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CHAPTER 23

LEADERSHIP PREROGATIVES AND THE ROLE OF ADVISORS IN ORGANIZATIONAL DECISION MAKING

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1. Introduction
What do managers do best if not making decisions? Managers in all types of organizations, governmental, business, and not-for-profit make decisions. They make decisions under conditions of certainty or uncertainty. There is an added dimension to decision making by Muslim managers, i.e. the managers have to make the decisions that comply with the requirements of their faith - Islam. More specifically, they have to make their decisions that comply with or do not contradict the provisions of the Sharī'ah. Of all the Islamic principles directly applicable to management of organizations like justice, and co-operation, Shūrā receives a special attention. Books have been written on Shūrā, yet those based on empirical studies, real life organizational setting or experiments appear to be rare. This paper will present a review on leadership, decision making, and Shūrā; state the research objective; describe research design; present data analysis and findings; declare limitations of research, and suggest direction of future research, and conclude.

2. Research Objective
The objective of the paper is to ascertain whether Muslims think Shūrā is binding on the leader.

3. Literature Review
Under bounded rationality, the managers insure themselves against making suboptimal decisions by obtaining the views of peers, subordinates, and internal and external experts (Shūrā). The literature suggests two possible statuses of Shūrā, i.e., as a council of advisers whose decision could be binding or non-binding on the leader.

3.1 Leadership and Decision-making
In this paper, the authors treat leadership and management, or leader and manager as synonyms, although it may be argued that the two are different. According to Bennis (1989),