An Introduction to Management By Islam (MBI)

by

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In today’s business world financial profitability and operational risk plays a central role in strategic organizational decision-making. With increasing emphasis towards return on capital, social justice, public trust and civic responsibilities are frequently put aside. Corporate scorecards are myopically evaluated by stakeholders, only to focus in on year end profits. Performance, quality and customer satisfaction are viewed only in terms of their impact to financial bottom lines. Year end profit and loss statements have become the only guiding tool for economic health and performance measures. Transparency and accountability although is offered by myriad operational frameworks and management philosophies, yet the focus tends to always be the promise of a greater return on investment (ROI).

For a God-conscious individual, what greater ROI can there be then conducting righteous deeds and forbidding the wrong. As evident by a saying of the Prophet of God, the essence of the Religion of Islam is giving good counsel. Counseling in this context, relates to us, Muslims, being good role models for others to follow. Role modeling is not just verbal lip service; it is synchronizing our intentions with our actions. When it comes to corporate governance and organizational management, how can we, the Muslim professionals play the role of good counselors?

Management by Islam (MBI) offers an Islam-centric management approach for God-conscious professionals. It is a governance model that provides a positive spiritual dimension to existing management principles for restoring the balance in everyday management decision-making processes; enjoining that which is good and forbidding that which is evil. The rest of this paper discusses the key elements of MBI in offering a balanced approach to implementing, managing and sustaining organizational growth and development initiatives.

### MBI as a Balance Enabler

*And the heaven He raised and imposed the balance. That you not transgress within the balance. And establish weight in justice and do not make deficient the balance.*  
*(Al Rahmaan Verse 7-9)*

The belief that mankind is endowed with a certain set of responsibilities that require balance, is paramount in understanding MBI. Maintenance of balance is not a mere recommendation but a divine order. Although Islam may play a balancing role when it comes to our personal lives, seldom do we inject and harmonize our businesses, organizations and institutions with that balanced Islamic thought. If implemented correctly, MBI can be the balance enabler in organizational governance models for implementing globally harmonized God-centric business policies and standards.

### MBI as a Risk Management Tool

If the purpose of life is to attain the love of God, then by default our goal should be to focus on activities that bring us closer to Him. Our inability to focus on efforts that bring us closer to God fuels the risk that we so inherently face; the risk of meeting our Lord, on the Day of Judgment, with useless deeds accumulated in pursuit of lofty desires void of the right purpose.
In organizational settings minimizing operational and financial risk only offers limited risk mitigation; mitigation solely focused on material aspects of human nature. MBI, risk management approach offers a God-centric framework for risk management. It is a frame of reference that is based on a balanced approach; combining corporate organizational management and development philosophies with a God-centric spiritual dimension. The approach embodies Quran and Sunnah as the underlying core decision support systems infused with corporate risk management frameworks. It is a risk management framework that gives us a unified approach for decision making, producing ethical corporate citizenry; one that is synchronized and mindful of the responsibilities entrusted on us as representatives of God on this earth.

The MBI Framework

For believing Muslim men and women there is no doubt that everyone is endowed with the spirit and understanding of the divine set of guidelines prescribed by God and the example set forth by Prophet Muhammad (May Peace and Blessing of God be with Him). Although organizations, whether for-profit or non-profit, are also governed by a set of guidelines, but these man-made guidelines seldom cater to the spiritual nature of the management of our affairs. The MBI framework is a framework designed to bring together the material and the spiritual aspects of organizational management offering God-centric management efficiencies and operational risks mitigation strategies.

Implementing MBI thus requires a God-conscious mindset. The MBI framework is depicted as a pyramid split into two halves; the Intellectual and the Physical. The two halves are not mutually exclusive. One feeds the other. The base of the framework is the willingness (individual or organizational) to acquire the right level of education coupled with measurable actions. Education followed my measurable action creates behavioral knowledge. Behavioral knowledge induces skillful understanding. This skillful understanding then fuels intellectual contemplation followed by mastery of our skill set. The mastery of skills and the ability to contemplate enables the level of God consciousness where our persona becomes worthy of exemplification. These interactive steps are best represented by Figure 1.

Figure 1: The MBI Framework

And remember the favor of God upon you and His covenant with which He bound you when you said, "We hear and we obey"; and fear God...
(Al Maidah, Verse 7)
The MBI Roadmap

The journey from the base to the top of the pyramid requires implementing a five (5) step MBI roadmap. The starting point for implementing such a God-centric framework starts with the concept of SALAM©. SALAM© is an acronym that constitutes the building blocks for MBI. Each letter signifies a time tested corporate management dictum. Yet each dictum is filtered through the core fundamentals of spirituality and God consciousness.

The SALAM Methodology

Sense of Purpose
Applying the Framework
Learning Organizational Wisdom
Accepting the Flexibility in Practice
Mastering the Process

Sense of Purpose

And We did not create the heaven and the earth and that between them aimlessly...
(Saad, Verse 27).

To each is a goal to which God turns him; then strive together (as in a race) towards all that is good. Where so ever ye are, He will bring you together. For He hath power over all things.
(Al Baqarah, Verse 148)

Applying the Framework

Operational frameworks are created for maximizing organizational efficiencies. These frameworks constitute a set of criteria for judging between right and wrong, dictating roles versus responsibilities, or delineating choice over authority. The inherent inability of these man-made frameworks to predict optimal outcomes is called business risk. The affects of business risk can only be minimized if organizations adopt a God-conscious frame of reference. The second building block for MBI is therefore, the degree of acceptability of the divine operational framework and simultaneously applying it as the guide for decision making processes whether financial, administrative, or operational.

It is He Who sent down to thee (step by step), in truth, the Book, confirming what went before it; and He sent down the Law (of Moses) and the Gospel (of Jesus) before this, as a guide to mankind, and He sent down the criterion (of judgment between right and wrong).
(Aali Imraan, Verse 3)
Learning Organizational Wisdom

Once goals are set and the framework is examined, the next step is to acquire the wisdom to implement the framework. Wisdom is gained through contemplation and the ability to combine intelligence with trust in God, knowledge and experience. Organizational wisdom comes with developing an excellent understanding of the direction, strategy and roles required for the success of the organization. Having the correct understanding sets the right actions into motion; actions that are mindful of our goals. The third building block of MBI, therefore, is identifying the wisdom and intellect required to initialize each key element of the framework and to actualize short range and long range goals. Establishing, then benefiting from the collective wisdom of the organization, and by managing the shared knowledge is vital to organizational success. Organizations without the ability to inculcate operational wisdom in their members lose their focus.

He grants wisdom to whom He pleases, and whoever is granted wisdom, he indeed is given a great good but none will grasp the Message but men of understanding. (Al Baqarah, Verse 269)

Accepting the Flexibility in Practice

The fourth building block of MBI is accepting the flexibility in how we manage and govern our organizations. Even natural law allows for flexibility in implementation and practice. A flexible framework is one that is built on consultation and consensus. Flexibility in practice is having the courage and humility to admit the mistakes made, to redress the wrongs done, and to initiate change when the time warrants it. Flexibility in practice also means the acceptance of decent respecting alternate opinions and the encouragement of diversity of ideas within the framework to realign strategies to accomplish goals.

Accepting the Flexibility in Practice

Understanding the wisdom behind the framework enables an organization to identify the best combination of skill sets when developing organizational teams. Skill set of team members that do not exhibit collective organizational wisdom creates stagnation. When members execute their duties and responsibilities in a God-conscious manner and their skill set embodies wisdom, organizations grow and prosper, as they are better prepared to take on initiatives and handle challenges. The fifth and final building block in MBI is mastering the process maintaining humility in moments of triumph and success and reverence when experiencing economic growth and financial profitability.

The full development, implementation and sustenance of such a God-centric management framework requires in depth analysis of both individual and organizational levels of God-consciousness. However, a good starting point is realizing that what defines our success in this life and in the hereafter is our sincere attempt to submit our selves to the operational framework prescribed by God, in spite our compulsion to err. Sincere submission induces the ability to decipher right from wrong and good from evil, thus enabling our ability to counsel. Good counsel can only be given in managing and governing institutes and organizations if we as God-conscious beings embody the spirit of natural law both intellectually and physically; in our intentions and in our actions.

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1 Hadith of the Prophet, transmitted in Sahih Bukhari and Sahih Muslim and other authentic hadith sources.