

Management by Shoura (MBS)

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ABSTRACT

The Management By Shoura is a model, which blends two schools of thoughts: the Qur'anic chapter of Al-shoura and the worldly concept of strategic management. It aims to illustrate the Al-Shoura revelation in the Holy Qur'an and the worldly managerial system of governance. Likewise, it highlights the importance of practicing Al-Shoura principles in the daily lives of the believers, its rewards, and benefits. In the context of worldly task, faith and work values have close linkage: Al-Shoura principles permeate in the daily work activities of any worldly-wise Ummah, whose vision is to seek more endowments now and thereafter. Strategically speaking, this concept shows the attributes of shoura team composition, its member's attitudes, its dimensional focus, assistance provided to rank in file employees and shoura conflict management. This further envisages to combining the Ummah's appreciation to the revelation of Allah, the Al-Mighty and the Sunnah of the Prophet Muhammad, peace be upon him, into one's daily assignment making him become more responsible.

Keywords: *Shoura, Strategic Management.*

Introduction

The Management By Shoura (MBS) comes into my vision as a model resulting from experiences in the concurrent consultancy services, which impose hesitant feelings prior to its initiation. On the other hand, the author is enthusiastic and energetic about the assignment being slightly well verse of the job scope due to past commercial experiences for over two decades. In pursuit of guidance to prior negativity coupled with the strong desire to follow order in the parlance of Islamic teaching, one turns to the Holy Qur'an chapter on Al-Shoura; our Prophet, peace be upon him, and other successful world leaders, had practiced thus resulting in the interweaving of religious perspectives into strategic management

in actions. In day-to-day world of manager's work, social governance, either internally or externally, could not just be taken aside. Managers and superiors need to consult other people for professional opinion prior to casting decisions.

Semantic Definition of Al-Shoura

As manifested in the Maqaayees Al-Lughatt, the root word of Shoura is Shawara, which means as displaying something and taking therefrom. Consequently, the word was changed to Shoura, which means accepting advice from others Al-Fayroozabadi.

Al-Shoura Legitimacy

Al Shoura is one of the chapters in the Holy Qur'an, which says "Those who respond 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" (Al Shoura: 38).

This chapter in the Holy Qur'an shows that Shoura is legitimately a part of Islamic system of governance. It portrays the ideal way in which a good man in Islam should conduct his affairs, that is, by mutual consultation. Consulting knowledgeable person on his views and opinions on a given subject is prominent. A subject for consultation can be anything of concern. It maybe personal, business, job related issues, social, community or a global one.

A believer openly accepts suggestions and advice from wiser men regardless of age, gender and social strata. His traits is one who is not egoistic. For instance, a leader of an organization or any entity for that matter owes to seek the views and opinion of his followers, subordinates and advisers on new developments, clarifying significant issues before casting reasonable decision.

Putting in it in another way, it tells us how to administer our daily religious, political, economic and social activities. In discharging official, household, business and social duties, it is just imperative for both parties to do honest and sincere consultations to avoid unnecessary difficulties and chaotic consequences. One refrains himself from making decisions based on self-intuition and perception.

Al-Hassan Al-Basri and Al-Dahak in Al-Jaami Li-Ahkaam Al-Qur'aan said: "Allah orders His Prophet to conduct consultations was intended to show them the importance of consultations, so that, his Ummah

may emulate him afterwards”. Likewise, Al-Tabari said: “Allah shows his Messenger, peace be upon him, through the revelation how to overcome difficulties”. Meanwhile, if his Ummah emulated him and conducted sincere consultations, Allah will render them successful.

Consequently, Al-Qurtobi said: “Allah actually praised the principle of consultations by praising those abiding by it”. The Messenger of Allah, peace be upon him, used to consult his companions on wars’ strategies and similar matters, but he did not consult them on the basic rules and provision sent down by Allah specifying obligatory, preferable, lawful and unlawful deeds. Afterwards, the companions used to hold consultations to extract the provisions from the Holy Qur’an and the Sunnah.

Al-Shoura in Example

The Al-Shoura principle was applied to the fullest extent by the holy Prophet, peace be upon him, in his private and public life and accordingly by his followers. The Holy Quran has explicitly provided for conducting one’s life affairs, that is opened and determined by mutual consultation in Islam between those who are entitled to voice.

Mutual consultations can be domestic between husband and wife or other responsible members of the household: children and parents. In businesses, it can be between partners or stakeholders. It can be applied in entering into contracts; and in governmental affairs, as between the political leaders and the officials or members of constituencies, or as between different departments of an entity, or between lecturers and students. It is also paramount in declaring wars and making peace. All these are in conformity with the preservation of unity amongst the Ummah and the Islamic system of governance, where faith, political, economic and social teachings are linked together.

Citing an example of application of Al-Shoura in the life of the Prophet, peace be upon him: The Battle of Uhud. The Prophet, peace be upon him, consulted his companions regardless of age whether to fight the Quraish outside Madinah or wage street battles against them inside the city. Although the Prophet favoured the second option, he went along with the wishes of his companions who favoured the first option, particularly the youths who did not take part in the battle of Badr.

Likewise, the application of Al-Shoura principles by the holy Prophet’s companion can be illustrated in the incident involving caliphate of Othman Ibn Affan, R.A.A. who immediately after he was stabbed, Omar Ibn

Al-Khattab ordered that the issue of the Caliphate be decided by Shoura among six people whom the Messenger was well pleased. They were: Othman, Ali, Talha, Al-Subair, Abdul Rahman Ibn Awf and Saad Ibn Abi Waqqa. Omar insisted that Muslims, including the six, should pledge their allegiance to the person chosen by them.

Abiding with Al-Shoura principles leads believers to follow the Sunnah of the Prophet, peace be upon him and this is one of the qualities of the believers. Besides, it refrains one from abandoning his responsibilities as a true believer, who always counts in all developments from Allah, the Al-Mighty.

However, it is neither practical nor beneficial to hold consultations on each and every issue. Person's obligatory rites, lawful and unlawful acts, to mention a few, require no consultation because these are beyond disputes. Issues that affect public interests or matters affecting other person's affair or of interest to a group, community and global in nature need consultations.

Importance of Al-Shoura

Holding consultations is essential for reaching sound decisions as advisor may offer his views coupled with supporting relevant issues and evidences about the subject matter under consideration. After thorough study and scrutiny, the best and most accurate decision will be taken and sometimes being given recognition and rewards.

Shoura can be vividly illustrated by the brightness of a lamp. When there are many lamps the more light you get and the brighter the way becomes. In Shoura, when there are many competent persons' giving wise ideas, the more clearer the way to reaching the desired action or conclusion to take place. Further, using more minds solely into the betterment of the society at large is one of the virtues and honour that Allah, the Al-Mighty bestowed on us: the human beings.

Adhering to Shoura principles signifies equality, freedom of speech, effective contribution of wisdom, acknowledgment of the individual's capabilities and competencies and independence. This, in turn, results to winning the hearts of others.

It further reflects unity amongst people's ranks and feelings through the participation in discussions of general problems and exchange of views between concerned parties regardless of occupation.

Holding consultation is a field where it provides a platform of training the person, manager, subordinates and followers to perform his social

duties, providing him with the opportunity to become prominent in society. This helps him to improve his endowments and abilities so that he may be able to extend advice or even pursue his quest for knowledge.

On the other hand, the need for Shoura could be attributed to the fact that people differ in behaviour and way of thinking. This could lead to enormous time and effort in resolving mutual problems. So, conducting Shoura is an avenue to conserving effort and time on mutually pressing issues. Moreover, it is also another way of effectively train subordinates especially in benefiting from others experience and expertise.

Morally speaking, it is unjust for one individual to decide for himself on matter that concerns a vast of group of people. Any leader owes to pay attention to the people's opinions or feelings prior to making any move/strategy. A Muslim should appreciate and give higher priority on good and communal quality deeds.

An Allah-fearing person is one who is conscious of his responsibility, and consults people on matters that are of prime concern to them. This will give him the benefit of casting sound and equitable judgment and decisions. Thus, it can be further argued that he is on the advantage of freeing himself of faults and blames for any mistakes or unfavourable results that may arise, as they are jointly responsible.

Holding consultations protects the person being charged with authority from unknowingly harming the interest of others or a country by itself. As he could not have all the capabilities and skills on all aspects of life, he should have around him wise advisors to extend good advice and enable him to take sound decisions.

Benefits of Applying Al-Shoura

The numerous benefits of this great principle include:

- i. It is an act of worship and who ever abides by it will be rewarded for emulating the Prophets, peace be upon him. Moreover, Allah will always reward those who abide by His teachings and the Prophet's Sunnah. Rewards may be immediate or delayed.
- ii. By including Shoura in the way we manage people, the leader appeases his people and gives them due consideration and recognition.
- iii. Mutual consultation is essential for stability and reassurance, leading members of the group to believe that the leader strives to achieve the public interest rather than being unjust and oppressive. It brings social harmony. Seeking advice from knowledgeable, wise men bring

- confidence and promote voluntarily obedience to rules and the leader's himself. On the other hand, non-consultative atmosphere of administration leads to malice, corruption, chaos and disobedience by the group.
- iv. Establishing the truth of the matter and acting accordingly. Sharing individual's knowledge and competencies makes everyone in the team to fully understand the issues under consideration without unnecessary waste of resources and efforts. Sound decisions are made easily and precisely.
 - v. It activates human energies and benefits there from. Conducting Shoura encourages the leaders and the members to act and seek knowledge. It is logical to take action after exchanging views while the quest for knowledge ensures effective participation in the decision making process.
 - vi. Shoura involves patience and accepting others view with open mind and understanding. Man by nature believes his view is correct, but Shoura dissipates such arrogance by convincing advisors that their ideas should be sought for the good of the entire community. This in turn leads to exchange of views, adopting the best proposals regardless that offered it.

Composition of MBS Team (Business Perspective)

The Shoura management concept that will be envisioned here is, in the dwellings of business perspectives or of nature. The Shoura team will be commissioned with a team leader being the initiator. The team members may vary from one corporate, operational, and functional task to another or it may even be a mixture of them all.

The team members are from diverse background, gender, age, expertise, knowledge, information and length of service in the organization. The diversity of members' background is important to sharing knowledge in adherence to the principle of Shoura. Thus, come up with well-rounded perspective before casting decisions and approvals. Working in teams and taking actions in a coherent manner is another positive attributes to be upheld by each member to make. Coherence is a critical success factor in the application of MBS. The team continuously strives to influence members' attitudes and behavior on matters that are of great importance to the entity to attain success.

For instance a cross-functional team from the research and development, production, product design, purchasing, marketing and

accounting and finance units is put together to develop a new competitive product that is within the company's targeted cost and profit. Each of the team members will bring in all the valuable expertise, knowledge and skills to achieve the objective. The team leader who serves as the initiator of the project, using his strategic entrepreneurial mind set, support and guides the members to goal fulfillment. Consequently, a team can also be organized to solve a particular pressing problem that challenges the firms' competitiveness in the global arena. Likewise, a team of experts can also be formed just to develop a specific objective: reducing graduates unemployment rates.

On the other hand, when dealing with the provision of management services to the various business units, the Chief Executive Officer is backed-up by wise men/experts in almost all functional activities in an organization. They are called the heart of the management.

For corporate planning task, the members of the team are coming from distinctly different professional backgrounds and experiences from the various functional and business units who know exceptionally well the organization's strategic intent. This team is not just like any leading group of people. Each member of the team possesses higher degree of foresight, determination, coordination and interaction so that each could lead much creativity and dispersed knowledge to their people or employees.

Similarly, team member is expected to inculcate some degree of personal responsibility in achieving desired result that is in the best interest of the organization. Members' mind set is free from greed and flaws.

Most importantly in today business environment, the team leader must be a person who can lead the team members to think and move "outside the box" that is to think more creatively about how to use organizations' core competencies in fulfilling their roles in mutual satisfaction of concerned parties.

Shoura Dimensional Focus

The chosen Shoura team members can be varied and flexible based on the need for business development and planned strategies. Some complex and large organizations require additional parties to be involved in the shoura team: customers, suppliers, government nominees, strategic business units' heads and so on. Shoura management focuses on four broad dimensions as illustrated below:

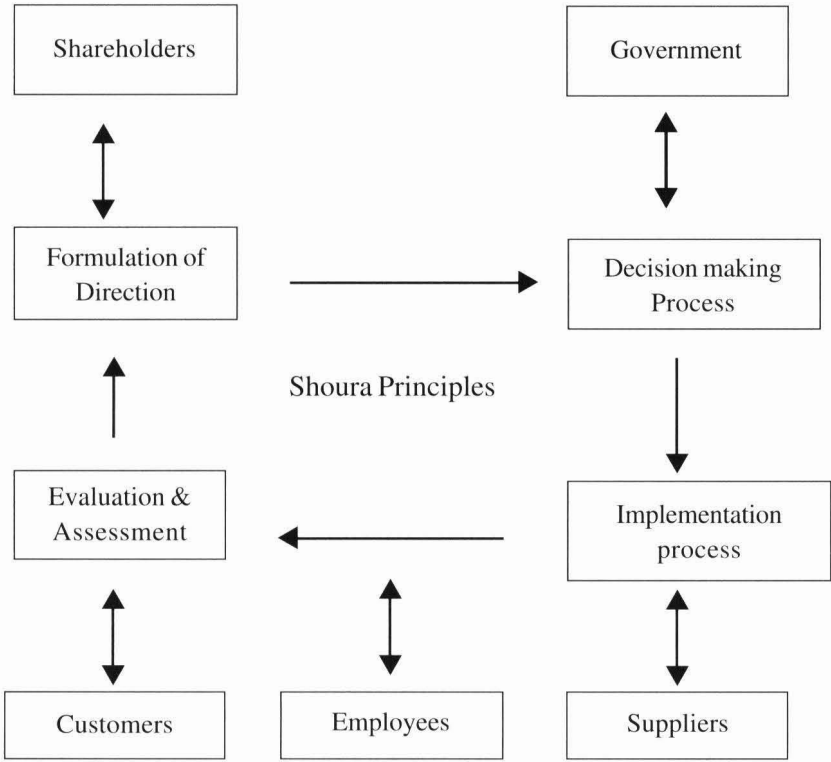


Fig. 1: Four Broad Dimensions of Management by Shoura

In the **Formulation of direction**, the Shoura team members are composed of top level executives whose primary focus is on the kind of industries to enter or out of, the kind of business to invest, perform environmental analysis, setting objectives, what market to penetrate first, and other corporate strategic related plans.

In **Decision making process**, the Shoura team decides as a group where they first identify the objectives of the firm, identify actions to take and justify possible outcomes. The participation and knowledge sharing exercise of the Shoura team members is an effort to attain desired performance improvement: product, business process, employee's development, customer's satisfaction and financial stability. Shoura member's significant participation in decision-making process results to high quality product, efficient process, satisfied customers, and above average returns.

In **Implementation process**, Shoura team tries to implement a new strategy to achieve its objectives that are formulated in line with the organization's direction. The team, firstly, ensures that the new strategy is supported by desired organization structure, organizational culture, system and procedures, employees' competencies are available within the company, appropriate leadership style, and competent staff is available to execute the strategic plan.

In **Evaluation and Control process**, the Shoura team strives to get feedback or key performance indication from the strategy implementation process in the view to improving actual results in cases of non-conformance to goals and objectives. Shoura team's evaluates actual results on quarterly basis or as and when desired. Performance evaluation will be conducted in order to reinforce efforts that lead to desirable results. Subsequently, corrective measures can be undertaken to unfavourable outcomes.

Shoura Assistance

The Shoura team provides consultative assistance to both upper and lower level management groups. Assistance can be in all sorts of corporate, business, and operational – functional activities. Assistance can lead a group of vast employees to get work done quickly and effectively. They can offer innovative solutions to problems quickly. They also help other employees throughout the organization accept and adjust to changes. Assistance can also drive key employees to greater coordination and ties between strategic business units in order to achieve beyond their assigned tasks and targets.

In business, mutual consultations is a great form in remedying coordination problems; building people's commitments; remedying inappropriate members' inputs; fostering cross training between strategic business units; remedying implementation problems; and fostering creativity in strategy development.

Managing Shoura Conflict

At work, conflict is common and inevitable because of teams efforts, ideas, or viewpoints, or may be ways of solving a problem are diverse and varied. Disagreements and oppositions amongst team members can occur for a number of reasons. The primary reason of conflict is perspective differences amongst members. It is not surprising because

of their cultural background. Culture influences everyone's values including work, personal and otherwise.

Managing conflict requires everyone in the team to adopt the culture of openness. Allow each one of the members to express differences in a professional manner is one of the many appropriate moves to solving Shoura conflict. The Shoura leader encourages the right to expression. He appreciates and listens to other ideas and suggestion and no one is subdued. Each member must be tolerant to differences in views and opinion on dealing a given situation. Hearing the views of others can help to clarify ambiguities after which members would be able to focus on mutual interests. Most importantly each member should look for avenues to reduce conflicts by giving out what is due to others.

Conclusion

Corporate scandals, war, chaos, misery and all sorts of upheavals will cease to exist by adoption of mutual consultation (Al-Shoura). In commercial events Al-Shoura application can be formally and informally; however, there is a great magnitude of success if the figurehead supports its implementation. A culture of mutual consultation is to be adhered to on compulsory basis just as in any operating and control system to make it feasible.

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