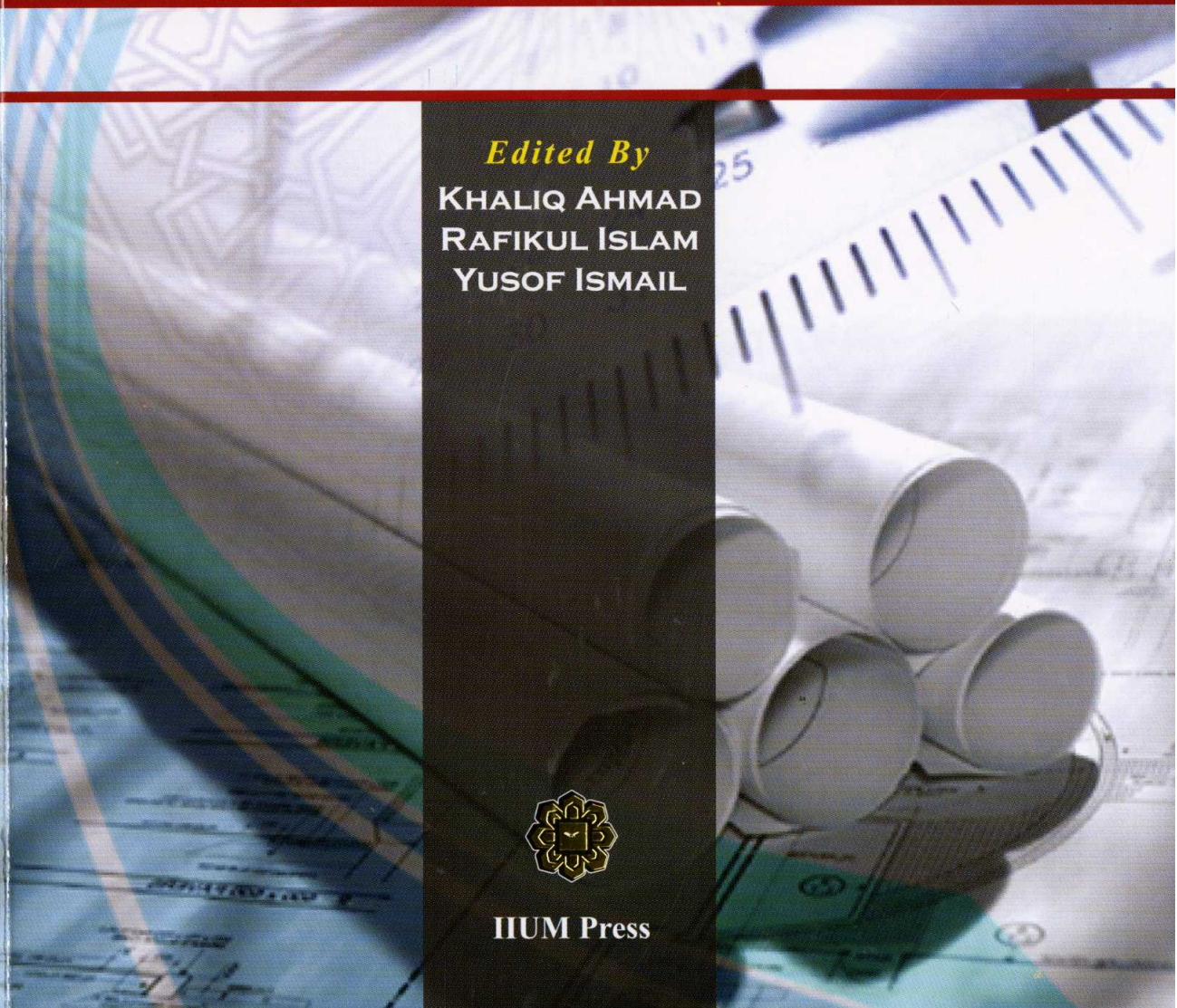




ISSUES IN ISLAMIC MANAGEMENT

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

ISSUES
IN
ISLAMIC MANAGEMENT
Theories and Practices

Editors:

Khaliq Ahmad
Rafikul Islam
Yusof Ismail



IIUM Press

CHAPTER 20

LEADERSHIP AND WORK MOTIVATION FROM THE ISLAMIC PERSPECTIVE

Khaliq Ahmad

1. Introduction

It is important to understand how to do business in the Western countries, as it is conducted in a very different manner than it is in many Muslim countries. Today multinational corporations are headed by managers who may have little understanding about Islamic business practices. Many so called “global managers” are unfamiliar with Islamic management requirements and techniques, leaving big MNCs frequently with no choice have little choice but to import talent from elsewhere. Large Muslim population create a potential market and will be a critical part of the world economy, and just like the Americans who go to INSEAD and IMD, etc to study how to do business in the EU countries, the same thing will happen in Muslim countries (MCs). But the number of managers who are taking Islamic management course even as an elective in MBA is still quite limited. As a result, there is a shortage of talent.

It’s a dilemma that we know well. The critical question is whether our programs such as MBA and similar other degrees offered in Muslim countries hold the key to solving the local and multinational’s management and leadership problems? In the early days, multinationals’ manufacturing facilities in MCs were offering some pretty low priced products at a third or a quarter of what they would cost to manufacture in the US. Now they’re becoming savvier. We’re going to see more economic expansion within MCs. There will be a greater focus on profitability and on efficiency. We’re beginning to see a wave of Asian companies challenging Western companies for positioning in MCs. Growth is a more important factor in how the Asian/MCs think about their economies and business: It’s less about short-term profits and more about growth.

The boom in management education is important because multinationals needs capable managers in Muslim countries (MCs). Given the growth and demand for foreign investment in future for MCs, there’s a real shortage of Islamically-trained managers. More education – both in the Islamic ways of doing business and the Western industrial experience became absolutely critical to compete and grow in Muslim countries. Having MBAs with knowledge on Islamic management may embolden them a little bit more in that direction. It is my belief that Islamic management is the essential knowledge for managers of companies doing business in Asia and elsewhere especially in Muslim majority countries due to the facts: