Managing Entrepreneurship from an Islamic Perspective: Supporting Entrepreneurial Schemes through Islamic Work Ethics and Organizational Commitment

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**ABSTRACT**

**Purpose:** The study attempts to determine the role of the Islamic faith in fashioning out a management model as an option to other modern management tools in the enhancement of entrepreneurship through Islamic work ethics and organisational commitment. Is a research process that attempts to link Islam with entrepreneurship and management using empirical studies on entrepreneurship from an Islamic perspective (EIP).

**Design/Methodology/Approach:** In this study, it was outlined how Islam shapes entrepreneurship, and indicated the possibility of considering Islam as entrepreneurial in its outlook. Islam allows and inspires business activity, and shapes the belief system that incorporates the scopes of belief in Allah, the Exalted, and in the Hereafter.

**Findings:** This study is adding to knowledge that faith-based management model could be relevant as an alternative to other non-faith-based management tools to support the growth of entrepreneurship through the practice of Islamic work ethics and organisational commitment.

**Implications/Originality/Value:** The research endeavour has major theoretical and applied effects and therefore suggested unique findings for the enhancement of entrepreneurship through Islamic work ethics and organisational commitment.

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Introduction
Management, Entrepreneurship and the role of religion
There has been a less or minimal contribution of research on the place of religion in the practice of entrepreneurship and generally in management.

Management is the harmonisation and supervision of tasks to accomplish a set objective. Administration undertakings include setting the of the corporate strategy and coordinating the labour of staff to realize the stated objectives through marshalling of the organisation’s resources.

The word ‘Entrepreneur’ refers to a person who assumes to run a business enterprise and who is ready to shoulder responsibility for success or failure. This person organizes, manages and assumes the risk of a business (Indeed.com, 2021). Accordingly, the entrepreneurs work hard and put their talent on the line while seeking the satisfaction that comes from being their own boss and being responsible for their own success. To sum up, then, an entrepreneur is an individual who risks financial, materials, and human resources in a new way to create a new business concept or opportunity within an existing firm.

According to (Dana, 2010, cited by Gümüsay, 2014), religion has been commonly mistreated with very little exemptions, citing the research undertakings on entrepreneurial activities from economic (Casson 2003), social (Shapero & Sokol 1982). Furthermore, and from the various viewpoints i.e. political (Schneider & Teske 1992), institutional (Battilana et al. 2009), and psychological (Begley & Boyd 1987).

Gumusay (2014) said that a religious viewpoint on entrepreneurship is different, as it normally includes unambiguous as well as comprehensive explanations, procedures, and a defined theological foundation. Moreover, it is an all-inclusive method to entrepreneurship investigation which includes belief that may hence supplement and improve the current entrepreneurship perception.

Habermas (2001) described this period as a post-secular environment. Contrasting the old-school that recognizes modernism as secular, religion as per Habermas remains a major player in the society. Berger (1999, p. 2), viewed “The world today, with some exceptions, is as furiously religious as it ever was, and in some places more so than ever. This gives the impression that some form of literature by historians and social scientists that lightly labelled “secularization theory” is fundamentally faulty.” Moreover, religion cannot be eliminated from our study by attempting to study a secular social science while the social was hardly secular.

General objective
To explore the Islamic perspective on management and to outlines some important management lessons from the teaching of Islam, with particular emphasis on how it could support entrepreneurial growth and development.

Specific objectives.

a) To examine the challenge posed by the contribution of contemporary management concepts that were based on certain premises of thought that is foreign to the Muslim state of mind.

b) To attempt an examination of the role of the Islamic faith in fashioning out a management model that would encompass the dimensions of belief in Allah, the Exalted, and in the Hereafter as an option to other modern management tools.

c) To look into the role of Islamic work ethics and organisational commitments in supporting the growth and development of entrepreneurship.
Statement of the Problems.
The fewer attempts to research what role religion plays in entrepreneurship in particular and generally in management stood as a stumbling block in exploiting the richness and vastness of the religion of Islam on the subject matter that seeks to safeguard publics from mischief, harm, and by serving their safeties through real use of resources provided by Allah, the Most High. The objective intended to be achieved has to be within the framework of justice, dignity, and benevolence, which invariably are provided for by Islam as a philosophy and a plan for people to live by. Hence this study seeks to unravel the missing links that kept the Islamic management perspective that far outperformed its contemporaries as an obscure management school.

Research Question
The study has the following research questions:-

a) To what point does the application of entrepreneurship from an Islamic perspective (EIP) affect the performance of an entrepreneurial venture?

b) To what extent does the Islamic belief system that focuses in the triple articles of what Islam stands for, what is Iman, and what is Ihsan and how all these affect the conduct of the entrepreneur as the owner/manager of the business venture?

c) To what point do the adoption of Islamic work ethics and organisational commitment enhance the progression of entrepreneurship?

Scope of the Study
The study took a view of the contributions of the teachings of Islam as a plan with some distinctive managerial lessons (managerial concepts) from the way the Islamic teachings are structured and integrated. Furthermore, the study is limited to the management of entrepreneurship from an Islamic perspective.

Review Of Literature
Conceptual Framework
When a theory is unsuitable and/or deficient to explain a phenomenon and/or relationships amongst numerous "concepts", the investigator could possibly undertake to “synthesize” the current views in the drafted works regarding a known condition which comprises the theoretic and also from the experiential results. The combination could be referred to as a model or conceptual framework, which essentially represents an ‘integrated’ way of looking at the problem (Liehr & Smith, 1999).

Entrepreneurship and the role of Islam
Islam plays a major role in entrepreneurship and is grounded on the combination of written sources and relative background. The prime foundations are the Qur’an and Sunnah For adherents of the Islamic religion, the Quran is the Word of God as revealed in the 114 chapters, and with over 6,000 ayat. The Sunnah (Arabic: “habitual practice”) is recorded sayings of the Prophet Muhammad that remains the body of traditional social and legal custom and practice of the Islamic community, and also a major source of Shari‘ah, or Islamic law. The actions, sayings and silent or tacit approvals of the Prophet Muhammad (pbuh) are been referred to as the ‘Sunnah’ constitute a major platform and ancillary sources and practices which include the Ijma (Unanimity) and Qiyas (Analogy reasoning).

Entrepreneurship from an Islamic Perspective (EIP)
Gumusay (2014) averred that EIP is composed of Islam and entrepreneurship concepts. He recited that Islam in its least fundamental background is the affirmation of belief in the One true God and that Prophet Muhammad (peace be upon him) is a servant and messenger of God.
Furthermore, Al-Bukhari recited in one of the famous hadith that the prophet was asked by the archangel Gabriel about Islam, Iman, and Ihsan.

The prophet said that **Islam** is the testimony that there is no God but Allah, that Muhammad (pbuh) is His messengers, to perform prayers, to pay Zakat, to fast the month of Ramadan, and to undertake hajj (pilgrimage) to Makkah (Mecca). **Iman** is the belief in Allah, in His angels, His revealed books, His messengers, and in the last day and divine destiny (good or bad). To worship Allah as if you are seeing Him is the Islamic belief referred to as Ihsan. This belief and submission to the only One God (Allah) are part of the principles of EIP.

**Value-based Islamic Management Model (IMM).**
Conventional management has undeniably made valuable contributions to the efficiency and effectiveness of organisations the world over. The adoption of conventional management without necessarily asserting its validity in any environment and its consistency with values in that environment could be counterproductive. According to Jabnoun (2005), because conventional management ignores revelation (source of Islamic supreme knowledge), is, therefore, deprived of an inexhaustible source of knowledge. Furthermore, and looking at the conventional and the Islamic model approaches, the latter pays attention to differences in principles of thought, the cultural context of cases, empirical studies, and differences in values.

![Islamic Management Model](image)

(Adopted from Jabnoun, 2005)
The Islamic management model is value centred and it sprouts from tauhid (the inseparable oneness conception of monotheism in Islam) and freedom from tyranny. All the principles of strategic planning, decision-making, human resources management (HRM), leadership, and systems and structures are chosen based on the extent they serve Islamic values.

Unlike other models, this model is not divided into enablers and results. This is because Islam focuses on the process and not on results. Improving success does not indeed guarantee
improving results. This model does also include a special section on customer satisfaction because it is a value centred model and the importance of all stakeholders and particularly customers is an integral part of Islamic values.

**Measurement of the Value-based Islamic Management Model**

According to Jabnoun (2005), the measurement of the Islamic management model is based on a joint system based on the experience of the initiator of the model. The Islamic values that are in the centre and the focus of the model were given a weight of 20%, Leadership was given a weight of 21%, Planning was allocated 18%, and decision making was allocated 8%, HRM was given 12%, while systems and structures were given a weight of 21%.

Moreover, an evaluation of the model measurement indicated that Islamic values had a weighted measurement below some of the other elements of the model. This can be attributed to the fact that all the management practices included in the other five dimensions of the model were selected because of their support of the values and their measurements do, therefore, reflect the measurement of the values.

In addition, decision-making was only allocated 8% because of its strong relationship with planning which was allocated 18%. HRM was only given a weight of 12% because it is a separate function whose activities are not necessarily continuously involved in every aspect of the organisation like leadership and systems and structures.

Jabnoun (2005) said that the model was developed alongside values with each having its own benefits. Furthermore, the source of Islamic values as a key component of the model include:-

(1) Tauhid and freedom from tyranny that has the benefit of taking initiatives, solving problems on personal initiative guided by the fear of Allah, speaking up and correcting the wrong, and feeling secure in every sense including social and economic security. Humbleness (charity never decreases wealth and Allah only increases a forgiving person in honour and whosoever is humbled for Allah is elevated by Allah (Muslim). The benefits of humbleness include the willingness to improve, willingness to listen and be corrected, willingness to corporate, and giving due respect to others.

Other values include tawakkal (doing the best and trusting in Allah), which could benefit the believer in growing confidence, optimism, in resolve, and finally in diligence; abstaining from Haram (abstaining from evil and hurting ourselves, not hurting others, and gaining the ability to serve the long term interest of all stakeholders; flexibility: involved with the high degree of freedom, innovation, and avoiding conflicts that can be caused by lack of clarity of the prohibited acts; fairness; caring and sharing; cooperation; dignity and respect; trust; cost efficiency; time efficiency; quality/diligence; long-term orientation; unity of purpose; discipline; participative management; eagerness to learn and share knowledge.

(2) Planning is having a vision leading to the general vision of Islam which is to gain the mercy of Allah by securing you an eternal place in paradise. Having a mission consistent with the general mission of Ibadat.

(3) Decision making that encourages mutual consultation at every level and using consensus in the strategic decision.

(4) Leadership that involves championing Islamic values by acting as a role model and intervening when these values are endangered.
(5) Human resources management requires having a transparent recruitment procedure based on qualification and trustworthiness.

(6) Building a flexible systems and structure that recognizes the utility of leadership in terms of building teams, establishing a grievance procedure, and a reward system.

**Islamic Work Ethics.**

Three core essential lessons in the Islamic system include a solid acceptance of Monotheism which is the belief in One God. Is also the belief in the actuality of The only One God that is Almighty, Ever-present and All-knowing. The IWE could be seen as the set of ethical values which differentiate what is correct from what is incorrect in the Islamic perspective (Beekun, 2004).

According to Yaken (2006), as cited by Nasutiona and Rafikib (2019), ethics in Islam is not only a material of religious ethics in certain conducts but it covers all facets of life in the physical, divine, and expressive domain.

| Table 1 |
| Islamic work ethics and references in the Qur’an |

<table>
<thead>
<tr>
<th>Subject</th>
<th>Al-Qur’an verses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agreements and promises</td>
<td>Ar-Rad 13:25, Al-Qasas 28:28, Yunus 10:71</td>
</tr>
<tr>
<td>Consideration for others</td>
<td>An-Nisa’ 4:36, Al-Muntahab 60:9.</td>
</tr>
<tr>
<td>Consultation</td>
<td>Ash Shura 42:38, Taha 20:103, Al-Kahf 18:22</td>
</tr>
<tr>
<td>Continuous improvement</td>
<td>Al-Araf 7:42</td>
</tr>
<tr>
<td>Cooperation</td>
<td>Al-Hujurat 35, Maryam 19:96</td>
</tr>
<tr>
<td>Equality and unity</td>
<td>Al-Baqara 6:152, Al-Muntahab 60:8, An-Najm 53:32, Al-Ma’ad 5:8</td>
</tr>
<tr>
<td>Fairness in dealings</td>
<td>Al-Imran 3:58, Salat 4:37</td>
</tr>
<tr>
<td>Fairness in wages</td>
<td>Al-Baqara 28:13, Al-A’la 61:35</td>
</tr>
<tr>
<td>Hard work</td>
<td>Al-Baqara 28:33, Al-A’la 61:35</td>
</tr>
<tr>
<td>Helping others</td>
<td>Al-Baqara 28:33, Al-A’la 61:35</td>
</tr>
<tr>
<td>Honesty and justice</td>
<td>Al-Baqara 28:33, Al-A’la 61:35</td>
</tr>
<tr>
<td>Humility</td>
<td>Al-Baqara 28:33, Al-A’la 61:35</td>
</tr>
<tr>
<td>Patience</td>
<td>Al-Baqara 28:33, Al-A’la 61:35</td>
</tr>
<tr>
<td>Righteous/Intention</td>
<td>Al-Baqara 28:33, Al-A’la 61:35</td>
</tr>
<tr>
<td>Social order</td>
<td>Al-Baqara 28:33, Al-A’la 61:35</td>
</tr>
</tbody>
</table>

**Source:** Adopted from Nasutiona & Rafikib (2019)

The table 1 shows the elements of the IWE that gave a more empirical basis to support the availability of numerous injunctions by Allah (SWA) as referenced from the glorious Qur’an. According to Nasutiona and Rafikib (2019), if the teachings of the Qur’an as pencilled down in Table 1 above are adhered to, then fairness, goodness, kindness, reliance as components of IWE could bring incentive to the workers. As a result, there would be gratefulness on the part the same workers in the workplace, which consequently could create increased performance.
Table 2.
Values Components in Qur’an Work Ethics

Source: Adopted from Kamri, Ramlan & Ibrahim (2014)

The ethics from religious values, quality values, and personal values as contained in table 2 above are all components in the Qur’anic Work Ethics vis-à-vis Islamic Work Ethics. These values which are derived from the Qur’an no doubt gave some insight that are critical and stimulating positive work culture, and therefore, guaranteeing the achievement of the objectives sought by the enterprise. The resulting benefits of the values as depicted in Table 2 above could be briefly presented below:

- Boosting work performance
- Performance of work as an equivalent to worship
- Harnessing a relationship beneficial to all parties
- Creating and sustaining an environment of mutual confidence and trust
- Augmenting organizational obligation
- Supporting cooperation amongst work teams on the basis of collectiveness

From the explanation above, therefore, it can be established that Qur’anic work ethics offers the pathway to every Muslim to do his assigned duty uprightly that are established on the basic direction of Islam as contained in the glorious Qur’an. Therefore, contrasting the western concept of work ethics that are premised on viewpoint of materialism, work ethics in Islam is beyond that idea but is rather a doctrine premised on the basis of an act of worship to the Almighty Allah.

Organizational Commitment.

Nelson & Quick (2012) characterises Organizational commitment as the strength of the individual’s identification with an organization; and also who is used to accepting any changes more readily than others, according to Yousef (2000). In the same vein, boosting motivation in the workplace demonstrates the achievement of organizational goals as per Pool and Pool (2007). Furthermore, it points to better-quality interactions and job presentation and inspires member of staff’s retention thus decreasing movement of staff out of jobs in the organisation.

Mowday, Porter, and Steers (1982) averred that the constituents of organizational commitment are associated narrowly with the IWEs principles, such a robust aspiration to sustain interactions in the association, a strong acceptance of the organization’s aims and ideals, and a readiness to exercise substantial effort on behalf of the organization. Kaptein (2008) emphasized that organizational effort could create a work setting that boosts work regulation, social practices, and
proper behaviour in the enterprise. According to Milliman, Czaplewski, and Ferguson (2003) the more the workers acknowledged personal fulfilment at work, the more they feel devoted to the association.

**Research Methodology**

Ran and Leeuwen (2002) agreed that literature analyses could produce information from previously published research on the proposed study. Thus, this study had the opportunity of collating data from selected articles obtained from databases that reported in the research area of the study. The use of secondary was adopted in this study.

Ghauri and Gronhaug (2005) defined secondary data collected from previously stored data with the intention of mounting a research. Multiple sources of data such as journal articles, books, and other online resources exist. Furthermore, and according to Saunders, Lewis, and Thornhill (2009), secondary data embraces raw data which have been assembled for other usage. This suggests that the requisite material is obtainable and only necessities the researcher to extract.

**Analysis/ Discussion of Results**

Gumusay (2014) mentioned that management research had integrated a multiplicity of disciplines into its research agenda such as Psychology (Weick, 1979), Ecology (Hannan & Freeman 1977), and Sociology (Selznick, 1949; Meyer & Rowan, 1977; DiMaggio & Powell, 1983), and Economics (Williamson, 1985).

Gumusay (2014) averred that given Muslim population worldwide one is could be agitated to ask the question on the intellectual neglect of dealings with Islam cum management. It is therefore, imperative to cause for the upturn of this situation. There is no doubt religion has a substantial effect on modern societies, and it is instructive for management research to engage more aggressively within the realm of the relations existing between religion and management (King 2008). On the same basis, Tracey (2012) and Chan-Serafin et al. (2013) opined that there should also be more engagement between religion and the organisation.

The micro-, meso-, and macro-levels are affected by the EIP through the determination of the people/individual, the business units, and the diversity in such association/organizations. This intricacy necessitates the integration of the micro-level, meso-level, and macro-level into all-inclusive models which could possibly produce explanatory disclosures while not neglecting the value of thriftiness. The entrepreneurial attractiveness in Islam could be appraised and the exploratory results might stand in as the background knowledge in entrepreneurship as a business process. The Arabic word ‘Ijtihad’ which means independent reasoning permits in-depth thinking that allows for putting the different issues into their contextual frameworks.

Muslim intellectuals also acknowledged the importance of Islamic work ethics in the present time. It has developed into a central fragment of Islamic philosophy, which could indeed be beneficial to every generation of Muslim faithful. Consequently, it is imperative for the entrepreneur to generate a situation that will create the platform for organizational obligation to strive among employees in order to serve the organisation better through the acceptance and implementation of IWEs constituents. The researchers settled that superiority conclusions will be provided if the workforces are appreciated and are comfortable. Therefore, job contentment could possibly do with the happiness or unhappiness of workers in the work environments.

**Summary, Recommendations, Conclusion**

**Summary**

Kayed and Hassan (2010) asserted that religion of Islam could be considered an “entrepreneurial religion” because it empowers and inspires entrepreneurial activity, which incorporates the
recreation of opportunity, instituting innovation, and the taking of risks. In the Quran and Sunnah, issues relating to the pursuit of worldly pursuit were highlighted. For instance, it was stated that “But seek the abode of the Hereafter in that which Allah has given you, and forget not your portion of the world, and be kind even as Allah has been kind to you, and seek not corruption in the earth; for Allah loves not corrupters.” (Qur’an 77: 28).

The Prophet of Islam, Muhammad (SAW), said that “Work for your worldly life as if you were going to live forever, but work for the life to come as if you were going to die tomorrow.” Although scholars classified it a weak hadith, it has however provided the knowledge of the divine guidance offered by Islamic religion to the Muslim personality.

**Recommendation**

After a thorough study, the following are the views put forward:

a) The research proposed that in terms of the management of entrepreneurial ventures, the provisions of Qur’an and the Sunnah should be perused and applied to suit the modern business models that are halal-based in all its facets.

b) There is the necessity to incorporate the advances on scholarly research findings on Islamic entrepreneurship in our educational curriculum.

c) To avoid the application of secular theories which are inconsistent with Islamic religious belief.

d) Islam supports work ethics, and therefore, is positioned as the central pillar of the faith and is all about ‘work and worship’. Consequently, priority should be given to teaching the principles of work ethics in Islam at seminars/workshops for both up-coming and existing entrepreneurs.

**Conclusion**

The adoption of conventional management without necessarily asserting its validity in any environment and its consistency with values in that environment could be counterproductive. According to Jabnoun (2005), because conventional management ignores revelation (source of Islamic supreme knowledge), is, therefore, deprived of an inexhaustible source of knowledge.

Furthermore, and looking at the conventional and the Islamic model approaches, the latter pays attention to differences in principles of thought, the cultural context of cases, empirical studies, and differences in values. And this exemplified one of the approaches of exploiting the benefits of Islamic work ethics and organisational commitment.

In today’s world, Islamic ethical values that encourage hard work and commitment to work could guarantee the reinforcement of businesses and the overall economic advancement of a Country. The Islamic values are necessary to support the quest for self-determination, sincere resourcefulness, and autonomy which are all desired as the basic requirements for any successful would-be and existing entrepreneur.

**References**


