

The Role of *Tawhidic* Paradigm in the Transformation of Management System

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Abstract

This paper explores the critical importance of *Tawhidic* paradigm in transforming a management system. It proposes a general model that may be adapted by any types of organizations – business, governmental, political, or social. The paper proposes basic components of the paradigm and illustrates the application of selected aspects of the components in a typical firm. The conceptual study discusses the major components of the *Tawhidic* paradigm (Unity of God) and provides illustrations that help link the spirit of *Tawhid* with management function: planning, organization, leading, and controlling. All of the managerial functions should ensure that they are integrated with the ethos of *Tawhid* which harmonize other worldly (*Al-Akhirah*) (the Hereafter) and the worldly (*Al-Duniya*). With this spiritual awareness the evolving and continuing management system will be achieving the firm's mission and objectives by implementing mutually reinforcing values referred to as promotion of goodness (*'amr bil ma'aruf*) and prevention of evil (*nahi anil munkar*). The proposed framework makes continuous learning both of the *Deen* and one's career in an important prerequisite for the successful maintenance of a harmonized organization.

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1. Introduction

Islamic management system is built upon the foundation of Islamic faith. The Islamic faith is based on *kalima shahaada*, which is to recognise Allah as the only universal God and Prophet Muhammad (Peace Be Upon Him) as the messenger of Allah. With this foundation, the ultimate aim of Islamic management system is to gain the pleasure of Allah by executing all of the duties prescribed by Him. The discussion of this paper begins with the explanation on the major components of *Tawhidic* paradigm. Next, the paper discusses the role of firms in providing platform for managers to use their skill and talent to achieve the organizational goals. Then, the paper discusses the components of

managerial functions together with managerial roles. A critical section of this paper presents the integration between *Tawhidic* paradigm and managerial functions together with illustrations how to make the integration work. Finally, the paper provides a discussion on the core duties of managers before giving the conclusion.

2. Major components of *Tawhidic* Paradigm

The term '*tawhid*' in Arabic (تَوْحِيدٌ) is defined as unity of God, 'Oneness of God (أَحَدٌ اللهُ)', a concept of monotheism in Islam (Al-Ashqar, 1992; Al-Takhis, 1992). The adjective is '*tawhidic*' or 'the nature of oneness' (Choudhury, 2010, 2000, 1999; Hamid, 1999; Laming, 2002; Rahman, 1995). The term "paradigm" can be defined as 'a pattern of scientific thinking about truth through various observations and experiment' (Choudhury, 2010; Al-Faruqi, 1992; Al-Ashqar, 1992; Qutb, 1994). Paradigm is an important matter in Islamic faith because it is related to *kalima shahada*, a statement that requires one's to tune his/her thinking, understanding, feeling, action and decision towards it. The *Tawhidic* paradigm gives weight to the degree and quality of deed/actions. This paradigm elevates the spirit of relationship between Allah and human beings, human beings and human beings, and human beings with other creatures, based on two core values - trust (*amanah*) and justice ('*adl*'). The concept of trust (*al amanah*) is a Divine commandment to accept the responsibility. The ability to fulfill the trust (*al amanah*) and obligatory duties (*al fara'id*) is accompanied with the guidance and capability (Al Faruqi, 1992, p.5).

According to *Tawhidic* paradigm, man's multiple relationships revolve around *Tawhid*. The next section explains Islamic worldview which links the prerequisites to *Tawhid* and the roles of the believers of the paradigm. Figure 1 depicts the integrative linking role of *Tawhid* with worship ('*ibadat*'), submission of mankind to Allah for the sake of securing His Pleasure vis-à-vis the roles of mankind as servant ('*abd*') and vicegerent (*khalifa*) of Allah.

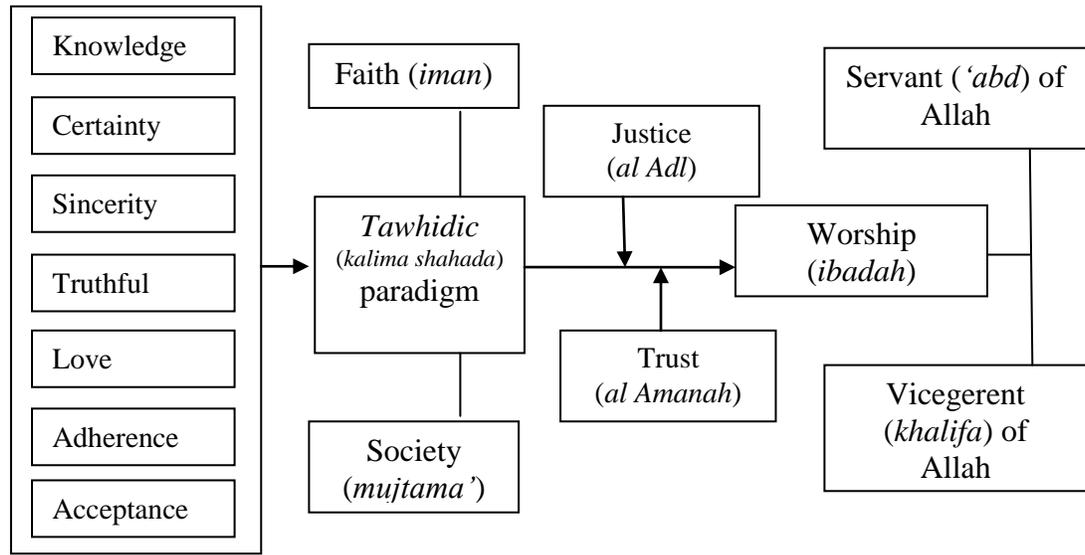


Figure 1: The integrative role of *Tawhid* in executing worship (*ibadat*) with trust and justice

The main reason for worship (*ibadat*) to be performed with trust and justice is depicted in Figure 2 to be consistent with the job description of vicegerent (*khalifa*) as stated in *Sura al Baqarah* 2: 30 below. This assignment is in line with the purpose that Allah has created mankind to be His servant and also His vicegerent on earth.

وَإِذْ قَالَ رَبُّكَ لِلْمَلٰئِكَةِ اِنِّيْ جَاعِلٌ فِى الْاَرْضِ خَلِيْفَةً قَالُوْۤا اَنْتَجْعَلُ فِيْهَا مَنْ يُفْسِدُ فِيْهَا وَيَسْفِكُ الدِّمَآءَ وَنَحْنُ نُسَبِّحُ بِحَمْدِكَ وَنُقَدِّسُ لَكَ قَالَ اِنِّيْۤ اَعْلَمُ مَا لَا تَعْلَمُوْنَ

Note the occasion, when our Rabb [Lord] said to the angels: I am going to place a vicegerent on earth. They said: “Will You place there one who will make mischief and shed blood while we sing Your praises and glorify Your name? Allah said: “I know what you know not.” (*Sura al Baqarah* 2:30)

Ibn Kathir (2003) said that Al-Qurtubi together with other scholars mentioned that verse 30 of *Sura al Baqarah* emphasizes that the appointment of vicegerent is vital to ensure political and economic stability within the boundaries of Islamic *Sharia*.

Figure 2 depicts three main components of the Islamic worldview, namely (a) *Tawhidic* paradigm, (b) roles/duties, and (c) core values. The *Tawhidic* paradigm means true submission to Allah and absolute devotion to His Commandments. As a result of the

recognition of *kalima shahaada*, man has to resume two fundamental yet inter-related roles – i.e. servant and vicegerent of Allah. The roles must be implemented with due diligence – trust and justice.

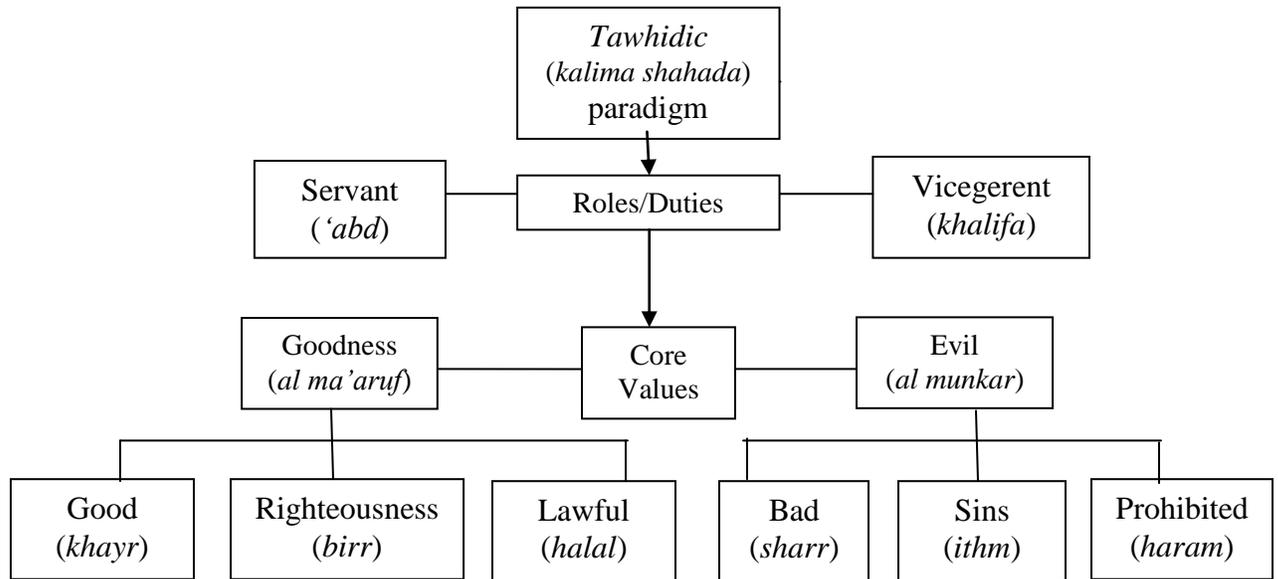


Figure 2: Fundamental Principles of *Duniawi-Ukhrawi* View

Physical and spiritual resources are available to mankind entrusted by Allah with terms and conditions. If humanity as *khalifa* fails to adhere to the *Sharia* (Divine Law), men will suffer from evil consequences. The resources are not owned absolutely by humanity; they are only a trust from Allah. In lieu of that, man should manage all resources as a trust.

The *khalifa* – whether owner, manager, employee - will act as a trustee of Allah in carrying out his duties in organizations. His worldview, his *ukhrawi* view, and his worldly-Hereafter view should be *Tawhidic*. He has to ensure this his formulation, execution, and evaluation of plans is in line with *Tawhid* and the specific principles of Islam. He will have to accept, revise or reject his plan if he suspects any inconsistencies with the spirit of *Tawhid* at planning or implementation stages of strategy. Non-compliance with the *Sharia* could weaken a person’s faith, and this compromise might infest his decisions about all matters and times. An individual with such a predisposition (having a weak faith) might abuse his authority and misuse the resources. The consequence of his decision will affect not only colleagues and subordinates but also other creatures like the environment with resource depletion, landslides, civil wars, and the like. In the end, there will be injustice, inequity, exploitation, manipulations,

oppression, and wrong doings that will negatively affect life, property, reputation and dignity.

Ma'aruf means good (Qardawi, 2007). It includes goodness (*khayr*), righteousness (*birr*) and lawful (*halal*) which deserve positive rewards (*ajr*). The spirit of goodness and righteousness can be gleaned from *Hadith* number 27 in the collection of forty *Sahih Hadith* (Nawawi, 2003).

Al-Nawwas bin Sam'an, *radiyallahu 'anhu*, reported that the Prophet, *sallallahu 'alayhi wasallam*, said: "Righteousness is good character, and sin is that which wavers in your heart and which you do not want people to know about." [Narrated by Imam Muslim].

According to Wabisah bin Ma'bad, *radiyallahu 'anhu*, who said: "I came to the Messenger of Allah, *sallallahu 'alayhi wasallam*, and he said: "You have come to ask about righteousness?" "Yes," I answered. He said: "Consult your heart. Righteousness is that about which the soul feels tranquil and the heart feels tranquil, and sin is what creates restlessness in the soul and moves to and fro in the breast, even though people give you their opinion (in your favour) and continue to do so." [A good *hadith* transmitted from the Musnads of the two Imams, Ahmad bin Hanbal and Al-Darimi] (Nawawi, 2003).

While this section discusses the major components of *Tawhidic* paradigm as the theoretical framework of this paper, the next section will discuss the context in which *Tawhidic* paradigm is to be applied in organizations, like a firm.

3. Firm

Firm is an economic entity that functions to mobilise economic scarce resources and transform them into goods and services to benefit mankind. Gibbons (2005) said that firm is basically a vehicle for entrepreneur to mobilise resources to create wealth sustainably. Williamson (1971, 1979, 1985) argued that firm is used to generate continuous income for the owners of the firm; he called this activity as 'rent-seeking' behavior of the firm. Similar observations are made by Klein (1988, 1996). Firm is also being used as formal vehicle to own resources or 'property-rights' so that it can continue to be the beneficiary of the resources (Hart & Moore, 1990, and Hart, 1995). Other scholars argued that firm provides 'incentives' to economic system to generate wealth (Holmstrom, 1982, 1999). Cyert and March (1992) argued that firm sets the foundation for organisation to create goals, provide expectations and choices. Goals are very important for members of organisation to make commitment and shape the required behavior in order to achieve

desired outcomes. Expectations are related to the potential benefits or advantages in the future that can be envisaged so that people can adjust the present behaviour in order to fulfil the future target. The firm makes its choices or solve problems based on its goals and expectation so that the choices maximize the potential goals (Cyert & March, 1992; Cyert, Dill & March, 1958).

Next section will relate firm with the management functions.

4. Management functions

Firms could attain objectives and goals if they are managed efficiently and effectively. Management can be defined as the process of working with and through people via planning (P), organizing (O), leading (L), and controlling (C) - P-O-L-C - the people and other resources to achieve the objectives or goals (Daft, 2010; Dyck & Neubert, 2009). This definition is based on the classical theory of scientific management (Dyck & Neubert, 2009). In other words, there are four functions involved when managing firms or any organizations, i.e. to determine the goals, to arrange the task and structure, to work with other people collectively, and to ensure results are achieved (Daft, 2010; Dyck & Neubert, 2009).

Daft (2010) argued that managers apply management functions of planning, organizing, leading and controlling to achieve goals of their organization. Planning is defined as the process to formulate goals for future performance together with the resources required. Organizing refers to the arrangement of tasks, responsibilities, accountability, and resources allocation to enable the organization to execute activities that attaining the goals. Leading is about the use of influence on employees so that they are motivated, willing and ready to perform the tasks assigned to them. As for controlling, it is about monitoring employees and resources so that they are on the right track to achieve the goals of the organization.

Managers perform the management functions on daily basis by carrying out various activities to achieve organizational goal of their organization. In other words, managers perform certain roles in carrying out the management functions – P-O-L-C. The following section will discuss the specific managerial roles.

5. Managerial roles

The managerial roles can be explained as interpersonal, information and decisional roles (Mintzberg, 1980). According to Mintzberg (1980), interpersonal roles include figurehead, leadership, and liaison activities. As figureheads, managers perform ceremonial and symbolic duties, such as presenting a letter of appreciation at the company's dinner. In leadership, managers are involved in the hiring process, appraisal,

motivation, and training. Finally, managers provide a bridge for contacting external sources (i.e. individuals or groups) to obtain information for the organisation.

Secondly, managers perform information roles in their daily tasks. Informational roles include monitoring, disseminating, and spokesperson activities. In monitoring, managers organise, search and collect information from outside organisations, e.g. talking with others about competitors for the organisations. Then, the managers will disseminate the relevant information to the employees. In formal communication with outsiders, managers will speak on behalf of the organisations with outsiders.

Finally, it is very necessary for managers to perform decision roles. Decisional roles include the managers' role as entrepreneurs, disturbance handlers, resource allocators, and negotiators. As entrepreneurs, managers create, organise and supervise new projects that are packaged with risks and uncertainties for their organisations. In the meantime, managers as disturbance handlers take corrective actions on all high impact problems that occur. Nevertheless, more importantly, managers have to face a very tough job when they have to allocate resources and negotiate with stakeholders that are in line with their organisations' objectives (Daft, 2010; Dyck & Neubert, 2009).

Dyck and Neubert (2009) argued that there are some overlap between the managerial functions and managerial roles. In planning, organizations identify goals and determine resources. Based on managerial roles, the planning stage involves decisional roles because managers assume the role as entrepreneurs in examining the external and internal environment to maximize the opportunities. Then, managers also assume as negotiators when changes are required to be made on the plans. For example, managers need to negotiate with unions, employees, suppliers on the wages and prices. At the same time, managers also play spokesperson role in disseminating and transmitting information to the public. In short, planning involves decision making process, establishing goals, and to formulate strategies that can sustain competitive advantage.

According to Dyck and Neubert (2009), in organizing, it is vital for managers to ensure tasks are clarified, assigned and explained to the employees in systematic manner to achieve goals. At this stage, managers are required to allocate resource so that members of organization can work within the resources allocated. This function is dynamic as it is involved in structuring the organization, assigning employees with tasks, responsibility and accountability. In leading, it's main function is to motivate and influence others to perform their tasks that can result in the achievement of organizational goals. In fact, Mintzberg (1980) argued that managers spent about 75 percent of their time in this function. The essential roles that managers actually do in leading include leader, liaison, and disseminator. Finally, the controlling function is to ensure all the activities are consistent with goals of the organizations.

From conventional perspectives, there are two approaches of management functions, namely mainstream and multi-stream (Dyck & Neubert, 2009). The mainstream approach emphasises on maximizing productivity and profitability by inducing individual for self interest. In contrast, multi-stream emphasises on the nurturing values and virtues. Due to different approaches, the key ideas of management functions are also different. The multi-stream uses ‘moral sentiment’ and ‘stakeholders approach’ (Smith, 1982). Table 1 summarises the differences between management from main stream and multi-stream approaches.

Terms	Main stream	Multi stream	Main differences
Management	Managers perform planning, organizing, leading and controlling via human and other organizational resources with the aim to achieve goals effectively and efficiently	Managers perform planning, organizing, leading and controlling via human and other resources with aim to achieve goals virtuously, efficiently, and effectively	Main stream emphasises on productivity and self interest; but multi stream emphasises on nurturing virtues
Planning	Set goals, strategies, decisions based on the resources to achieve goals; top-down approach; resulted oriented	Partnership with members of organizations, use judgment and wisdom to set goals, strategies and collective decisions to achieve the goals	Main stream emphasises on measurable goals and top down approach; but, multi stream emphasises on practical wisdom (Schumacher, 1973, p.249; Mintz, 1996, p.829) and participation
Organizing	Assign tasks and arrange resources to meet the goals of organizations	Tasks and resources are arranged reasonably and adequately to meet the goals	Main stream favors standardization, specialization and centralization; but multi stream works on courage and experimentation
Leading	Influence and motivate people to work towards the target (results oriented)	Work with and through people together to meet the committed goals (as agreed upon during the planning)	Main stream focuses on instrumental motivation and outcome based; but multi stream emphasises on relational self-control and dignification
Controlling	Monitor the performance (based on standards) and tally them with the results and do necessary corrective actions	Ensuring the actions of members are reasonable and consistent to the agreed upon goals and values	Main stream emphasises on vigilance, information systems and value chains; but, multi stream emphasises on justice, fairness, sensitization, and value loops

Table 1: Management from mainstream and multi-stream approaches
Source: Dyck and Neubert (2009, p.16)

6. *Tawhidic* paradigm and management functions

Tawhidic paradigm (TP) provides the philosophy or purpose of doing things that is solely for Allah; to secure His Pleasure. Management functions (MF) are related to the specific activities and roles that managers perform to achieve the goals of their organization effectively and efficiently. TP lays down the guiding principles for mankind so that they perform the duties as servant and vicegerent of Allah. As for MF, it can be guided by any principle, as long as it is able to satisfy the owners or shareholders of company.

Thus, TP stresses that that it is Divine duty of mankind to serve Allah. Besides human beings, other creatures are also the servants of Allah and are created to worship Him. Allah says in *Sura Adh Dhariyat* 51: 56:

We (Allah) have not created jinns and mankind except to worship Me (Allah).

A person becomes more resourceful and humble by worshipping Allah. These two qualities are essential to balance human's physical and spiritual aspects in facing the challenges of life. In contrast, one who does not worship Allah will be punished in the form of distracting affairs and timidity. It is the power of *Tawhid* that motivates man to worship (perform *ibadat*), submitting himself to the Commandments of Allah in order to secure His Pleasure. He accepts the dual role specified by Allah, i.e. to be servant (*'abd*) and vicegerent (*khalifa*) of Allah. The execution of these roles requires man to uphold certain principles: (a) *Tawhidic* paradigm, (b) vicegerency (*khilafah*), (c) servant (*'abd*), (d) trust (*amanah*) and (e) justice (*'adalah*) (Haneef, 1997, pp.44-49). As servant and vicegerent of Allah, man is commanded to establish *ma'aruf* and forbid *munkar*, as reflected in the following verse (*Sura Ali Imran* 3: 110):

You are the best nation which has ever been raised for guidance of mankind. You enjoin good, forbid evil, and believe in Allah.

“The best nation,” according to Ibn Kathir (2003), refers to the best of peoples for the people. With the best qualities, “the best of peoples” are able them to encourage fellow men to do good deeds and to prevent them from committing sins. This can be interpreted as a collective responsibility towards worshipping Allah. In fact, one's level of faith, whether increasing or decreasing, is very much dependant on the individual's initiatives in enjoining goodness and forbidding evil.

TP must permeate the entire management functions. Daft (2010) identified four management functions, namely planning, organizing, leading and controlling to achieve

goals of organization that can please Allah and satisfy the shareholders. Planning is defined as the process to formulate goals for future performance together with the resources required. Organizing refers to the arrangement of tasks, responsibilities, accountability, and resources allocation to enable the organization to execute activities that attaining the goals. Leading is about the use of influence on employees so that they are motivated, willing and ready to perform the tasks assigned to them. As for controlling, it is about monitoring employees and resources so that they are on the right track to achieve the goals of the organization. The linkages between TP and MF are workable because both are not conflicting and could be complementing. In fact, TP serves as the ‘software,’ whereby MF provides the platform or ‘hardware’ for TP to activate. Table 3 summarizes *Tawhidic* paradigm components and managerial functions.

<i>Tawhidic</i> paradigm (TP) components	Managerial functions (MF) components	Combination
Servant of Allah (SA) + <i>vicegerency, trust, justice, promoting goodness, and preventing evil</i>	Planning (P)	SA-P
	Organizing (O)	SA-O
	Leading (L)	SA-L
	Controlling (C)	SA-C

Table 3: Summary of components of *Tawhidic* paradigm (TP) and managerial functions (MF)

The discussion below presents a reconciliation between the spirit of *Tawhidic* paradigm (servitude to Allah) and managerial functions (i.e. P-O-L-C).

7. Servant of Allah and planning (SA-P relationship)

In organizations, managers set goals and directions that are focused on the achieving goals and objectives of organizations. In executing the tasks, the managers apply knowledge, talent, skill, experience, values and judgment. The planning stage is crucial to map out how organizations could achieve their goals. The priority for the managers is to satisfy the shareholders (economic responsibility) and to ensure the activity is legal (legal responsibility). How about other stakeholders besides the shareholders, employees and suppliers? This may not be considered diligently by the managers. The conventional approach to planning typically makes the managers set goals, formulate strategies and make decisions that are consistent with the corporate (overall) goals of their organizations. Members of organizations are expected to comply with the result-oriented tasks directed by the top management. This has been observed by Schumacher (1973) who argued that the classical management approach has paid little attention on the practical wisdom of members of organization. In fact, proactive and active participation

of employees can help increase the morale and commitment of employees to strive hard to attain the goals of organizations (Mintz, 1996). This is exactly what an Islamic perspective of planning expects. Islamic perspective suggests that one goes beyond the process of setting up goals, making good decisions and formulating strategies. With *Tawhidic* approach, at the beginning of the managerial task, the managers should be conscious that the top priority is to worship Allah at all times. The managers need to translate awareness into plans and action. How to relate planning with the task to worship Allah? To worship Allah means to execute all the Commandments of Allah through planning activities. The core task of servant and vicegerent of Allah is to obey and disseminate Allah's Commandments in the tasks at hand. Allah commanded man to worship Him alone and also to recognize Prophet Muhammad (peace be upon him) as His messenger to lead a peaceful life. Allah said:

“If you are in doubt concerning that which We have sent to Our servant (Muhammad), then produce one sura like this; and call your witnesses (gods that you call upon) besides Allah to assist you, if you are right in your claim” (Quran, 2:23)

In interpreting the above verse (Quran 2:23), Mawdudi (1992, p.50) says that Allah invited mankind to accept the pledge of *kalima shahada* as guidance in the worldly life so that mankind can enjoy peaceful life after death. Allah challenged mankind to produce similar guidance if they refused to accept this offer (Tafsir Ibnu Katsier, 1988, pp. 63-65). The religion of *Tawhid* has been practiced for generations, since the time of Prophets Ibraheem, Ismail, Ishaq (Isaac), and Ya'acob (Jacob) (Quran, 2:133). Islam is the same although it has different approaches of practices in different times (Tafsir Ibnu Katsier, 1988, pp. 243-244). In short, servant of Allah-planning (SO-P) relationship emphasises on the duties to plan that is consistent with the role as a servant and vicegerent of Allah.

8. Servant of Allah and organizing (SA-O relationship)

The second function of management is to organize, that is to arrange for the tasks, activities, reporting line, and accountability, so that the tasks are consistent with the goals of the organizations. The main stream approach of organizing is to assign tasks, arrange resources, and structure people with the organization in order to meet the goals of organizations. In contrast, multi-stream or moral approach to organizing requires the managers to arrange resources justly and reasonably so that they can create entrepreneurship spirit, risk taking attitude and proactive members of organization. The spirit of worship integrates into all of these activities. Managers and peers and subordinates lead and cooperate in formal structure with one's unique varying levels of relationship with Allah. In organizing tasks for fellow men and women, the managers in particular must be consistent with total submission to the Will of Allah. Faith or *iman* is

very vital in engaging in any activity under the *Tawhidic* paradigm. Practice is a reflection of faith. Rahman (1995, p. 3) contends that:

Iman in practice is called *Islam*. A believer who practises what he believes in is a true Muslim. Islam thus deals with all those deeds (*a'mal*) which are essential for the ultimate success of a believer. All good deeds are included in '*ibadah* (devotion).

Belief in the oneness of Allah (*Tawhid*) is the first pillar of Faith (*iman*). The remaining pillars include belief in the Messenger of Allah, the Books of guidance revealed by Allah, the Angels, the Day of Judgment, and predestination (the good and bad luck), as mentioned in the Forty *Hadith*:

On the authority of 'Umar, *radiyallahu 'anhu*, who said:

We were astonished at his thus questioning him and telling him that he was right, but he went on to say, "Inform me about *iman* (faith)." He (the Messenger of Allah) answered, "It is that you believe in Allah and His angels and His Books and His Messengers and in the Last Day, and in fate (*qadr*), both in its good and in its evil aspects." He said, "You have spoken truly." (Nawawi, 2003).

Basically, Islam has four "connectors": *Iman* (faith in Islam) as the platform, *Fahm* (understanding of Islam) as the requirement, *Ihsan* (benevolent attribute) as the speed, and *Mardhatillah* (the Will of Allah) as the objective (Ismail, 1991). In fact, the *Forty Hadith* also mentioned about *Islam*, *Iman*, *Ihsan* and *Qadr* (Nawawi, 2003):

On the authority of 'Umar, *radiyallahu 'anhu*, who said:

While we were one day sitting with the Messenger of Allah, *sallallahu 'alayhi wasallam*, there appeared before us a man dressed in extremely white clothes and with very black hair. No traces of journeying were visible on him, and none of us knew him.

He sat down close by the Prophet, *sallallahu 'alayhi wasallam*, rested his knee against his thighs, and said, O Muhammad! Inform me about Islam." Said the Messenger of Allah, *sallallahu 'alayhi wasallam*, "Islam is that

you should testify that there is no deity save Allah and that Muhammad is His Messenger, that you should perform *salah* (ritual prayer), pay the *zakah*, fast during Ramadan, and perform *hajj* (pilgrimage) to the House (the *Ka'bah* at *Makkah*), if you can find a way to it (or find the means for making the journey to it)." Said he (the man), "You have spoken truly."

We were astonished at his thus questioning him and telling him that he was right, but he went on to say, "Inform me about *iman* (faith)." He (the Messenger of Allah) answered, "It is that you believe in Allah and His angels and His Books and His Messengers and in the Last Day, and in fate (*qadr*), both in its good and in its evil aspects." He said, "You have spoken truly."

Then he (the man) said, "Inform me about *Ihsan*." He (the Messenger of Allah) answered, "It is that you should serve Allah as though you could see Him, for though you cannot see Him yet He sees you." He said, "Inform me about the Hour." He (the Messenger of Allah) said, "About that the one questioned knows no more than the questioner." So he said, "Well, inform me about the signs thereof (i.e. of its coming)." Said he, "They are that the slave-girl will give birth to her mistress, that you will see the barefooted ones, the naked, the destitute, the herdsmen of the sheep (competing with each other) in raising lofty buildings." Thereupon the man went off. I waited a while, and then he (the Messenger of Allah) said, "O 'Umar, do you know who that questioner was?" I replied, "Allah and His Messenger know better." He said, "That was *Jibril*. He came to teach you your religion."

The daily practice of Islamic way of management requires one to play three roles: firstly to achieve individual and organizational goals with appropriate methods, secondly to carry out POLC functions imbued with Islamic values and principles, and finally, to move toward perfection through continuous improvement, consistent with the "perfection" of Islam (Ismail, 1996).

One must satisfy some conditions to apply Islam in management of organizations. Firstly, one needs to have reasonable knowledge of Islam (i.e. branches of Islamic sciences); secondly to have basic knowledge on management; thirdly to understand adequately both Islam and management; fourthly to possess responsible scholarship (i.e. personality, knowledge, understanding, practice, wisdom); and finally, to undergo continuous

intellectual process (i.e. studying, thinking, discussion, critiquing, refining, consolidating). Knowledge gives one understanding of Islam and management before integrating the two into practice (Ismail, 2005). One's understanding of Islam is facilitated through the lenses of *iman*. According to Wabisah bin Ma'bad, *radiyallahu 'anhu*, who said:

I came to the Messenger of Allah, *sallallahu 'alayhi wasallam*, and he said: "You have come to ask about righteousness (*al birr*)?" "Yes," I answered. He said: "Consult your heart. Righteousness (*al birr*) is that about which the soul feels tranquil and the heart feels tranquil, and sin (*al ithm*) is what creates restlessness in the soul and moves to and fro in the breast, even though people give you their opinion (in your favor) and continue to do so." [A good Hadith transmitted from the Musnads of the two Imams, Ahmad bin Hanbal and Al-Darimi] [See Ismail (2005)]

9. Servant of Allah and Leading (SA-L relationship)

The third function of management is leading, that is to influence and motivate members of organizations to perform the tasks that assigned to them, and report to top management through the hierarchical reporting line to be responsible and accountable, so that the tasks are consistent with the goals of the organization. Unlike the main stream that emphasises on productivity for results, multi-stream focuses on collaborative efforts and team spirit to perform tasks that are agreed upon collectively to achieve the goals of organizations.

According to Islam, the influence is based on *Tawhidic* spirit, whose core is *iman*. A person should acquire '*imanic*' values which shape his vision for his entire life, within and outside the workplace. The concept of man, his position, his mission, and his success and failure are defined within a broad framework (al Haj 22:5; al Zariyat 51 56; Ali 'Imran 3: 110; al Najm 53: 42,44). Work values and work motivations are an extension of this broad framework. The values of his faith provide the basic formula. Work is '*ibadah*' (an act of worship). Drawing motivation from one's faith, and maintaining its connection with work and the work place are inseparable. The basic principles of faith, and man's mission and nature suggest what constitutes his motivation anywhere. The unique creation of human (al-Sajdah 32:7; al-Baqarah 2:31; al-Hijr 15:29) has been consistent with Allah's plan to create human and then appoint him as His vicegerent on earth (al-Baqarah 2:30). Man's vicegerency is a serious task that requires them to work with fellow mankind as vicegerent without forgetting the vital duty also as servant of Allah.

10. Servant of Allah and Controlling (SA-C relationship)

Finally, controlling function is to monitor the tasks that are assigned to employees based on the standards provided in order to do the right things. Any deviation or mistakes will be corrected accordingly, to ensure the tasks are consistent with the goals of the organization. However, the multi-stream emphasises on justice, fairness and values in ensuring that the tasks are completed virtuously. In Islam, controlling function of management is related to the execution of trust (*al amanah*), in comparing the goals (expected outcomes) with the actual outcomes for the sake of doing necessary corrective actions. Trust (*al amanah*) is very essential value in Islam. According to Mat and Ismail (2011, p.115), the duty of servant of Allah task is not separate from the duty as vicegerent of Allah, and that every deed, decision and action must be executed within the conditions of the trust as servant and vicegerent of Allah, as the ultimate aim is to worship Allah (*'ibadah*).

In fact, it is Divine Commandment to appoint managers, auditors or reviewers (internal or external), must uphold social justice, qualified with necessary competencies and integrity. Abu Dharr narrated a *Hadith* (Muslim, 2003):

I said to the Prophet (Pleased be upon him): Messenger of Allah, will you not appoint me to a public office? He stroked my shoulder with his hand and said, "Abu Dharr, you are weak and authority is a trust, and on the Day of Judgment it is a cause of humiliation and repentance except for one who fulfils its obligations and (properly) discharges the duties attendant thereon.

Qutb (1980) also argued that trust is inter-related with different stakeholders and it requires all of them to be mutually responsible in different forms and situations. Mat and Ismail (2011) argued that every deed results in consequences in the records of deeds in which all of them will be audited in the Hereafter. In fact, the consequences of some actions executed by men for their own interest can be seen in this worldly life. For instance, man is entrusted by Allah to take care the natural environment and its eco system from pollution and contamination. However, when he breaks the trust by polluting the natural environment and contaminating the water catchment, these cause global warming, reduction in quality oxygen, and creation of more diseases. The implications for violating trust can both be spiritual and physical; spiritual to man, physical to both man and the environment. Any attempt to exceed or modify the Commandment will result in evil consequences.

The core task of *khalifa* – whether owner, manager, employee – is to act as a trustee of Allah in carrying out his duties in organizations. His worldview, his *ukhrawi* view, and his worldly-other worldly view will be *Tawhidic*. He has to ensure this his formulation, execution, and evaluation of plans, organizing tasks and resources, leading workforce, and controlling resources-goals are consistent with *Tawhid* and the specific principles of Islam. He will have to accept, revise or reject his plan if he suspects any inconsistencies with the spirit of *Tawhid* at planning, implementation and evaluation stages of strategy. Non-compliance with the *Sharia* could weaken a person’s faith, and this compromise might pervade all decisions and at other times as well. Individuals with such a predisposition (having a weak faith) might abuse their authority and misuse the resources. The consequence of man’s decision will affect not only his colleagues and subordinates but also other creatures with resource depletion, landslides, civil wars, and the like. In the end, there will be injustice, inequity, exploitation, manipulations, oppression, and wrong doings that will negatively affect life, property, reputation and dignity. Table 3 summarizes and illustrates the matching between components of *Tawhidic* paradigm and managerial functions.

<i>Tawhidic</i> components	Managerial functions	Illustration
Servant of Allah + <i>vicegerency, trust, justice, promoting goodness, and preventing evil</i>	Planning	SA-P applies <i>Tawhidic</i> values setting goals, strategies and decisions
	Organizing	SA-O applies <i>Tawhidic</i> values via <i>iman, ‘amal</i> and <i>fahm</i> in assigning tasks and arranging resources
	Leading	SA-L applies <i>iman</i> and <i>‘ibadah</i> in influencing and motivating people
	Controlling	SA-C applies trust (<i>al amanah</i>), justice (<i>al ‘adl</i>)

Table 3: Summary and illustration of the components of *Tawhidic* paradigm and managerial function

11. Managerial Core Duties: Promoting *Ma’aruf*-Preventing *Munkar*

Managers also need to encourage the practice of goodness (*ma’aruf*). *Ma’aruf* means good (Qardawi, 2007). It includes goodness (*khayr*), righteousness (*birr*) and lawful (*halal*) which deserve positive rewards (*ajr*). The spirit of goodness and righteousness can be gleaned from *Hadith* number 27 in the collection of forty *Sahih Hadith* (Nawawi, 2003).

Al-Nawwas bin Sam'an, *radiyallahu 'anhu*, reported that the Prophet, *sallallahu 'alayhi wasallam*, said: "Righteousness is good character, and sin is that which wavers in your heart and which you do not want people to know about." [Narrated by Imam Muslim] (Nawawi, 2003).

The *Hadith* (Nawawi, 2003) defines righteousness (*al birr*) as "... the soul feels tranquil and the heart feels tranquil." To achieve *al birr*, the soul and heart must jointly agree to have peace and tranquility. Badi (2002) argued that the definition reflects the inner soul of human being. In other words, by natural disposition (*fitra*), a reasonable human being could sense any deed or action committed. If it is good and beneficial, the soul and the heart will feel calm. Badi (2002) also commented that the word "*al birr*" has two interpretations: firstly, treating others in a good manner and secondly, involving all acts of good deeds and worshipping Allah. Thus, "*al birr*" or righteousness can be summed up as good character.

In contrast, sin (*al ithm*) is defined as "...what creates restlessness in the soul and moves to and fro in the breast, even though people give you their opinion (in your favor) and continue to do so."

Badi (2002) said that the soul and the heart must be protected and nourished with *Tawhidic* paradigm, knowledge, obedience, education, and soul purification exercises. This effort will activate one's internal control system, which can play as a filter to differentiate between good and evil.

Munkar or evil (Qardawi, 2007) appears as bad (*sharr*), sins (*ithm*), and prohibited (*haram*). Any malpractices such as fraud, cheating, oppressing employees, unfair treatment, negligence, and not following due process in laying off employees are considered evil in the organizations. The immediate remedies for committed *munkar* will be prescribed punishments (Badi, 2002). According to Badi (2002), bad (*sharr*) refers to negative attitude (thinking, feeling and actions) that caused injury and deprivation of rights. A sin (*ithm*) can be defined as wrong doing, which is supposed to be abandoned (Qardawi, 2007). It is vital to influence the attitude and behavior of individuals in organization to perform their tasks vigilantly so that organizations will produce good performance. Badi (2002) explained that the nature of sin is that it "wavers in your heart and which you do not want people to know about," and this can be detected by the persons who did it, but not the public. Since the nature of sin is secretive from the public, the doers

are given the chance to make repentance. The antonym of sin is reward (*ajr*) that serves as stimuli to motivate and encourage people to do good deeds, have good manners and ethical. Likewise, the concept of incentive (*ijr*) provides positive reinforcement. However, the concept of sins (*ithm*) refers to the deeds/actions that are against the Will of Allah. If one is found guilty in *Sharia* Court, he/she will be fined or/and imprisoned.

From *Shariah* perspective, for example, Adh-Dhahabi (u.d.) explained major sins (*al Kaba'ir*) in Islam include associating anything with Allah, murder, practicing magic, not praying, not paying *zakat*, not fasting on a day of *Ramadan* without excuse, not performing *hajj*, while being able to do so, being disrespectful to parents, abandoning relatives, committing fornication and adultery, homosexuality (sodomy), involving in interest (*riba*), wrongfully consuming the property of an orphan, lying about Allah and His Messenger, and running away from the battlefield. The remedy for all the major sins is to make repentance (*tawbah*).

12. Conclusion

The transformation of Islamic management system in any countries or communities must be done within the *Tawhidic* paradigm. The paradigm serves as the founding philosophy to the Islamic management system. Unlike the conventional management system that may be based on various socio-economic philosophies, i.e. main stream vs. multi-stream views on management systems, Islamic management system is founded on the pre-determined duties of mankind as servant and vicegerent of Allah. *Tawhidic* based management system harmonizes the spirit of *Tawhid* (Unity of God) with planning, organization, leading, and controlling. All of the managerial functions are integrate both the other worldly (*al-Akhirah*) (the Hereafter) and the worldly (*al-Duniya*) requirements. With this spiritual awareness the evolving and continuing management system will be achieving the firm's mission and objectives by implementing mutually reinforcing values referred to as promotion of goodness (*'amr bil ma'aruf*) and prevention of evil (*nahi 'anil munkar*). The proposed framework implies that continuous learning of both of the *Deen* and one's career an important prerequisite for the successful implementation of the all-in-one existence of a firm.

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