Implementation of Islamic Ethics in Organizations: Malaysian Experience

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Abstract. Ethics plays an important role in producing ethical staffs for managing an organization. The ethical staffs will ensure their duties are performed ethically and the best service is offered to the customers.
Thus, Malaysian government as an Islamic country has encouraged to implement Islamic ethics. This article attempts to investigate the concept of Islamic ethics, its principles and components as a framework to be implemented in organizational context. It also discusses the Malaysian government's initiatives in instilling Islamic ethics in its civil service in particular, and the people in general. Finally, this article concludes that Malaysian government has showed seriousness and commitment to create an ethical working climate in organization and in society as well.

Keywords: Islamic ethics, organizational management, Malaysia.

1. Introduction

Generally, the terms norm, value, moral and ethics are used interchangeably referring to a set of elements or values accepted by a society. However, specifically each term has its own definitions.

Value has various meanings from different perspectives. From the economic perspective, value refers to an esteem of a product. It also means power in exchange or power belonging to a product that enables the product to be exchanged with other products (Encyclopedia Americana, 1991:867). From the anthropological perspective, value is an idea related to culture (Doob, 2000: 71; Calhoun, 1994:53; Bryjak, 1994:49). As a general idea, it is shared by many about what is good or bad, right or wrong, appropriate or inappropriate (Doob, 2000:77; Calhoun, 1994:54; Denisoff, 1979:58). Therefore, value is not only a standard for a product, but also a determinant in accepting or rejecting an individual action or attitude.

Norm is created by individual attitudes or habits and accepted by a society. It later becomes a rule for the society. It is a specific guideline for action and a rule that says how people should behave in particular situations in the society (Doob, 2000:75; Calhoun, 1994:55; Bryjak, 1994:55).

The assimilation of values, habits and norms form ethics. The association of these four elements can be described as a tree. Value is like a seed, habit and norm act like the tree and ethics is the fruit. However, ethics can be defined differently as well. Some look at ethics as rules of conduct, regulation, religious belief,

commonly accepted habits or even systematic code dealing with moral principles (Webber, 1975:746-749;

Baumhart, 1968:59-62; International Encyclopedia of Social Sciences, 1968:157; Encyclopedia Americana,

1991:610; Cowie, 1993:410). Thus, moral is also defined as ethics although some management scholars

believe that ethics is theoretical whereas moral is practical (Mustafa Haji Daud, 1996:4; Mohd. Nasir Omar,

1992:17).

In summary, most scholars acknowledge ethics as a set of values, norms and moral standards required to

determine whether an action is right or wrong, good or bad. Ethics concerns moral judgement, common

action, societal norms and values. This justifies the reason for the more common use of ethics compared to

norms, values or moral.

2. Islamic Ethics

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2.1 Definition of Islamic Ethics

Islamic ethics is commonly called religious ethics by the West. In reality, the concept and role of Islamic

ethics concern not only religious matters, but also all aspects of human life. Thus, Islamic ethics is also

called ethics of the soul (akhlaq) that refers to human nature, attitude and habit (Ibn Manzur, 1990:86-87). It

concerns individual spontaneous natural attitude (al-Ghazali, 1990:177; Ibn Miskawayh, 1961:36).

Western scholars believe that ethics is a complete term, compared to moral, norm or value, in drawing

the line between right or wrong, good or bad. However, Islamic ethics is more comprehensive because it is a

multi-dimensional approach that focuses on various aspects as follows:

· Islamic ethics concerns ethical issues from both theoretical and practical aspects (al-Maududi,

1978:34; Aminuddin Ruskam, 1999:106). Although it does not officially represent the ethical code

for an institution, it is being practised in daily life.

· Islamic ethics integrates the inner and outer aspects of an individual's life (Ibn Manzur, 1990:86;

Miqdad Yaljin, 1973:34). It concerns individual physical development with priority on the soul development which is crucial to the individual's behavior and character development.

· The foundation of Islamic ethics is the al-Quran and al-Sunnah. It automatically rejects a belief

which is based on common belief without valid sources.

· The values of Islamic ethics are universal and consistent without having to separate human, physical

and spiritual values determined by Allah s.w.t. These values shall remain unaffected by changes in

external conditions and circumstances of life (al-Maududi, 1978:36).

· The implications of Islamic ethics concern interests of all human beings.

· The purpose and role of Islamic ethics do not concentrate only on the worldly or material gain. It
also emphasizes to seek the Pleasure of God towards happiness in the Hereafter, *al-falah* (al-Maududi, 1978:46; Sabri Salamon, 1989:271).

2.2 Principles and Components of Islamic Ethics
Islamic ethics consists of three major principles - *tawhid*, justice and contentment (Nor `Azzah Kamri,
2002:50-51). The concept of *tawhid* is vital as one of the pillars of Islamic ethics stressing on trust and
obedience towards Islam. *Tawhid* signifies a unique relationship between servant of Allah with the Creator
(Allah s.w.t.) that excludes all similar relationships with anyone else. Man must be fully conscious of his
freedom and independence vis-à-vis all beings other than Allah (Syed Othman alHabshi, 1998:60-61). It also
integrates material and spiritual aspects in human relationship to attain felicity (*al-falah*), the real objective
of life. All initiatives to increase righteous deeds (*al-ma`ruf*) and eliminate mischief (*al-fasad*) will consider
the questions of sources, implementation technique and its impact from various aspects (Mohd. Affandi
Hassan, 1992:57). This tawhidic principle does not appear in the Western ethics.
A total commitment towards *tawhid* leads to the establishment of justice. Although justice is identified as
one of the elements of the Western ethics, the approach and significance are different from justice in Islam.
In Islam, justice is not only defined as a total equality in the distribution of wealth, profits and loss but also
include the element of balance. Justice is attained when man gets what he deserves, without taking or
neglecting others' rights. Kant's moral rights theory is only focusing on moral rights for each person
(Velasquez, 1982:66) until it ignores the right of Allah s.w.t. which is unacceptable in Islam
Once justice prevails, global harmony is achieved. It is supported by the Islamic ethics which is easily
implemented and able to meet the demands of material and the Hereafter. Man will enjoy his own rights thus
everybody is satisfied. This automatically rejects the theory of egoism which only focuses on satisfying and
meeting the interests of certain individuals (Shaw, 1999:52). It also rejects the theories of altruism and
utilitarianism which extremely stress on freedom and material gain (Velasquez, 1982:47; Donnelly, 1998:98).
The application of these three principles leads to the formation of three components of values - religion,
quality and personality. Component of religious values is the pillar of the whole principle. It consists of the

following values such as *taqwa*, introspection (*muhasabah*), benevolence, promoting good and forbidding
evil (*amar makruf nahy munkar*). It forms the basis for each member of an organization in determining
whether his every action is right or wrong, good or bad, appropriate or inappropriate from the Shariah
perspective. It finally leads to an improvement in the quality of work.

The component of quality values stresses on productivity and quality itself. Being efficient, hardworking,
proficient, collective, creative, punctual and mutual consultation (*syura*) are supporting values for the
improvement of productivity and quality. Besides, knowledge and skill also should be posses in carrying out
daily work efficiently.

Component of personal values plays an important role as well in the success of an organization. Employees are engaged in interpersonal communications while carrying out their duty. Greeting is one
mechanism in creating good relationship besides being moderate, patient, honest, tolerant, humble and
accountable. These three components of values are illustrated in Figure 1.

Fig. 1: Values Components in Islamic Ethics

Religious Values

- *Taqwa*

- Gratitude

- Introspection

- Benevolence

- Justice

- *Tawakal*

- *Amar makruf nahi munkar*

Quality Values

- Quality

- Productivity

- Efficiency

- Hardworking

- Proficiency

- Creativity

- Collectivity

- Punctuality

- Trustworthy

- Mutual
consultation

Personal Values

- Accountability

- Moderation

- Honesty
- Patience
- Tolerance
- Humble
- Greeting

Values
Components in
Islamic Ethics

3. Initiatives of Malaysian Government

Malaysian government has carried out various attempts to increase an ethical awareness and to instill

good values in the society. For instance, the government has launched several programs in the civil service

(Citra Karya, 1994:101). First, the Look East Policy in 1982 presents the government's intention to emulate

the East particularly the Japanese management philosophy and work ethics in developing the country.

Second, the Instillation of Islamic Values Policy in the Civil Service was introduced in 1985 aimed at

proving the awareness and commitment of the Muslim society in Malaysia to instill Islamic values in its

organizational administrators and managers at all levels.

In addition, there are a few strategies executed for instilling values and ethics in the civil service. The

strategies are in the form of training programs and publications. Training courses, seminars and conferences

are held to improve the awareness and understanding of the importance of good values and ethics among the

civil servants. In fact, few books have been published as references and guidelines for all civil servants at all

levels. The book entitled Values and Ethics in Public Administration *(Nilai dan Etika Dalam Perkhidmatan*

Awam) and Twelve Pillars *(Tonggak Dua Belas)* are two apparent examples. These books identify a set of

good values which play a crucial role in helping the civil servants to discard unethical behaviors while at the

same time enriching excellent ethical behaviors.

In 1983, the Malaysian Code of Ethics for Business was established to act as a guideline and standard for

business people to create an excellent, clean and honest business culture. It specifies a list of behaviors that

should be observed by the business community in dealing with employees, customers, suppliers,

stockholders, government and the society in general.

This is followed by an outline of an Islamic Work Ethics which was produced by the Malaysian government in 1987. The emphasis is on working with commitment, honesty, diligence, efficiency, team

work and collective peace. Although it was initially meant for the organizations in the public service, the

work ethics is also appropriate for other organizations in various sectors particularly the Islamic institutions.

In 2004, the Code of Ethics for the government backbenchers was launched. The code of ethics outlines

their duty to parliament, conduct in their official affairs, their general conduct and declaration of their assets.

Honesty and integrity form the foundation of this code of ethics. This is followed by the National Integrity

Plan and Resolution 2008. An autonomous institution – the Malaysian Integrity Institute was established to

act as a monitoring and coordinating agency to ensure that the plans and strategies are finally met.

4. Suggestions and Conclusion

It is apparent that the Malaysian government has taken various attempts in establishing an ethical culture

in its society. However, its implementation aspect in organizations is still questionable and debatable. The

institutionalisation of codes within an organization is thought to be necessary in influencing employee ethical

behavior. A code of ethics should be officially written as a reference for all employees and managers of all

levels across all sectors in carrying out their duty (Weber, 1981:47-52; Bittel, 1989:289; Rafik Issa Beekun,

1997:58; Helms, 2000:282; Muhammad Loqman, 2001:276). However, the institutionalisation of codes is

only starting point for creating the ethical climate in organization. Thus, it should be supported by awareness,

understanding and enforcement of the codes. According to Wotruba, Chonko & Loes's (2001), ethical

behaviour among employees are influenced by establishment, awareness, understanding, acceptant of the

codes among the organizational members and finally creation of ethical climate within the organization.

Thus, each organization should take an action in realizing this matter.

Besides, there are also no accurate measures on the effectiveness of Islamic ethics implementation in

organizations. Therefore, more researches and studies should be carried out to find out the commitment of

organizations from the public and private sectors in realizing the policies. The findings could contribute

towards the betterment of the existing ethical culture. At the same time, an effective mechanism to manage

the Islamic ethics could also be identified.

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