

RESPONSIBLE MANAGEMENT  
IN THEORY AND PRACTICE  
IN MUSLIM SOCIETIES

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# RESPONSIBLE MANAGEMENT IN THEORY AND PRACTICE IN MUSLIM SOCIETIES

AUTHORED BY

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INVESTOR IN PEOPLE

To Munir and Samiha Sidani  
*Gone but not forgotten*

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## PREFACE

*Whoever wants to accompany us, let him accompany us with five things: he conveys to us the needs of those whose needs do not reach us, he guides us to justice in cases where we are not guided to, he helps us in performing what is truthful, he fulfills the Amana (trust) to us and to people, and does not backbite anyone among us.*  
(Omar Ibn Abd-el-Aziz)

One personality in Islamic history that captures the fascination of the Muslim masses (An Egyptian TV series was even produced telling his story) is that of Omar Ibn Abd-el-Aziz (681 CE–720 CE). He was the eighth Caliph of the Umayyad dynasty. As history reports, his life changed upside down when he became Caliph. The moment he was asked to accept the position he addressed his constituencies:

*O people, I have been afflicted with this matter without an opinion on it from me and no advice from the Muslims, and I have relieved you from your pledge of allegiance to me, so (feel free to) choose (a Caliph) for yourselves (other than me).* (Salabi, 2009)

People immediately responded: “We have chosen you.” He ruled for two years and five months after that speech, and died young in his late 30s. This short period, however, was full of accomplishments and reforms. He increasingly relied on *shura*, consultations, offering more voice to the public. He redressed the grievances related to actions of prior Caliphs and rulers. He developed advanced administrative systems based on merit, and made significant contributions as to how the state was to be governed. He adopted policies that were not only fair and kind to the Muslim community, but also to Christians living in the lands under his reign. He did all of that while leading an ascetic, deeply religious, and humble life.

The fascinating story of Omar Ibn Abd el-Aziz leads one to question as what might have caused a person who was just appointed to a position of power to suddenly act so responsibly? Why was it not somebody else of the Caliphs who preceded him in the Umayyad dynasty? What role did his

religious life, and attachment to religious principles, contribute to his emergence as an epitome of ethical and responsible leadership?

While this is not a book about Omar Ibn Abed el-Aziz, the concepts that I will discuss will hopefully shed some light in answering some of these questions. Granted, a religious perspective, let alone an Islamic one, cannot be advanced as the only way to have management that is effective *and* responsible. People have many reasons to identify as responsible individuals and behave responsibly. Some drivers might relate to a religious foundation; other drivers might have nothing related to religion. Yet, to some people, and certainly to a large segment in Muslim societies, religious drivers of behavior remain relevant. Irrespective of one's individual philosophy and source of moral grounding, understanding a religious perspective of responsible management might be fascinating. To all of those, I hope this book will be of benefit.

# Chapter 1

## RESPONSIBLE MANAGEMENT: A PRIMER

*So whoever does an atom's weight of good will see it. And whoever does an atom's weight of evil will see it.*

*(The Qur'an, Chapter 99, Verse 8)*

### INTRODUCTION

Having management that is responsible is a desirable objective in today's organizations. The interest is not only in having responsible managers or responsible leaders, but also in having responsible organizations. Organizations cannot be pictured as being more responsible than the people running them. The combination of people's characters with proper organizational processes ensures that the overall organizational behaviors will be responsible toward all stakeholders, whether internal (owners, managers, and employees) or external (customers, suppliers, the community at large, etc.).

This means that responsible management is not only about developing a responsible manager. Developing organizational cultures that recognize the needs of owners for short-term profits should not eclipse the needs for building responsible organizations. A desire for effective performance should not undermine ethics and sustainability in business. A responsible organization is the one where the needs of various stakeholders are accounted for; it provides a balanced attention to their varying needs.

Based on the above and other various understandings of responsible management, responsible management in today's organizational thinking is defined as a:

*a value-based approach to organizational thinking and behavior where attention to the bottom-line does not obscure thorough, sincere, and mindful attention to the needs and priorities of various stakeholders. (Sidani, 2020)*

The above definition implies the following:

1. Responsible management is based on a set of values that guide managerial and organizational action. Responsible management is intimately intertwined with a set of values that are adopted by leaders and reflected in their attitudes, worldviews, actions, and decisions. Those values need to be positive values in the sense that they contribute to the wellbeing of the organizations in which they operate and the communities in which they live.
2. The starting point of responsible management is related to the character of the manager. Organizations cannot be "responsible" if leaders managing them are not responsible. Responsible leaders have the character and the value systems by which they internalize the belief that they need to run their organizations according to certain values and guiding principles.
3. Responsible management is not only about the character of the manager but also about establishing a set of processes and work routines that are diffused throughout the organization. Accordingly, the presence of responsible leaders is a necessary, but not sufficient, condition for having responsible organizations. The mark of a successful and effective responsible leader lies in the ability to devise and implement a set of processes in support of "responsibility." In addition, facilitating the creation of a responsible culture and sustaining it would be a necessary condition.
4. The economic bottom-line is important, but an organization cannot reduce its legitimacy to just meeting its profit objectives. It is important to tackle other areas important to stakeholders beyond shareholders. Those include employees, customers, suppliers, the government, and the community at large. Related to economic responsibility is responsibility toward the society and the environment.

Based on the above assumptions, some common understandings of responsible management refer to it as a set of managerial practices rather than just being a mere reflection of leader character or managerial philosophy. Laasch and Conaway (2015) refer to it as a set of “managerial practices that integrate and assume responsibility for the triple bottom-line (sustainability), stakeholder value (responsibility) and moral dilemmas (ethics)” (p. 25). Other conceptualizations refer to it as a reflection of managerial identity (which includes management character) and balanced decision-making (that considers economic, environmental, and social aspects) (Ingham & Havard, 2017). Responsible management is not an event that a manager or even a company does at a certain point in time; it is rather what “all of the company does all of the time” (Carroll et al., 2020 p.58). In essence, responsible management entails holding the managers and the organization to higher levels of responsibility and accountability, beyond what the prevalent laws and norms would entail (Sidani, 2020).

The above definitions and understandings entail a couple of things. First, responsibility in management goes beyond the character traits of organizational managers and leaders. Responsible management refers to a culture or a context in which people operate. It is about creating the right environment in which people function. Second, responsibility – by definition – entails responsibility to a set of stakeholders. The most popular understanding of stakeholders (Freeman, 2010) indicates that businesses need to consider the needs and aspirations of parties that go beyond the shareholders. This is not surprising given the fact that the discourse about ethical leadership and responsible business has intensified over the last few decades in the wake of corporate scandals and waves of managerial irresponsibility.

Reflecting on those incidents, management scholars and practitioners embarked on a worthwhile journey of investigating whether there needs to be a new way of doing business. This explains the rise in recent scholarship around topics related to ethical leadership (Banks, Fischer, Gooty, & Stock, 2021; Brown & Trevino, 2006), value-based leadership (Davis, 2016; Prilleltensky, 2000), authentic leadership (Gardner, Cogliser, Davis, & Dickens, 2011; Sidani & Rowe, 2018), moral leadership (Gini, 1997; Solinger, Jansen, & Cornelissen, 2020), servant leadership (Eva, Robin, Sendjaya, van Dierendonck, & Liden, 2019; Greenleaf, 1998), and stakeholder management (Freeman, 2010; Parmar, Wicks, & Edward Freeman, 2021).

## A RELIGIOUS PERSPECTIVE OF RESPONSIBLE MANAGEMENT

Addressing management and leadership from a religious perspective has had its share of proponents and critics. GÜmÜsay (2019) elaborated on several characteristics of a religious perspective. First is advancing the connection with a perceived higher being. The focus of accountability here is not only toward people, communities, and institutions, but also toward God, or a God. This potentially has a dark side if leaders abuse this perceived relationship to deceive naïve followers.

The second aspect of a religious perspective pertains to a connection to a higher purpose, which could be to get near God, or near His presence and love. A good aspect of this perspective is that it elevates organizational motives beyond the mundane and the material. Again, there could be a dark side to this connection, if the attachment to this higher purpose ignores the immediate needs of some people, communities, and stakeholders, for the claim that the organization needs to pursue something higher and more distant into the future.

The third aspect of a religious perspective is that it is built on a system of sacred books or scriptures. Religious books reflect rich traditions, often presenting wisdom and narratives of early communities, and stories of people, that could inspire and enrich organizational thinking and behavior. In that, depending on how scriptures are read and implemented, scriptures have the potential to both “guide and misguide leaders” (GÜmÜsay, 2019).

In the specific case of Islam, the above three characteristics apply. First, there is a connection to a higher being, Allah or God. Allah is the name of God in the Islamic understanding, but it translates into the word “God” in Arabic. (Interestingly, even Arab Christians use the name Allah to refer to God). In deeply committing to the oneness of God, the Qur’an instructs Muslims to address Christians and Jews with a conciliatory message with regard to the Oneness of God, and that all worship the same God:

*[...] say, “We believe in the Revelation which has come down to us and in that which came down to you; for our God and your God is one and the same, and it is unto Him that We [all] surrender ourselves.” (The Qur’an, Chapter 29, Verse 46)*

This belief in the One God entails some responsibilities for committed Muslims. They are not in this world in vain; they have been created in service of the One God of all:

*Say, "Surely my prayer, my worship, my life, and my death are all for God – Lord of all worlds. He has no partner. So I am commanded, and so I am the first to submit." (The Qur'an, Chapter 6, Verses 163–164)*

This perspective to the purpose of one's life makes committed Muslims view their behaviors and actions, their whole life basically, in surrender to God. From this very conceptualization, Muslims take their name. A Muslim in Arabic means a "submitter" or someone who surrenders to God.

Out of this understanding, the second characteristic becomes salient. If Muslims are supposed to submit themselves to God, what does this entail? As will be explained later, the Islamic perspective indicates that there is a specific purpose for people's life on earth. They are trustees, and their role entails that they bear a trust that they should continuously be faithful in carrying. Islam instructs that people should not, amid all the preoccupations and noise of this life, forget about the real and genuine and everlasting life to come:

*And nothing is the life of this world but a play and a passing delight; and the life in the hereafter is by far the better for all who are conscious of God. Will you not, then, use your reason? (The Qur'an, Chapter 6, Verses 32)*

Still, Muslims are not required to ignore or forget about the bounties of this life:

*But seek with the (wealth) which God has bestowed on you the Home of the Hereafter nor forget your portion in this world: but do good as God has been good to you and seek not (occasions for) mischief in the land: for God loves not those who do mischief. (The Qur'an, Chapter 6, Verses 32)*

The third characteristic of a religious perspective as it applies to Islam is the importance given to Islamic scriptures. The two most authoritative texts are the Qur'an, which Muslims believe to be the uncorrupted word of God, descended unto Prophet Muhammad (570 CE–632 CE) through Archangel Gabriel. The second is the *Sunna*, literally the *way of the Prophet*. This refers to the sayings of Prophet Muhammad (Hadith) and his reported behaviors, which have been noted down and transmitted one generation after the other. Muslims believe that the Qur'an represents the spoken word of God, while the Prophet translated the spoken words into actions. His wife, Aisha was once asked about the character of the Prophet, and she answered, "His character was the Qur'an," meaning that he displayed the moral order presented in the Qur'an.

A risk that accompanies a very literal reading of any sacred text, is the one associated with it not corresponding well with changing contexts, times, and places. This is also a risk that accompanies Islamic texts, as many committed Muslims assert the transcendence of the text. The transcendence of the text does not mean, however, that one ignores the context in which the Qur'an was revealed in the first place. Messiri (2006), a noted Egyptian thinker and sociologist, comments on how the use of the metaphor in the Qur'an makes it move beyond contextual limitations:

*The metaphor liberates the Qur'anic text from its temporal and spatial space, so that the verse becomes of a universal human significance that goes beyond the immediate occasion, and then the generative capacity of the Qur'anic text becomes clear, and that it is valid for every time and place.*

In the chapters to come, I will address a purely Islamic perspective of responsible management. In that, I will draw heavily from the Qur'an, the *Sunna*, Islamic jurisprudence, and the works of *sufi* mystics, the great spiritual leaders of Islam. I will allocate a large space to explain what is considered to be a normative perspective of responsible management in Islam. By normative, I mean what Islamic texts prescribe in terms of understanding responsibility, its dimensions, and manifestations. I will also provide some examples from the *Sunna* of the Prophet to explain how this responsibility was implemented in the early days of Islam. I will give examples from certain figures in Islamic history to show how implementing some of these normative concepts worked and what they yielded.

In writing all of this, I recognize that the state of the Muslim world currently is dismal for the most part. I do not need to refer in detail to the latest global rankings on corruption indices by *Transparency International*, for example, and note where many Muslim countries are situated. A quick look at the latest rankings on the Corruption Perceptions Index (CPI) shows that many Muslim countries are disproportionately represented among the most corrupt countries. Of course, corruption is a complex phenomenon related to a host of economic, political, and historical factors. Still, those results might come as a surprise given the normative structure of responsible management in Islam that advances aspects of transparency, anti-corruption, responsibility, and accountability. This paradox is worth more scrutiny, and I will allocate a brief section about it toward the end.

## Chapter 2

### RESPONSIBILITY IN THE ISLAMIC PERSPECTIVE

[...] *you will surely be accountable.*

*(the Qur'an)*

When addressing issues of responsibility in Islam, it would be important to address the linguistic root of this word in Arabic. When the word *masooliyah*, which is a rough though imprecise translation of “responsibility” is used, it could be understood to mean “authority.” When a person is awarded “responsibility,” the underlying implication is that this person was given a discretion over someone or some task. Yet, of course, responsibility is more than a person being given an authority over something as it includes other dimensions (Schweiker, 1995). In some understandings of responsibility, this includes *imputability* (actions attributed to someone), *accountability* (a person answerable to some entity), and *liability* (a person responsible *for* something); that latter going beyond legal liability into the idea of caring for others (Robinson, 2009).

In the Islamic understanding, one would understand the concept of responsibility as encompassing three interconnected concepts:

1. *Trust*: Being entrusted with some task (*Amana*) or having a covenant with someone (*'ahd*); being entrusted over a role to be performed or a task to be accomplished, while being aware of this task or role, and having the ability to do it.
2. *Accountability*: Being held answerable (*musa'alah*); as being subject to being questioned by an authority or entity. Stemming from a religious understanding, this includes – first and foremost – though not exclusively, accountability before God.

3. Requit (aljazā'): As bearing the consequences of one's actions, either in terms of reward or in terms of discipline and punishment.

The word responsible, *mas'ool*, either in singular or in plural, meaning "being asked," appears in five places in the Holy Qur'an, although the root of the word appears in several other verses. Moreover, there are multiple sayings, traditions, and behaviors attributed to Prophet Muhammad that can be used to understand the full scope of responsibility and its implications in Islam. Added to this is a wide heritage of multisectarian Islamic jurisprudence, history, and spirituality books that illuminate on the concept of responsibility one way or another.

#### THE NATURE OF RESPONSIBILITY

As a religion that emphasizes belief in God, responsibility of Muslims includes, first and foremost, their responsibility toward God. In that, responsibility that only assumes obligations toward other people (social responsibility) and the environment in which they live (environmental responsibility) represents a constrained view of what responsibility is (Beekun & Badawi, 2005). In the business sense, the triple bottom-line view of responsibility entailing economic, environmental, and social perspectives would need to be complemented with a religious responsibility that is closely entangled with the first three responsibilities.

How can a person or a community of people identify the type and scope of responsibility that they need to commit to? Understanding the nature of responsibility, from a religious perspective (especially one that emphasizes the authority of the revealed word in guiding human action), naturally implies that people cannot capture it on their own, through solely using their own thinking or through rational analysis.

Granted, Islam advocates a rational perspective that gives a primary role to the *'aql*, "reason" or "intellect," in discerning what is right from what is wrong. The word *aql*, has been used in a verb form *ya'keloon*, "people who use reason," about 22 times in the Qur'an. One such instance, for example, invites people to use their intellect while reflecting on God's creation:

*Indeed, in the creation of the heavens and earth, and the alternation of the night and the day, and the [great] ships which sail through the sea with that which benefits people, and what God has sent down from the heavens of rain, giving life thereby to the earth after its lifelessness and dispersing therein every [kind of] moving*