



# ISSUES IN ISLAMIC MANAGEMENT

## *Theories and Practices*

*Edited By*

KHALIQ AHMAD  
RAFIKUL ISLAM  
YUSOF ISMAIL



IIUM Press

Published by:  
**IIUM Press**  
International Islamic University Malaysia

First Edition, 2011  
©IIUM Press, IIUM

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted, in any form or by any means, electronic, mechanical, photocopying, recording, or otherwise, without any prior written permission of the publisher.

Perpustakaan Negara Malaysia

Cataloguing-in-Publication Data

Issues in Islamic management : theories and practices / edited by Khaliq Ahmad, Rafikul Islam and Yusof Ismail.

Include Index

ISBN 978-967-5272-81-3

ISBN: 978-967-5272-81-3

Member of Majlis Penerbitan Ilmiah Malaysia - MAPIM  
(Malaysian Scholarly Publishing Company)

Printed in Malaysia by :

IIUM Printing Sdn. Bhd.

No. 1, Jalan Industri Batu Caves 1/3

Taman Prindustrian Batu Caves

68100 Batu Caves, Selangor Darul Ehsan

Tel : +603 6188 1542/1544/1545

Fax : +603 6188 1543

E-mail : [iiumprinting@yahoo.com](mailto:iiumprinting@yahoo.com)

**ISSUES**  
**IN**  
**ISLAMIC MANAGEMENT**  
*Theories and Practices*

**Editors:**

**Khaliq Ahmad**  
Rafikul Islam  
Yusof Ismail



**IIUM Press**

## CHAPTER 2

# A PROPOSED APPROACH TO THE DEVELOPMENT OF ISLAMIC MANAGEMENT AS A DISCIPLINE

Yusof Ismail

### 1. Introduction

A body of knowledge or a discipline takes years to evolve, refine, and become established. It goes through the natural process of enrichment over time. A discipline is "a field of study" (Merriam-Webster's 2001: 1569). It develops its own *conventions* (through agreement), *epistemology* (theory of the nature and grounds of knowledge p.1856), *methodology* (a body of methods, rules, and postulates employed by a discipline p.1854), *scientific method* (principles and procedures for the systematic pursuit of knowledge p.1854), *knowledge* (facts or ideas acquired by study 1854), *principles* (a comprehensive and fundamental law, doctrine, or assumption; a rule or code of conduct p.1592), and theory (a plausible or scientifically acceptable general principle or body of principles offered to explain phenomena p.1592).

*Economics* is as old as Management and both deal with human beings. Yet, *Islamic Economics* needs no introduction, whereas *Islamic Management* (IM) or *Management from Islamic Perspectives* (MIP) is almost unheard of. The paper assumes the two terms IM and MIP are synonymous and hence avoid the possibility of semantic polemics. It is common knowledge that *Islamic Economics* did not emerge overnight; it took years to develop and finally became a subject taught at institutions of higher learning. It advanced further to create a sub-discipline called *Islamic Banking and Finance* (IBF) which is becoming more popular than itself (*Islamic Economics*). One of the reasons for rapid growth of *IBF* is inevitable market demands. In contrast to *Islamic Economics* and *IBF*, discussions and publications on *Management from Islamic Perspectives* (MIP) are rare, at least in English and Malay literature. The objective of the paper is to propose two broad approaches in harmonizing management with the objective to make Islamic Management a discipline in its own right. The author believes that the proposed approach is appealing to both the academics and practitioners.

### 2. Literature Review

A few journal articles and conference papers that have been published on the Islamic perspectives of management seem to be slanted towards public administration, rather than the industry. See for example, Sharfuddin (1987), and Abdel Rahman (1996). In fact, a *Seminar*