Research Paper

Managing Organization as A*Khalifah* in Perbadanan Kemajuan Iktisad Negeri Kelantan (PKINK)[1]: ACase Study

Muhammad Ridhwan Ab. Aziz

Faculty of Economics and Muamalat,Universiti Sains Islam Malaysia (USIM),Bandar Baru Nilai.
MalaysiaOffice: +606-7986410Mobile: +6017-9511656

ABSTRACT:-The belief that mankind is endowed with a certain set of responsibilities that require balance, is paramount in understanding management from Islamic perspective. Maintenance of balance is not a mere recommendation but a divine order. Although Islam may play a balancing role when it comes to our personal lives, seldom do we inject and harmonize our businesses, organizations and institution with that balanced Islamic thought. This case study tries to explore the roles of manager as a *khalifah* in managing a particular organization. The methodology of research in this article is through a case study method in order to show the responsibilities of a manager as a *khalifah* from the eye of God. This article then suggests the appropriate way to overcome the conflict role of a manager when managing two roles of administarting in two different organizations in the same time.

*Keywords:-*Khalifah, PKINK, Managing Organization

I.   PROLOGUE

On 24th November 2012, Mohd. Roslan B. Mohd. Zain, Assistant Manager (Corporate & Communication Division) for Perbadanan Kemajuan Iktisad Negeri Kelantan (PKINK), who has just finished his prayer on the grave for the late of Haji Mohd. Adilan (Manager Human Resource Department, PKINK), shocked when he received unexpected call from Tuan Muhammad Faizal (Acting Human Resource Manager), who wanted him to do two jobs concurrently started from today, as Assistant Manager (Administration & Services Department) as well as Special Officer for Menteri Besar of Kelantan at Perbadanan Menteri Besar Kelantan (PMBK).

For Mohd. Roslan, doing two jobs in the same time is very difficult as he needed to do different type of jobs at two different offices. Time management for him right now is very important. For him, he cannot reject the order from the number one boss (Tuan Muhammad Faizal) as he knew that power comes with responsibility and the *amanah* given to him required him to re-schedule back all his works and activities in order to make sure the objectives of the PKINK and PMBK are both accomplished. If not, he will responsible for all the consequences in this world and the hereafter. Time now is 10.45 a.m. and he has another fifteen minutes to prepare for a scheduled meeting with Menteri Besar Kelantan at Perbadanan Menteri Besar Kelantan building. At this moment, the confirmation of a joint venture agreementfor the project yet to be known by him.

II.   HUMAN AS KHALIFAH: AN OVERVIEW

Khalifah is an Arabic word literally meaning "one who replaces someone else who left or died" (English: caliph). In the context of Islam, however, the word acquires a narrower meaning. The Muslim *khalifah* is the successor (in a line of successors) to Prophet Muhammad's position as the political, military, and

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[1]This case was written for the purpose of exposing the students of the duties and responsibilities of a manager as a *khalifah* to manage a particular organization efficiently and according to the requirements mandated by Allah (SWT) as well as exhibiting the best mechanism in delivering two important duties at the same time. The purpose is not to show any weaknesses of the named manager, but just to provide a basis for discussion.

administrative leader of the Muslims. The prophetic role of Muhammad is strictly not included in this definition, as the Qur'an and Hadith clearly state that Muhammad was the last of the prophets.

Khilafah is a related Arabic word which, in the context of Islam, is used to denote the government of the Muslim state, of which the *Khalifah* is the head. A workable analogy of *Khalifah* and *Khilafah* is president and presidency or king and monarchy. The *Khilafah* is a *fard kifayah* on the ummah. The first mater piece about *Khalifah* was written by Hassan bin Thabit. He wrote on Khalifah Uthman Ibn Affan; and he used the term "*Khalifat Allah* (Vicegerent of Allah)" in 35 AH.

Similar to Abu Al-Hasan Al-Mawardi (972-1058) in his book "*Al-Ahkam Al-Sultaniyyah*" used the terms *Khalifah* of God and Shadow of God, describing the status of Muslim leadership. *Khalifah* is the "Head of the Political System" and *Khilafah* is the "Political Institution or Islamic System of Governance". The legitimacy of the *Khalifah* depends on the Bai'ah, the Pledge of Allegece of the People, and as long as he could perform the following functions:
1. The defence and maintainance of religion
2. The decision of legal dispute
3. The protection of territory of Islam
4. The punishment of the wrong doers
5. The provision of troop for guarding the frontiers
6. The waging of Jihad againts the *Kafir Harbi*
7. The organization and collection of zakat
8. The payment of salary and administration of public fund
9. The appointment of competent officials
10. Personal attention to the detail of the government.

In addition, Ibn Khadun (1375-1379 in his "*Muqaddimah*, Chapters 25-28, defined the *Khalifah* as "The representative of the Prophet (*saw*); the exponent of the divinely inspired law (*Shariah*) and function to protect religion and the government of the world." Summarized from *The Encyclopedia of Islam*, vol. e-k, pp 881-885, the prerequisites to becoming the *Khalifah* are:
1. The *Khalifah* must be Muslim.
2. He must be a man.
3. He must be knowledgeable in Islam, and be able to make independent decisions if necessary.
4. He must be just, have good morals, and be trustworthy.
5. He must be physically able (non-handicapped), spiritual, brave, and helpful to protect the *Ummah* against its enemies. His eyes, ears, tongue, and body in general should be in working condition.Today, for example, an artificial limb could be used to offset an otherwise crippling injury.
6. He must be politically, militarily, and administratively experienced.
7. He must be from The Tribe of Quraish because they used to be the leading tribe, the majority.

However, many Muslim scholars have commented on this prerequisite. Al-Mawardi has written that the *Khalifah* should be Quraishi based on the saying of Abu Bakr that the *Khalifas* are Quraishi and their ministers are non-Quraishi. The majority of scholars are of this opinion. Other scholars have arrived at a different conclusion. Abu Bakr Al-Baqlani has said that the leader of the Muslims simply should be from the majority. Muhammad Riya-Ad-Deen and Abu Hanifah wrote that the leader must come from the majority to make it easy to follow him.

Meanwhile, Allah (*SWT*) has created mankind with noble objective that peoplewould lead their lives in peace and harmony following the tenets ofHis revelations sent down through Prophets from time to time since thevery beginning of the society. Leadership is one of the core corners inour social activities (Patwary, 2003). It refers to a process ofinfluencing and supporting others to work enthusiastically towardachieving objective (Koontz, 1994). It is a major factor for the successof any organization whether it is small or large, formal or informal. Aneffective leader is a must for attaining success in family life, businessconcern, government and political parties.

Classically, managerialleadership is an approach of getting things done through others most effectively and efficiently in an organization. In view of Islam, leaderis a member of a team who is given a certain rank and is expected toperform in a manner consistent with it. A leader leads a group who isexpected to exercise influence in forming and accomplishing theethical goals and objectives. The success of a leader is dependent onteam building that leads to team spirit.

Prophet Muhammad (*SAW*) said that the leader of a *Jamaah*(organization / community / nation) is their servant. Hence, a leadershould be in the business of serving and helping others get ahead. Hisham Al-Talib (1991) identified some important characteristics ofIslamic leadership, which are also applicable for the managerialleaders in an organization as follows:

a. Allegiance:
The Islamic managerial leader is bound in allegiance to Allah.

b. Global Islamic Goals:
The leader perceives the goals of an organization not only in terms of the interests of the group, but also in terms of wider Islamic objectives.

c. Adherence to Shariah and Islamic Manners*:*
The leader must adhere to Islamic injunctions. He can only continue his office as long as he observes the principles of*Shariah*. His behavior must conform to Islamic manners.

d. Delegated Trust:
Islamic leadership is a position with divine trust. He must enjoythis trust with highest degree of responsibility. Allah says,
"*Those, who, if we give them power in the land, establish Salat and pay Zakah and enjoin the right and forbid the wrong, with Allah rests the end of affairs*" (Surah Al Hajj).

Islam does not permit any Muslim to live without having a leader inany situation even if they are on a trip or in a desert. The primaryduties of a leader are to lead the people in offering prayers, to lookafter their interest with justice and run their activities in a disciplinedand systematic way (Ahmad, 2006).

However, an Islamic managerialleader will serve his followers or subordinates under some distinctiveprinciples, out of which some distinct operational principles arementioned below:

i. Shura
Managerial leaders in Islam must consult with their people beforemaking any decision. It is also the fundamental aspect of democraticsystem. Managers in an organization must consult with theirsubordinates in formulating any strategy or policy. Allah (*SWT*)directed his Prophet (*SAW*) 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*).

Allah also says "*And by the mercy of Allah, you dealt with them gently. And had you been severe or harsh-hearted, they would have broken away from about you; so pass over (their faults), and ask for (Allah's) forgiveness for them; and consult with them in affairs. Then when you have made a decision, put your trust in Allah.*" (*Surah Al-Imran*,*Verse-159*).

ii. Freedom of Thought
Islam encourages freedom of thought. Practicing managers orexecutives should create such an environment in the organization sothat the staff members can easily opine on any issue. The Four *Khalifs*of Islam considered this as an essential element of their leadership(Patwary, 2003). Saydina Umar (*RA*) praised Allah (*SWT*) that there werepeople in the *Ummah* who would correct him if he went astray.

iii. Sources of Islamic Jurisprudence
There are four sources of Islamic Jurisprudence. These are: *Quran*,*Hadith, Ijma', and Qias.* In managing any activity, the managers firstlook to its hints for solution from the *Holy Quran*. If hints are notavailable, he should give a second search of *Hadith*. Again if thesolutions are not found in *Hadiths*, he should look to *Ijma'*and *Qias*of recognized religiously learned persons and his good conscience.

iv. Justice

The management leaders must behave with team members justly andfairly without any discrimination regardless of their race, color orreligion. Islam always urges for doing justice to all. The *Qur'an*commands Muslims to be fair and just in any circumstances even if theverdict goes against their parents or themselves. Allah says
"O you, who believe! Stand out firmly for justice, aswitness to Allah, even as against yourselves or yourparents or your kin and whether it be against rich orpoor, for Allah protects both".(Surah An-Nisa, Verse-135).

v. Dependence on Allah

The managerial leaders in Islam must depend on Almighty Allah (*SWT*)for the outcome of any action. It is known in Islam as *Tawakul*. Allahasked his believers to depend on Him. Allah says, " *….when you havemade a decision, put your trust in Allah, certainly, Allah loves those who put their trust (in Him)*" (*Surah Al-Imran, Verse-159*).

However,dependence on Him without any endeavors is not supported by Islam.The mangers must prepare managerial plans and policies in order toachieve the rational (*halal*) objectives. But he must depend on Allah(*SWT*) for the success of his plan.

vi. Accountability

Islam teaches accountability as vital component of management. Themanagers must be accountable for their duties and responsibilities tothe Board of Directors. The Board must be accountable to thebeneficiaries or stakeholders. According to Islam, each and everyhuman being will be made responsible for his good or bad deeds andaccordingly he will be rewarded or punished. Allah says*"…whosoever does good equal to the weight of anatom (or a small ant) shall see it. And whosoever doesevil equal to the weight of an atom (or a small ant)shall see it."* (*Surah Az-Zilzal,Verse- 7-8*).

vii. Sincerity

An Islamic managerial leader must be sincere enough to achieve theobjectives of an organization. The *Qur'anic* terminology of sincerity is*Khulusiat*. The Holy *Quran* urges people to be utmost sincere in hispraying, meditations, and good deeds.

viii. Dignity of Labor

Islamic leaders must recognize the dignity of labor. Prophet Muhammad (*SAW*) said, "*Pay the wages to the labor before his sweat dries up" (Al-Hadith).* Islam pointed out that earning as the best, which is earned bythe toil of the labor. Hence, practicing managers should duly recognizethe dignity of all categories of efforts especially physical labor of theworkers and employees.

ix. Team Work

The managerial leaders must try to achieve organizational goals andobjectives with team rather than individual endeavors. The highestlevel of unity should be maintained among the executives, staff andworkers for motivating and energizing team works. Islam encourages*esprit de corps* i.e. team efforts. Prophet Muhammad (*SAW*) said "*TheHand of Allah is with the Jama'ah (team)*" *(Sunan Al-Tirmidhi)*(Ather, 2006).

IV.   BACKGROUND OF PERBADANAN KEMAJUAN IKTISAD NEGERI KELANTAN (PKINK)

PKINK was established by an Act of the State Legislative Assembly Number 10 Year 1966. It began operations on November 10, 1969 by the State Government launching grant of RM1.4 million as capital. PKINK is a representative of the establishment of the government to expand the state's economic development by carrying out economic activities, opening job and business opportunities to the people of Kelantan.

Among the objective of PKINK are to develop urban and suburban areas, to develop residential, industrial and commercial areas, to promote real estate in the state of Kelantan as well as to carry out activities-activities that will help in achieving the objectives of the corporation.

The roles of PKINK can be divided into two namely; Socio Economic Development (build dwelling houses and business premises, opening of new growth centers and job and business creation (BCIC). Secondly, Industrial & Commercial Development (develop an industrial area, leading the potential economic sectors, investing in commercial projects either direct investment or partnership or privatization.

The corporate mission of PKINK is as a corporate body responsible for leading the development and economic growth in the state of Kelantan, based on the principles of Islam, for the *ummah*. In addition, the objectives of Human Resources Management Division are to provide support to divisions in the Corporation and the State Economic Development Corporation (SEDC) in the field of services, organizational development, performance managementas well as human resource development and training in a comfortable environment and high quality.

The vision of this department is to create an outstanding Human Resource Management, committed, competent, knowledge-based moral standards of professionalism, integrity and technology in line with global vision.
While the mission of this department is to produce high ethical, knowledgeable, well-trained, efficient, competent, dynamic and quality manpower in accordance with the responsibilities entrusted.

At PKINK Office
"How's the next week event, I mean Minggu Hotel Klate 2012?",asked Mohd. Roslan curiously.
"We have not yet received any confirmation from the organizer regarding the event", confirmed Sofia Aizan.
"I would like to remind you that at the same time next week, you also have another function with the Menteri Besar", reminded Sofia.
"Ooh, I almost forget about it. So, if I cannot attend this event, who are going to replace me? Both events are very important for me to attend", said Mohd. Roslan. He indeed very cross.
"This is the problem when one person needs to fulfill two jobs at the same time", added Mohd. Roslan unsatisfied with the current situation.
"Mr. Roslan, today you need to send another report regarding our projects with Binaraya Sdn. Bhd., housing project in Pasir Mas. Tuan Muhammad Faizal needs to go through the report before the report able to be submitted to the Menteri Besar for further approval of the project progress", informed Sofia.
"What, My God, I have not yet start writing the report until today, last week I was busy with our new project and agreement of marble quarrying with Kelstone Sdn Bhd.", sighed Mohd. Roslan.

At Perbadanan Menteri Besar Kelantan (PMBK) Office
"Mr. Roslan, the Menteri Besar want to see you for a special meeting regarding our next week event", told Tuan Hissam.
"What time is the meeting?", asked Mohd. Roslan spontaneously.
"At 11 o'clock, Monday 3rd December 2012 at Meeting Room A, Level 2", described Tuan Hissam.
"Oh no!, I forget to get current feedback from Kelkon Sdn Bhd and Ara Asa Property Management Sdn Bhd regarding the proposal for them to do a joint venture of the new apartment project, asked by the Menteri Besar last week", worried Mohd. Roslan.

"Tuan Hissam, call both companies right now and ask them about the joint venture proposal", urged Mohd. Roslan.
"Eh..eh, another thing, send to me also the last meeting minute in order for me to examine all the actions that need to be taken before the meeting", ordered Mohd. Roslan.

Five minutes later.

"Here the minute, Sir",

"Sir, I was not able to contact both companies, perhaps it too early right now, 8.15 a.m, they are not in the office yet", explained Tuan Hissam while looked at his watch.

V. EPILOGUE
Mohd. Roslan looked at his watch and the time showed 10:55 a.m. He quickly parked his car at the Perbadanan Menteri Besar Kelantan (PMBK) building. As scheduled, a meeting with Menteri Besarwill be held at Meeting Room A, Level 2, PMBK Building. Mohd. Roslan until this moment, still cannot confirmed the proposal for a joint venture agreement between Kelkon Sdn Bhd and Ara Asa Property Management Sdn Bhd for a Apartment Embunuri Project in Seksyen 18, Kampung Sireh. He straight way went to the meeting room and as usual the Menteri Besar, Tuan Guru Dato' Nik Abdul Aziz Nik Mat was waiting in the room for a serious discussion.

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Interviewed with Mohd. Roslan Bin Mohd. Zain, Assistant Manager (Administration & Services Department) & Special Officer for Menteri Besar of Kelantan at Perbadanan Menteri Besar Kelantan (PMBK), 25th March 2013.

Suggested Questions
1. Identify basic concept of *khalifah* and duties of leader/manager in an organization.
2. Describe the difference between manager who understands the concept of *khalifah* and manager who do not understands the concept of *khalifah* in the style of managing an organization.
3. Propose steps in handling job stress for a fresh and young manager in managing two important jobs at a same time.

Appendix

Positions in Human Resource Department

No.	Position	Name	Details
1.	Manager for Human Resource Department (*Human Resources Management*) – N44	Hj. Mohd Adilan b. Mat Jusoh	**Died on 24th November 2012 and until now this position is still vacant.**
2.	Office Secretary – N27	Wan Zuwaibah Wan Isa	-
3.	Assistant Manager – N41 **(Services & Administration)**	Tuan Muhammad Faizal Tuan Sulaiman	**Acting Manager**
4.	Assistant Administration Officer – N32	Azila Ariffin	-
5.	Assistant Administration Officer – N27	Mohd Rozi Mohd Nor	-
6.	Admin Assistant (P/O) – N22 (*Services*)	Mohd Asiff Idriss	**Managing the transportation**
7.	Admin Assistant (P/O) – N22 (*Administration*)	Azman Hassan	**Managing confidential documents**
8.	Admin Assistant (P/O) – N17	Mohd Zali Mat	**Managing and storing documents**
9.	Admin Assistant (P/O) – N17	Mohd Nor Mat Yaman	**Safeguarding stationeries**
10.	Admin Assistant (P/O) – N17	Syamimi Izzati Shaari	-
11.	Customer Relation Officer – N17	Norlela Abdullah	-
12.	Assistant Manager – N41 **(Regulation)**	Ahlaami Ab. Halim	-
13.	Lower Admin Assistant N11	Mat Leh Seman	-
14.	Assistant Manager – N41 **(Corporate Relation)**	Mohd Roslan Mohd Zain	**- Currently holding two different posts in two different offices.** **- Responsible to promote PKINK.**
15.	Assistant Admin Officer – N27	Tg Petra Tg Wook	-
16.	Admin Assistant (P/O) – N17	Sofia Aizan Che Soh	-
17.	Admin Assistant (P/O) – N17	Tuan Hissam Tuan Mamat	**Photographer**
18.	Assistant Manager – N41 **(Training)**	A. Ubaidillah	-
19.	**Admin Assistant (P/O)**	**Zakiah Ahmad**	**Retired on Mac 2013 and this post still vacant.**