



Scan for download

The Management Perspective of the Prophetic Leadership Model

Rodrigue Fontaine ¹, Khaliq Ahmad ^{2*}, Gapur Oziev ³

¹ Associate Professor, Business Administration Department, International Islamic University Malaysia

² Professor, Business Administration Department, College of Business and Economics, Qassim University, Saudi Arabia

³ Associate Professor, Department of Economics, International Islamic University Malaysia

ARTICLE INFO

ABSTRACT

Article History:

Received 21 Feb. 2019

Revised 16 May 2020

Accepted 20 May 2020

Online 30 June 2020

DOI:

Keywords:

Islamic
Perspective,
Leadership,
Shūrā,
Management
Theory.

Management is more than a century old discipline that has evolved in the form of organizational theories and management thoughts. Principles of management based on teachings of Islam have proved themselves successful in the shiny history of sīrah and pious caliphs. This study proposes an Islamic perspective of management and leadership thinking that is tied to the conventional theory of management. It is intended to integrate the approach of current system with the Islamic perspective of management and leadership with the focus on human-resource-development aspects of the prophetic leadership. The article purposes a management model namely the Prophetic Leadership Model (PLM) discussing the key management activity mentioned in the Qur'ān namely shūrā (consultation). The study elaborates the significance of: the understanding of the Qur'ān and the Sunnah, having a growth mind-set and a working knowledge of the systems school of management theory, besides conventional leadership skills, in effectively adapting the PLM. The model is validated by using events from the life of the Prophet (peace be upon him) and is shown, with the help of a case study, to be applicable in current management practices provided all the necessary leadership characteristics are developed through training and development programs.

* Corresponding Author's email: k.israil@qu.edu.sa



Introduction

Muslims represent one of the most significant religious groups in the world. Yet, little has been documented about the management principles embedded in the teachings of Islam. Muslims believe that the Qur'ān is the word of Almighty Allah and Prophet Muhammad (peace be upon him) is the one who demonstrated how to practise the message of Qur'ān. Allah says:

*“And those who have responded to their Master and established prayer and whose affair is [by] consultation (Shūrā) among themselves, and from what We have provided them, they spend.”*¹

Consultation (*shūrā*) is the backbone of the Islamic perspective of leadership. A glance at the life of the Prophet (peace be upon him) shows that he consulted with others for almost every matter, big or small.² Although *shūrā* has been discussed in detail in the Muslim literature, it has not been explored with the lenses of the systems school of management theory.

Schools of Organisational and Management Theories

In 1980, Koontz argued that there are 11 schools of or approaches to management theory.³ Koontz's research has influenced many management writers since. However, there is a disagreement as to how many schools there are. For example, Robbins and Coulter⁴ argue that there are only seven schools as given below:

1. The scientific management school
2. The administrative management school
3. The quantitative approach school
4. Individual psychology school
5. The Group psychology school
6. The systems approach school
7. The contingency approach school

Recently another recognised school is the power school.⁵ This school views management as a political process where different coalitions inside the organisations negotiate compromises. This results in a decision-making where the decisions are not best for the organisation, but they are often best for the coalition in power. Argyris⁶ has shown that employees often lie to protect themselves from embarrassment. Other researchers confirm that a climate of fear often distorts the management process.⁷ Unfortunately, many leaders are in a state of chronic denial.⁸ Hence, there is no consensus regarding the number of schools of management theory or their respective strengths and weaknesses. Two points are important:

1. When Muslim management theorists talk about the Islamic perspective of management, they do not explicitly state which school of management they are tied to. This is sometimes problematic because many Muslim management theorists seem to assume that the behavioural school is the best. The assumption

The Management Perspective of the Prophetic Leadership Model

- is that if one treats employees according to Islamic principles, they will automatically be happy and productive employees. That is only one of the views.
2. We find that this over-emphasis on the behavioural approach ignores the contributions of other schools, in particular the systems school. Deming⁹ said that 94% of problems in organisations start with the system, not employees. We, therefore, assume that a great insight can be gained from the systems school and thus propose that an Islamic perspective of leadership should, in fact, be tied to the systems school.

The Systems School

Reviewing the history of management, Ackoff¹⁰ explains that up until the 1900s, management was based on a mechanistic worldview. The main approach to problem solving was analysis, which involves breaking problems into smaller parts. By the 1950s, management problems became so complex that a mechanistic approach produced many unintended consequences. Gradually, a systems approach was preferred, with an emphasis on synthesis which involves integrating parts into a whole. The systems approach focuses on the system as a whole. In management, proponents of the systems approach include W.E. Deming and Peter Senge. The main assumptions of systems schools are:

1. Organisations are complex social systems characterised by interdependence. This interdependence is the principal challenge of management. To manage interdependences, a systems perspective is necessary.
2. Most managers and employees have not been trained in systems theory. They have a limited view of the organisation as their primary focus is on solving problems inside their group or department. They often make decisions that have unintended consequences for the organisation as a whole.
3. In an organisation, the mental model of leaders influences the way subordinates perceive the problem, the cause and effects and the solution. This shared mental model is often a distortion of reality.¹¹ Rectifying this distortion is a precondition to solving complex management problems. For this reason, leaders need to understand the current mental model, validate it and change it if necessary.

A major theme in the systems literature is that leaders have simplified mental models. When they make critical decisions, this leads to unintended consequences, which eventually leads to organisational failure (see figure 1).

Figure 1: A Summary of the Systems Literature (Source: The Authors)



Over the last twenty years, researches in neuroscience have confirmed the tendency for individuals to make quick decisions that reflect their partial and distorted understanding of the environment.¹² Fontaine¹³ argued that in the light of the disastrous impact of not applying systems-thinking principles, all Muslims managers ought to be trained in systems thinking and applying systems-thinking principles in managerial decision-making is a moral responsibility.

Problem Statement

There exist a variety of schools of management. The most interesting school for Muslim managers is the systems school because it deals specifically with the complexity of issues and variables related to human and organizational behaviours and market dynamics and unintended consequences. Consider the spread of the coronavirus and the speed at which entire industries from airlines to hotels and restaurants are going to change as a consequence. Such massive, rapid and unintended change can only be explained by the systems school. Yet, there is not enough research that shows how Islamic leadership could integrate a systems approach.

Research Questions

The two research questions are:

- a) Is there a model of Islamic leadership that reflects the concerns of management scholars?
- b) Can this model be adapted to incorporate the tools and techniques proposed by the systems school?

Definition of Leadership

There is a debate as to whether leaders and managers do the same thing. This debate started in 1977 with an article published in the *Harvard Business Review*. One of the participants in this debate, John Kotter, concludes that management and leadership are different. He says, "*Management is about coping with the complexity. Leadership, by contrast, is about coping with the change.*"¹⁴ If one accepts Kotter's view, leaders have to do two things well: they must prepare the organisation for the future by initiating change and they must deal effectively with people so that resistance to the change is minimised.

Organisational Failure

Studies have shown that most organisations, 70 to 98 per cent,¹⁵ fail. This high rate of organisational failure is explained by the inadequacy of the mental model. For example, Sull¹⁶ studied successful organisations that failed. He found that the leaders of these organisations discovered a management "success formula" that worked for a while. These leaders institutionalised this "success formula" thus creating a dominant mental model inside the organisation. Employees with a contrarian perspective were seen as a threat and often forced to leave allowing group thinking to emerge. When business conditions changed, the dominant mental model became a liability. Leaders in these organisations knew that things were

The Management Perspective of the Prophetic Leadership Model

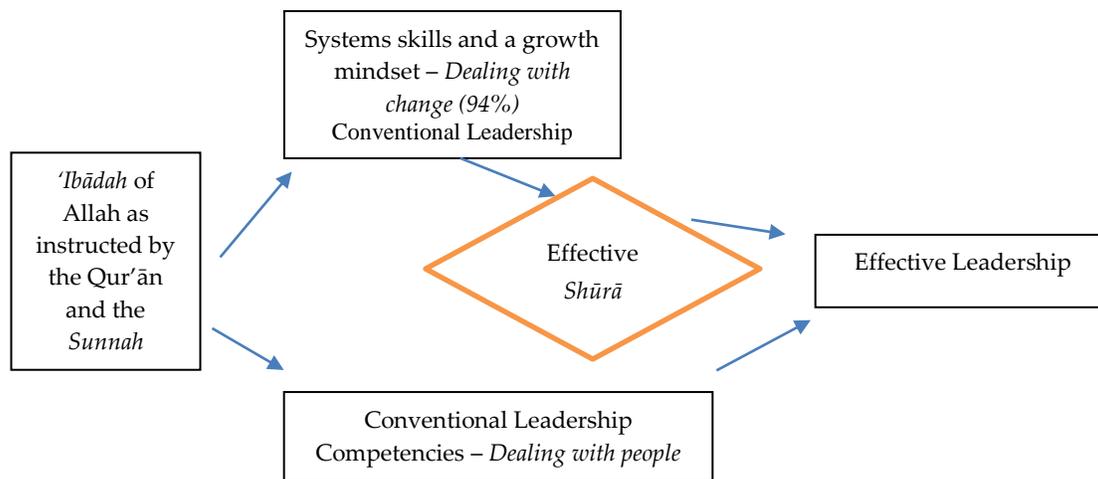
going bad, so, they tried all kinds of superficial changes but few leaders were able to change their perception of reality. Sull called this stage “active inertia”. The high rate of organisational failure made us think that maybe Muslim management theorists ought to look at management from an Islamic perspective through the lenses of systems thinking.

The Prophetic Leadership Model

The debate as to whether religiosity helps or hinders the leadership has been going on for a long time. Osman Gani ¹⁷ and his colleagues discovered a positive relationship between religiosity and spirituality on employees’ performance at the workplace. They found that increased spirituality enhances mutual respect between employees, even when the employees professed different religions. Recently, Muslim and non-Muslim experts in leadership have turned to the life of the Prophet (peace be upon him) to develop new insights into leadership. Adair, ¹⁸ a non-Muslim scholar of leadership, reviewed the life of the Prophet (peace be upon him). He found that the Prophet’s leadership qualities overlap with his principles of action-centred leadership. His theory states that leaders must focus on three things: the task, the team, and treatment of every team member as a unique individual. A key feature of Adair’s work is that leaders are responsible for training and developing individual team members.

In the light of the discussion above, we became interested in developing the Prophetic Leadership Model (PLM). To derive the PLM, we assumed two things: i) the purpose of life is to worship Allah ¹⁹ so the worldview of the leader must reflect the view of the Qur’ān and the *Sunnah* and ii) consultation (*shūrā*) is a key management process that is explicitly referred to in the Qur’ān . A review of the life of the Prophet (peace be upon him) and his four successors shows that they all had different personalities and faced different challenges but they always relied on *shūrā* to make their decisions.

Badi and Tajdin ²⁰ classified this as “the *shuratic* way of thinking.” They identify the barriers to sound thinking. These include ignorance (*jahl*), turning away from the truth (*al-i’rad*), traditionalism (*taqlīd*), desires (*hawā*), arrogance (*istikbār*), hypocrisy (*nifāq*), reliance on conjectures, denial of the truth, denying the message of Islam (*takdhīb*) and satanic thinking. Linking these ideas together, the Qur’ān tells us that when people think alone, they are more likely to follow conjecture and desires. Explaining things in a *shūrā*, forces individuals to publicly articulate a rational argument, this leads to less emotional decisions. Thus, figure 2 was developed in the light of the discussion above.

Figure 2: The Prophetic Leadership Model (Source: The Authors)

The rest of this study will explain and justify figure 2. This is not the only way of conceptualising the leadership style of the Prophet (peace be upon him) but it seems to fit his life. It includes a systems-thinking perspective and is simple enough to be operationalised.

The Qurʾān and the *Sunnah*

There is a consensus among Muslim scholars that Muslims need to have a worldview that reflects the view of the Qurʾān and the *Sunnah* to solve today's social and economic problems in the Muslim world. But what does this mean in practice?

A detailed answer to this question is not possible due to space limitations. However, two points will be made. First, concerning religious beliefs, Philips²¹ writes that in most countries, Islamic practices have been mixed with a variety of local customs creating a "cultural Islam". Philips argues that these local customs are inherited from pre-Islamic times or cultural practices that have been borrowed from other cultures. On top of these cultural practices, increased factionalism and fanaticism compound the problem of differentiating Islam as enjoined by the Qurʾān and the *Sunnah* from cultural Islam. Second, concerns the practice. Many Muslim scholars have highlighted the importance of abiding by the principles of Islamic law (*sharī'ah*). We too agree with this. However, classical books of Islamic law tend to focus on problems of that time, not the current ones. In practice, Muslim leaders need to have a working knowledge of Islamic legal maxims²² (*al-qawā'id al-fiqhiyyah*). The core principles of Islamic law can be derived from the five major legal maxims: matters are determined according to intentions, harm should be removed, a custom is an arbitrator, certainty cannot be removed by doubt, and hardship begets facility. These legal maxims have become increasingly popular in areas like Islamic finance. These points are easily accessible to interested Muslims.²³

Apart from applying Islamic law, leaders must be morally upright. Applying Islamic

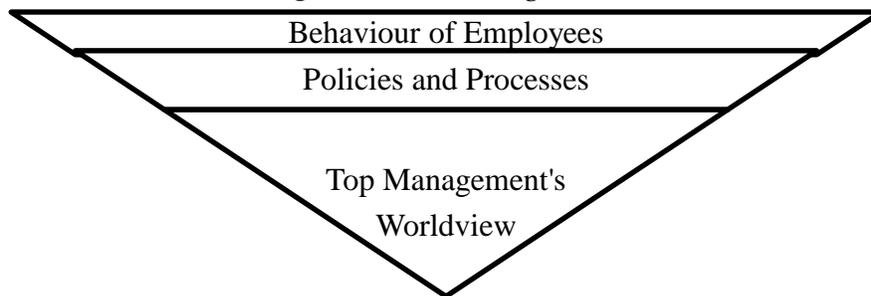
The Management Perspective of the Prophetic Leadership Model

law does not guarantee the moral uprightness of an individual. It is, therefore, essential that any leadership development programme for Muslim leaders must explore the differences between decisions that are *ḥalāl* and *ḥarām*, decisions that are ethical and unethical and decisions that are moral and immoral.

Having morally upright leaders, who apply Islamic law is not by chance. Organisations must put in place mechanisms that enable Muslim leaders to continuously improve their knowledge and their practice of Islam. Research shows that this can become a systematic and inexpensive process.²⁴

The importance of leaders having a worldview that reflects the view of the Qur'ān and the *Sunnah* cannot be underestimated as the worldview of the leaders determine everything else.²⁵ This is sometimes described as the Iceberg Model (see Figure 3). The behaviour of employees can be seen at the surface but the shared worldview of leaders is well below it. Figure 3 is a simplified version of the models found in the literature.

Figure 3: The Iceberg Model



Source: The Authors

From a management perspective, there are three possibilities:

- Top management's worldview is completely aligned with the view of the Qur'ān and the *Sunnah*.
- Top management's worldview is partially aligned with the view of the Qur'ān and the *Sunnah*.
- Top management's worldview ignores the view of the Qur'ān and the *Sunnah*.

The PLM assumes that only a complete alignment with the view of the Qur'ān and *Sunnah* will please Allah. In return, Allah will help these leaders. Thus,

H1: Allah will only help Muslim leaders who are committed to the Qur'ān and the *Sunnah*.

Training and Development

There are two generic approaches when thinking about leadership. One approach is to state that a leader is born a leader. Though this is intuitively true for great people like the Prophet (peace be upon him), this approach is not useful for most businesses. A second approach is to assume that leaders can be made by using the right training and development approaches.

Training activities tend to involve workshop-centred events. Training workshops are good to develop specific skills (e.g. learning new software) but they tend to be ineffective when changing people's attitudes. Training activities end very quickly.

Development activities involve content-centred processes. For example, a manager might attend a part-time course to better understand Islamic legal maxims. If the development process is structured over several months with appropriate coaching and clear expectations and objectives, changing people's attitudes can be feasible. Effective training and development need to deal with "*frames of references*". Delahaye²⁶ explains that frames of references are "*deep-seated values and values that guide and shape everyday attitudes.*" They act as a filter. Individuals accept information that agrees with their frames of reference but reject information that contradicts them. They are defended by the psyche.

The change in frames of references is either a sudden change which can be caused by a disorienting dilemma or a gradual change which can be caused by critical thinking. In short, training and development programmes can change people. But that change is not automatic.

H2: The knowledge and skills necessary for individuals to be part of an effective *shūrā* can be acquired through training and development.

Systems Skills and a Growth Mindset

Over the last three decades, many social psychologists have identified mindset – the way an individual simplify the world around him or her to make sense of it – as a key to success. Dweck²⁷ says people either have a fixed mindset or a growth mindset. People with a fixed mindset believe that their intelligence and talent are fixed. They see making an effort useless. Setbacks are seen as failures. To achieve their targets, they are willing to cheat. People with a growth mindset believe that their intelligence and talent grow over time. They see making an effort as the key to success. Setbacks are opportunities to reflect and learn. They don't cheat because that goes against their values.

Dweck quotes research that highlights individual and organisational consequences of these differences in mindsets. Leaders with a fixed mindset act like dictators. They see themselves as "special people" and they surround themselves with individuals that will continuously validate them. Leaders with a growth mindset will spend time mentoring and coaching individuals. They see themselves as normal people and they surround themselves with people that help them learn.

At the individual level, many experts have highlighted the importance of learning from experience. However, a growth mindset seems to be a prerequisite. This requires shifting from the praise that focuses on talent to the praise that focuses on effort.

At the organisational level, the belief that some people are talented while others are

The Management Perspective of the Prophetic Leadership Model

not has led to many corporate scandals.²⁸ By contrast, Collins²⁹ analysed the performance of 1,435 companies and identified 11 great companies. In these companies, the leaders always had a growth mindset and made sure that every senior manager also had a growth mindset.

Though the idea that leaders ought to be individuals with a growth mindset seems intuitively appealing, research shows that many people don't learn from experience. Scholars in the systems school argue that most organisations are so complex that learning from experience is difficult unless one has the proper methodology.³⁰

Although it is only a guess, we suspect that the companions of the Prophet (peace be upon him) must have had a growth mindset to accept the message of Islam. Their commitment to learning the Qur'an and the *Sunnah* and their ability to change fundamental aspects of their belief system and their way of life attest to that. Their ability to deal positively with setbacks – like the battle of Uḥad – is another clear sign. By contrasts those who refused the message of Islam despite the clear proofs – whether they were declared hypocrites – probably had fixed-mindsets.

The situation for Muslims is of course very different. One might argue that Muslims with a growth mindset are willing to change their beliefs and their ways of life to align it with the Qur'an and the *Sunnah*. Muslims with a fixed mindset will pick and choose what they like from the Qur'an and the *Sunnah* to avoid any change in their way of thinking and lifestyle. In the context of the PLM, everybody involved in the *shūrā* must have a working knowledge of systems thinking. Thus,

H3a: For a *shūrā* to be effective, every *shūrā* member must have a growth mindset.

H3b: For a *shūrā* to be effective, every *shūrā* member must have a systems perspective.

However, conventional leadership competencies are still important.

Conventional Leadership Competencies

Deming highlighted that 94 per cent problems start with the system. However, one cannot dismiss the 6 per cent of problems that are not linked to the system. Be that as it may, it is individuals who create and change the system so people still matter. In our review of the literature, the most useful study was the study by Collins. Collins studied 1,435 companies and identified 11 exceptional companies that were able to sustain a high level of performance for more than fifteen years. Collins found that great leaders:

- a) Choose the right people – Hiring right people and putting them in the right positions is the most critical skill good leaders possess. These people must respect one another. They must debate points passionately but when a decision has been made, they unify themselves around the decision. A necessary skill is getting rid of the wrong people.

- b) Rely on brutal facts when making decisions – Great leaders rely on facts to answer critical questions. Even if the management team doesn't like the facts, they accept them. It is not one single decision that makes a difference, but many decisions made over several years. Cumulatively, great leaders make better decisions over time compared to their peers. By contrast, ineffective leaders make decisions that reflect their biases. Great leaders create a climate where facts can be heard. Their leadership style often depends on asking the right questions, encouraging debates, analysing problems without blaming individuals and allowing dissenting opinions.
- c) Are clear about their focus – Great leaders have a deep insight into what they need to do. This drives all of their activities. Other leaders have a shopping list of goals. But their activities and focus are scattered in many directions. This clarity of purpose is different from having a strategy. Many strategies depend on forecasts. Clear insights depend on brutal facts. This clarity is obtained by debating facts and opinions in a council. A *shūrā* is not a meeting that endorses the vision of the leader. The *shūrā* is a way for leaders to obtain clarity of focus.
- d) Create a culture of discipline – Great leaders create effective systems. At the same time, people within the system have the freedom and the power to change things when it benefits the organisation.
- e) Use technology as an accelerator – Real change happens because the top leaders have hired the right people and developed the right focus. Technology is only an accelerator of the change; it is not the originator of change.

H4: For a *shūrā* to be effective, every *shūrā* member must have conventional leadership competencies.

Shūrā-based Leadership

Most leadership studies focus on individual leaders. However, as organisations become more and more complex, the focus shifts towards collective leadership.³¹ In fact, having *shūrā*-like councils is one of the traits of great companies, according to Collins. As a backdrop, it is fascinating that leadership in the Qur'ān has always been seen as a collective endeavour. Allah says

*“And those who have responded to their Master and established prayer and whose affair is [by] consultation (shūrā) among themselves, and from what We have provided them, they spend.”*³²

There are many examples from the life of the Prophet (peace be upon him) and his companions to understand that they applied this *ayat* in almost every aspect of their lives. Obvious examples include the *shūrā* meetings conducted before various battles. In several cases, the Prophet (peace be upon him) obtained the advice of his wives on certain matters.

While surveying the ḥadīth literature, we found only one authentic ḥadīth regarding

The Management Perspective of the Prophetic Leadership Model

members of a *shūrā*. The Prophet (peace be upon him) said,

*“Consultant must be trustworthy.”*³³

The wisdom of the ḥadith cannot be exaggerated when one reflects on the ethical conflicts that plague people with power and authority.

One cannot emphasise the importance of *shūrā*-based leadership. *Shūrā*-based leadership ceases to be an individual responsibility. Instead, it becomes a collective responsibility. The benefits of this shift of responsibility can be seen in the case of the Ford Motor Company in an interval between 2006 and 2010. Before embarking on this example, we would like to clarify that our faith in the Qur’ān does not depend on finding modern practices of management that agree with the Qur’ān. However, in communicating with business people, a good case study always helps.

The case is based on a book written by Bryce Hoffman.³⁴ From the 1990s onwards, the Ford Motor Company had a series of bad leaders. These leaders pursued short-term and misguided policies. They focused on building a network of executives that were loyal to them and not to the company. This divided Ford into opposing camps. Executives were known to lie to one another to protect their territory. By 2006, Ford was losing billions of dollars and bankruptcy was a real possibility. The board of directors was aware of the severity of the problem and they were looking for the right chief executive officer (CEO). By 2005, the board wanted Alan Mulally as the new CEO. Mulally, a senior leader at Boeing had saved Boeing from bankruptcy twice. By September 2006, Mulally had joined Ford as the new CEO. He started a weekly corporate-wide meeting called the Business Plan Review (BPR). In the BPR, every divisional leader had to personally present data on the current performance on a range of metrics for their department/division. Mulally insisted on some rules:

- 1) The BPR was not a forum for debates, it was a forum for decision-making, sharing information and sharing resources.
- 2) Every leader was expected to behave in a supportive manner. If department A had a problem and department B had the resources to help department A, then department B was expected to help department A for the common good.
- 3) Leaders were rewarded for reporting problems.

The BPR was instrumental in rectifying all the operational problems that Ford had. Although the BPR was a top management meeting, every head of division was so impressed with its positive outcomes that the BPR was implemented in every division and at every level of management in Ford. After a couple of years, Ford was again making substantial profits and no longer remained under the threat of bankruptcy.

Three lessons are learned from the Ford case. First, it helps us to understand the limitations of conventional management (with its over-emphasis on individual decision-making) and the benefits of switching to a *shūrā*-system. Second, critics

might argue that *shūrā* is an “old” method of management that doesn’t apply to modern organisations. In fact, *shūrā* is exactly what is needed to manage modern and complex organisations. Third, the Ford case helps us to understand the difference between an effective and ineffective *shūrā*. The BPR worked at Ford because Mulally insisted on having a data-driven decision-making process and he was able to ensure that internal politics didn’t contaminate the *shūrā* process. His statement, “*the data sets you free*”, became the new management philosophy of Ford. The BPR transformed the situation for Ford.

Relating this to the Prophet’s life, research indicates that *shūrā* is not simply about making collective decisions rather it is a means of getting commitment and helping everybody understand the bigger picture. For example, let us consider the Prophet’s decision to meet the enemy at Uhud. Beekun³⁵ notes that this was not the Prophet’s preferred choice but it was the advice of the *shūrā*. The Prophet (peace be upon him) followed the advice to ensure that his followers were fully committed to the plan. The BPR was much more than a simple meeting. It was the mechanism to build trust and transparency, execute the plan and unite the whole organisation. Hoffman notes that the BPR was also a process to develop the leadership competencies of all senior executives in Ford.

There is a potential downside to a *shūrā* that needs to be appreciated. Research has highlighted the advantages and disadvantages of group decision-making. A complete discussion is outside the scope of this paper but Sustein and Hastie³⁶ note that many a times teams make bigger mistakes than individuals. This is because team members often wrongly estimate information signals and often succumb to reputational pressure. Instead of injecting collective wisdom, they simply amplify individual errors. Sustein and Hastie propose the following solutions.

1. Silence the leader—leaders must let the team deliberate first before saying anything
2. Prime critical thinking
3. Reward group success
4. Establish contrarian teams

Although the above solutions are steps in the right direction, our understanding of modern management literature is that effective *shūrā* depends on two sets of competencies. One set deals with change. In particular, we found that leaders ought to have growth mindsets and systems’ skills. The second set of competencies deals with handling people.

H5a: A *shūrā* is an essential process to make good decisions and get the commitment of key individuals to implement these decisions

H5b: A *shūrā* is an essential process to develop leaders that always see the bigger picture and help them acquire the right set of competencies.

The Life of the Prophet (peace be upon him)

To test hypotheses 1 through 5, selected examples from the life of the Prophet (peace be upon him) will be highlighted. Our main reference is *"The Sealed Nectar."*³⁷

Hypothesis 1:

The success of the Prophet (peace be upon him) was intimately linked to the help of Allah. This fact is self-evident when one reads the life of the Prophet (peace be upon him). The most obvious facts include receiving revelation, receiving help in battles and receiving news before assassination attempts. The fact is that Muhammad (peace be upon him) could not have achieved what he did without the help of Allah is often overlooked. By extension, the fact that Muslim business leaders today should seek to please Allah is also overlooked.

Hypothesis 2:

Throughout the lifetime of the Prophet (peace be upon him), it seems obvious that most of his time was spent on training and development activities – either by delivering sermons or by demonstrating the proper leadership behaviour. This emphasis on developing people seems to have taken second place in the Western perspective to leadership as the leader is seen principally as a general. Spear³⁸ notes that it is, however, at the core of the Japanese perspective of leadership where the leader is seen principally as a teacher. The Japanese management seems to be closer to the Prophet's leadership style compared to Western management.

Hypothesis 3a:

With regards to *shūrā* members, requirement of a growth mindset can be inferred from many incidents. Indeed, the whole lives of the Prophet (peace be upon him) and the companions were to break with traditions and to learn to think in new ways.

Hypothesis 3b:

Of course, the Prophet (peace be upon him) did not use the existing systems thinking terminology. However, he did understand that a whole is made up of parts and that if one part fails the whole is likely to fail. The most obvious example was during the battle of Uḥad. The Prophet (peace be upon him) had positioned 50 archers on a mountainside with very strict instructions not to leave their position. The battle started and things seemed to go in favour of the Muslims. Thinking that the battle was won, 40 archers left their post. This enabled the non-Muslims to launch a counter-attack that almost proved fatal to the Muslims. Let us reflect on this incident. A layman's perspective would be, *"There are 1,000 soldiers in the Muslim army. If everybody is brave, the army is sure to win."*

A systems perspective would be, *"The army is made up of different units. The army is only as strong as the weakest unit in the army."* The way the battle turned out indicates that even during the Prophet's time systems thinking seems to be relevant.

Hypothesis 4:

With regards to conventional leadership skills, we found the work of Collins (choosing right people, relying on facts, clarity of focus, and culture of discipline) very helpful.

The historian Najeebabadī³⁹ has reviewed the deterioration of the Muslim Ummah since the death of the Prophet (peace be upon him). The first two successors (Abū Bakr and ‘Umar) had many companions that had been trained by the Prophet (peace be upon him) himself. They had experienced the difficulties in Makkah, the wars in Madinah and had witnessed the liberation of Makkah. Apart from that, they witnessed many miracles that Allah gave the Prophet. However, as Islam spread Muslims came into contact with new people, many of whom willingly converted to Islam. These new Muslims brought with them their own ideas, cultures and histories. Most of them were sincere Muslims but they had not been trained by the Prophet (peace be upon him). This gradual decline in the quality of the average Muslim started at the time of Caliph ‘Umar but its effect became more apparent at the time of Caliphate of ‘Uthmān and ‘Ali. Caliph ‘Ali, in particular, spent most of his time dealing with internal discords among the Muslims. During the time of ‘Uthmān and onwards, rumours and counter-rumours made *shūrā* less effective.

If this analysis, however simplistic as it may seem at first, is correct, then these factors – putting the right people in power, developing policies based on facts, developing clarity of focus, and creating a culture of discipline – can be developed in the society.

Hypothesis 5a:

There are many events in the life of the Prophet (peace be upon him) that indicate the usefulness of the *shūrā*. One famous occasion was the *shūrā* before the invasion of the confederates (*Al Aḥzāb*). One of the companions, Salmān Al Farsī, suggested digging trenches as they did in Persia. The Prophet (peace be upon him) accepted the idea. Referring to Sustein and Hastie, we know that there is a tendency in many groups to silence innovative ideas. After all, why experiment with a “new idea” at such a critical time? The ready acceptance of the idea by the Prophet (peace be upon him) and the companions indicate the usefulness of the *shūrā* to identify innovative solutions. It also indicates a growth-mindset.

Hypothesis 5b:

The idea that the *shūrā* was used to develop leadership competencies of the companions seems not to be found explicitly in existing biographies of the Prophet (peace be upon him). It seems that leadership development was based more on one-on-one coaching. However, one suspects that observing how the Prophet (peace be upon him) managed his *shūrā* meetings must have shaped the way future Muslim leaders thought. Further research could shed more light on this matter.

Recommendations

Many scholars have already written about Islamic leadership before this study and scholars must always add to the body of knowledge. Yet, when evaluating this study, the following points are worth considering.

1. We argue that Muslims will only be successful in business if Allah blesses them. Trying to please Allah is therefore crucial for the long-term success of a business. This observation has never been made explicit in the Islamic management literature before, even by Muslim writers. Although this point seems obvious, it is sometimes necessary to state the obvious.
2. Previous writers have taken a leadership-traits approach to understand the Prophet's leadership style. We have taken a human-resource-development approach. If we accept figure 1 as a framework, the human resource department can implement policies so that:
 - a. Employees can develop an Islamic worldview by studying the Qur'an and the *Sunnah*.
 - b. Employees can be taught about how to apply Islamic legal maxims at work.
 - c. Employees can develop a growth mindset.
 - d. Employees can learn about systems management.
 - e. Employees can acquire leadership competencies as described in Collins' work.
3. There are many schools of management theory. We feel that the systems' school provides more insight compared to other schools. We propose that scholars of Islamic management should favour this school above others.
4. The work of Dweck indicates that individuals have either a fixed mindset or a growth mindset. Helping individuals change from a fixed mindset to a growth mindset turns out to be a straightforward process.
5. Although many writers have mentioned the role of the *shūrā*, few have put the *shūrā* at the centre of their understanding of the Prophet's leadership style. Few have analysed when a *shūrā* is effective and when a *shūrā* is not effective. The shift from individual leadership to collective leadership has been highlighted. The case of the Ford Motors Company helps us better appreciate the operational benefits of using a *shūrā* system.

A limitation of this study is that the PML has exclusively been derived from the literature. Hopefully, practitioners will use the PML to guide their training and development policies. If they become successful, this will validate the PML.



This work is licensed under a Creative Commons Attribution 4.0 international license.

References & Notes

- ¹ Al Qur'ān 42:38.
- ² Amad S.F., "Ethical Basis of Organisational Leadership", *Issues in Islamic Management: Theories and Practices*, Edited by Khaliq Ahmad, Rafiqul Islam & Yusof Ismail, (Gombak: International Islamic University Malaysia Press, 2011)
- ³ Harold Koontz, "The Management Theory Jungle Revisited", *The Academy of Management Review*, Vol. 5, No. 2, (Apr. 1980), pp. 175-188.
- ⁴ Stephen P. Robbins, and Mary Coulter, *Management*, (Boston, MA: Pearson, 11th ed. 2012)
- ⁵ Henry Mintzberg, Bruce Ahlstrand & Joseph Lampel, *Strategy Safari: A Guided Tour through the Wilds of Strategic Management*, (New York: The Free Press, 1998), pp. 234-261.
- ⁶ Chris Argyris, *Flawed Advice and the Management Trap: How Managers can Know When They're Getting Good Advice and When They're Not*, (Oxford: Oxford University Press, 1st ed. Jan. 2000)
- ⁷ Tom Rieger, *Breaking the Fear Barrier: How Fear Destroys Companies From the Inside In and What to do About it*, (New York: Gallup Press, Dec. 2014)
- ⁸ Richard S. Tedlow, *Denial: Why Business Leaders Fail to Look Facts in the Face- and What to Do About it*, (New York: Penguin Publishing Group, Feb. 2011)
- ⁹ W. Edwards Deming, *The New Economics for Industry, Government, Education*, (Boston: The MIT Press, 2nd ed. 1994)
- ¹⁰ Russell L. Ackoff, *Ackoff's Best: His Classic Writings in Management*, (New York: Wiley, 1st ed. Feb. 1999)
- ¹¹ John D. Sterman, *System Dynamics: Systems Thinking and Modelling for a Complex World*, (USA: Massachusetts Institute of Technology, May 2002)
- ¹² Noel M. Tichy & Warren G. Bennis, *Judgment: How Winning Leaders Make Great Calls*, (New York: Penguin Group, 2007)
- ¹³ R. Fontaine, "Islamic Moral Responsibility in Decision Making", *IIUM Journal of Economics and Management*, Vol. 16, No. 2, (2008)
- ¹⁴ John P. Kotter, "What Leaders Really Do", *Harvard Business Review*, (Dec. 2001), pp. 3-11.
- ¹⁵ Fontaine R. and Ahmad, K. *Strategic Management from an Islamic Perspective*, (Singapore: John Wiley, 2013)
- ¹⁶ Donald Sull, "Why Good Companies Go Bad", *Harvard Business Review*, July-August, 1999.

- ¹⁷ Osman Gani, A.M., Hashim, J. and Ismail, Y. "Establishing linkages between religiosity and spirituality on employee performance". *Employee Relations*, Vol. 3, No. 4, 360-376, 2013.
- ¹⁸ Adair, J. *The Leadership of Muhammad*. London: Kogan Page. 2010.
- ¹⁹ Al Qur'ān 51:56.
- ²⁰ Badi J. and Tajudin, M. *Creative Thinking: An Islamic perspective* (2nd edition). Gombak, Malaysia: IIUM Press, 2005, p.3.
- ²¹ Philips, B. *The Moral Foundations of Islamic Culture*. Kuala Lumpur, Malaysia: AS Nordeen, 2006.
- ²² Fontaine R. and Ahmad, K. *Strategic Management from an Islamic Perspective*. Singapore: John Wiley, 2013, pp 109-120.
- ²³ Saiti, B. and Abdullah, A. "The Legal Maxims of Islamic Law (Excluding Five Leading Legal Maxims) and Their Application to Islamic Finance". *JKAU: Islamic Econ.*, Vol. 29, No 2, 139-151, 2016.
- ²⁴ Fontaine, R. "The Psychology of Preaching: The Power of Diaries." *Al Shajarah*, Vol. 20, No 1, 27-53, 2015.
- ²⁵ Sterman, J. D. *Systems Thinking and Modelling for a Complex World*. New York: McGraw Hill, 2000.
- ²⁶ Delahaye, B. L. *Human Resource and Development*. Brisbane, Australia: John Wiley, 2000, pp. 40-51
- ²⁷ Dweck, C. S. *Mindset: The New Psychology of Success*. New York: Ballantine Books, 2006.
- ²⁸ Gladwell, M. *What the Dog Saw and Other Adventures*. New York: Little, Brown and Company, 2009, 357-374.
- ²⁹ Collins, J. *Good to Great: Why Some Companies Make the Leap And Others Don't*. New York: HarperBusiness, 2001
- ³⁰ Sterman, J. D. *Systems Thinking and Modelling for a Complex World*. New York: McGraw Hill, 2000.
- ³¹ Senge, P.M., Smith, B., Kruschwitz, N. Laur, J. Schley, S. *The Necessary Revolution: Working Together to Create a Sustainable World*. New York: Random House, 2010.
- ³² Al Qur'ān 42:38.
- ³³ Ibn Majah, M. *Sunnah Ibn Majah*. Dar Ihya Alkutub Alatabuyah, Hadith no 3745.
- ³⁴ Hoffman, B. *American Icon: Alan Mulally and the Fight to Save the Ford Motor Company*. New York: Random House, 2012.

³⁵ Beekun, R. I. "Muhammad (SAW) A Transformational Leader". In Ahmad, Islam and Ismail (Eds) *Issues in Islamic Management: Theories and Practices*. Gombak, Malaysia: IIUM Press, 2011.

³⁶ Susteiu, C.R and Hastie, R. "Making Dumb Groups Smarter". *Harvard Business Review*, December, 91-98, 2014

³⁷ Al Mubarakpuri, S.R. *The Sealed Nectar*. Riyadh, Kingdom of Saudi Arabia: Darussalam Publications, 1996.

³⁸ Spear, S. "Learning to Lead at Toyota". *Harvard Business Review*, May, 78-86, 2004.

³⁹ Najeebabadi, A. S. *The History of Islam* (3 volumes). Riyadh, Kingdom of Saudi Arabia: Darrussalam, 2001.