

A TRANSFORMATION TOWARDS BUILDING AN ISLAMIC BUSINESS ORGANIZATION: IT'S IMPLEMENTATION AN GOOD GOVERNANCE, GOOD VALUES AND GOOD ETHICS⁵

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Abstract

To implement any new or additional Islamic policy, procedures and/or framework in business organization, apart from the corporate leadership consents, the organization itself must be an Islamic organization. In this case, the questions arise would be: How to build an Islamic organization? And how to categorize whether the organization is Islamic or not? To answer these questions is akin to finding solutions on how to build an Islamic country. The effort must be done on a continuum momentum albeit a difficult one. However such task is noteworthy, especially in an effort to build an Islamic work place, which also would produce an Islamic/halal product. Therefore, the objective of this paper is to discuss the understanding of what it takes to establish an Islamic organization. The focus of this study is on the principles of conduct and values that should be embraced in forming an Islamic organization. Thus, the literature review on this topic has been conducted via library research and the understanding is based on the various opinion analyzed from the previous and contemporary Muslim scholars. The finding shows that in building an Islamic organization it is very important to understand and practicing its' Islamic principles of conduct in good governance (GG), good values (GV), and good ethics (GE) together with Islamic values which already enhanced within Islamic teachings such as truthfulness, trust, sincerity, brotherhood, knowledge, justice, ihsan, and benevolence. To build an Islamic organization is a must and the responsibility lies on each and every Muslim since the existence of Islamic organization would facilitate the implementation of other Islamic policies, procedures and/or framework to the workers, all the stakeholders and organization as a whole.

Keywords: Islamic business organization, Islamic principles and values, Islamic quality management.

Abstrak

Pelaksanaan sebarang dasar baru atau tambahan dalam polisi Islam, prosedur dan/atau kerangka kerja Islam dalam organisasi perniagaan, perlulah mendapat persetujuan dari kepimpinan organisasi dan organisasi itu sendiri perlu menjadi organisasi Islam. Dalam kes ini, persoalan yang timbul adalah; Bagaimana untuk membina sebuah organisasi Islam? Dan bagaimana untuk mengkategorikan sama ada organisasi itu adalah Islam atau tidak? Untuk menjawab soalan ini adalah sama dalam menjawab persoalan bagaimana untuk membina

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sebuah negara Islam. Ia bukan satu proses yang mudah. Usaha itu mesti dilakukan pada momentum yang berterusan dan ia adalah sesuatu yang sukar. Tetapi ia adalah satu transformasi berharga, terutamanya dalam usaha untuk membina sebuah tempat kerja Islam yang juga akan menghasilkan produk Islam/halal. Oleh itu, objektif kajian ini adalah untuk membincangkan pemahaman tentang apa yang benar-benar diambil kira sebagai organisasi Islam, prinsip dan nilai-nilai asas yang perlu dilaksanakan dalam menjadi sesuatu yang sepatutnya. Oleh itu kajian literatur mengenai topik ini telah dijalankan melalui kajian perpustakaan dan pemahamannya adalah berdasarkan analisis pelbagai pendapat daripada para ulama Islam terdahulu dan kontemporari. Dapatan kajian menunjukkan bahawa dalam membina sesebuah organisasi Islam ia adalah sangat penting untuk memahami dan mengamalkan prinsip kelakuan organisasi Islam serta tadbir urus yang baik (GG), nilai-nilai yang baik (GV), dan etika yang baik (GE) bersama-sama dengan nilai-nilai Islam yang lain yang sangat ditekankan dalam ajaran Islam seperti nilai kebenaran, amanah, ikhlas, persaudaraan, pengetahuan, keadilan, ihsan, dan kebaikan. Pembinaan sesebuah organisasi Islam adalah satu kewajipan dan tanggungjawab itu terletak pada setiap umat Islam kerana kewujudan organisasi Islam akan memudahkan pelaksanaan dasar-dasar Islam yang lain, prosedur dan/atau kerangka kerja Islam kepada pekerja, semua pihak yang berkepentingan dan organisasi secara keseluruhan.

Kata kunci: organisasi perniagaan Islam, prinsip-prinsip dan nilai-nilai Islam, pengurusan kualiti Islam

INTRODUCTION

Most of the Islamic business organization whether in Malaysia or other Islamic country established and manage based on the conventional management system and structure. Whether this phenomenon is within the knowledge and awareness of overall Muslim, it's hard to expect that conventional management system truly supports the formation and operation of purely Islamic business organization. The existence of this situation came from the understanding and practice of the concept of capitalist economy and management. That is, with a target to fulfill maximum productivity, profit and consumption level. The objective is totally based on material gain without considering the spiritual and religious factors involved. Whereby, Islamic business organization must be built on total reliance on the principles and characteristics based on the Quranic injunction. In this regard, Wilson (2006:110) stressed that Islamic business structures are determined by both economic conditions and opportunities, as well as by the values and beliefs of those involved in managing enterprises. This view is in similar vein as Muhammad Umer Chapra (1992:6-9), where he accentuated that Muslims is accountable to Allah SWT for all their actions. Therefore, business success should not simply be viewed in material terms, but rather judged by the degree to which the believer has been able to realize the goals of Islam, in abiding the Islamic rules and conduct.

This condition occurs since the difference of conventional business organization is different in the sense that Islamic business organization must be operated based on two primary sources (Rafik Issa Beekun & Jamal Badawi, 2005) of normative business ethics in Islamic teaching. The first and most important source is the Quran. Muslims accept the Quran as revelation from

Allah SWT to Prophet Muhammad SAW. The second primary source is called *Sunnah* or *Hadith*, which means the exemplary for Muslim came from the words, actions, and approvals of the Prophet Muhammad SAW. In this notion, Baker Ahmad Alserhan (2011) affirmed that Islam is a framework of life and living. Its meaning encompasses what is 'halal' or 'haram', permissible or not, or right or wrong. In Islam, basic motivating factor for believers is faith/*iman*; that yield from the concept of 'Tawhid' belief in Oneness, and this determines Muslim's conscience in whatever deed or action. Hence, in business engagement and transaction, decisions are guided by *iman*, follows the *Shariah* law, contracting in what is halal, or permitted, and avoiding that which is haram, or forbidden (Shafiq Falah Alawneh, 1998).

In regards of the work culture, every organization has their own organizational culture base on its purpose of beliefs, attitudes, customs, establishment, types of business, leadership style, corporate governance, ethical values, language and etc.'s (Butts & Rich, 2012). In conventional economy, business is regard as the essential part of the social fabric, where when business fails ethically, other things collapses as well. Rebuilding the ethical character of the institutions and regaining public confidence considered as realizable aspirations but real progress, however, can be made when the initiatives for ethics change come from within the firm and from its leaders (Thomas et al., 2004). For that to be established, (Butts & Rich, 2012) managers and employees need to be loyal and committed to the organization's goals for a culture to be shaped. Freeman and Stewart (2006) noted that in the bigger picture, ethical leadership takes into account not only a leader but also his constituents (followers and key stakeholders), and as such, their purpose, vision, and values are for the benefit of the entire organization and its key stakeholders. Thus, the organizational values embedded within are infuses according to those characters mentioned earlier. This association is essential (Syed Othman Alhabshi, 1998) since organization culture would serve as a strong driving force to inspire, stimulate and motivate individuals or a group to behave and act accordingly in achieving organizational performance. Therefore, the task that managers in Islamic organization have to instill and cultivate within their employees is to make them understand the philosophical objective to achieve. Baker Ahmad Alserhan (2011) asserts that Islam is a practical religion with clear daily procedures to follow, shapes the attitude and behaviors of its adherent; Muslim employers, consumers and employees worldwide. This need for an Islamic organization's leadership in nurturing their employees towards a healthy and dynamic Islamic work culture and providing quality *halal* products and/or services to the Muslim consumers in accordance to Al-Quran and Sunnah Rasulullah SAW.

SIGNIFICANT AND PURPOSE OF THE STUDY

To build Islamic business organization based on Islamic religious understanding and duties is critical in order to produce a conducive environment for Islamic halal product and/or services to overall Muslim consumers locally or internationally. This evidence can be seen from (Rice & Mohammed Al-Mossawi, 2002) the increasing impact of Islam on business operations in the rapid growth of Islamic banking and finance worldwide. In this association (Wilson, 2006) asserted that multinational businesses are more likely to be successful in the Islamic world if they pay attention to the beliefs of their Muslim clients, suppliers, and employees rather than ignoring issues of religion and culture. The purpose of this paper is, therefore, to highlight on

the factors and values that supposed to be expounded in Islamic business organization for the sake of Muslim *ummah* as a whole. From this understanding, it is hope that the Muslim practitioners would put some effort to practice Islamic principle of conduct and values in envisage the entity of purely Islamic business organization in accordance to the Quran and Hadith of Prophet Muhammad SAW.

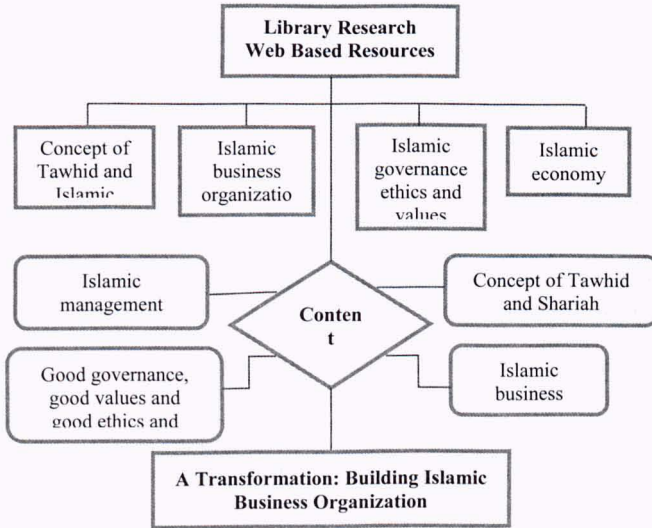
RESEARCH METHODOLOGY

This research uses library research as the methodology for the subject understudy. This enables the author to use content analysis as the method of data analysis. Extensive literature review has been made in the area of Islamic business organization, Islamic governance, values, ethics, economics and related area of Islamic teaching on the concept of *Tawhid* and Islamic beliefs. On the ground that Islamic business conduct and Islamic business organization must be based on the concept of belief to Oneness of God, '*Tawhid*'; these studies focus on the first place to gain solid literature as evidence that all Muslim's action, a good deed or any future plan must be based on the 'intention' and reliance to Allah SWT. All reference are based on Al-Quran, *Sunnah* and *hadith* Rasulullah SAW and *Shariah* law govern all the worldly law for Muslim. Therefore, throughout this study, Quranic verses have been provided whenever necessary as evidences includes the prophet Muhammad SAW traditions and says. The prominent Muslim scholars' opinions were used to support argumentation in order to provide better justification on this issue. Their opinions and thought were collected and analyzed in constructing the principles and features of Islamic business organization. Then, the dominated features and characteristics were segmented to form the basis of an Islamic organization.

On the main issue of Islamic business organization, its principles and values, this work focuses its literature study and content analysis on three main subjects that are good governance (GG), good values (GV) and good ethics (GE). These three concepts are the focus of discussion of this paper. Other intrinsic good values are also highlight briefly. From the discussion of what is Islamic business organization, the author briefly noted on Islamic management applications. On the basis of understanding on the previous two sections, it brings the detail discussions on Islamic principles of business organization and Islamic viewpoints on the application of GG, GV and GE.

The finding of this study is shown on the sub-topic of 'a transformation towards building an Islamic business organization', whereby all the content analyses on the principles of conduct and values in Islamic business organization is used as concrete sources in transforming business organization to become comprehensively embrace Islamic principles and values mentioned in the prior section. The finding is strengthened with the model suggested being applied for a business organization in becoming better quality, purely Islamic, based on the concept of *Tawhid*. These can be achieved with the application of GG, GV, and GE added with other Islamic good values of sincerity, *ihsan*, truthfulness, trust, brotherhood, benevolence, and knowledge as depicted in figure 2, towards the end of this paper. The elaboration and the flow of research methodology conducted can clearly be seen in the research framework shown in figure 1.

Figure 1: Research Framework on the Transformation of an Islamic Business Organization.



ISLAMIC ORGANIZATION

As business has to be conducted in a social context, there clearly have to be rules governing behavior, and in this connection, *Shariah* law provides a divinely inspired code for devout Muslims to follow (Nik Mohamed Affandi Nik Yusoff, 2002). Business success is judged not in material term, but rather by the degree to which the Muslim is able to comply with God's rules (Baker Ahmad Alserhan, 2011). Therefore, to define Islamic business organization is that the organization has to comply to a few Islamic basic conditions that; (Baker Ahmad Alserhan, 2011) Islamic business organization must adopt the paradigm of *Tawhid*, abide and practice business conduct based on *Shariah* rules, good governance, good values and good ethics, identifies Islamic business essences and fully aware on its practical implementation that organization dealing with Muslim consumers, employees and other stakeholders.

Therefore, to build a comprehensive Islamic business organization, its principle is very clear whereby organization should not be geared solely on profit maximization and customer satisfaction. Baker Ahmad Alserhan (2011) remarked that the duty of Islamic organization is to maximize the benefits to society as a whole, not profit maximization. And this had been justified by Rafik Issa Beekun (1996) by stated that Islam accepts profits and trade and does not aim to remove all disparity of income and wealth that may result from the different level of social and economic classes. Rafik Issa Beekun (1996) and Baker Ahmad Alserhan (2011) amicably agree on this and mentioned that Islam acknowledges these differences in the Quran, Surah Az-Zukhruf 43: verse 32, meaning;

"Is it they who would portion out the Mercy of thy Lord? It is We Who portion out between them their livelihood in the life of this world: and We raise some of them above others in ranks, so that some may command work from others. But the Mercy of thy Lord is better than the (wealth) which they amass."

Islamic organization should be imbued on the values and practices of (Khaliq Ahmad, 2008) truthfulness, trust, sincerity, brotherhood, knowledge, justice, (Syed Othman Alhabshi, 1998) *ihsan*, and benevolent. Khaliq Ahmad (2008) reckoned that Islamic business organization supposed to be operated among others on the adherence to contracts, accurate measurement and weights, fair recruitment practices, fair treatment of workers, protection of environment and etc.'s. Hence the management system in Islamic organization should be in accordance to the Islamic ethical business conduct which comprises (Khaliq Ahmad, 2008) truthfulness, trust, sincerity, brotherhood, science and knowledge, and justice. In this juncture, Khaliq also mentioned that customers are the main reason for the existence of an organization. Whereby, this opinion is supported by Baker Ahmad Alserhan (2011) by affirmed that Islamic faith teaches Muslim to respect for the right of others. It prevents the transgression against the universe as a whole (living beings, earth, heaven, sea and sky). Islamic business organization, in this sense, supposed to give customers their due rights even the objective is not for profit maximization and customer satisfaction. Customers' welfare must be looked upon without ignoring the consequences of harmful effect since Muslims is bonding with a strong concept of brotherhood. In fact, Muslim consumers require the marketers to treat them on their health and well-being, and the society's interest should be as a minaret that guides their operation (Baker Ahmad Alserhan, 2011). Therefore it is the responsibility of an organization to meet the requirements and expectations of the customers as what the Prophet Muhammad SAW saying that;

*Abu Hamzah Anas bin Maalik (Radiya 'Llahu 'anhu) who was the servant of the Messenger of Allaah (Salla 'Llahu 'alayhi wa sallam) reported that the Prophet (Salla 'Llahu 'alayhi wa sallam) said: "None of you truly believes (in Allaah and in His religion) until he loves for his brother what he loves for himself." [Bukhaaree & Muslim]*⁷

Further elaboration on organizational management from an Islamic perspective, Khaliq Ahmad (2008) fostering the idea on how the organization plays their role in developing skills and train their employees. There is a need for organizational management in Islamic organization to establish a procedure to provide proper and relevant Islamic training for their employees. For example, new knowledge is needed for the employees able to participate in research and development activities. Productive work culture and values among Islamic organizational citizen is mandatory where in this contention, Islam underline it in Surah Ar-Ra'd 13: verse 11;

"For each (such person) there are (angels) in succession, before and behind him: they guard him by command of Allah. Verily never will Allah change the condition of a people until they change it themselves (with their

⁷ Recorded by al-Bukhaaree in *Kitaab Al-Eemaan (Book on Faith)* no.13; also recorded by Muslim in *Kitaab Al-Eemaan (Book on Faith)*, no. 45/71 (Imaam Ibn Rajab Al-Hanbali, nd)

own souls). But when (once) Allah willeth a people's punishment, there can be no turning it back, nor will they find, besides Him, any to protect”.

Obviously the good values applied in current business organization still can be continued as what has been inferred by Syed Othman Alhabshi (1998), values within the contemporary management that do not contradict the teachings of Islam can be applied universally. Though, the question is whether those values linger and implemented in the Islamic organization is to the benefit or to the contradict. This is the reason in looking to this implementation; Islamic organization has to move beyond this reality. Referring to the research done by Fadzila Azni Ahmad (2010), she is in the opinion that, since the corporation's corporate culture being determined from the values, belief and common practices, it is remarkable for the Islamic organization from the beginning to implement Islamic management in a holistic manner. The understanding especially must come from Islamic worldview and epistemology.

ISLAMIC MANAGEMENT APPLICATION

Islamic management covers all types of management; from individual affairs of management, family institutions, organization management in which within that management it can be classified to various types of management; among others are financial management, corporate structure and governance management, human resource management, quality management and, etc.'s. In short management covers various aspects of human activities both personal and at the corporatization level. However, the most important point is that the management aspect for the Muslim society should be based on (Khaliq Ahmad, 2008; Fadzila Azni Ahmad, 2010; Muhammad Syukri Salleh, 2002:47) Islamic *tasawwur* as to (Khaliq Ahmad, 2008) bear responsibility for everyone in the society, both for the welfare of Muslim and also to the non-Muslim and (Muhammad Syukri Salleh, 2002:48) to adhere to the totality of Islamic *tasawwur* as such on its philosophy, concept, premises and the epistemological framework. This is the intrinsic part of the essence of Islamic *tasawwur*. On the other hand, the source of conventional management solely based on the (Fadzila Azni Ahmad, 2012) conventional social science philosophy which focuses on the output maximization, profit maximization and consumption maximization refutes from the fundamental features of Islamic *tasawwur* as mentioned earlier.

ISLAMIC PRINCIPLES OF BUSINESS ORGANIZATION

Muslims must understand the concept of Islamic pillars and the divine commandment of Islamic faith. Both understandings will become a podium for all the actions in this world and henceforth to leave behind all the bad things or habit and to engage in good deeds. There will be a balance of accomplishment and adherence to Allah SWT with the guidance of the Al-Quran and prophet's hadith. Further understanding on the concept of the Day of Judgment and the World of Hereafter are the prevention for the human being to act beyond the limitation that has been outlined in Islamic jurisprudence. It's all the entire concept of how human being should live on this earth by abiding the rules and regulation within the boundary of daily life. It is not a metaphor of what can and cannot that leave human in constraint and jeopardy instead it's a comprehensive guidance to all the Muslims. The understanding of these concepts should

be embodied in Muslim mind in all their actions thus portraying the responsibility of the human being as a vicegerent to ensure the peacefulness and safety of all other creation. Allah said in Surah Al-Baqarah 2: verse 30; which carry the meaning;

"Behold, thy Lord said to the angels: "I will create a vicegerent on earth." They said, "Wilt thou place therein one who will make mischief therein and shed blood? Whilst we do celebrate Thy praises and glorify Thy holy (name)?" He said: "I know what ye know not."

And in the Surah An-Nisa 4: verse 59, Allah stated;

"O ye who believe! obey Allah, and obey the Messenger, and those charged with authority among you. If ye differ in anything among yourselves, refer it to Allah and His Messenger, if ye do believe in Allah and the Last Day: that is best, and most suitable for final determination"

The above verse definitely enacts as a stern reminder to all Muslims referring to their roles in this world and the most supreme constituent to be referred as guidance in this world that are Al-Quran and As-Sunnah.

The determining elements on the principles of Islamic business organization are based on earlier work of prominent scholars in Islamic management, Islamic finance and Islamic economy. As such, Wilson (2006:110) in his study of 'Islam and business' examined the implication of Muslims' belief for business organization, corporate governance, and business ethics. On the same ground, Baker Ahmad Alserhan (2011) in his famous work of 'the principles of Islamic marketing' discussed the mechanism of Islamic marketing in Islamic business organization from the same three important premises; Islamic ethics, Islamic values and Islamic governance. Similarly many prominent Muslims scholars in Islamic management, marketing, economy and finance had conducted thorough discussions on these three important elements of good ethics (GE), good values (GV) and good governance (GG). It is important to note that, other research has been undertaken in this area by scholars such as Syed Othman Alhabshi and Aidit Ghazali (1994-Islamic values and management); Muhammad Asad (2007-the principles of state and government in Islam); Rafik Issa Beekun and Jamal Badawi (2005-balancing ethical responsibility among multiple organizational stakeholders); Muhammad Umer Chapra (1992- Islam and the economic challenge); Nik Mohamed Affandi Nik Yusoff (2002-Islam and business) and many others, hence it can be concluded that this discussion is not something new but rather a continuation of thought from the prominent Muslim scholars in this area. Hence there forth, this becomes the substantial reason that this work on 'transformation towards building an Islamic business organization' is based on three important elements mentioned earlier of good ethics, good values and good governance.

The process of building Islamic business organization focus on three important Islamic principles of conduct upon which intricate the areas of 'good governance' (GG), 'good values' (GV) and 'good ethics' (GE). Abdul Halim Ali (2000:4) define good governance on a national outlook as the process of policy formulation and implementation through consensus building among the variously concerned sectors with the aim of improving the overall quality of life of all citizens. On an organizational standpoint, Anuar Zaini Md. Zain (2000:125) define good governance as the organization that operated on efficient, transparent, predictable, and

constructive policy making and implementation; a bureaucracy imbued with good work ethics; a workforce accountable for their actions; and a strong team participating in a national public service industry. Whilst on Islamic application, Wan Mohd Nor Wan Daud (2000:66) emphasized on the exercise of wise judgment and proper knowledge. Good values impart (Khaliq Ahmad, 2008:251) profound implications for the conduct of business in which a businessman has to be honest, truthful, straight-forward in all business dealings and provided no rooms for cheating, telling lies, swearing or providing false advertising for the business. Good ethic is concern with personality and personal values in which (Khaliq Ahmad, 2008:255) emphasized that an individual's values and morals will also influence his or her ethical standards. Hence in Islamic business organization GG, GV and GE are the universal principles of conduct and the basis of social responsibilities towards all humankind and other creation.

Some people may regard that to accomplish business dealing in accordance to GG, GV and GE is something difficult and indirectly impose the restrictions on the normal activities. However, in Islamic teaching the demarcation is very clear for the Muslim and Non-Muslim to abide. Not taking into consideration religions, races, boundary; it's appropriate for all the organization and becoming a practical place for the enhancement of GG, GV and GE policies to maximize the organization's achievement. Islam sees that the implementation of GG, for example, specifically as a dynamic policy to which can be said mainly to construct and to produce a result of fairness, comfort of life, facilities, equality of income, justice, infrastructure development, education, good public health to all citizens that very much emphasized in Islam. This had been stressed by Abdul Halim Ali (2000:5) by stated that 'good governance' is one of the approaches that we can adopt to help us achieve a higher standard of living. Thus for this paper, the author would like to define the implementation of 'good governance' in Islamic view is in line with the Islamic teaching where it can improve the quality of life, quality Islamic organization and overall development of people inside business organization. In this relation, the modern approach and comprehensive meaning of GG, GV and GE in Islam is as quoted below:

"In Islam, values, norms and ethics are part and parcel of human life simply because man needs to interact in a proper way with his fellow beings, his environment and most important with Allah SWT. Ethics which deals with what is right and what is wrong, what is acceptable and what is not or what is virtuous and what is vicious is a necessary parameter that has to be considered for all decisions. It can become a constraint in the optimization process or even included as one of the objectives in a multivariate objective function (Mustapa Mohamed, 1998)."

Based on this comprehensive statement which has been made in previous ten years which remaining strongly relevant at this current time, the writer having similar opinion that this understanding should be adopted by all Muslims in practicing GG, GV and GE with clear Islamic understanding and vision within the Islamic organization.

ISLAMIC VIEW POINT ON GOOD GOVERNANCE, GOOD VALUES AND GOOD ETHICS

The practices of GG, GV and GE, should not be seen as simply such a regulation to be implemented. It is a belief through the continuous process of development as a 'complete human being ('*insan kamil*') in executing the duty as a vicegerent in this world. The implementation of those three G's are not merely applicable by enacting laws and codes necessary but most importantly is through the continuous educational process as an individual and organizational citizen (Syed Othman Alhabshi, 1998a). Employees as individual engines to activate and accomplish work inside the organization deserve a good governance, good values and good ethical rules from the organization that they are working. In return, the organizations pay salaries, benefits, providing other facilities to their employees deserves high quality of work and the employee commitment to increase their profit through the implementation of good governance, values and ethical code of conduct. Both parties owe each other to create a healthy climate of organizational success. It's the responsibility of the organization to provide educational tools and systems in order for the employees able to understand and easily access the information, rules and regulation regarding governance, values and ethical code implemented. As stated by Wan Mohd Nor Wan Daud (2000), good governance implies the exercise of wise judgment and proper knowledge. Whilst the effort on these should be conducted on a continuous basis, the problems occurred, and the result should be made as a benchmark in improving the overall performances. In short we can say that the power of religious value in Islam must be implemented in a constructive way in order to accommodate Islamic business organization and thereby harness more effectively skills and enthusiasms of the Muslim employees and to benefit all the stakeholders.

FINDINGS

A Transformation towards Building an Islamic Business Organization

Through Islamic principles of conduct, Muslims is encouraged earnestly to comply with the good deed towards themselves whether individually, to the family members, neighbors, and most importantly in all their activities in the workplace, which become the sources of income (*rezk*) to sustain a living. Hence all the values highlights are the 'intrinsic values' which exist within qualities and embody on a continuous basis. So among the conduct that are imperative to be embraced are '*ihsan*', 'justice/*adl*', honesty and trust, truthfulness and sincerity, accountability and integrity. All the good conduct which mirror the balance characteristics in decision making for a leader, trustworthy person as a worker and a good follower in organization. In Islam, GG, GV and GE naturally embrace by individuals with a clear understanding of the concept of '*Tawhid*' and accountability towards Allah SWT in both worldly and hereafter world. Similarly, the concept of success or '*Falah*' is the notion to be achieved in both worlds and the world of hereafter is the permanent return to all the creation. Bearing this in mind, Muslim should mold and inculcate GG, GV and GE for the sake of getting the permanent '*falah*' in the hereafter. Allah assured in Surah Luqman 31: verses 1-5, meaning;

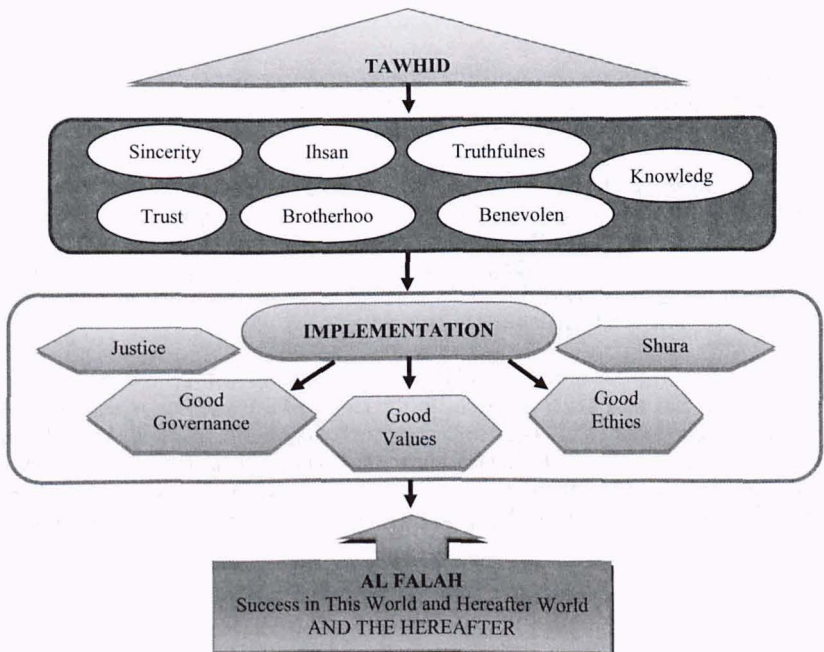
"Alif Lam Mim. These are Verses of the Wise Book. A Guide and a Mercy to the Doers of Good. Those who establish regular Prayer, and give

regular Charity, and have (in their hearts) the assurance of the Hereafter. These are on (true) guidance from their Lord; and these are the ones who will prosper”

From the above discussion, the opinion of Syed Muhammad Naquib al-Attas (1995) is essential where he stressed that ethics and morality originally came from the religious consciousness and experience of mankind and that the philosophic virtues such as wisdom, courage, temperance and justice cannot lead to a consciously experienced and permanent happiness. Obviously only if a certain condition is fulfilled that it must be incorporated within the Islamic *tasawur*, and epistemology as such Wan Mohd Nor Wan Daud (2000:69) underlined that higher and sincere ethics cannot be meaningfully practiced and sustained when they are divorced from religion and developed merely as a social or personal philosophy or as legal and bureaucratic procedures. In parallel to those earlier opinions mentioned, Khaliq Ahmad (2008:252) pointed that it is pertinent to note that the principles of truthfulness and honesty are not to be followed as matters of policy or business strategy as the Western approach rather it must be an obligation as a Muslim, a true believer in Allah SWT.

Figure 2 depicted on good Islamic values embark within individuals will certainly accentuate the implementation of GG, GV and GE within the organizational climate and synergistically drive towards the success ‘*Al-Falah*’ in this world and most importantly in the hereafter world. Where in Islam, it emphasize all Muslim to struggle for successfulness not only for temporary success hence it is a struggle for the permanent success.

Figure 2: Implementation of ‘Good Governance’, ‘Good Values’ and ‘Good Ethics’ Through The Concept of Islamic Belief Based on ‘Tawhid’



As shown in figure 2, the Islamic principles of conduct GG, GV and GE functioned as initiatives upon individuals in embarking towards organizational success with incorporated two other important component of 'justice' and 'syura'. Whereby, justice and *syura* are among those few important cardinal principles constituent within Islamic management practices.

Hence these two components of justice and *syura* certainly are equally important in transforming and building a comprehensive Islamic business organization. This has been stressed by Khaliq Ahmad (2008) such that on providing money for value and justice to customers, Islamic organization should adhere to the concept of justice as Allah SWT reminded in Surah an-Nisa' 4: verse 135; Surah al-A'raf 7: verse 181; Surah al-Maida 5: verse8.

"O ye who believe! stand out firmly for justice, as witnesses to Allah, even as against yourselves, or your parents, or your kin, and whether it be (against) rich or poor: for Allah can best protect both. Follow not the lusts (of your hearts), lest ye swerve, and if ye distort (justice) or decline to do justice, verily Allah is well-acquainted with all that ye do" (an-Nisa' 4:135)

"Of those We have created are people who direct (others) with truth, and dispense justice therewith" (al-A'raf 7:181)

"O ye who believe! stand out firmly for Allah, as witnesses to fair dealing, and let not the hatred of others to you make you swerve to wrong and depart from justice. Be just: that is next to Piety: and fear Allah, for Allah is well-acquainted with all that ye do" (al-Maida 5:8)

Justice is very important element in Islam especially in work relation and accomplishment where the emphasized of justice clearly stressed by Allah SWT in Surah An-Nahl 16: verse 90 which mean;

"Allah commands justice, the doing of good, and liberality to kith and kin, and He forbids all shameful deeds, and injustice and rebellion: He instructs you, that ye may receive admonition"

Justice needs to be established for the benefit of all constituents (Syed Othman Alhabshi, 1998a). In an organization, the stakeholders are comprehensive constituent from the board of director, customers, employees, shareholders, suppliers and, in fact, the external environment. There is a need of equal and a balanced benefit to all those mentioned without an adverse harm. Though the application of justice in a broad spectrum, not only applied towards the stakeholders but towards all Allah's creation on earth.

On the other hand, *syura* is aimed at building a consensus that will benefit the community or the business that has to make a decision. In the case of no consensus is reached, voting is resorted to (Naceur Jabnoun, 1994). Similar understanding posits by Syed Abdul Hamid and Syed Aziz (1994) that one of the central theoretical and practical rationales for *syura* is to promote participation and involvement in decision making within the ambit of revealed knowledge, laws of nature and the changing environment facing the *ummah*; it also contributes

to the procedure principle to regulate the process of decision making in their affairs. The following verses in the Quran are relevant; Surah As-Shura 42: verses 36-38;

"Whatever ye are given (here) is (but) a convenience of this Life: but that which is with Allah is better and more lasting: (it is) for those who believe and put their trust in their Lord; Those who avoid the greater crimes and shameful deeds, and, when they are angry even then forgive; Those who hearken to their Lord, and establish regular prayer; who (conduct) their affairs by mutual Consultation; who spend out of what We bestow on them for Sustenance"

In surah Ali Imran 3: verse159;

"It is part of the Mercy of Allah that thou dost deal gently with them. Wert thou severe or harsh-hearted, they would have broken away from about thee; so pass over (their faults), and ask for (Allah's) forgiveness for them; and consult them in affairs (of moment). Then, when thou hast taken a decision, put thy trust in Allah. For Allah loves those who put their trust (in Him)"

In this relation, Syed Abdul Hamid & Syed Aziz (1994) further explained that the concept of *shura* is indeed interfaced with the *Tauhidic* worldview and is referred to in the Al-Quran as the practice of the rightly guided believers. Therefore it refers to decisions arrived at within the confines of the *Shariah* in order to avoid '*fasad*' and injustice while at the same time encourage commitment to established missions, group cohesiveness and supportive interpersonal relationships. In effect, *shura* reinforces the *ummatic* personality of its members while at the same time it strengthens their submission to Allah SWT and His commandments and prohibitions.

CONCLUSION

It is crucial for there is a solid knowledge and understanding in Muslim mind regarding the application of good governance, good values and good ethics in attaining the rewards of their action in this world and hereafter world. Muslim should strive to overcome all challenges with a belief in '*Tawhid*' (Oneness of God) and '*aqidah*' Islam planted in oneself with the knowledge that every single deed is accountable in the hereafter. Enforcement of the code of conduct, rules and regulations are among the ways to guide individuals on how to behave in the organizations accordingly lest it is not an eternal. Nonetheless in Islamic organization, the extra Islamic maxim in values such as trustworthy, sincerity, accountability, dedication, gratefulness, consistency, discipline, cooperation, justice, honesty, and etc.'s should be in conformity to its daily operation. Therefore in parallel to what is required in Islam, the transaction took place, the policy implemented in Islamic business organization must be on the basis of Islamic principles of conduct of good governance, good values, good ethics and other Islamic values implanted within the Islamic teaching which incorporated the principles of *shura*, justice and emphasize on social well-being.

In today's business organization, the establishment of Muslim owned organization, its management system and organizational structure should be in accord to the purely Islamic

management system so as to facilitate the bigger picture of Islamic management implementation; specifically in relevant Islamic policy, procedures and framework both in strategy and operational management. Hence there forth, this need a transformation of application especially in its principle of conduct and values in order to realize a purely Islamic business organization based on Islamic *tasawwur*.

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