxication).

#### **4. Islamic managerial techniques of human capital development**

Islamic managerial elements of human capital development encompass both the *macro* level of productive behavior; such as training the employees on crises management, and coping with new social changes and development, and *micro* level; such as perceptual changes of the employees about work and productivity, motivational incentives, personality and career development. Thus, according to the Islamic conception of human capital development, enhancement of employee's dynamics; his psychological set up and mental satisfaction are fundamental to maintain effective human capital. To ensure psychological happiness and mental satisfaction of the staff, Islam requires, *first*, work environment to be conducive and decision making process should be free of all psychological disruptive such as anger or coercion. *Second*, one of the essential elements of the principles of social relations including management and at workplaces in Islam is that social groups should interact through healthy communication which in turn will create peace of mind and happiness of the employees. The Prophet (*s.a.w*) teaches that to exchange greetings and smiling in front of colleagues showing them some sort of respect is *sadaqah*.

With regards to the human capital development in relation to management and economic growth, according to the *Qur'anic* perspective, there are three interrelated approaches through which human competence of productivity is improved. *First*, is the approach towards work structure and job division, *second*, is the approach towards the enhancement of manpower and human resource, and *third*, is the approach towards the personality (perception, traits and morality) of the employees.

With regards to the work structure, the human capital of the employees is more effective, according to the Islamic conception, if the employees are definite about certain elements of work structure, such as division of work according to specialization and skill, authority and responsibility. Division of work is necessary element for human capital development, for the mutual benefit and group prosperity cannot be realized without such diversification of employment based on variations of talent, profession and need. The group is a constituent element of mankind, it being understood that group differences are meant for complementary of one another, not for unjust discrimination, as implied in tribalism, provincialism, nationalism and racism. Thus, in Islam the interest of the organization and the public at large is served better if every individual fulfills the function for which he is best fitted.<sup>24</sup> The importance of specialization and division of work for human capital development are constantly addressed in the *Qur'an*. In

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<sup>23</sup> See the Qur'an, al-Baqarah, 233

<sup>24</sup> Al-Farūqi, Isma'al Raji, and Gamal al- Banna, *Towards Islamic Labor and Unionism*, Pub: the International Islamic Confederation of Labor, Cairo, p.13-14.

the *Qur'anic* dictums on work, people are advised to refer to *ahl zikr*, i.e., professional and *ulu al-Ilm*, i.e., knowledgeable or skilful, not only as an authority to solve their daily social difficulties, but for accuracy and adequate answers to the concerned subjects. The *Qur'an* says: “*fas'alu ahla zikr in kuntum la ta'lamun*”, which means if you do not have enough knowledge and skill about the concerned subject, consult those who specialize in the field. While this, according to Muslim scholars, means to respect the specialization and divide the workload according to the available qualifications, it also motivates individuals to possess adequate knowledge in their profession.<sup>25</sup>

Furthermore, on the human resource dimension of administration, Islam believes the overall well being of the employees such as paying their salary on time, giving them enough workloads, providing incentives according to their work and productivity, and enhancing the employees' team spirit and clear set of communication language, will have greater contribution to maintain effective human capital. To encourage the employees' productive ability the Prophet (*s.a.w*) once said: “*'atu al-ajira haqahu qabla an-yajifa araqahu*”, i.e., give wages to the employee (his or her salary) on time, even before his or her sweat dries”. Similarly, the Prophet (*s.a.w*) said: “if a person does something good for you, reward him or her, however, if you do not have any material incentives to him or her, say to him “*Jazāka Allāh khairan*”, i.e., God might reward you”. This includes the professionals who show commitment to their work and contributed to the process of achieving the goals of the organization, should be rewarded by the administration.

### **5. Moral education human capital development**

In addition, on the personal traits of employees, the *Qur'anic* terms of employees are *ajir* and *ulul-amr* which are equivalent to the physician, teacher, or engineer; the baker, butcher, or carpenter; the factory or agricultural worker; the corporation or government employee; the caliph and his ministers.<sup>26</sup> However, moral education of *ajir* and *ulul-amr* is vital for human capital development. personal traits and moralities like integrity (*amanah*), transparency (*bayan*), good governance (*amal ṣalih*), accountability (*mas'uliyah*), commitment and continuation of work (*quwah* and *itqan*), team spirit or collective oriented (*shu'ra*), reasonableness or fairness (*adalah*) and to avoid of conflict of interest (*Qist and qawwama*), will enhance the human productivity and competency of *ajir* and *ulul-amr*.

### **Conclusion**

While the contemporary theories of human resource development has emphasized on the promotion of biological needs of man and thus treated manpower as mechanical tools of production, nonetheless, the Islamic perspective of human capital development has promoted a holistic and human oriented approach which includes moral responsibility, intellectual talent, knowledge and skills of the individual. Finally, while conventional theories of human capital development say that life is an ascending process which is under continuous transformation and change, and thus cannot conceive absolute values and principles, the *tawhīdic* conception of Islam insist that human resource development should be in line with the metaphysical principles and ethical values which are permanent and stable.

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<sup>25</sup> See: the *Qur'an*, surah al-Anbiya, 7.

<sup>26</sup> *Mas'ul* which is another term employed together with *ijir* and *ra'i*, denotes the same meaning and further indicates “responsibility”, “accountability” and “transparency”.



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