



IACiem

International Annual Conference
on Islamic Educational Management

Proceeding

International Annual Conference
on Islamic Educational Management

Enhancing Educational Management
from Islamic Perspectives: Series 1
(Building an Islamic Management Standards)

in Batu-East Java Indonesia December 1-2, 2012



Presented by:



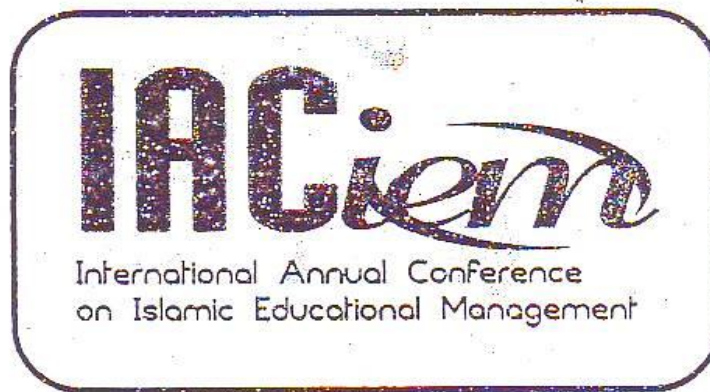
The School of Postgraduate,
State Islamic University,
Maulana Malik Ibrahim Malang,
Indonesia



الجامعة الإسلامية العالمية ماليزيا
INTERNATIONAL ISLAMIC UNIVERSITY MALAYSIA
مؤسسة إسلامية دولية للتعليم والبحث والتطوير

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The 1th International Annual Conference
on Islamic Educational Management



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of Maulana Malik Ibrahim Malang,
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بوتني برينتي المشيلا ابتارا بغيرنا ملينسنا

**The School of Postgraduate, State Islamic University,
Maulana Malik Ibrahim (UIN Maliki) Malang, Indonesia**
in collaboration with
International Islamic University of Malaysia (IIUM)

December 1-2, 2012
Batu, East Java Indonesia

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Enhancing Educational Management from Islamic Perspectives:
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Concept, Development And Implementation Of Islamic Management Standards In Malaysian Education Institutions

By:

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Abstract

The purpose of this paper is to present the concept, development and the implementation of Islamic Management Standards in Malaysian Education Institutions particularly by the universities and community colleges. The experience from their implementations of the standards are described. This paper tried to highlight the implementation of the Islamic Management System Standards (MS 1900:2005) among three institutions of higher learning using a simple and brief case studies. Every institutions involved in this case study (the name of the institutions are not revealed due to confidentiality) were contacted and interviewed verbally using the phone. In getting more and exact and rich data, a data collection protocol, open ended questions were sent to the quality managers using their official emails. However, instead of all three Islamic management system standards certified educational institutions, only two agreed to participate (Educational Institution A and C). The case study revealed that the Islamic Management Standards scope of implementation for both case educational institutions were differ whereby A only focused on physical part while its counterpart focused on the overall management of the case educational institutions. There were also other findings which involve the future sustainability of the case educational institutions. The findings from the case study at least provide some information about how this Islamic management system standards are employed and implemented to this far and this will unquestionably implicate the future employment of such management standards by other educational institutions locally and globally.

Keywords- Islamic management standards, Malaysian Education Institutions, Islamic Management System Standards, MS 1900:2005, case study.

Introduction

Presently, most of us sometimes tend to be skeptical about the ability and effectiveness of the modern contemporary management system in bringing change or

improvements to ones organization. There were period when the unethical and unscrupulous values were accepted as norms particularly when the intended objectives will justify the means no matter what the means. Thus obviously these unethical and unscrupulous values are against the values we hold as in Islamic principles such as truthfulness, justice, honesty, honoring promises and covenants, refrain from causing harm in the land and sincerity (Zarqa, 1998).

Quality and quality management defined

According to the existing literature, the definitions of quality are based on two approaches, mainly user-based and value-based (Sebastianelli and Tamimi, 2002). In the user-based approach definition, quality is the extent to which a product or service meets and or exceeds customers' expectations. The impact of the "customer's viewpoint" controlled the literature and discourses on quality. Juran (1984) as an example, conceptualized that quality comprised two parts: the quality of design and the quality of conformance. Quality of design referred to providing satisfaction to customers by designing products that meet their requirements. While quality of conformance referred to the widely used "fitness for use" definition of quality (Juran, 1984 and Crosby, 1979) . In accordance to value-based approach definition, quality is equivalent to performance at an acceptable price or conformance at an acceptable cost as it was believed that the consumers often consider quality is related to price (Figenbaum, 1951). Nevertheless, the user-based definition is widely accepted and considered one of the key concepts of total quality management (TQM).

According to Casadesus, Karapetrovic and Heras (2009), by the end of 2007, nearly a million ISO 9001:2000 and ISO 14000:2004 registration certificates were granted in 175 and 145 “countries and economies” respectively but the success in the application of the standards needs to be studied. The most remarkable studies about quality management standards in the twenty years have dealt with two most popular standards: ISO 9001 (quality management systems) and ISO 14000 (environmental management systems) (Ames et. al. 2011) and one of such studies is by Casadesus, Karapetrovic and Heras (2009). It is worth to mention that organizations with multiple management system standards (particularly ISO 9001 and ISO 14000) actually perceive more benefits from those that implemented only one standard particularly ISO 14000. Ames et. al (2011) laid out some conclusions of recent studies about the implementation of those standards:

- Adopters of management system standards have higher rates of corporate survival than nonadopters.
- Smaller organizations achieve proportionally more “benefits” than larger organizations.
- Adopters of management system standards have higher “sales” than non-adapters.

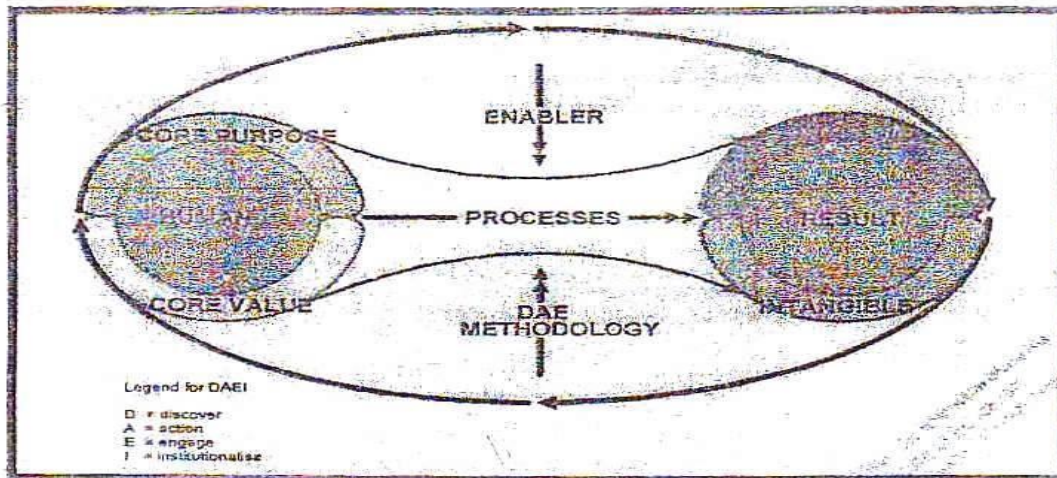
Islamic perspective of quality management standards

Islamic scholars also provide critical view on quality management standards; as an example Muhammad Ammarah (2006) emphasized the importance of understanding the needs of diverse communities in ensuring the stability of the quality of life. Further, Ibn Taymiyyah (nd) and Al Buraey (2005) stressed that quality management must be

parallel to the Shariah orientation and protect the interests of the community. As cited in Lokman Abdul Rasol and Siti Arni Basir (2012), Al-Habshi (1996), said God created man in quality and this analogy of human creation proves that Islam teaches people to act in accordance with a fair balance of knowledge, and when they are doing the work, it should be quality managed at certain levels which is considered perfect. Lokman Abdul Rasol and Siti Arni Basir further observed that Islamic scholars look quality management with the understanding of human purpose on earth was created and the management must be based on aspects of Shariah and has element of unity of God while Western scholars look at of how to maximize gains and customers' satisfaction. Hence the concept of Islamic and the conventional quality differs in terms of the integration of the spiritual element in the conventional quality management framework.

Development of Islamic quality management standards

An NGO (possibly Muslim Consumers Association Malaysia) who initially introduced the first Islamic standards, Integrated Standards in Islam or ISI 2020 in early 2000. It was completely a new stuff and thus mysterious to the quality managers' fraternity (Khaliq Ahmad et. al. 2003) until in 2005 a complete quality management systems – requirements from Islamic perspectives (MS 1900:2005) and Value-based management systems-requirements from an Islamic perspective (MS 2300:2009) were introduced by wholly Malaysian authority, Department of Standards Malaysia (STANDARDS MALAYSIA). Figure 1 depicts the concept of this new standards. STANDARDS MALAYSIA has appointed SIRIM Berhad as the agent to develop, distribute and sell the Malaysian Standards.



Source: Value-based management systems-requirements from an Islamic perspective (MS 2300:2009), pg. 3.

Figure 1: Value-based management system model

This Malaysian Standard is developed with the aim to ensure that organizations are managed in accordance to the principles and practice of the quality management system from Islamic perspectives. ISO 9001 is the internationally accepted standard on quality management systems. It however, does not address certain aspects of *Shariah* requirements which is a concern to Islamic practitioners and consumers. Therefore, in addition to the existing ISO 9001, *Shariah* requirements are being incorporated, where applicable. Table 1 below exhibits some examples of the core values that are outlined as the *Shariah* requirements.

Table 1: Examples of core values

Piety (Taqwa)	Moral (Akhlak)	Quality (Itqan)
Trustworthiness (<i>I'timaniyyah</i>)	Caring (<i>Ihtimam</i>)	Learning (<i>Ta'allum</i>)
Justice (<i>'Adalah</i>)	Cooperation (<i>Ta'awun/Musa'adah</i>)	Discipline (<i>Intizam</i>)
Sincerity (<i>Ikhlas</i>)	Courtesy (<i>Mulathofah/Adab</i>)	Commitment (<i>Iltizam/lida</i>)
Honesty (<i>Amanah</i>)	Humility (<i>Tawaduk/Wadho'ah</i>)	Innovativeness (<i>Tajdid/Thdath</i>)
Gratefulness (<i>Shukur</i>)	Tolerance (<i>Tasaamuh</i>)	Efficiency (<i>Iqtidar/Fa'aliyyah</i>)
Courage (<i>Shuj'ah</i>)	Respect (<i>Ihtiram/Ri'ayah</i>)	Effectiveness (<i>Syiddah al-Maf'u</i>)

Source: Value-based management systems-requirements from an Islamic perspective (MS 2300:2009), pg. 4

Malaysian standards (MS) in general are developed through consensus by committees which comprise balanced representation of producers, users, consumers and others with relevant interests, as may be appropriate to the subject at hand. To the greatest extent possible, MS are aligned to or are adoption of international standards. Approval of MS is governed by the Standards of Malaysia Act 1966 [Act 549] and are reviewed periodically. As for this specific MS 1900:2005, it was specifically developed by the Technical Committee on Management Systems from Islamic Perspectives under the authority of the Industry Standards Committee on HALAL Standards. In referring to the standards itself, the requirements of MS ISO 9001:2000 (which is also identical with ISO 9001:2000) are given in boxed text in this standard booklet, followed by relevant requirements from the Islamic perspectives.

Implementation of the Islamic management standards in educational institutions

Case studies of the implementations

This part begins with the explanation of the methodology employed in eliciting relevant information concerning the educational organizations studied which was based

on a case study protocol (Yusuf and Aspinwall, 2001). The presentation of the three case studies mainly concentrates on:

- the background of the educational organization studied;
- major aspects of Islamic Management Standards implementation; and
- the implementation framework employed by the organizations.

Methodology

Introduction

Case study approach is used usually when a researcher intends to investigate complex organization problems and the literature proves that many studies embarked this method in conducting studies in the area of TQM (Yusof and Aspinwall, 2001). As cited by Yusof and Aspinwall (2001), Yin (1994) suggested that case study in particular is appropriate when trying to answer the "how" and "why" questions of a research which is in line with the objective of this particular case studies.

Case study design

Yin (1994) particularly, proposed four types of case study design. However, this case study design employed what Yin (1994) stated as holistic multiple-case one which involved examining a particular organization's approach towards Islamic management standards implementation on a global basis (Yusof and Aspinwall, 2001). As the study was centered on educational organization or institutions as a whole, replicating the study for all three institutions would be able the researcher to focus and scrutinized

more on “how” and “why” implementation of the Islamic management standards in these educational institutions. Moreover, another question which was considered pertinent to this study and considered as the predictor for the sustainability of Islamic Management Standards in global scene was “did the Islamic Management Standards was really internalized by every single resident in that particular educational institutions?”.

To begin with, the researcher referred to www.malaysiancertified.com.my website and discovered that a total of nineteen (19) organizations (comprising corporate and government organizations) were certified in accordance to quality management systems-requirements from Islamic perspectives (MS 1900:2005) of which three of them are educational institutions or organizations [one public university (identified as A educational institution), one private university (identified as B educational institution) and one public community college (identified as C educational institution)]. The purpose of labeling as A, B and C educational institutions was to preserve their anonymity.

The manager whose in charge of the quality management system of all three educational institutions were contacted and were briefed about the planned case study project. All of the person who are taking care of the management system implementation agreed to participate and collaborate. Interviews with these key personnel who were responsible for the quality management initiatives implementation were conducted. As the study needed more information about the Islamic management standards practices, a set of data collection protocol was sent to the using their official email address. Relevant quality management documents such as quality manual, quality procedures and quality work instructions were referred to if possible. The audit reports

(internal and surveillance) were also taken into consideration. The details of all three educational institutions concerned are exhibited as in Table 1.

Table 1: Case educational institutions' characteristics

(1) Case educational institutions	(2) Scope of certification	(3) Number of employees (support staff)	(4) Year started employing MS 1900:2005 management standards	(5) Year of certification and (expiry date)	(6) Remarks
A	<ul style="list-style-type: none"> Supply of planning and management of physical projects. 	600 (115)	2009	26.03.2010 (25.03.2013)	Small scope
B*	<ul style="list-style-type: none"> Design and development of education programme; Provision of education services for undergraduate and post graduate program; Management of research and consultancy; Operation of the overall support services. 	NA	NA	21.05.2010 (19.06.2015)	Almost covers all educational aspects of a university's functions.
C	<ul style="list-style-type: none"> Supply of technical and vocational training at certificate level; Supply of technical and vocational training at national modular certificate level. 	48 (26)	2010	14.01.2011 (13.01.2014)	Basically covers all education aspects. Also MS ISO 9000:2008 certified.

Source: <http://www.malaysiancertified.com.my>

Note: * No case study for this particular educational organization for the moment.

Results from two case studies.

Background of case educational institution A

Case educational institution A (formerly as an Islamic University College) is the 12th Public Higher Education Institution (IPTA) in Malaysia. This Islamic University College was approved by the Cabinet on 11 June 1997 and made public on 13 March 1998. It started its operations in January 2000 at 5th Floor, Faculty of Islamic Studies Building, Universiti Kebangsaan Malaysia, Bangi. The first enrolment began on 13 June

2000 in a temporary location in Kuala Lumpur. In January 2002, it moved to another temporary campus in Tower A and B, Persiaran MPAJ, Pandan Indah, Kuala Lumpur. Currently, it is operating in stages at a permanent campus in Bandar Baru Nilai starting 15 July 2005. This educational institution was officially upgraded to a full fledge university on 1 February 2007, in line with the government's aim to upgrade the development of higher education to an international level.

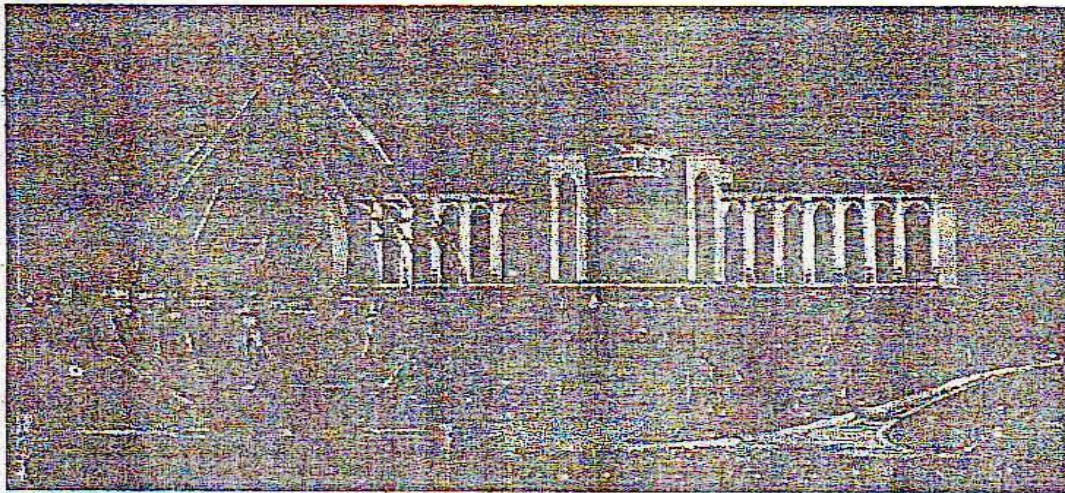


Figure 1: External view of the educational institution A

Among the objectives of its establishment are to uphold and enhance Islamic studies, bring Islamic Studies into the national main education stream, emphasize the use of information technology in education and research systems. Focus is also put in mastering Arabic and English language as well as the national language. At present, educational institution A operating with 8 faculties. The academic programmes are focused and developed with the idea that Islamic studies should be taken as a base for all academic programmes and it should cover and surpass all branches of knowledge that includes economy, law, shariah, language, dakwah, management, Quran and Sunnah, Fiqh, counseling, communication, medicine, science & information technology,

dentistry and accounting. Through this unique approach, it is hoped that wider opportunities for Islamic stream students are open and these graduates will not be too confounded on the traditional scope of Islamic Studies per se.

With its motto: Knowledgeable, Disciplined and Devout, the philosophy of this educational institution is “The integration of *naqli* and *akli* knowledge along with good character development will be the main platform for educating an excellent generation and a knowledgeable society”. Its mission is fostering academic excellence and an ummah able to contribute towards human progress, nation building and the advancement of the world. With this mission, it is hoped that its vision to be a leading centre of Islamic studies that utilizes advanced approaches and ICT to explore issues for the well-being and harmony of society and Islam will be achieved.

Major aspects of Islamic management standards implementation

As one of the youngest higher education institution, it is worth to note that striving for management quality system should begin with smaller scope of implementation. As exhibited in Table 1, the scope of certification is only supplying of planning and management of physical projects. To the researcher, the scope although is too limited and doesn't cover the whole business of a university, however it is relevant as this university is still physically establishing itself in stages. Moreover, an employment of Islamic management system standards since 2009 (certified on 26 March 2010) is pertinent in ensuring the smooth running of the physical projects of this young university.

As far as Islamic quality management system standards is concerned, only a total of 15 staff are responsible for the administration of the quality system (a strength of around 2.1%). This is however considered a very small team for a university but adequate for only a department which is relevant in this case (Yusof and Aspinwall, 2001). There will be a deciding moment of truth for this educational institution in surviving the surveillance audit (by SIRIM QAS International) before 25 March 2013.

The implementation framework employed by the educational institution A

Not much information was able to acquire from case educational institution A compared to case C (Table 2). It was discovered that this particular educational institution also practices other good management practices particularly MS ISO 9001:2008 and 5S (Seiri, Seiton, Seiso, Seiketsu and Shitsuke) other than what the researcher wants to highlight in this paper. To my knowledge, possessing and implementing a conventional quality management system standards (MS ISO 9001:2008) in Malaysian higher education setup is a basic requirement and acquiring extra management systems are up to the individual institutions. As an example, as these two cases educational institutions embarked on 5S, International Islamic University Malaysia (IIUM) went for the Balanced Scorecard (Kaplan and Norton, 2007) Hall of Fame.

When this Islamic management system standards was first formally introduced in 2009, the reactions of the university's staff were seemed contradict, skeptical and posed a curiosity. Consequently, as the system worked through the quality process, majority of the staff support the change compare to those who are still not cooperating. This is

normal as according to O'Toole (1995) there are at least 34 reasons why peoples resist change.

As a requirement for the effectiveness implementation of the Islamic management system standards (MS 1900:2005: Section 8, paragraph 8.2.2), internal audit exercise was conducted a frequency of one every year and up to this moment, two minor nonconformities were identified and corrected. These two nonconformities were in the areas of documentation and staff training/development. In regard to customers' complaint, it was reported "none" and hence all customers are expected to satisfy with the services supplied.

Sustainability of Islamic management system standards in educational institution A.

Sustainability is simply as a sustainable system is one which survives or persists over time (Costanza and Patten, 1995). As what was questioned by Costanza and Patten, and seems to be much related here, (1) what system or subsystems or characteristics of systems persist?, (2) for how long it persists?, and (3) when do we need to assess whether the system or subsystems or characteristics have persisted? Nevertheless, this paper does not be able to provide complete answers to all those three questions. However, this case study tried to seek some information about the perceptions of the management about the future of the management system concerned.

When a question was posed to the management about their organization's future expectation on the sustainability of the Islamic management system standards implementation, a short and quite convincing answer was "bright". The elaboration is that, the organization is fully aware the importance of the Islamic management system

standards in improving the best management practices. They also believed that majority (more than 90%) of the staff use their best effort to achieve the organization's goals.

Another quick and simple response (yes) was given to the researcher when a final question "In general, do you and your top management believe that this Islamic management system standards is capable to transform your organization to be the best educational organization?" was posed. Neither further comments nor recommendations were given.

Background of case educational institution C

The history of the establishment of community colleges in Malaysia actually started in 2000 when the Government approved a proposal by the Ministry of Education (MOE) to establish a network of educational institutions whereby vocational and technical skills training could be provided at all levels for school leavers before they entered the workforce. The community colleges also provide an infrastructure for rural communities to gain skills training through short courses as well as providing access to a post-secondary education. An initial 10 community colleges were established in June 2001 and an additional two were opened before the end of the year. With the establishment of the MOHE in 2004, the administration of the community colleges were transferred to a specialized department within the new ministry and the number of community colleges rose up to 36 at the moment. The adoption of the MQF in 2007 rationalized the various qualifications provided by the education sector in the country and brought the community colleges into the mainstream of the education system.

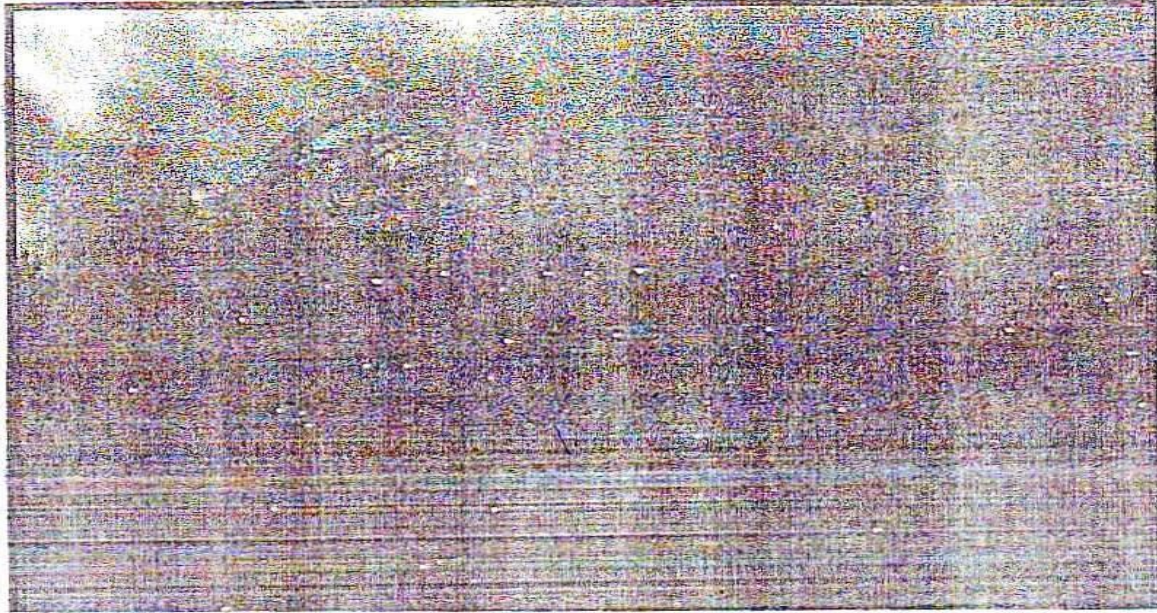


Figure 2: External view of one of the educational institution similar to C

At the moment, most community colleges award qualifications up to Level 3 in the MQF (Certificate 3) in both the Skills sector (the **Malaysian Skills Certificate**) as well as the Vocational and Training sector but the number of community colleges that are starting to award Level 4 qualifications (Diploma) are increasing. This is two levels below a Bachelor's degree (Level 6 in the MQF) and students within the system who intend to further their studies to that level will usually seek entry into Advanced Diploma programs in public universities, polytechnics or accredited private providers. The original plan of the MOE called for the establishment of community colleges in every parliamentary constituency in Malaysia. Currently, the total number of community colleges established are thirty six scattered all over Malaysia.

Table 2: Implementation of Islamic management system standards (MS 1900:2005) in Malaysian educational institutions

Nos.	Statements/questions	Responses from Institution A	Responses from Institution C
1	When was your organization was formally formed/established?	12 years ago. Governed by MOHEM.	9 years and 8 months ago that was 1 st March 2003, under the management of Community College Division, Department of Technical Education, MOEM.
2	Number of staff involve in the administering the Islamic management standards.	15 staff manage the quality management system.	08 staff administer the quality management unit, and 3 staff as intarnal auditors.
3	Other good management practices other than the implementation of MS 1900:2005.	MS ISO 9001:2008 (7 years) and 5S (3 years)	MS ISO 9001:2008; 29/01/2010 launching of the system; 14/01/2011 certification by SIRIM QAS International. MS 1900:2005; 29/01/2010 launching of the system; 14/01/2011 certification by SIRIM QAS International. 5S (Sort, Straighten, Shine, Standard and Sustain): Launched on 10/09/2012; not certified yet.
4	How long was the transition period before employing the MS 1900:2005?	2 years (introduced in 2009 and certified by SIRIM QAS International in 2010)	<ul style="list-style-type: none"> • Sept 2009 – Dec 2009: Setting up the management system. • 29 Jan 2010: Launching the management system. • 24 Sept 2010: Stage 1 Audit by SIRIMQAS. • 27 – 28 Dec 2010: Stage 2 Audit by SIRIM QAS • 14 Jan 2011: Certification by SIRIM QAS International
5	What was the reaction of the staff when this particular management system standard was introduced? What are their present reactions?	A bit skeptical and curious about the new quality system. Majority support the change however there some quarters are still not cooperating.	Positive reaction; almost all staff accepted the idea particularly because this organization was the first community college employed this system. Good acceptance according to the latest survey and yet many suggestions and recommendations for further improvements were put forward by them.
6	Implementation: <ol style="list-style-type: none"> 1. Frequencies of internal audit ? 2. Frequencies of Minor nonconformities? 3. What particular aspects of nonconformities? 	Frequency of One / year Frequencies of 2 minor nonconformities. Documentation and staff training/development.	Year 2010 = twice Year 2011 = Once Year 2012 = Once Year 2010 = 5 times (2 by SIRIM) Year 2011 = 3 times (2 by SIRIM) Year 2012 = 2 times (Not yet audited) Human error. There were cases of misunderstanding between the auditors about the outcome of the audit process. However, this have been resolved. The corrective actions were carried out successfully. There was no major nonconformance or breakdown of the system yet.
7	What is your organization's future expectation on this Islamic management standards?	Bright. The organization is fully aware the importance of the Islamic management system standards in improving the best management practices. Top management believe that majority (90%) of the staff use their best effort to achieve the organization's goals.	Hopefully that all residents of this organization will be able to internalize the spirit of MS 1900:2005 Islamic management system and hence making the organization sustainable. Currently, the top management believe that more than 75% of the staff have internalized it and prepared for better future.
8	Were there any customer complaints since your organization employed this	None. At this point of time all customers and stakeholders are	There were none specific complaints about the implementation but the management received suggestions/recommendations for improvements. If there

	Islamic management system standards? How did your organization managed this?	satisfied with the system.	are complaints, it will be addressed using the Customer Complaints Procedure.
9	In general, do you and your top management believe that this Islamic management system standards is capable to transform your organization to be the best educational organization?	Yes.	The top management fully believes that this Shariah based system of management standards is able to transform this organization to be the best educational organization (in its class) in future. However, the implementation of it needs to be check so that it will always comply with the current situation/environment.

Major aspects of Islamic management standards implementation by educational institution C

Case educational institution C is one of the six community colleges in Perak State and it was established nine years and eight months ago. It is considered a medium size college in terms of the staff strength (48 teaching staff and 26 non teaching staff). As far as quality management is concerned, 8 staff are responsible to ensure the smooth running of the management system and back up by 3 internal auditors (strength of around 14%) (Table 2). The scope of Islamic management standards scope is the supply of technical and vocational training both at certificate level and national modular certificate level. The scope is basically covers all educational aspects. To the researcher, the quality management team strength is probably suitable to cover the scope of the certification although it is considered a small team (Yusof and Aspinwall, 2001).

The implementation framework employed by the educational institution C

It was also discovered that case educational institution C also practiced other good management system practices such as MS ISO 9001:2008 where it was launched and certified almost at the same time with the implementation of MS 1900:2005. Sometime

in December, 2009, the institution installed the management system, on 29th January, 2010, the system was officially launched. Consequently, after two series of third party audit by SIRIM QAS International, the institution was officially certified (14th January, 2011) employing both the conventional quality management system standards (MS ISO 9001:2008) and the Islamic quality management system standards (MS 1900:2005) or commonly known as Shariah based management system. The institution also employed another extra Japanese quality effort particularly 5S: sort, *straighten, shine, standard and sustain* (*seiri, seiton, seiso, seiktsu and shitsuke*). However, it is yet to be certified as it was just launched on 10th September, 2012.

In ensuring the continuity and the sustainability of the implementation for both management system standards, series of internal audits were carried out whereby, there were twice audit exercise conducted in 2010, and a frequency of one audit exercise in 2011 and 2012 respectively. As a responsible and credible certification authority, SIRIM QAS International also conducted its own series of audits (in 2010 and 2011). It is worth to note that if there were nonconformities, it was related to human error because every management system is mended by humans however, all corrective actions were successfully done in ensuring sustainability of both technical (conventional MS ISO 9001:2008) and functional (Shariah based MS 1900:2005) quality management systems (Michalska-Cwiek, 2009). The moment of truth will be the process of surveillance audit by SIRIM QAS International before the certification expires on 13 January 2012.

Sustainability of Islamic management system standards in educational institution C

Savitz and Weber (2006) presented 7 elements and key components of a sustainability management system (which are also the requirements for MS 1900:2005) for an organization: workable organizational vision, effective strategies, clear organizational goals, complete but non-rigid procedures and protocols, providing clear key performance indicators (KPIs), specific and effective measurement and reporting and stakeholder engagement.

The respondent from educational institution C provided more convincing information when a question "What was your organization's future expectation on this Islamic management standards?". The response is about this organization's hope that all its residents would be able to internalize the spirit of Islamic management system standards and confidence that this particular management system standards is sustainable and hence able to sustain one's organization. Further, the respondent reported that the top management believes that (after conducting a survey) more than 75% of the staff have internalized the management system and prepared for the better future.

In general, the top management also believes Islamic management system standards is capable of transforming the educational institution C to be a leading future educational institution based on its response such as:

"...the top management fully believes that this Shariah based system of management standards is able to transform this organization to be the best educational organization (in its class) in future however, the implementation of it needs to be effectively monitored and controlled for its compliance with current and future environment."

Discussions and implications to the management

In observing the case study results, there are some similarities and dissimilarities in the implementation approaches by case educational institution A and C. The discussions can be based on two components such as follows:

- (1) Customer and stakeholder focus; and
- (2) MS 1900:2005 – Islamic quality management systems-requirements as an ultimate source of quality management system.

Customer and stakeholder focus.

The first common understanding and foundation for both educational institutions was certainly their customer and stakeholder focus. In actual fact, both institutions are managed by MOHEM (Educational institution A is supervised by Department of Higher Education, while educational institution C is supervised by Department of Community Colleges). Since MOHEM was established on 27 March 2004 (as it was a part of Ministry of Education Malaysia or MOEM before 2004), the ministry was given a task to realize the internationalization of Malaysian higher education and thus, a clear future direction was established with its vision statement as: *“To turn Malaysia into a center of excellence for higher education”* and its mission as *“To develop and put in place a higher education environment that encourages the growth of premier knowledge centers and individuals who are competent, innovated with high moral values in order to meet national and international needs.”*

One of the strategies that entails the mission of MOHEM is to develop and put in place a standardized and high standard of higher education and this led to the inception

of the Malaysian Qualifications Agency (or MQA) which is a statutory body in Malaysia set up to accredit academic programs provided by educational institutions providing post secondary or higher education and facilitate the recognition and articulation of qualifications. This event, in actual fact was coincided with the intention of improving the management systems of all educational institutions when all of them were encouraged to employ the conventional quality management system standards, MS ISO 9001:2001 (later moved to MS ISO 9001:2008). As for both case study educational institutions, being certified under MS 1900:2005 Islamic management system standards means an extra effort to satisfy the customers (both locally and internationally) as well as the stakeholders (Government, ministry and the citizens).

The implication for management is that focusing on customers and stakeholders per se involves considerable costs (paying the consultants, training of staff etc.), time factor and as well as transforming the "people's mind" (particularly to ensure that there is internalization of new culture) was actually not an easy task. Excellent leadership is in fact really imperative to address this particular element.

MS 1900:2005 – Islamic quality management systems-requirements as an ultimate source of quality management system.

As what has been observed, all educational institutions under study adopted a conventional MS ISO 9001:2008 quality management system standards as a basic requirement for all public institutions of higher learning in Malaysia. In addition, some of them also tried to familiarize themselves with a Japan originated 5S (*seiri, seiton,*

seiso, seiktsu and shitsuke) system in seeking and internalizing the Total Quality Management (TQM) culture.

Despite the needs to comply to the conventional quality management system standards and also the newly appealing Japan originated 5S as the minimum requirements, Islam has always encouraged extra miles and effort - the best possible achievement (Khaliq Ahmad, 2007) as narrated by Baihaqi, "Allah loves those workers who perform their works to the best of their abilities". Hence, the organizations particularly the educational institutions need to ensure that the definition and measurement of quality used are in accordance to Islamic principles. As an example, it is imperative for the organizations to ensure that their processes and procedures do not violate the principles of Islam which known as *Shariah* compliance. As it was observed, this Islamic quality management system standards (MS 1900:2005) is considered as the core requirement and thus an ultimate source of quality management system for all educational institutions particularly as its main function is imparting knowledge and skill to the humanity.

As one of the implications to the management, it is imperative for the top management to ensure that the Islamic quality management system standards is properly, effectively and successfully implemented because it is the vital and critical role of man as the "*Vicegerent* of Allah" on earth. This of an essence if we want this ultimate quality management system standards are employed by every organization worldwide¹.

¹ . Other than the three educational institutions certified, there are also business organizations which employed the same quality system and certified. The new numbers are increasing.

To implement Islamic quality management system standards, the management needs to invest a lot on people (staff) in the form of training and development. Proper and effective steps need to be carried out to educate every resident so that they are able to carry out their task successfully and hence satisfy the customers and the stakeholders. This will also implicate the future sustainability of the Islamic quality management system².

Conclusions and future research

This paper has presented two brief case studies conducted in two educational institutions (identified as case educational institution A and C respectively). However, because of time factor, this study couldn't include case educational institution B and hence this will give an opportunity for the future study to include this only one private higher education institution that is MS 1900:2005 certified at the moment.

As it was observed, these two case educational institutions were purely under the authority of MOHEM but managed by two different departments namely the department of higher education and the department of community colleges. Pursuant to the strategic direction that had been set up by the ministry, all public higher education institutions were encouraged to set up their quality management system (MS ISO 9001:2008) and getting certified by SIRIM QAS International as the initial objectives were to create conducive environment for higher education; i.e. to ensure that all customers (locals or internationals) and stakeholders are satisfied with the provision of educational services.

² . As for the schools, there are several standards used such as Malaysian Quality Education System (SKPM), Malaysian Teachers' Standards (SGM), Competency Standards for Malaysian Educational Staff and Competency Standards for Malaysian School Principals. All these standards do not require certification for the moment.

It was also observed that these two educational institutions were also put their extra effort in improving their quality management system by employing a Japan originated TQM system particularly 5S. The pursuit for quality management hasn't stop here, as they put another great effort by employing the ultimate quality management system standards (MS 1900:2005) and getting certified. Although, in terms of the scope of the certification between the two case educational institutions were differ, but believing in an Islamic quality management system standards as a vehicle for future organizational success is really meaningful as this will also help in the *dakwah* process. As this particular Islamic quality management system standards is considered new to some "business" and non-profitteering entities, it is premature for us to judge whether this quality management system will be well accepted by the. So, as the vicegerent of Allah (SWT), the first step taken by these two public educational institutions was considered an enormous and excellent *dakwah* effort.

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