

Full Length Research Paper

Islamic management model

Abdus Sattar Abbasi^{1*}, Kashif Ur Rehman² and Amna Bibi³

¹National University of Modern Languages, Islamabad, Pakistan.

²Iqra University, Islamabad, Pakistan.

³University of Peshawar, Pakistan.

Accepted 31 May, 2010

Managing an organization is a skilful job. Today, globally operated organizations are faced with numerous challenges. How corporate leaders should approach their obligations is one of the important queries at the desk of business researchers. This paper provides Islamic management model; where leaders first surrender their authorities to 'divine' instructions and then gain knowledge and practices from those instructions for a holistic approach to organizational management. Surrendering to 'divine' instructions inculcates humility, responsibility and self accountability among organizational leaders to fulfill their duties at their best. Holistic approach to organizational management provides corporate leaders with more options to deal with issues innovatively. This article concludes that Islamic management model is flexible enough to adapt according to the circumstances for maximum outcome of the organization.

Key words: Management, holistic approach, surrender, responsibility, humility, accountability.

INTRODUCTION

Islam means "The Surrender", that is, man surrendering to God's will and purpose. Islam is an Arabic word that connotes submission, surrender and obedience. As a religion, Islam stands for complete submission and obedience to Allah. Another literal meaning of the word Islam is 'peace' and this connotes that one can achieve real peace of body and mind only through submission and obedience to Allah. Islam consists of submission and obedience to Allah, the Lord of the universe (Mawdudi, 1960). Islam created a unique management paradigm that nurtured civility, prosperity, diversity and happiness among people of different creeds and ethnic origins around the globe for more than 1000 years (Abbasi et al., 2010). In today's global scenario, Muslims must commit themselves to building organizations that simulate the inspiring Islamic management model. Islamic perspective on management studies is an important area of research for modern management scholars (Abbasi et al., 2010). Islamic perspectives are described and discussed on the

basis of revealed sources of Islamic knowledge, al-Qur'ān and Hadith, considering them as valid for the purpose of research (Kazmi, 2003).

Al-Qur'ān

Al-Qur'ān is the central religious text of Islam. In Islamic teachings, al-Qur'ān is the book of 'divine' guidance and direction for mankind. According to Islamic faith, al-Qur'ān is the last revelation to Muhammad (PBUH) by Allah (God) through the angel known as Gabriel.

Hadith

Hadith is an oral tradition relating to the words and deeds of Prophet Muhammad (PBUH). Ahādith (plural) are regarded as an important source of teaching in Islam. Success of the organization greatly depends on leadership. Even if the corporation is flush with cash and has wealthy investors, leadership is still regarded as the first element for the success of management (Kvint, 2009).

*Corresponding author. E-mail: abbasi_phd@yahoo.com. Tel: +92 300 5200567.

ISLAMIC LEADERSHIP

Muslims have to fully carry out in practice the instructions given by Prophet Muhammad (blessings of Allah and peace be upon him) as ordained by God. These instructions are enshrined in al-Qur'ān and Ahādith. The believer understands that wealth is in God's hands and He apportions it out as He likes. Honor, power, reputation and authority (everything) is subjected to His will and He bestows them as He wills. Man's duty is only to endeavor and struggle fairly. He knows that success and failure depend on God's grace. If God wills to give, no power in this world can prevent Him from doing so and if He does not will it, no power can force Him to (Mawdudi, 1960).

Leadership is the ability to show the way and to guide, direct or influence the actions of others (Majali, 1990). In corporate management, leaders have to accomplish their objectives (DeKrey et al., 2007). Organizational cultures/members are influenced by the leadership of an organization. Leaders are considered as role models and that their behavior is reflected on the culture and procedures of the organization (Jabnoun, 1994). In Islamic management model, leaders have to surrender their authority to the instructions consecrated in al-Qur'ān and Ahādith (Figure 1). Authority is the power to command, give orders, make decisions and exact obedience. In the proposed model, leaders agree to forgo such privileges to the instructions of al-Qur'ān and Ahādith. This surrender inculcates three important elements in corporate leadership; humility, responsibility and accountability.

Humility

In response to Allah's command, Musa (AS) first asked for Allah's help to enhance his capabilities and enable him to succeed in completing the assigned task. His plea for help represents the hallmark of a Muslim leader, full of humility and dependent on his Lord for everything (Unus, 2005). "(Moses) said: 'O my Lord! Expand my breast; Ease my task for me;'" (al - Qur'ān 20:25-26). Charismatic leaders always have great self confidence, yet they are very humble. They are willing to admit that they do not know and can not possibly be the best at everything. That is why they continuously seek learning.

Responsibility

Responsibility is the force that binds to the courses of action demanded by the leadership position. Leaders should know their responsibilities, their targets, what they needed to do to get which rewards and what the consequences would be if they made mistakes (DeKrey et al., 2007).

Prophet Muhammad (PBUH) said, "Whenever God makes a man responsible for other people, whether in

greater or lesser numbers, he will be questioned as to whether he ruled his charges in accordance with God's decrees or not. And that will not be all. God will question him even about his family members." Source: Ibn Hanbal, on the authority of 'Abdullah ibn 'Umar.

Accountability

A leader should be held accountable for his decisions and actions because he accepts the prerogative to lead (Chaffee, 1997). He has to deliver all the elements of his responsibility (Kraines, 2001). Leaders that emerged as the best in the history are those who knew that they are accountable in service to their followers (Fairholm, 2001). Accountability conveys an image of trustworthiness. It is both an instrument and a goal. What started as an instrument to enhance the effectiveness and efficiency has gradually become a goal in itself. Accountability has become an icon for good leadership performance both in the public and private sectors (Bovens, 2005). Islamic teachings categorically explain the concept of accountability in subsequent verses of al - Qur'ān:

Then shall anyone who has done an atom's weight of good, see it! And, anyone who has done an atom's weight of evil, shall see it. (al - Qur'ān 99:7-8)

Nor can a bearer of burdens bear another's burden. If one heavily laden should call another to (bear) his load, not the least portion of it can be carried (by the other), even though he is closely related to it (al - Qur'ān 35:18). Accountability, in this very broad sense, is basically used to positively influence a state of affairs or the performance of a leader. It comes close to 'responsiveness', 'a sense of responsibility' and a willingness to act in a righteous and trustworthy manner (Bovens, 2005).

KNOWLEDGE AND PRACTICES

Knowledge brings potential and ability to improve performance and reputation, while practices translate them into action for desired outcomes. Following components of Islamic value system encompass knowledge and practices established by al - Qur'ān and Ahādith for organizational management.

Sincerity

When one is sincerely undertaking a task, one has to make sure that the task is completed with the best of

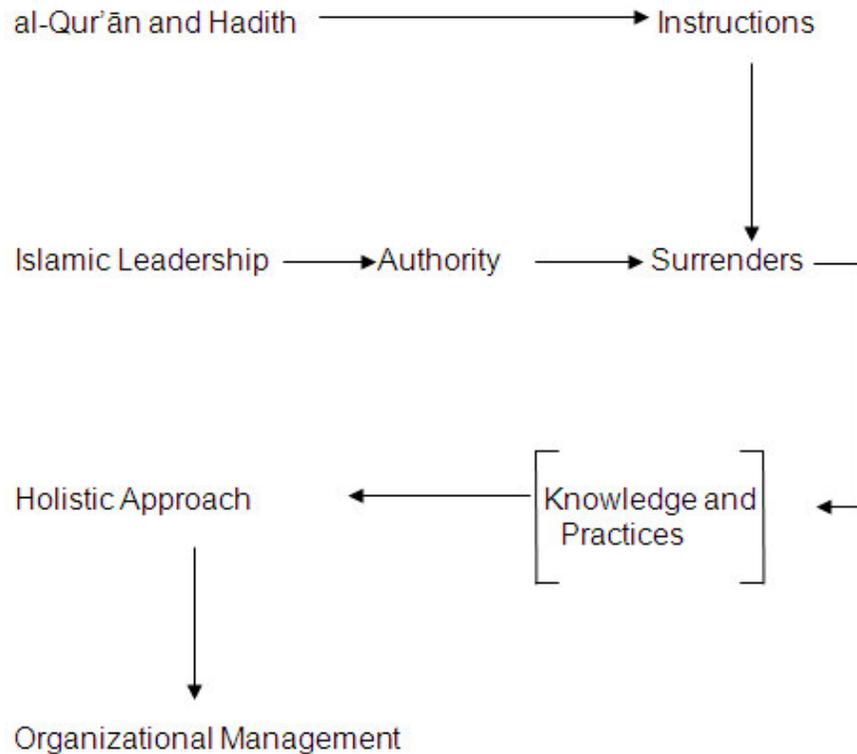


Figure 1. Islamic management model.

one’s ability, because sincerity is the best complement (Emerson, 2008) one can render to the organization. Sincerity is an absolute value, that is, either one is sincere or insincere. There is no in between. If one is less sincere, it implies that there exist some other elements in the intention (Alhabshi et al., 1994).

Say: "It is Allah I serve, with his sincere (and exclusive) devotion: (al - Qur’an 39:14)"

Employee’s loyalty is one of the major concerns among organizations. Reason is two fold, that is, either organizations are not groomed enough to take care of their employees or employees are not ethically groomed to value the organization. In both cases, lack of value system in organizational culture is the reason of such crisis. Sincerity is contagious; if there is sincerity in an organizational culture, then every stakeholder will act sincerely to increase the value of organizational operation. Sincere efforts lead to efficiency and efficiency leads to better performance of an individual.

Proficiency

Proficiency is commonly understood as doing marginally more than the minimal requirement (Alhabshi, et al, 1994). There may be two types of people; the ones who perform their duties scrupulously, but do not demonstrate

any additional commitment, and others who push themselves beyond the call of the duty (Beekun and Badawi, 1999) they are energized and are willing to make sacrifices in the performance of their task. They are those who have *ihsan* and work tirelessly to carry out their duties over and above their obligations.

Proficiency is the quality which ensures that organizational members exhibit more than prescribed assignments. Proficiency has vast meanings. It is not possible to cover all its aspects, but in all its manifestations, proficiency means behaving with others in such a manner that makes them comfortable and happy. Proficiency means doing good job or doing some job in a proficient manner. If every member of an organization exhibits proficiency (*ihsan*) it will significantly enhance organizational performance. But thou shall do good, as Allah has been good to thee (al - Qur’an 28:77).

Justice

In Islamic value system (IVS), there is an explicit contract or pledge among all organizational members to operate fairly and with justice (Beekun et al., 1999). Justice is an important element to keep individual and collective affairs straight (Murphy, 1999). Like sincerity, justice is absolute. There is no such thing as relatively just or unjust. It is either just or unjust. Justice is definitely a value and virtue in all religions and is upheld by all societies. As such, it is

universal value is acceptable to every one (Alhabshi et al., 1994). Allah commands justice, the doing of good (al - Qur'ān 16:90). Justice is the foundation stone of Islamic value system. It is inconceivable that Islamic pattern of management will not establish justice. Islam is absolutely unambiguous about eradicating all forms of injustices, inequity, exploitation, oppression and wrongdoings from the management process in particular and in the society in general, thus, a person can not deprive others of their rights and fulfills his obligations towards them. This is how Islamic management system inculcates the sense of satisfaction and protection among organizational members and ensures that they perform their duties with complete peace of mind. Justice also contributes in inculcating the sense of responsibility in every member of an organization to perform their duties with the best of their abilities. Thus, it leads to an enhanced performance of the organization.

Truthfulness

Truthfulness is needed in speech, intention, resolution, fulfillment of resolution, action and in all stations on the path. One is considered most truthful if he acquires truthfulness in all aspects mentioned above (Alhabshi et al., 1994). Truthfulness means consistency between words and deeds (Beekun et al., 1999). Human organizations cannot survive without truthfulness (Confucius, 400 BC).

Truthfulness is the most important characteristic in Islamic value system. It is not possible that some one is truthful at his workplace, but a liar in his personal life, or vice versa. One is either truthful or not truthful. That is why, when Hazrat Imam Bukhari (ra) visited a person for getting a hadith, he noticed that the person is deceiving his animal by expanding his lap with out grains. He refused to take hadith from him and said "If a person deceives an animal, he can tell a lie to any one". Al - Qur'ān gives vivid teachings regarding truthfulness. That Allah may reward the men of 'truth' for their 'truth' and punish the 'hypocrites' if that be His will (al - Qur'ān 33:24). One should always speak the truth. There is no place for hypocrisy in Islamic value system. Truthfulness in speech is not enough; actions have to be aligned with words. Islamic value system goes little more beyond and addresses the content of intention, which is never addressed in contemporary popular theories of ethics. One has to be truthful from the core of the heart, not for ostentation but for the establishment of moral standards in the society. Truth leads to a reliable and responsible organizational culture towards shareholders, customers, employees and the society as a whole.

Patience

In al-Qur'ān, God explicitly identifies patience as one of

the defining characteristic for the followers of Islam (Beekun et al., 1999). Patience has two aspects. First, it is called mental patience which is restraint on demands of carnal desires and anger. In misfortune, it is required against violent outbursts in the form of crying, tearing of clothes etc. Firmness of mind is required to control anger and greed for wealth. Secondly, it is called bodily patience which is endurance of physical pain felt in performing devotional or non-devotional acts in disease and in injury (Alhabshi et al., 1994).

Patience and perseverance in every day management activities have a magical effect before which difficulties disappear and obstacles vanish (Keith, 2004). Every manager encounters many disagreements, deviations, misinterpretations and gaps in planned and actual outcomes. Therefore, Islamic value system emphasizes patience. Except such as have Faith, and do righteous deeds, and (join together) in the mutual teaching of Truth, and of Patience and Constancy. (al - Qur'ān 103:3)

Patience is one of the most important teachings of Islam. While following the righteous way, one may face turmoil and problems. In Islamic value system, every member of the organization supports each other in facing all such obstacles and motivates each other for patience. This ensures that the whole organization moves towards the objective with firmness.

HOLISTIC APPROACH

Holistic approach means looking at the whole organization, system, people and culture. Holistic approach can bring better results for modern organizations to deal with complex issues in global environment; because according to Aristotle, whole is more than the sum of its parts. Islamic management model provides holistic approach to organizational management to meet the challenges of contemporary era. Holistic approach to management consists of five dimensions including participatory, system, gradualistic, contingency and consistency approach (Figure 2).

Participatory approach

Participatory approach is consulted in affairs (of moment). (al - Qur'ān 3:159).

Consultation has abundant value in Islam (Daryabadi, 1998). It is evident that if it is ordered to Hazrat Muhammad (SAW), then how much importance will it have on others. Jabnoun (1994) stated that participative management is the continuous involvement of people in decision making. Participatory management means that every member has input and influence over the decisions that affect the organization. Participatory management improves the effectiveness and capacity of an organization (Bartle, 2008). It is a culture rather than a program. Participatory approach is known as *Shura* in Islam. It is

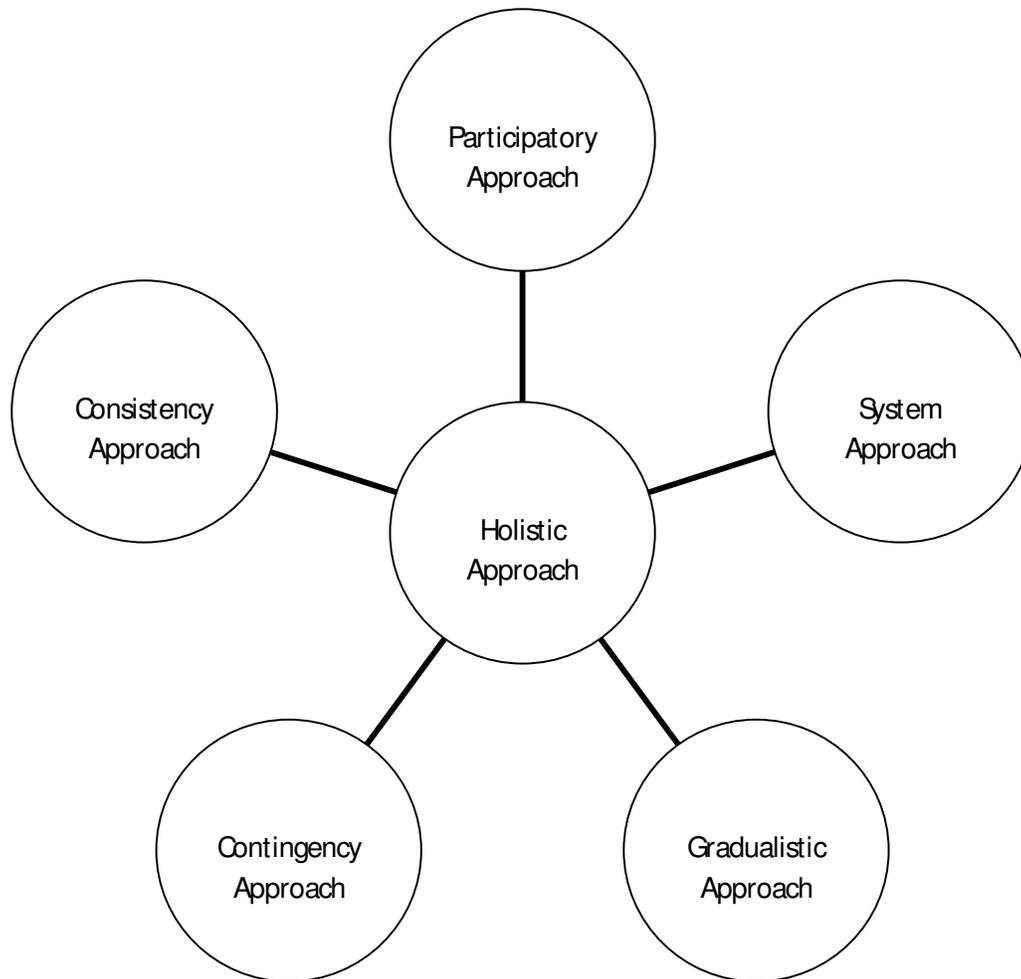


Figure 2. Holistic management approach.

stated in al-Qur'ān that the believers who will be rewarded in the hereafter are those who conduct their affairs with *Shura* or consultation. Such are those who hearken to their Lord, establish regular prayer, conduct their affairs by mutual 'consultation' and spend out of what is bestowed on them for 'sustenance' (al - Qur'ān 42:38). Consultation has been declared as the best quality of believers. On this basis, consultation is the basic pillar of Islamic way of life (Maudūdi, 2005d). There are three reasons of giving so much importance to consultation (*Shura*) in Islam.

First, in a matter which is related to more than one person, it is unjust that one person takes the decision and ignores others. No one has the right to enforce his own opinion. It is necessary that all those people to whom the matter is related should be consulted. If they are too many, then their representatives should participate in the process of consultation.

Secondly, in common affairs, a person tries to enforce his own will due to two reasons; either he wants to snatch the rights of others or considers himself superior than

others. From a moral point of view, both of these characteristics are bad for believers. A believer is neither selfish nor arrogant.

Thirdly, it is an important task to decide about the matters which are related to the rights and interest of others. A person who fears Allah (SWT) and knows that he will be accountable in front of Allah (SWT) for his decision, will never take the responsibility on his shoulders alone.

Shura is aimed at building a consensus that will benefit the community or the business that has to make the decision. In case no consensus is reached, voting is resorted too (Jabnoun, 1994). Prophet Muhammad (PBUH) said: His nation can not agree upon an error, if a conflict persists be with the majority (Ibn-e-Majah).

Jabnoun (1994) cited Izetbegovic saying that the opinion of the majority is an expression of a higher common mind. This is because it yields better outcomes than a single person opinion. Izetbegovic added "This is the declaration of a democratic process". Participative management is also critical for the motivation of people

who are generally more motivated in executing the decisions that they were part of making.

Shura had been a culture during the time of Prophet Muhammad (PBUH) and his successors after him. No major decision had ever been made without consultation. In many occasions, Prophet Muhammad's (PBUH) opinion was adopted as it received major support. On the other occasions such as during the battle of *Uhud*, other opinions received the majority and were subsequently adopted. Prophet Muhammad (PBUH) wanted to stay in his town Madina when he heard that the pagans of Makkah were about to attack. But the Prophet (PBUH) decided to go to the mountain of "*Uhud*" instead, because the majority of his companions preferred facing their enemy there. In spite of the fact that consultation was a culture during his time, Umar (raa), the second successor of Muhammad (PBUH), created number of programs to reinforce this culture. These programs include the creation of an annual conference for all Muslims during pilgrimage and the establishment of an agency of complaints. Muslim scholars state that consultation shall not be forsaken for any reason.

The scope of consultation should be as wide as possible. Hazrat Umar (raa) was so keen on listening to different opinions that he was seeking the opinions of even juveniles on some critical matters. In one of his sayings, Prophet Muhammad (PBUH) summarized the whole religion as an advice: Religion is a sincere advice (Sahih Muslim).

Culture of participation of the Prophet's (PBUH) companions resulted in high level of satisfaction and involvement, (Jabnoun, 1994). It also induced numerous administrative innovations notably during the time of Umar (raa). These innovations included building cities of Basra and Koufa in Iraq and creating new departments of payroll and documentation where information was gathered and managed. In today's world, business proprietors are realizing the importance of participative decision making and the business proprietors that consult their workers are doing much better than those that did not.

In *Ghazwa-e-Badr*, Hazrat Muhammad (PBUH) stopped at one place and the companions who were expert in war affairs asked the 'messenger' of Allah, "Did you choose this place through revelation or is it your own opinion?" He replied "It is my personal opinion". The companions replied; "We should stay close to Badr, because according to the war strategy, it is better placed". Hazrat Muhammad (PBUH) agreed.

Ethos of consultation in management affairs brings satisfaction, involvement, togetherness and innovation. All these elements can be observed in the time of Hazrat Umar (raa), the second successor of Hazrat Muhammad (PBUH). Participatory approach brings togetherness and satisfaction among organizational members, thus adds value to the organizational operation. It inhibits arrogance and selfishness from those who are leading/managing the organization. It also helps them to involve the entire

organization in the responsibility of organizational growth.

Systems approach

The term 'systems' is derived from the Greek word 'synistanai' which means 'to bring together or combine'. The first pillar of systems approach is that one should consider the organization as a whole (Jabnoun, 1994). This can be better explained by the following saying of Prophet Muhammad (PBUH).

The believers are like one man; if his head is in pain, his whole body suffers and if his eye is in pain, his whole body suffers (Sahih Bukhari).

The second pillar of systems approach is to consider the organization as a part of a large environment. In this respect, Muslims believe in the unity of mankind and in the necessity of their interrelations. Al-Qur'an addresses all mankind in many verses. O mankind! You were created from a single (pair) of a male and a female and you were made into nations and tribes, that you may know each other (not that you may despise each other) (al - Qur'an - 49:13). System approach to management views the organization as a unified purposeful system composed of interrelated parts (Stoner et al., 1992). This approach gives leaders/managers a way of looking at the organization as a whole and as part of a larger external environment. In so doing, systems theory asserts that the activity of any segment of an organization affects in various degrees, the activity of every other segment.

Functions of various units and subunits of a system should also be coherent and consistent with one another (Jabnoun, 1994). System coherence is very well manifested in the teachings of Islam where the theology provides the will and the general direction, and the jurisprudence provides the practical implementation. In Islam, educational, social, moral, economic, political and legal systems function as a whole and no one can be applied without the other. Careful investigation of Islamic teachings makes an indivisible package. These teachings are interrelated horizontally, vertically and diagonally. Allah (SWT) says:

Do they not consider the Qur'an (with care)? Had it been from other than Allah, they would surely have found, therein, much discrepancy (al - Qur'an 4:82).

Maududi (2005a) explained that human being is not capable of speaking for years on different topics in different situations at different occasions in a manner that will make his all speeches become homogeneous, appropriate and carry the same color without any conflict (among speeches), indication of change in opinion, effect of speaker's circumstances and need to revise.

Islam presents an integrated system of life. In order to preserve decent social life, Islam prohibited Muslims from committing adultery, but did not stop at this point. In fact,

Islam taught Muslims how to reach that goal. Islam asked every Muslim not to be with a person of the opposite sex in isolation. Muslims were also asked to lower their gaze and to dress decently. Islam also encouraged marriage. On the other hand, Muslims are supposed to lead a moral life by praying, fasting, giving charity and reading al-Qur'ān. In addition, they are required to be educated in these issues. If they still commit adultery after these requisites are satisfied, they would be severely punished. This simple example shows how closely integrated the teachings of Islam are. Goals with no clear sequential dependence such as praying, getting married and avoiding adultery are supportive of one another, beside their pooled contribution to the higher objective of Islam (Jabnoun, 1994).

Islamic value system views an event, incidence or matter according to the circumstances. The surrounding atmosphere affects every event and operation. It will be unjust if influencing and persuading factors will not be taken into account. In many situations, indirect elements influence significantly. Islamic value system considers related conditions, thus promote balanced approach to management for maximum outcome of the organization.

Gradualistic approach

Humans live in a culture of instantism; unfortunately, it does not work except in rare cases. But there is a system that does work, it is called gradualism and nature has been doing it for millions of years (Southon, 2002). Gradualism is a very important Islamic concept. Indeed, the al-Qur'ān was not revealed at once, rather it was revealed incrementally over a period of 23 years, according to people's needs and capabilities (Jabnoun, 1994). The most illustrative example of gradualism in Islam can be found in the prohibition of alcoholic drinking, which was done in three steps as illustrated in the following verses:

They ask thee concerning wine and gambling. Say: "In them, is great sin and some profit for men; but the sin is greater than the profit." (al - Qur'ān 2:219)

This is the first command related to wine and gambling, in which only disliking is mentioned, so that minds should get ready for prohibition (Maudūdi, 2005a). O ye who believe! Approach not prayers with a mind befogged, until ye can understand all that ye say (al - Qur'ān 4:43) This is the second command about wine (Maudūdi, 2005a). After the first command, some people started to avoid, but some still continued to take, and were not able to offer the prayer properly. Thus, after this command, people changed their timings of taking wine and stopped taking it in those times when there was a chance of approaching the time of prayer. O ye who believe! Intoxicants and gambling, (dedication of) stones and

(divination by) arrows, are an abomination of Satan's handiwork: eschew such (abomination), that ye may prosper (al - Qur'ān 5:90). Satan's plan is (but) to excite enmity and hatred between you, with intoxicants and gambling and hinder you from the remembrance of Allah and from prayer: will ye not then abstain? (al - Qur'ān 5:91).

Before this last command, Prophet Muhammad (PBUH) gave this address to people and warned them that 'Allah' (SWT) dislikes wine very much and there is an indication that the command for total prohibition may arrive. Therefore, those who have wine should sell it. After some time, this verse was revealed. Then, Prophet Muhammad (PBUH) announced that those who have wine can neither drink nor sell it, but instead, they should destroy it (Maudūdi, 2005a).

Gradualistic approach evolves around the human nature. If some one is asked to leave certain habit or action, usually his immediate response will be why? Therefore, considering the human nature, Islam gives the approach of gradualism for brain making. After that, it becomes easier to implement the new instruction, policy or rule. IVS develops people gradually to the level where they exhibit excellent moral and professional character. It is very important to note that, while gradualism is a vital concept, it was not applied in every single case. For example, there was no gradualism in the prohibition and rejection of *Shirk* which is associating partners with 'Allah' (SWT). Gradualism is a function of the needs and capabilities of the people. Therefore, if there is a strong need for certain measure, there is no need for gradual approach (Jabnoun, 1994).

Contingency approach

No one can precisely predict the future. Therefore, no matter how good forecasting methods are, it is important to plan for alternative events or for uncertainties. Further, even if the forecast is correct, the plan might not be fully feasible; therefore, alternative plans must be in place (Jabnoun, 1994). A well developed contingency plan has enormous value for the organization. It is the ability to respond speedily, smoothly and cost effectively to significant changes. Islam declares itself as a religion for all the people and for all the time. It has to be a religion that can adjust to different events and situations. Part of this adjustment is achieved through contingency approach for different scenarios (Jabnoun, 1994). This can be illustrated at its micro level by the following verses of the al-Qur'ān:

Ramadan is the (month) in which the Qur'ān was sent down as a guide to mankind and also clear (signs) for guidance and judgment (between right and wrong). So every one of you who is present (at his home) during that month should spend it in fasting, but if any one is ill or on

a journey, the prescribed period (should be made up) by days later. Allah intends every facility for you and does not want to put you to difficulties. (He wants you) to complete the prescribed period and to glorify Him in that He has guided you and perchance, ye shall be grateful (al - Qur'ān 2:185).

Prophet Muhammad (PBUH) and his companions used to fast sometimes in their journey and sometimes, they did not (Maudūdi, 2005a). Once during the journey, a person fell down and people gathered around him. When Prophet Muhammad (PBUH) saw the situation, he asked the reason and was told that the person was fasting. He (PBUH) said it is not virtuous. At the time of war, during Ramadan, Prophet Muhammad (PBUH) usually stop fasting by order. At the time of Makkah's conquest, Prophet Muhammad (PBUH) said "There is a war against an enemy, leave fasting so that you can get power to fight."

O ye who believe! When ye deal with each other, in transactions involving future obligations in a fixed period of time, reduce them to writing and let a scribe write them down faithfully as between the parties. Let not the scribe refuse to write: as Allah has taught him, so let him write. Let him who incurs the liability dictate, but let him fear his Lord Allah and not diminish aught of what he owes. If the party liable is either mentally deficient or weak or unable to dictate by himself, let his guardian dictate faithfully. The scribe should get two witnesses out of his own men and if there are no two men, then, he should get a man and two women of his choice, for witnesses. This is done so that if one of them errs, the other can remind her, (al - Qur'ān 2:282). If ye are on a journey and cannot find a scribe, a pledge with possession (may serve the purpose). And if one of you deposits a thing on trust with another, let the trustee (faithfully) discharge his trust and let him fear his Lord (al - Qur'ān 2:283). Usually, friends and relatives avoid writing and putting witnesses for loan and financial transaction because they regard it as lack of confidence. But 'Allah' (SWT) commands it to be done so that matters among people remain clean. Pledging is recommended not only when scribe is not available, but it is also possible when no one is agreed to give loan through writing (Maudūdi, 2005a). Then, one can pledge some of his asset to take money. The purpose of pledging is that the lender will have the satisfaction that the borrower will return his money.

Never should a 'believer' kill a 'believer'; but (if it so happens) by mistake, (compensation is due); if one (so) kills a 'believer', it is ordained that he should free a believing slave and pay compensation to the deceased's family, unless they remit it freely. If the deceased belonged to a people at war with you and he was a 'believer', the freeing of a believing slave (is enough). If he belonged to a people with whom you have a treaty of mutual alliance, compensation should be paid to his family and a believing slave be freed. For those who find

this beyond their means, a fast for two months-running is prescribed: by way of repentance to Allah; for Allah hath all 'knowledge' and all 'wisdom' (al - Qur'ān 4:92).

In order to achieve its specific goals, a successful organization shall have plans ready for all possible scenarios (Jabnoun, 1994). Failure to have contingency plans can result in unexpected losses for a business. However, organizations have to make sure that their contingency plans are also conducive to their desired goals and in consistency with their mission. Indeed, by reading the above verses, one can notice that the scope of teachings and their goal have not changed by accommodating contingent situations. Preparing contingency plans should not allow any deviation from the desired goal.

At macro level, contingency planning is manifested in the fact that the teachings of Islam provide guidelines in variety of different situations. 'Allah' (SWT) says;

Against them, make ready your strength to the utmost of your power (al - Qur'ān 8:60). It means that Muslims should always have ammunition and standing army ready for any uncertainty (Maudūdi, 2005b), so that when it is needed, Muslims can proceed for war immediately. It should not be the case that when enemy is about to destroy Muslims, then they call for volunteers and assemble ammunition. Preparing contingency plans for various opportunities requires a sophisticated management information system, a multi-skilled workforce and flexible production/operation systems (Jabnoun, 1994).

Contingency approach proves that Islamic management model is human friendly and considers human limitations and concerns. If it is difficult to attain a goal under certain circumstances, then other options are open to reach the destination. Islamic value system, very nicely, addresses psychological concerns. It is natural that lending money needs guarantee and satisfaction. How can one extend cooperation, if there is lack of satisfaction? In such condition, possibility of extending cooperation will automatically reduce. Islam gives authentic documentary satisfaction to encourage people to cooperate their fellows. The core purpose of giving contingency approach in Islamic management model is to facilitate people to follow rules and regulations, accommodating their limitations and providing alternate options to achieve assigned objectives.

Consistency approach

To achieve consistent success goal-oriented individuals must work effectively as a team. When team members share a common purpose and persevere with patience, they consistently perform at a higher level.

"Peace unto you for that ye persevered in patience! Now, how excellent is the final Home!" (al - Qur'ān 13:24)

Angels will greet those people that persevered in patience and tell them that they are now secured and away from every hardship, danger, worry and distress (Maudūdi, 2005b).

"Those who patiently persevere will truly receive a reward without measure!" (al - Qur'ān 39:10).

These good tidings are for those who faced hardships but remained consistent to the right path. Hardships of migration are also included and those who remained in the land of *zulm* faced adversities with determination (Maudūdi, 2005d). Facing hardships for organization has always been of great value. Every member of an organization respects those who stood consistently under all odds to achieve organizational objectives. But those who had been granted (true) knowledge said: "Alas for you! The reward of Allah in the hereafter is best for those who believe and work in righteousness: but this shall not be attained to save those who steadfastly persevere (in good)." (al - Qur'ān 28:80). In this verse, reward of Allah means gains earned through hard work within the given limitations of 'Allah' (SWT), for the life of this world and for the life hereafter (Maudūdi, 2005c). Patience means to control greed and avarice and to adopt trustworthiness and righteousness. Patience means to evade gains through unfair means and to be contented and satisfied on little earning through fair and just means. It also means not to be impressed from glamorous life of those who earn from unfair means. And no one will be granted such goodness except those who exercise patience and self-restraint, none but persons of the greatest good fortune. (al - Qur'ān 41:35).

To reply the evil with goodness is an exceptional quality, but to practice it, is not an easy task. It needs lots of determination, courage and tolerance. Forgiving someone is goodness, but higher standard of goodness is to reciprocate nicely to bad behaviors. One can respond evil with goodness for the time being, but it is not easy to continuously respond evil with greater good for years and years. Only those who possess the greatest good fortune can achieve this level (Maudūdi, 2005d).

Long term success usually requires some sacrifices in the short term in order to secure larger market share for the organization (Jabnoun, 1994). It is therefore encouraged that organizations focus on long term benefits. Indeed, Islam had asked Muslims to be steadfast, help one another and maintain patience. Patience also depends on how much people have learnt about the matter. 'Allah' (SWT) says;

"How can thou have patience about things that thou do not have a complete understanding of? (al - Qur'ān 18:68).

Be patient, then, persevere: for the promise of Allah is true: (al - Qur'ān 40:55)

So persevere in patience; for the Promise of Allah is true: (al - Qur'ān 40:77)

O ye who believe! Persevere in patience and constancy; vie in such perseverance; strengthen each other; (al - Qur'ān 3:200)

Consistency inculcates hard work, trustworthiness and righteousness across organizational members. Consistency brings tolerance among people to bear losses, but not to leave the path of truthfulness and honesty. Patience brings moral strength among people and they avoid gains through unfair means and remain contented to even little earning through fair means. Thus, it ensures that people become guardians of organizational resources and fulfill responsibilities with sheer honesty. Patience controls greed and avarice. Forgiveness is good, consistency for goodness means returning good to those who behave badly. But this needs a lot of courage, determination and tolerance, which are the products of patience.

Long term objectives can not be achieved with out consistency. The most important outcome of consistency is the strength for competition. Success is only for those who are consistent in their efforts and are determined to reach the destination. This also creates competition among team members to stand fast for the objective and to deliver their best for the success of the organization.

CONCLUSION

Holistic approach views how every thing fits together to work effectively and efficiently. Holistic management approach gives more than the sum of individual approaches. Before proceeding to the holistic approach to management, it is imperative to build organizational environment on components of Islamic value system for successful implementation of Islamic management model. These components of Islamic value system provide knowledge and practices in establishing a holistic approach to organizational management.

Organizational management demands innovative thinking to deal with variety of problems in global marketplace. Islamic management model furnishes five approaches to address any situation at hand. Corporate leaders can have a variety of options to lead and influence their partners, colleagues, customers, employees and other stakeholders. These options range from participatory to consistency approach to management. Islamic management model, being flexible, has the ability to adapt according to the circumstances for optimum achievement of organizations and their people.

Therefore, this article motivates corporate leaders to implement Islamic management model particularly in those organizations operating in Muslim countries. This initiative will help organizations to strengthen their management system. It will also enhance responsibility

among organizational members to deliver their best for collective success.

Effectiveness of Islamic management model can be tested in future researches through empirical studies by examining correlations among: 'knowledge and practices' delineated in this study, 'dimensions of holistic approach' discussed in this paper and 'financial performance' of a particular organization which intends to adopt this model.

REFERENCES

- Abbasi AS, Rehman K, Abbasi SH (2010). Welfare and Protection Model for Organizational Management: The Islamic perspective. *Afr. J. Bus. Manage.* 4(5): 739-747. Available: <http://www.academicjournals.org/ajbm/PDF/pdf2010/May/Abbasi%20et%20al.pdf>
- Ahmad SH (2003). *Moral and Social Life in Islam*, Islamic Publications (Pvt.) Ltd, Lahore.
- Alhabshi SO, Ghazali AH (1994). *Islamic Values and Management*, Institute of Islamic Understanding Malaysia (IKMI).
- Alsop RJ (2004). *The 18 Immutable Laws of Corporate Reputation*, Kogan Page.
- Annual Report (2005). National Accountability Bureau. Retrieved August 12, 2007 from: www.nab.gov.pk.
- Bartle P (2008). Participatory Management: Methods to increase staff input in organization, Retrieved May 06, 2008 from: <http://www.scn.org/cmp/modules/pm-pm.htm>.
- Bartlett D (2003). Management and business ethics: A critique and integration of ethical decision-making models, *Brit. J. Manage.* 14: 223-235.
- Beekun RI, Badawi J (1999). *The leadership process in Islam*, The International Institute of Islamic Thought.
- Bovens M (2005). PUBLIC ACCOUNTABILITY: A framework for the analysis and assessment of accountability arrangements in the public domain. Retrieved November 08, 2009 from: http://www.qub.ac.uk/polproj/renege/contested_meanings/Bovens_Public%20Accountability.connex2.doc.
- Chaffee P (1997). *Accountable leadership: A resource guide for sustaining legal, financial, and ethical integrity in today's congregations*. San Francisco: Jossey-Bass.
- Confucius (400 BC), *Without truth I know not how man can live*, Retrieved July 9, 2008 from: <http://www.freerepublic.com/focus/news/685635/posts>.
- Emerson RW (2008). *Sincerity is the best complement*. Retrieved July 9, 2008 from <http://strangewondrous.net/browse/subject/s/sincerity>.
- Fairholm GW (2001). *Mastering inner leadership*. Westport, CT: Quorum Books.
- Jabnoun N (1994). *Islam and Management*, Institute Kajian Dasar (IKD).
- Kazmi A (2003). Proposed research agenda in Islamic perspectives on management studies, *IJUM J. Econ. Manage.* 11(2): 197-227.
- Keith (2004). *Keep Pushing*, Retrieved July 9, 2008 from: <http://www.sportworksministry.org/pdf/keeppushing.pdf>
- Kraines GA (2001). *Accountability leadership: How to strengthen productivity through sound managerial leadership*. Franklin Lakes, NJ: Career Press.
- Kvint V (2009). *The Global Emerging Market: Strategic management and economics*, Routledge, NY.
- Majali AS (1990). A proposal for the establishment of an Islamic leadership institution, *J. Islamic Acad. Sci.* 3(4): 251-254
- Mawduidi AA (1960). *Towards Understanding Islam*, U.K.I.M. Dawah Centre.
- Maudūdi AA (2005a). *Tafheem-ul-Qur'ān, vol. 1*, Idara-e-Tarjaman ul Qur'ān Lahore.
- Maudūdi AA (2005b). *Tafheem-ul-Qur'ān, vol. 2*, Idara-e-Tarjaman ul Qur'ān Lahore.
- Maudūdi AA (2005c). *Tafheem-ul-Qur'ān, vol. 3*, Idara-e-Tarjaman ul Qur'ān Lahore.
- Maudūdi AA (2005d). *Tafheem-ul-Qur'ān, vol. 4*, Idara-e-Tarjaman ul Qur'ān Lahore.
- Murphy LB (1999). Institutions and the demand of justice, *Philosophy and Public Affairs* 27(4): 251-291.
- Southon M (2002). Instant success or gradual improvement? Retrieved July 19, 2008 from: http://www.streetdirectory.com/travel_guide/7170/online_business/instant_success_or_gradual_improvement.html
- Stoner JAF, Freeman RE, Gilbert DA (1992). *Management*, Prentice – Hall International, Inc.
- Unus I (2005). *The story of Musa and Harun: Lesson in leadership*, International Institute of Islamic Thoughts, Herndon). Retrieved from: www.islamist.org July 07, www.aademyleadership.com: visited on November 24, 2005 www.businessballs.com: visited on December 12, 2005 www.insight.zdnet.co.uk/business/management: visited on September 23, 2005. www.managementassistance.com: visited on August 03, 2005 www.valuebasedmanagement.net: visited on August 22, 2005 www.valuebasedbusiness.org: visited on September 23, 2005 www.lectlaw.com: visited on March, 22, 2008. <http://smma59.wordpress.com/category/holy-propeht-mohamad-saw/>: visited on April 12, 2008. http://cbdd.wsu.edu/eDev/NetTOM_ToT/Resources/Other/TOM614/page69.htm: visited on May 12, 2008.