PRINCIPLES AND FUNDAMENTALS OF ISLAMIC MANAGEMENT

PRINCIPLES AND FUNDAMENTALS OF ISLAMIC MANAGEMENT

BY

SEYED MOHAMMAD MOGHIMI

University of Tehran, Iran



Emerald Publishing Limited Howard House, Wagon Lane, Bingley BD16 1WA, UK

First edition 2019

Copyright © 2019 Emerald Publishing Limited

Reprints and permissions service

Contact: permissions@emeraldinsight.com

No part of this book may be reproduced, stored in a retrieval system, transmitted in any form or by any means electronic, mechanical, photocopying, recording or otherwise without either the prior written permission of the publisher or a licence permitting restricted copying issued in the UK by The Copyright Licensing Agency and in the USA by The Copyright Clearance Center. Any opinions expressed in the chapters are those of the authors. Whilst Emerald makes every effort to ensure the quality and accuracy of its content, Emerald makes no representation implied or otherwise, as to the chapters' suitability and application and disclaims any warranties, express or implied, to their use

British Library Cataloguing in Publication Data

A catalogue record for this book is available from the British Library

ISBN: 978-1-78769-674-7 (Print) ISBN: 978-1-78769-673-0 (Online) ISBN: 978-1-78769-675-4 (Epub)



ISOQAR certified Management System, awarded to Emerald for adherence to Environmental standard ISO 14001:2004.

Certificate Number 1985 ISO 14001



Table of Contents

List of Figures		vii
List of Tab	les	X
About the Author		xiii
Preface		xı
	SECTION 1: INTRODUCTION OF ISLAMIC MANAGEMENT	
Chapter 1	The Concept of Organization and Management from the Islam Point of View	3
Chapter 2	The Process of Islamic Management Formation and Its Approaches	59
SECT	ION 2: MANAGEMENT FUNCTIONS IN ISLAMIC MANAGEMENT	
Chapter 3	Principles of Planning in Islamic Management	101
Chapter 4	Decision-making and Policy-making in Islamic Management	121
Chapter 5	Principles of Organizing in Islamic Management	145
Chapter 6	Human Resources Management in Islamic Management	181

vi Table of Contents

Chapter 7	Directing in Islamic Management	217
Chapter 8	Organizational Control in Islamic Management	235
References		267
Index		273

List of Figures

Chapter 1		
Figure 1.1	The Process of Shaping an Organization Based on the Verses of the Quran	5
Figure 1.2	The Goals in the Hereafter-oriented Organization	13
Figure 1.3	Interacting the Right Beliefs and Good Deeds in Shaping an Organizational Goodly Life	17
Figure 1.4	The Elements of Hereafter-oriented Organization in Islamic Management	20
Figure 1.5	Comparison of the Elements of Hereafter-oriented Organization with Secularism	23
Figure 1.6	The Level of Individual and Organizational Purposes Based on Islamic Management Attitude.	27
Figure 1.7	The Management Levels in Hereafter Organization	35
Figure 1.8	The Managers' Features and Characteristic from Our Prophet's Point of View	53
Chapter 2		
Figure 2.1	Process of Islamic Management Knowledge	
	Formation	61
Figure 2.2	Methodology of Islamic Management Studies	73
Figure 2.3	Various Approaches to Islamic Management	79
Chapter 3		
Figure 3.1	Planning Principles Based on Quranic Teachings .	104
Figure 3.2	Moderation in Use of Resources	107
Figure 3.3	Muslim People's Performance Area	114
Figure 3.4	Planning Levels and Authority of Plan Determination in Hereafter-oriented Organizations	115

Figure 3.5	Planning Layers and Their Relations with Each Other in Hereafter-oriented Organizations
Chapter 4	
Figure 4.1	Different Kinds of Decision-Making Situations Based on the Narration of Imam Ali (AS)
Figure 4.2	Continuum of Levels of Attaining Knowledge About Phenomenon
Figure 4.3	Knowledge Increasing through Cothinking with Experts to Attain Information
Figure 4.4	Nature of Confirmed and Unconfirmed Information in Islamic Management
Figure 4.5	Phases of Decision-making Based on Consultation on Mohaghegh Sabzevari's Thought
Figure 4.6	Structures and Aspects of Trust in God in Decision-making
Chapter 5	
Figure 5.1	Different Kinds of Political Systems from the Viewpoint of Mulla Hadi Sabzevari
Figure 5.2	Management Hierarchy in the Inspiring School of Islam
Figure 5.3	Characteristics of Efficient Laws Based on What Quran Teaches
Figure 5.4	Aspects and Consequences of Division of the Work From the Viewpoint of Imam Ali (AS)
Figure 5.5	Relationship of Power with Purpose in Hereafter-centered Organizations
Figure 5.6	Aspects and Consequences of Legitimacy and Acceptance Amalgamation from the Viewpoint of Imam Ali (AS)
Chapter 6	
Figure 6.1	Chain of Creation's Purposes from the Viewpoint of Quran
Figure 6.2	The Relationship Between Characteristics and Performance of the Employees in Hereafter-oriented Organizations
Figure 6.3	Phases of Socialization in Hereafter-oriented Organizations

Chapter 7		
Figure 7.1	Types of Organizational Behaviors by Type of Organization and Their Staff	9
Figure 7.2	Hierarchy of Human Needs in a Hereafter-oriented Organization	22
Figure 7.3	Organizational Commitment in a Hereafter- oriented Organization	24
Figure 7.4	Human Communication Skills in Islamic Management	27
Figure 7.5	Comparison of the Types of Approaches Related to the Leader–Follower Relations	30
Figure 7.6	The Moralistic Culture Model for Unitarianism Organizations in Islamic Management	32
Chapter 8		
Figure 8.1	The Relationship between Types of Supervision, Disciplinary Measures, and Consequences 23	88
Figure 8.2	Principles of Organizational Control and Supervision Based on Verses and Islamic Narrations	ŀ7
Figure 8.3	Individual Punishment and Collective Benefits in the Islamic Disciplinary System	57
Figure 8.4	The Principle of Decisiveness in the Organizational Control System Based on the Management Style of Solomon (AS) the Prophet	50
Figure 8.5	Types of Reward and Punishment System Strategies in Hereafter-oriented Organizations	55

List of Tables

Chapter 1		
Table 1.1	Typology of Organization and Their Social Functions According to Imam Ali (AS)	18
Table 1.2	Reviewing the Definitions of Management from the Islamic Scholars' Perspective	37
Table 1.3	Managers' Features and Characteristics from Imam Ali's (AS) Point of View	55
Chapter 2		
Table 2.1	Tools of Recognition in Islamic Management	70
Chapter 8		
Table 8.1	The Dimensions and Components of Self-control Based on the Narrations of the Infallibles	242
Table 8.2	Dimension of Public Control System Based on Quranic Verses	245
Table 8.3	Principle of Repentance and Forgiveness with	252

About the Author



Seved Mohammad Moghimi is a Professor of Management at Department of Public Administration, University of Tehran, Iran. His most important expertise and interests include Islamic Management, Public Administration, and Entrepreneurship. His most remarkable scientific activities include publishing 120 scientific papers in well-known journals, publishing 29 books, conducting 34 projects in national and organizational levels, supervising more than 20 Ph.D. and postdoctoral dissertations, participating in many international conferences, and representing over 30 papers in universities of Spain, Switzerland, Germany, France, Greece, Malaysia, and Iran in Persian, Arabic, and English languages. He cooperates with many journals like Islamic Management Journal as Editor-in-Chief, Director-in-Charge, and Editorial Board Member. Also, he works with many organizations as advisor, and he has been the executive manager and CEO of several institutes and dean of several colleges. His paper entitled "Public sector managers and entrepreneurship in Islamic Republic of Iran" published in Journal of Management Development has been awarded the Outstanding Paper in the 2010 Emerald Literati Awards. Since 2010, he is acting as UNESCO Chair in Entrepreneurship (UCE).

Preface

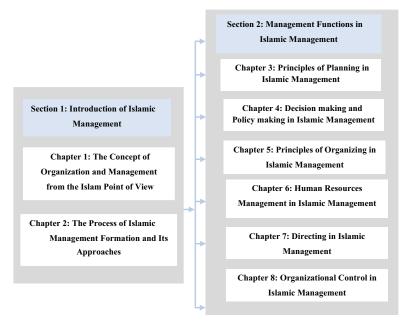
"In the name of Allah, the most beneficent, the most merciful"

"And we have sent down to you the Book (the Quran) as an exposition of everything, a guidance, a mercy, and glad tidings for those who have submitted themselves (to Allah as Muslims)." (Al-Nahl Verse No: 89)

The classic approach in management is based on this assumption that management conceptions have a generalized and universal identity irrespective of what environment they are applied. In management literature, there is another view that believes each position has a unique situation and the principle of management cannot be general and universal (case view) and learning management is possible through experiencing and exploring the cases in particular positions. For incorporating both perspectives (universal view and case view), a contingency view is proposed which does not recognize any of these two views and, instead, it considers individual requirements or variables to detect and realize positions by management. The basic idea of contingency or the situational approach is that there is no special managerial act appropriate for all situations. The contingency approach tells us that what is applicable in a particular complex may not work in another one, and the managers' reactions to the specific situation depend on the current circumstances and contingencies in that particular organizational situation. Since the value system ruling the society is the most influential component in the management operations, and regarding the assumptions of contingency theory, it is necessary for Islamic managers and societies looking for the governance of moral and spiritual values in their organizations to codify the basics and principles of management based on Islamic world view. Analyzing the type of the divine Prophets' management along with verses and narrations of the inspirational Islamic school, especially the Holy Quran, Nahj al-Balaghah will result in many instructive and informative lessons that ,according to effectiveness of management form the culture, studying and analyzing them is an inevitable necessity for codifying local pattern. The author believes that the rich Islamic sources are full of practical templates for managing the organizations in line with humanity material and spiritual welfare. The present book has tried to refer to the Ouran and the other rich Islamic sources among which Nahi al-Balaghah is the most noteworthy, in order to provide a modern framework that is suitable for current requirements and necessities. For this purpose, the writer has carefully analyzed many Islamic sources expecting to find managerial content in them, so it can be said without any exaggeration that the volume of reviewed topics are beyond 10,000 pages. In the beginning of this series, the Holy Quran was carefully

studied, and over 500 verses that appeared to be important from the author's point of view were derived through taking subjective notes. And then, by referring to the comments of the Holy Quran as a communicative bridge between the researchers mind and the Quran's bright verses, those guidance and orders of the Quran which are relevant to management science were analyzed. In utilizing the Ouran, the author has considered verse 89 of Al-Nahl surah as a basic principle. Since the Ouran is a guidance book for the general public and is expected to guide people, this heavenly book has talked about anything related to guide the people. Therefore, management and topics related to operating human communities are the subjects whose related discussions can be extracted from Ouranic verses. The purpose of the Quran is not to provide managerial techniques and methods (although we can extract some managerial techniques from Quranic verses), but regarding Ouranic verses, we can codify statements and presumptions that provide researchers of organizations with frameworks by which they can formulate guiding principles and rules and even managerial models and techniques for here and Hereafter bliss using their creative minds. This process has been repeated about many key Islamic sources, inter alia, Nahi al-Balaghah as the second main source after the Quran for writing this book has been explored frequently.

Efficient management contingency paradigm for promoting the aims of the Islamic system requires theoretical advancement and systematic codifying preassumptions and intellectual and practical management foundations from the Islamic point of view and spreading Islamic management style at all organizational and national levels. Today, one of the subjects that has become a concern and anxiety for researchers in the management arena is the detection of the managerial pattern of progressive and oriented excellence based on time and place requirements in the framework of the Islamic value system. Accordingly, management thinkers tend to design and explain the managerial models and paradigms in the Islamic management field fitted into their studied interests and assumptions. The author of this series has appreciated the valuable services implemented in this area that has been mainly provided in the forms of book and paper, meanwhile he has taken a distinctive approach and has tried to present a distinguishing product. The author has set the issues of the book within the following framework.



This book can be used in many areas such as *Principles and Fundamentals of Islamic Management*, business ethics, principles of management, comparative management, human resource management, international management, management philosophy, and the like, as the primary or supplementary reference for students, researchers, and practitioners.

This book could not have been written without the help of a number of people. I would like to thank the following persons for their support and suggestions.

First of all I wish to thank my publisher, Niall Kennedy, of Emerald Publishing Limited, for his great service and expert advice. He supported the entire development of the book with great proficiency. I would like to appreciate Kerry Laundon and Nick Wolterman of Emerald Publishing for their professional support. Likewise, I sincerely express my gratitude to the honorable members of the production team, especially Mohamed Imrankhan, Vasu, Arun, Sophie Darling, and Mike Hill who have been carefully following all their roles. Prof. Hossein Khanifar, Prof. Asadollah Kordnaeij, Prof. Taher Roshandel Arbatani, Dr Mousavi Moghaddam, Arash Pazooki, Morteza Azarpira, Abbas Kousari Mehr, Babak Nematollahi, and Jahangir Isfahani have offered informative suggestions on scientific resources and specialized terminology, and they have provided the author with valuable contributions in arranging the contents of the book, and I appreciate them all.

Finally, I would like to give special thanks to my family who supported me throughout this great project. I'd like to express my heartfelt gratitude to my adorable wife and to my son and daughter Seyed Mahdi and Mahya Sadat.