

Participative Management: A Model of Islamic Perspective of Management (Shura) In an Organization

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ABSTRACT

Management is one of the core corners in our societal activities. (Patwary, 2003). It refers to a process of influencing and supporting others to work enthusiastically towards achieving objective (Koontz, 1994). It is a major factor for the success of any organization whether it is small or large, formal or informal. An effective management is a necessary for attaining success in business concern, government and political parties. Management is an approach of getting things done through other most effectively and efficiently in an organization. However on the Islamic perspective, employee are not completely sentient whether Islam is encouraging to engage in decision making and the consciousness in them to partake to the best of their ability towards improving output. In addition, there is problem of job satisfaction among staff as a result of non holistic participative management model in organization. This research tends to study the practice of participatory management model in particular emphasis on Islamic perspective, the extend of the participation in decision making by employees, the Islamic perspective on participative management and the impact of participatory management on efficiency and job satisfaction.

KEYWORDS: participatory management

1. Introduction

Shura (Islamic perspective of participative management) it is the process in which managerial leaders in Islam consult with their people before making any decision. Managers must consult with their subordinates in formulating any strategy or policy. Allah (SWT) directed his Prophet (PBUH) to consult with his companions. Allah says “And those who have answered the call of their lord and establish prayer and who conduct their affairs by consultation and spend out what we bestow on them for sustenance.” (Surah Al shura, Verse 38). Shura is an Arabic word which exactly means “consultation. The term consultation is a noun which is mean in the Arabic word “Shura”. In Arabic, the word shura literally means the process by which honey is extracted from the hive. (Mohiuddin 2016). The legal framework of participation in Islam can be derived from the following Qur’anic verse, “those who answer to the command of their Lord and establish regular prayer and conduct their affairs by “mutual consultations”; who spend out what we bestow on them for sustenance” (Surah Al-shura 42:38). The above verse of the Quran is the basis for participatory decision making on which every person charged with the affairs of the organization is ought to adhere. It is very clear from this verse that Islam does not support autocracy or absolutism and that a leader is

accountable not only to Allah SWT but also to the people he purports to serve.

2. Theoretical Framework

2.1 The Theory and Practice of Shura under the Prophet (SAW)

Prophet (SAW) was asked by Allah to consult believers in matters relating to state and government (3:159). The Qur’anic verses relating to shura have differently been interpreted by the classical commentators. Some expressed the view that the Prophet was directed to consult his companions in matters relating to war and peace in order to win over their loyalty and secure their willing cooperation. The most significant of views put forward in this respect is that the Prophet was advised by Allah to consult believers in all the matters where there were no specific injunctions in the Qur’an so that the generations after his demise should follow his precepts in the affairs of the state and government (Al-Tirmizi).

The basic aim of injunctions regarding shura was an eventual and permanent establishment of the institutionalization of the concept of consultation in Islamic Polity. This contention is supported by a tradition from the Prophet (SAW) on the authority of Hazrat Ali (RA). It has been transmitted that the Prophet (SAW) was asked as to

what they should do after his demise in matters where they had no clear cut guidance of the Qur'an and Sunnah of the Prophet. To this query, the Prophet of Islam is reported to have replied that they should resolve their matters through mutual counsel, the condition being that the consultants must be men of piety and should have sound opinion.

The Qur'anic verse “obey Allah and obey His Rasul and those in Authority from amongst you. If then you create dispute over a matter, refer it to Allah and His Rasul (4:59)” also implies that besides the book of Allah and the Sunnah of his Rasul there must always exist in the Muslim Umma men of sound opinion (ulu'l amr) possessing acumen in the religious, economic, social and political affairs of the state and government to derive rules from the Qur'anic and Sunnah of His Prophet.

The Prophet SAW is reported to have expressed the utility and importance of collective discussion in the following words: “he who consults other in matters will never regret and he who has recourse to interrogation shall not fall into destination”

Al-Qurtabi, besides others, is of the opinion that consultation should take place both in religious and temporal affairs of Muslims.

2.2 Qur'anic Doctrine of Shura in the Holy Qur'an

It is evident, several documents of shura has been discussed, in the Holy Qur'an. Here below stated “And by the Mercy of Allah, you dealt with them gently. And had you been severe and harsh-hearted, they would have broken away from about; so pass over (their faults), and ask (Allah's) Forgiveness for them; and consult them in the affairs. Then when you have taken a decision, put your trust in Allah, certainly, Allah loves those who put their trust (in Him)”. (Qur'an 3: 159). Also another evidence regarding shura can be extract from this verse of the holy qur'an “Those who hearken 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” (42:38).

In given more weight to the evidence of shura in the Holy Qur'an verse, Allah says: “(Pharaoh) said to the chiefs and around him' “this is indeed a sorcerer well versed: his plan is to get you out of your land his sorcery; then what is it your counsel?” (26:35).

2.3 Hadith (Action and Deeds) of Prophet (SAW) emphasis on that the matter of Participative Management

Prophet (SAW) equally made mention of many opinion on the validation of shura activities. According to Al-Tirmizi, “my Ummah (muslims) cannot agree on error” (Ibn Umar: Al-Tirmizi 2167). This is sufficient evidence that the consultation is mandatory in Islam. In addition participation is guided by divine laws, which is absolutely pure source of knowledge.

Consultation has abundant value in Islam (Daryabadi 1998). If it is ordered to Muhammad SAW, then how much

importance will it have on others? 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 affects the organization (Jahnoun 1994). Participatory management improves the effectiveness and capacity of an organization (Bartle 2008). It is a culture rather than a programme. Participatory approach is known as Shura in Islam (Abdus et al 2010).

There are three (3) reasons of giving so much importance to participatory approach (Shura) in Islam. (Abdus et al 2010) 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, those 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 right and interest of others. A person, who fears 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 (Jahnoun 1994).

The opinion of the majority is an expression of a higher common mind. This is because; it yields better outcomes than single person opinion. (Izetbegovic, Jahnoun1994). This is a declaration of democratic process. Participatory 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 Prophet Muhammad SWA and his successors after him. No major decision had ever been make without consultation. In many occasions, Prophet Muhammad's SAW 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 SWA wanted to stay in his town Madina when he heard that pagans of Makkah were about to attack. But the Prophet SWA 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 (RA), the second successor of Muhammad SWA, created number of programmes to reinforce this culture. These include the creation of an annual conference for all Muslims during pilgrimage and the establishment of an agency of

complaints. Muslims scholars state that consultation shall not be forsaken for any reason. (Abdus et al 2010)

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

Culture of participation of the Prophet’s SWA companions resulted in high level of satisfaction and involvement, (Jahnoun 1994). It also induced numerous administrative innovations notably during the time of Umar (Ra). These innovations include building cities of Basra and Koufa in Iraq and creating new department 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. Abdus et al (2010).

In Gazwatul-badr Muhammad SWA 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 opinion?” “he replied, it is my personal opinion”. The companions replied, we should stay close to Badr, because according to war strategy, it is better place. Prophet SWA agreed.

Ethos of consultation in management affairs brings satisfaction, involvement, togetherness and innovation. (Abdus et al 2010).

2.4 Characteristics of Management by Shura or Consultative Management

From the above discussion we should understand some special characteristics of consultative management. These include:

A group of people: consultation will be practiced by a group of persons. Decisions are not taken by one person alone.

Participative process: management by consultation is a participative process. All of the members of the consultation participate in discussion and decision making. They can express their opinions without fear or hesitation. Well participation makes the consultation effective and successful.

No over emphasis on person opinion: in shuratic process every member participate s democratically. There is no scope to emphasis any member and his opinion. Every member will be treated equally for the better participation in consultation process.

No discussion before and after the shura: in Islamic consultation there is any provision of discussion before the shura or after the shura. All the discussions and bargaining will be in meeting. Discussion before or after the consultation will hamper the objective of the management by consultative.

Discussion must not be contradictory with qur’an and sunnah: if there is any discussion or decision taken which is contradictory with qur’an and sunnah, the collective consultation will be null and void. Shura is concerned with the basic principle which helps true in Islamic law is that with respect to worship, do what has been prescribed and do not deviate or innovate; while with respect to the general affairs of life, follow what has been commanded, avoid what has been forbidden.

2.5 Objectives of the principle of consultation

Objectives of the principle of consultation taken by the prophet saw are as follows:

1. To teach the consultation policy to the ummah
2. To arise the realization of mutual unity and solidarity in the mind of organizational members and to motivate them to revive the sense of mutual help.
3. To develop confidence among the members of the organization.

It must be observed that from the very inception of the Islamic policy, Prophet SAW set up the precedent of consulting muslims generally and a few men having acumen in the religious, economic, social and political affairs of the state in particular. (Abdus et al 2010).

3. Methodology

The methodology of any research work is the blueprint for the researchers’ activity which specifies how the investigator intends to carry out the study and test the hypothesis. (Bazza & Vandibe 2013). The research design adopted for this work is survey research. Sample of the population was drawn from respondents. Also a sample of respondents was taken from the population of the managers in these firms. These samples were drawn using appropriate sampling techniques and procedures.

3.1 Research Objectives

The general objective of this study is to understand the concept of participative management and Islamic perspective in an organizational setting; their relationship on decision making process in Nigeria. Mainly, the variables to be assessed are the participative management models, Islamic model of participative management, and their holistic area of application in management.

However, the researcher intends to examine the following specific objectives for the purpose of this study.

1. Islamic management perspective on the practice of participative management.
2. To identify how Islamic perspective correlates with participative management style.
3. Examine the impact of the practice of participatory management on the organization.

3.2 Research Questions

1. What is the Islamic perspective on the practice of participative management?

2. How participative management correlates with Islamic perspective in decision making?
3. What is the Impact of the practice of participative management on an organization?

3.3 Hypothesis

H₀: There is no existence of Islamic management perspective on the practice of participative management.

H₀: There is no correlation between Islamic participative management and conventional participative models.

H₀: There is no significant impact of the practice of participatory management on the organization.

4. Discussion of Findings

4.1 Findings

Based on the analysis of the data, it has revealed that Islamic practice encourages participation in decision making process, furthermore, Islamic injunctions encourages participative management model in decision making.

4.2 Finding

The research showed the participative management model is similar with the Islamic perspective of management, on the other it has revealed participative management and Islamic management are similar in decision making process, even though, organization are not fully incorporating Islamic management in the management of the organization.

4.3 Findings

The research question was positively answered, this can be affirmed by the respond of the organization which implements participative management style often succeeds in efficiency and effectiveness, it also affirmed that participative management increases job satisfaction among employees, furthermore, participative management model brings job enrichment and productivity, to this end, the changes made towards implementing participative management approach in organization create good understanding between management and staff.

4.4 Test of Hypothesis

1. H₀: There is no existence of Islamic management perspective on the practice of participative management.

Table 1.1

Table 1	Table 2	Table 3	Total
3	11	6	20
5	13	7	27
9	5	8	22
8	6	6	20
13	3	11	28
38	38	38	117

Table 1.2

Fo	Fe	Fo – Fe	(Fo - Fe) ²	(Fo - Fe) ² Fe
3	3	0	0	0
11	3	8	64	21
6	3	3	9	3

5	5	0	0	0
15	5	-10	100	20
7	5	2	4	0.8
9	9	0	0	0
5	9	-4	17	1.9
8	9	-1	2	0.22
8	8	0	0	0
0	8	-8	64	8
6	8	-2	4	0.5
14	13	-1	2	0.15
3	13	-10	100	7.69
11	13	-2	4	0.31
				63.57

Decision Rule

Reject null hypothesis if the computed value is greater than the table value. Accept alternate hypothesis if the computed value is greater than the table value.

Degrees of freedom = (R-1) (C-1) = (6-1) (3-1) = 12. Level of significance = 0.05.

At 0.05 level of significance and 15 degree of freedom the table value is given, as 12.592.

Decision

Since the computed value (63.57) is greater than the table value (12.592), therefore reject the null hypothesis and accept the alternate hypothesis. This affirmed that there is existence of Islamic perspective on the practice of participative management.

2. H₀: There is no correlation between Islamic participative management and conventional participative models.

Table 2.1

Table 4	Table 5	Total
25	24	47
12	11	25
1	1	4
0	0	0
0	0	0
38	38	76

Table 2.2

Fo	Fe	Fo – Fe	(Fo - Fe) ²	(Fo - Fe) ² Fe
25	65.8	-40.8	1664	25.29
24	65.8	-41.8	1747	26.55
12	31.6	-1.2	1.44	0.04
11	31.6	-19.6	0.04	0.001
1	2.6	-1.6	1.21	0.46
1	2.6	-1.6	0.81	0.31
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
				52.651

Decision Rule

Reject null hypothesis if the computed value is greater than the table value. Accept alternate hypothesis if the computed value is greater than the table value.

Degrees of freedom = (R-1) (C-1) = (5-1) (2-1) = 8. Level of significance = 0.05.

At 0.05 level of significance and 15 degree of freedom the table value is given, as 12.592.

Decision

Since the computed value (52.651) is less than the table value (12.592), therefore accept the null hypothesis. This affirmed that there is correlation between Islamic participative management and conventional participative models.

3. H₀: There is no significant impact of the practice of participative management on the organization.

Table 3.1

Table 6	Table 7	Table 8	Table 9	Total
16	19	19	9	63
19	15	13	11	58
2	3	2	6	13
0	0	0	3	3
1	1	4	9	15
38	38	38	38	152

Table 3.2

Fo	Fe	Fo – Fe	(Fo - Fe) ²	(Fo - Fe) ² / Fe
16	15.8	0.2	0.04	0.002
19	15.8	3.2	10.24	0.65
19	15.8	3.2	10.2	0.64
9	15.8	-6.8	46.24	2.93
19	14.5	4.5	20.25	1.40
15	14.5	0.5	0.25	0.02
13	14.5	-1.5	2.25	0.15
11	14.5	-3.5	12.25	0.84
2	3.25	1.25	1.56	0.48
3	3.25	0.25	0.06	0.02
2	3.25	-1.25	1.56	0.48
6	3.25	2.75	7.56	2.33
0	0.75	-0.75	0.56	0.75
0	0.75	-0.75	0.56	0.75
0	0.75	-0.75	0.56	0.75
3	0.75	2.25	5.1	6.8
1	3.75	-2.75	2.56	0.68
1	3.75	-2.75	2.56	0.68
4	3.75	0.25	0.06	0.02
9	3.75	5.25	27.56	7.35
				27.722

Decision Rule

Reject null hypothesis if the computed value is greater than the table value. Accept alternate hypothesis if the computed value is greater than the table value.

Degrees of freedom = (R-1) (C-1) = (6-1) (4-1) = 15. Level of significance = 0.05.

At 0.05 level of significance and 15 degree of freedom the table value is given, as 12.592.

Decision

Since the computed value (27.722) is greater than the table value (12.592), therefore reject the null hypothesis and accept the alternate hypothesis. This affirmed that there is significant impact of practice of participatory management on the organization.

5. Conclusion

Participative management is an inevitable mechanism in organizations Shura is encouraging employees’ participation in decision making process, particularly increases the frequency and level of workers participation in decision making considering the fact employees are part of the organization. The incorporation of Islamic perspective of management provides holistic approach to participative management. Islamic perspective on management studies is emerging area of research of modern management scholar for true sustainable future. (Abbasi et al., 2010). Consultation decision followers are always committed, loyal, obedience and maximum sacrifices mentality to implement or execution the decision for the organization; On the other part coin, conventional decision making style are practiced taking decision making and execution as a routine work, dedication and sacrifice is rare example in current corporate world. It is concluded that decision making style of consultative management in Islam produces much shared value for all aspect. The consultative management of Islam is effective and viable concept. It is imperative to build organizational environment on components of Islamic value system for successful implementation of Islamic management model. Organizational management demands innovative thinking to deal with variety of problems in global corporate organizations. 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 corporate governance. This initiative will help organizations to strengthen their management system.

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