

ETHICS in Business and Management

ISLAMIC AND MAINSTREAM APPROACHES



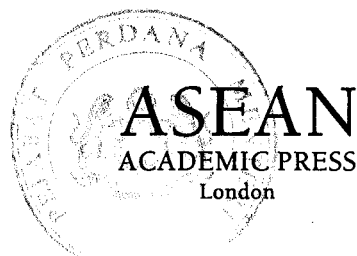
Edited by
Khaliq Ahmad
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PUSTAKA PERDANA



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Contents

Preface	ix
Acknowledgements	xv
Contributors	xvii

PART I

Introduction: Islam and Ethics

1. Ethics in Business and Management: A Summary	3
<i>Khaliq Ahmad</i> <i>AbulHasan M. Sadeq</i>	
2. The Islamic Ethical System	25
<i>Syed Nawab Haider Naqvi</i>	
3. Worldview Orientation and Ethics: A Muslim Perspective	41
<i>Mohd Kamal Hasan</i>	

PART II

Creating an Ethical Business Environment

4. Robust Work Ethics for the Technology-Intensive Work Environment 69
Muhammad Ridzuan Hj Salleh
5. Islamic Ethics in a Changing Environment for Managers 97
Khaliq Ahmad

PART III

Ethics in Business

6. Business, Ethics and Politics 113
Noordin Sopiee
Rozali Mohamed Ali
7. Business Ethics: Western and Islamic Perspectives 135
Rodney Wilson
8. Business Ethics: An Islamic Perspective 169
Abdallah A. Hanafy
Hamid Sallam
9. The Ethical Responsibility of Business: Islamic Principles and Implications 189
Syyid Fayyaz Ahmad
10. Ethical Dimensions of Australia's Business Engagement with Asian Countries 207
Stephen FitzGerald

PART IV

Ethics in Management

11. The Shifting Meaning of Managerial Effectiveness 227
Willis Harman
12. Human Values: When No One is Looking 239
Bhaya Hiten
13. Quality Management: Islamic Values and Implications 249
Khaliq Ahmad
14. Islamic Ethics in Management 265
Muhammad Loqman

PART V

Ethics in Human Resource Management and Leadership

15. Islamic Ethics in Human Resource Management 285
AbulHasan M. Sadeq
16. Leadership and Values: Towards a New Concept of Leadership 303
Guttom Floistad

Preface

Khaliq Ahmad
AbulHasan M. Sadeq

Life owes to change and change is the law of life. As we race towards the 21st century, anticipated changes would be likely order of the days to come. Eventually many Asian countries are rising to challenge the cultural dominance of the West; a dominance that was very much accepted in the 20th century. Whereas during the colonial era there was a tendency to look towards Europe and North America as the role models, so to speak, there has been a shift away from such a Euro-centric perspective in more recent years. Where, in the past, there was a tendency to think that “West is Best”, there now seems to be the opposite tendency to think of the West as decadent and in decline. Concomitantly, there has been, in recent years, a tendency to think that for Asian countries the answers lie in Asia’s own cultures and value systems.

In some ways the debate about Asian vs Western values has been coloured by the swing from an extremely Euro-centric perspective to an extremely Asia-centric one. In this swing, there has been a tendency amongst some advocates of Asian values to be smug, even chauvinistic, about the superiority of Asian cultures or traditions. This, to us, is not a healthy trend, too. To replace an uncritical tendency to emulate

or idolise the West with an equally uncritical tendency to think that everything Asian must necessarily be better, more suitable or more worthy of our commitment is a similar mistaken approach to the issue itself.

How should we, as the postcolonial societies seeking a clearer sense of integrity and identity, deal with this debate over Asian and Western values? Firstly, we need to be more clear-minded, specific, and also extremely critical, looking at Asian value systems and cultures. We cannot and should not blindly defend them as somehow naturally superior to the Western ones. Second, we would like to suggest that we must recognise that the value systems we tend to identify as being specifically “Asian” had their origins in historical circumstances very different from what we are facing today and what we are likely to encounter in the 21st century. Third, we may look into finding possible ways which may be free from the influence of geographical, lingual, racial and time factors. The Islamic value system is a candidate to be so which emerges from the Islamic Worldview and it seems to be devoid of possible influence of the above factors that are local and temporal in nature, since it relates to life without reference to time and space.

The worldview of Islam encompasses both *al-dunya* (life in this world) and *al-akhirah* (life in the Hereafter), in which the *dunya*-aspect must be related in a profound and inseparable way to *akhirah*-aspect, and in which the *akhirah*-aspect has ultimate and final significance. The *dunya*-aspect is seen as a preparation for the *akhirah*-aspect. Everything in Islam has ultimate linkage with the *akhirah*-aspect without thereby implying any attitude of neglect or being unmindful of the *dunya*-aspect. What is meant by ‘worldview’, according to the perspective of Islam, is then the vision of reality and truth that appears before our mind’s eye revealing what existence is all about; for it is the world of existence in its totality that Islam is projecting.

From the perspective of Islam, a ‘worldview’ is not merely the mind’s view of the physical world and of man’s historical, social, political and cultural involvement in it. This is because the worldview

other than the one subscribed by Islam is based upon, philosophical speculation formulated mainly from observation of the data of sensible experience.

Moreover, it encompasses all dimension of *dunya* aspect without being concerned with some narrow and specific dimension of *dunya* alone. This is reflected in its coverage of issues related to personal as well as social life.

Such a worldview changes in line with ideological ages characterised by a predominance of the influence of particular and opposing systems of thought advocating different interpretations of worldview and value systems like that which have occurred and will continue to occur in the history of the cultural, religious and intellectual tradition of the West. There have not been in the history of the cultural, religious and intellectual tradition of Islam distinct ages characterised by a preponderance of a system of thought based upon materialism or idealism, supported by attendant methodological approaches and positions like empiricism, rationalism, realism, nominalism, pragmatism, positivism, logical positivism, criticism, oscillating between centuries and emerging one after another right down to our time. The representatives of Islamic thought—theologians, philosophers, metaphysicians—have all and individually applied various methods in their investigations without preponderating on any one particular method. They combined in their investigations, and at the same time in their persons, the empirical and the rational, the deductive and inductive methods affirmed no dichotomy between the subjective and the objective, so that they all affected what we would call the *tawhid* method of knowledge. Nor have there been in Islam historical periods that can be characterised as ‘classical’, then ‘medieval’, then ‘modern’ and now purportedly shifting again to ‘postmodern’; nor critical events between the medieval and the modern experience as a ‘renaissance’ and an ‘enlightenment’. Proponents of shifts in systems of thought involving changes in the fundamental elements of the worldview and value system may say that all forms of cultures must experience such shifts, otherwise in the process of interaction with changing

circumstances they exhaust themselves and become uncreative and petrified. But this is true only in the experience and consciousness of civilisations whose systems of thought and value have been derived from cultural and philosophical elements aided by the science of their times. Islam is not a form of culture, and its system of thought projecting its vision of reality and truth and the system of ethics and value derived from it are not merely derived from cultural and philosophical elements aided by science, but once whose original source is revelation, confirmed by religion, affirmed by intellectual and intuitive principles. Islam ascribes to itself the truth of being a truly revealed religion, perfected from the very beginning, requiring no historical explanation and evaluation in terms of the place it occupied and the role it played within a process of development. All the essentials of the religion: the name, the faith and practice, the rituals, the creed and system of belief were given by Revelation and interpreted and demonstrated by the Prophet in his words and model actions, not from cultural, tradition which necessarily must flow in the stream of historicism. The religion of Islam was conscious of its own identity from the time of its revelation. When it appeared on the stage of world history Islam was already 'mature', needing no process of 'growing up' to maturity. Therefore, Islamic ethics and values have universal applicability in all walks of lives including the economic behaviour.

Economic development and rising affluence also bring in their wake, changes in the pattern of doing business and management styles, and, more insidiously, changes in business client's expectations, societies way of life and, therefore ultimately overall value systems.

Muslims are all over the world. They are influenced by the temporal factors and localised value contents in their lifestyles. It may or may not be claimed purely Islamic but adapted lifestyle. This poses a challenge today for the *Ummah*. If being contented and having a high rate of conservatism is a mark of Muslim values today, the question arises is whether such values can still remain strong as we become more challenged and forced to become market orientated in the arena of business globalisation and ever changing world market competition?

If we want to be a highly developed and progressive *Ummah* we must have the courage to accept what is new and be at the forefront of major technological advances. But modernisation and change have always threatened the old and the traditional. This is a debate that has troubled Muslim leaders since the 19th century when they were first confronted by a dynamic, aggressive and colonising West. From a historical point of view, the proposition that we should revert back, or cling on to, our age-old temporal ethics and value-systems is, again, not spectacularly original.

Perhaps the difference today is that we can say many *Ummah* countries are successfully making the transition to being modern and highly industrialised societies, including Malaysia. But have we succeeded, and can we succeed, in avoiding the problems which we think beset the Western and Far-Eastern Asian countries today? Will *Ummah* also encounter the same breakdown of traditional values and ways of life that has been experienced by the West and East?

How can we seek to sustain real Islamic values in a world of rapid and traumatic changes without holding up the modernisations and developments that we also want for *Ummah*? This is an important question which this book will address in four parts, besides the introduction at the beginning.

The beginning part of the book introduces the Islamic ethical system in the economic behaviour. In this part, three chapters are included which touch upon the various issues confronting the business world today.

Part II analyses the environmental aspect of today's business. Likewise, this part contains two chapters. The emphasis of these chapters is on the conducive work environment and ethics for workers.

Part III deals with the ethics in doing business. Social responsibility of the businessman has been discussed from conventional and Islamic viewpoints. Ethical dimension of macro and micro level business venturing has been thoroughly discussed in this part.

Part IV explores the possible dimension of ethical behaviour in management. In today's business environment, global perspective is a

must for long-term survival. The free-trade era will expose the management which does not practice ethics in managing their business affairs worldwide and consequently failure awaits. Therefore, ethical aspects of managing a business have been discussed in this part to serve as a guideline for practising managers.

Part V describes the leadership role from both the conventional and Islamic perspectives. It also discusses the value-charged leadership which presupposes an Islamic leadership.

Lastly, to make the book more interesting for a wider readership, a comparative and complementary approach was adopted and therefore both the cases of conventional and Islamic viewpoints were presented in the whole book.