ISSUES
IN
ISLAMIC MANAGEMENT
Theories and Practices

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CHAPTER 20

LEADERSHIP AND WORK MOTIVATION FROM THE ISLAMIC PERSPECTIVE

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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 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, multinational's 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: