

MANAGING COMPANIES WITH *UKHUWWAH* APPROACH AS BUSINESS CORE CATALYST FOR SUSTAINABILITY

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ABSTRACT

There are many approaches to ensure businesses are capable of sustaining good performance. Strategic bond or ukhuwwah enables managers, employees and key stakeholders to work in collaborative and cooperative manner in formulating, implementing and evaluating strategies for sustainable competitive advantage and performance. The use of ukhuwwah approach as core catalyst in managing companies enhances capability and capacity building of companies. Ukhuwwah is developed under several stages, namely get knowing (ta'aruf), get understanding (tafahum), give mutual help (ta'awun), mutual protection (takaful), and mutual love and care (tanashur). This study argues that ukhuwwah approach is not only serves as enabler and catalyst for the business survival and growth, but also serves as core catalyst for business to enjoy sustainability. Ukhuwwah approach provides universal and high contextual environment. The interactions with many stakeholders enable rich and useful information, which is useful for forecasting unit of many organizations. A personal interview five small and medium companies found out that ukhuwwah enables core competencies to be acquired, transferred, stored and improved. However, the results are contextual specific to the five firms being interviewed.

Key words: Sustainability, Business core catalyst, ukhuwwah.

Introduction

In recent years, companies are paying greater attention to the contribution of people in managing and executing strategies for sustainable competitive advantage and good performance. Managing companies for sustainable competitive advantage and performance are attainable with the use of unique resources, capability and competitiveness. Managers use art and science in planning, organizing, leading, and controlling work through people with efficiency and effectiveness. In recent years, companies are paying greater attention to the contribution of people in managing and executing strategies for sustainable competitive advantage and good performance (Scott, 2015; Pfeffer, 1994). Competitive advantage refers to competitive activities in the companies that are superior value and feature against the rivalry companies. The ability to continuously outcompete rivalry companies enables for sustainable competitive advantage and also good profitability performance (Scott, 2015). Companies have greater attention to the people factor or human capital aspects of organization in the forms of core competency and capability (King, 2016; Kim & Moon, 2015). Nevertheless, concerted efforts to enable people to make significant contribution to the organizations are necessary.

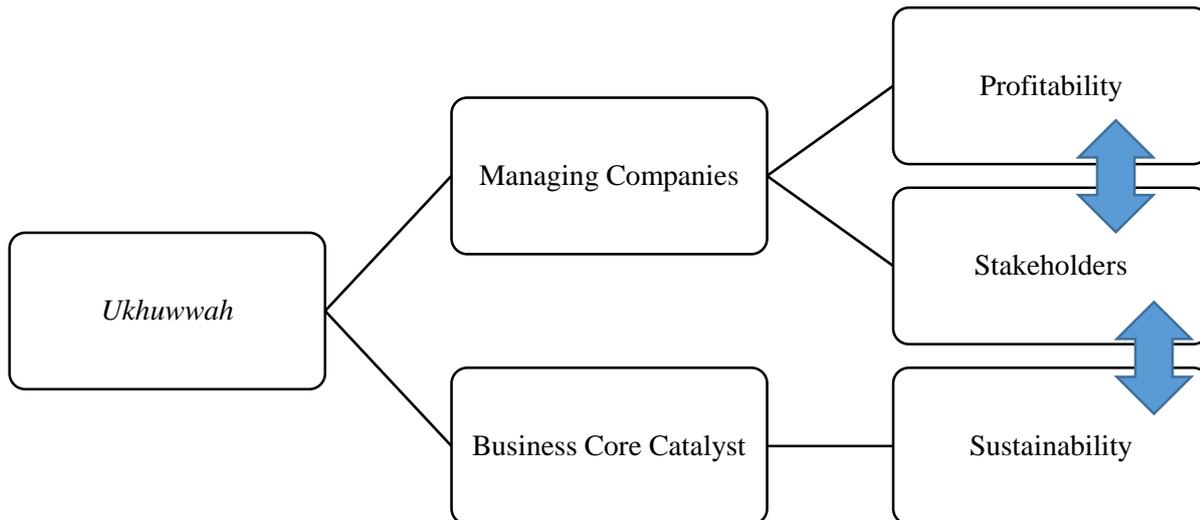
Teamwork enables more cooperation and mutual help among workers. The spirit of teamwork has economic, social and technology elements (Gilley, Gilley & McMillan, 2009; Sewell, 2012). Teamwork enables companies to gain synergy from the employees in transforming the factors of production in the companies into valuable products and services perceived by customers (Sewell, 2012; Farrukh, Butt, & Mansori, 2015). Teamwork has been understood by companies as organizational routines, instead of special projects to integrate the individual values and goals with organizational goals (Gilley, Gilley, Lawrence, 2015; Bui, Baruch, Chau, & He, 2015).

This paper argues companies are able to sustain the business when it utilizes *ukhuwwah* in managing companies as its core business catalyst. There are a few sections presented below. Firstly, the literature review on the constructs of the study. Secondly,

Literature Review

There are a few constructs contribute to *ukhuwwah* approach as business core catalyst for sustainability. The first construct is management of companies in terms of cooperation among workers for good brotherhood. Secondly, the function of business core catalyst that leads to sustainability to the triple bottomline of companies, namely, profitability, stakeholders' interest, and sustainable business environment. Figure 1 illustrates the flow of the literature review.

Figure 1: The Flow of the Literature



Management of companies

Management refers to activities organized through people in the companies with efficiency and effectiveness in achieving and sustaining goals. Managers set goals and directions for the activities through various plans. The activities are divided into specific tasks with specialized employees through the line of authority and reporting so as to avoid disunity of command and redundancy. Traditionally, the division of tasks and employees enables for efficiency and effectiveness. However, companies need to change from the differentiated and organized activities into integrated activities. There could be disunity in the line of reporting and authority especially when companies have to execute tasks through various units or with rivalry companies. In this context, employees need direction, leadership and motivation from the managers in executing tasks under uncertainty and dynamic complexity.

The structure of organization may exist in traditional tall structure and in contemporary flat structure. The dynamism of the business environment requires the structure of companies to respond to the strategy. Likewise, the way employees executing tasks needs a change too. Under this situation, strong brotherhood and teamwork among employees is necessary as catalyst for drive, energy and willingness. Without strong brotherhood and teamwork, employees may suffer from lack of motivation, energy and drive to remain steadfast with enthusiasm, persistency and endurance.

Business core catalyst

In contemporary organization and companies, strong interactions among workers enable synergy for the companies to gain competitive advantage for better performance and profitability (Jones & George, 1998; Sparks, Herman, Wolfe, & Zurick, 2015). The strong bonding among workers is necessary to achieve efficiency and effectiveness in attaining goals (Dirks & Ferrin, 2001; Schoorman, Mayer & Davis, 2007). Companies use teambuilding and teamworking among workers to allow for strong bonding (De Jong & Elfring, 2010). Indeed, there are a few elements to build strong teamwork that leads to synergy, namely (a) dynamism in team work, (b) able to share experience, (c) trust among workers, (d) cooperation, and (e) able to work under pressure.

Concept of ukhuwwah

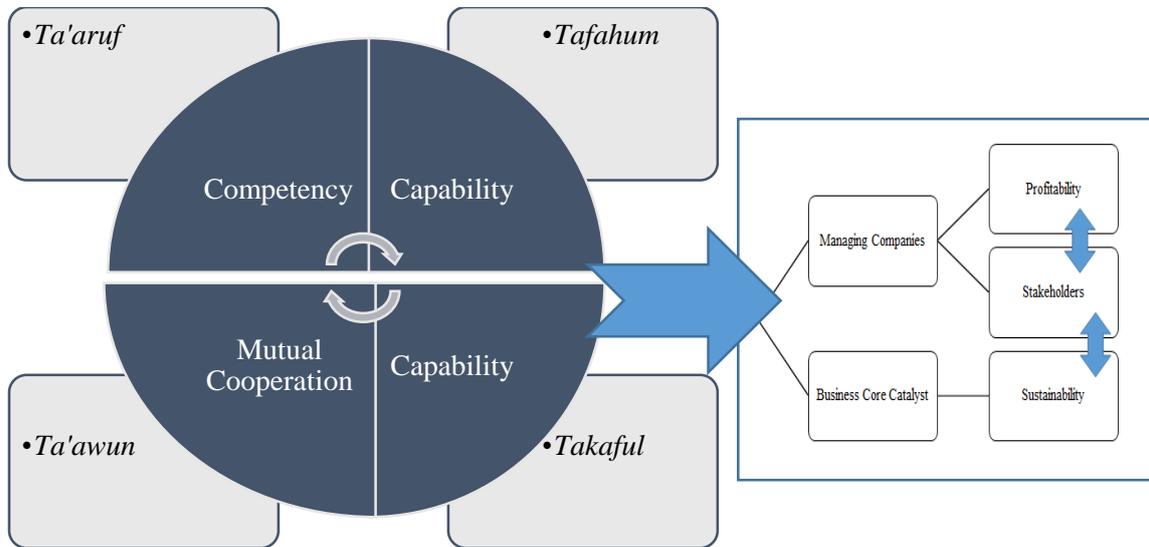
Ukhuwwah or brotherhood depicts strong relationship among people in terms of commitment, enthusiasm, energy, drive, and readiness to execute tasks with persistent and endurance. *Ukhuwwah* develops over trust among members (Ansari, 2011). Trust develops more than overnight. It requires some repetition in time, space, opportunity and interactions among people. The power of *ukhuwwah* is tremendous. *Ukhuwwah* enables for togetherness, knowledge sharing, commitment and consistency in doing goodness (Biyanto, 2015). The strategic dimension of *ukhuwwah* is in its ability to encourage for good and benevolence relationship (Uddin, Iqbal, Hoque, 2014).

Exclusion of certain people contributes to counter-productivity of *ukhuwwah*. Brotherhood exists regardless of differences and diversity (Biyanto, 2015). Technically, *ukhuwwah* exists in many versions, such as *ukhuwwah diniyyah* (brotherhood among brothers and sisters in the same faith), *ukhuwwah wathaniyyah* (brotherhood due to nationhood or nationalism), and *ukhuwwah basyariyyah* (brotherhood due to humanity) (Hamidah, 2015). In corporate settings, it may be called as contract *ukhuwwah* (Ng, Mirakhor & Ibrahim, 2015). Regardless of the differences, *ukhuwwah* or brotherhood emphasis on togetherness, trust and cooperation among people to work towards the same activities and goals of the companies or organizations (Ng, Mirakhor & Ibrahim, 2015).

In conventional terms, *ukhuwwah* or brotherhood refers to the good relationship or bond among members in companies who came from diverse backgrounds but able to work in good teamwork to achieve goals of companies. The concept has a link with the key elements of people. The use of *ukhuwwah* approach as core catalyst in managing companies enhances capability and capacity building of companies. *Ukhuwwah* is developed under several stages, namely get knowing (*ta'aruf*), get understanding

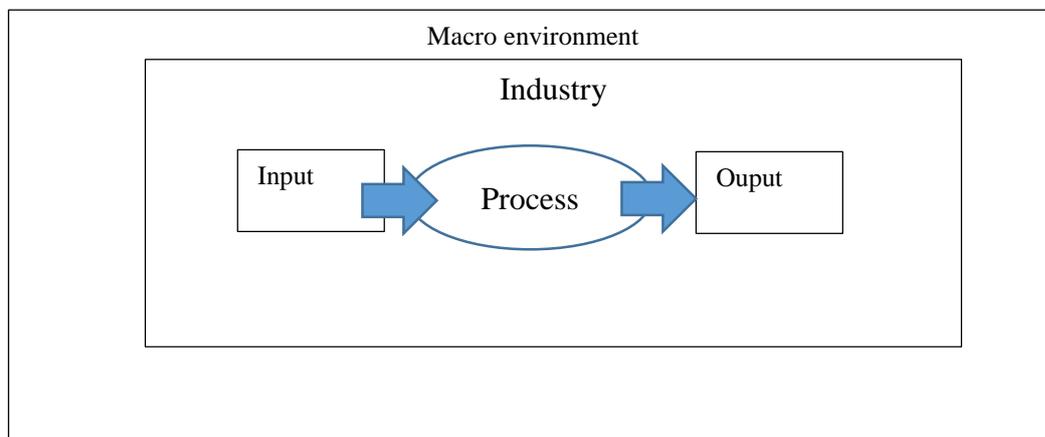
(*tafahum*), give mutual help (*ta'awun*), mutual protection (*takaful*), and mutual love and care (*tanashur*). Figure 2 depicts the concept of *ukhuwwah* in managing companies for sustainability.

Figure 2: The concept of *ukhuwwah* in managing companies for sustainability



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Figure 3: Business Environment for Companies



Thus, this study argued that *ukhuwwah* enables for business core development in creating business competitiveness and performance.

Methodology

This study conducted personal interview with five enterprises to explore the practice of *ukhuwwah* as business core catalyst for sustainability. Firstly, the informants were asked about the practice of *ukhuwwah* such as teamwork in executing strategies of the enterprises for sustainable competitive advantage and performance. Secondly, the informants were requested to provide examples on the contribution of *ukhuwwah* in strengthening the competency and capacity of the enterprises.

Findings

Enterprise 1 stated that the enterprise practiced 'friends for friends' for the *ukhuwwah* development. Owner of Enterprise 1 said:

Our enterprise owned by a few friends who have the same passion and interest in doing social business. Our business provides agriculture solutions to farmers who have difficulties to have good crops for harvesting. The effort and cost are huge, but the yields are too minimal. Since we have agricultural technical know-how after learning from Agriculture Institute and some experience in agriculture, we decided to venture into farming fruits and vegetables. While we are growing our fruits and vegetables, we invited our neighbouring farmers to join our ventures. Under rain and shine, we strive together to get the best of our produce and the yield is beyond our expectation.

Passion and interest of the partners in Enterprise 1 enable them to work together with perseverance and endurance. The art remains in friendship which complements with scientific and technical skills in the farming enterprise. The linkage between the individual passion and the necessity of the society in terms of food contributes to sustainability.

While Enterprise 1 argued on friendship and passion to sustain the business, Enterprise 2 argued that they practiced 'family for family' approach to achieve *ukhuwwah* among the members and workers. Enterprise 2 mentioned:

Our partners and workers are our family. As family we must respect and help among us. Nobody should be left out. Each of us has different strengths. So, we capitalise our strengths to make our tourism business an avenue for us to make a good living. As family, we have to be sincere, trustworthy, and faithful. Even though we are do not have biological relationship, our friendship serves as basis for our brotherhood. We are brothers and sisters in the family of this tourism business. Our achievement reflects our ability.

The *ukhuwwah* of Enterprise 2 is visible in the family objective which relevant to the tourism business.

Enterprise 3 emphasised on the practice of 'social service' as the main driver to achieve *ukhuwwah* is doing social enterprise in the forms of protection, security, and welfare. Enterprise 3 said:

Business for profit only could be less relevant. Too much of profit taking from the customers at the expense of customers' welfare cannot be accepted anymore. We believed that both enterprises and customers must be in win-win situation. We offered them good services; in return they are willing to use our service. In the past, security business is just about giving security personnel with or without weapon. In our approach, we provide them security service in terms of protection and their welfare. The social relationship between us and our customers made our enterprise here.

The social partnership forms *ukhuwwah* in terms of interactions between enterprise and customers.

Enterprise 4 argued on the use of 'collaboration' with employees, customers, suppliers, and society in the services offered. This concept links all stakeholders through mutual interest ventures and business activities. Enterprise 4 mentioned:

Our business offers ordinary services that needed by our customers. But, the ways we do our business include all our people in the surrounding. We believed our main role is to facilitate our service with our customers and future customers. A business from people to people, and from people for people. The inclusiveness is the keyword for today.

The people orientation business enables *ukhuwwah* as competitive advantage and the continuous patronage from the people sustains the business.

Enterprise 5 contended that social enterprise has two elements, namely profit and benefit. The moderator for the two elements is the 'bond' or 'brotherhood' to link and interactions between the enterprise and the society.

Enterprise 5 said:

We have been used to profit-based business. To change the business model into social-business model is not easy. There must be a link between business and people. We have to look at people in terms of their interest, passion, and willing to make it a lifestyle. We can't afford 'one-off' purchase, and that is it. We have to change to 'let's talk how we could make our life better and modernized.' It is not easy, but that's the reality. Our business offers people transportation of their goods and produce from one destination to another destination.

The emphasis on people and the continuous patronage on the services is essential to sustain the business through social interactions.

Discussion

Managing companies with *ukhuwwah* approach are capable of rejuvenating companies with enabler, capability and dynamic value proposition in the business model. Indeed, the 'friends for friends' approach enables for business passion and interest as stated by Enterprise 1 practiced for the *ukhuwwah* among partners. This is particularly important in the agriculture sectors for

sustainable competitive advantage and good performance (Scott, 2015; Kim & Moon, 2016). Besides that, Enterprise 2 argued that ‘family for family’ enables for solidarity among companies to strengthen competitiveness. This argument is in line with the contention that brotherhood exists regardless of differences and diversity (Biyanto, 2015). The tourism industry is highly regarded to practice this approach. Other industries, such as security services require for ‘social service’ approach to enable for strategic alliances and partnership among companies. As for transportation industry, Enterprise 5 contended that social enterprise has two elements, namely profit and benefit. The moderator for the two elements is the ‘bond’ or ‘brotherhood’ approach enables for joint collaboration. The essence of *ukhuwwah* approaches particularly the brotherhood due to humanity (Hamidah, 2015), allows for *ukhuwwah* (Ng, Mirakhor & Ibrahim, 2015), in terms of togetherness, trust and cooperation among people to work towards the same activities and goals of the companies or organizations (Ng, Mirakhor & Ibrahim, 2015). Table 1 summarizes the findings from the informants.

Table 1: Summary of the Findings

Enterprise	<i>Ukhuwwah</i> Approach	Enabler	Value Proposition
Enterprise 1	‘friends for friends’	Passion and interest	Agriculture produce
Enterprise 2	‘family for family’	Socialisation	Tourism operator
Enterprise 3	‘social service’	Alliance	Security services
Enterprise 4	‘collaboration’	Patronage	Social wellness
Enterprise 5	‘bond’ or ‘brotherhood’	Joint collaboration	Transportation

The five *ukhuwwah* approaches enable human capital aspects of organization enables for core competency and capability building (King, 2016; Kim & Moon, 2015). Similarly, the ‘family for family’ approach allows for companies to produce valuable products and services perceived by customers (Sewell, 2012; Farrukh, Butt, & Mansori, 2015). Eventually, companies need *ukhuwwah* to work together in building the capability, competitive advantage and better performance with economic, social and technology elements (Gilley, Gilley & McMillan, 2009; Sewell, 2012).

Conclusion

Managing companies with strategic bond or *ukhuwwah* enables managers, employees and key stakeholders to work in collaborative and cooperative manner in formulating, implementing and evaluating strategies for sustainable competitive advantage and performance. The use of *ukhuwwah* approach has been proven in the contexts of five small and medium firms as core catalyst in managing companies that enhanced capability and capacity building of companies. The specific approach such as ‘friends for friends’ to enable for passion and interest, ‘family for family’ for socialisation, ‘social service’ for alliances, ‘collaboration’ for patronage, and ‘bond’ or ‘brotherhood’ for joint collaboration. *Ukhuwwah* is developed under several stages, namely get knowing (*ta’aruf*), get understanding (*tafahum*), give mutual help (*ta’awun*), mutual protection (*takaful*), and mutual love and care (*tanashur*). This study argues that *ukhuwwah* approach is not only serves as enabler and catalyst for the business survival and growth, but also serves as core catalyst for business to enjoy sustainability. *Ukhuwwah* approach provides universal and high contextual environment. The interactions with many stakeholders enable rich and useful information, which is useful for forecasting unit of many organizations. A personal interview five small and medium companies found out that *ukhuwwah* enables core competencies to be acquired, transferred, stored and improved. However, the results are contextual specific to the five firms being interviewed.

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