

# ISLAMIC VALUE-DRIVEN COOPERATION IN SKILLS ACQUISITION AND MOBILITY FOR EMPOWERING MARGINAL SOCIETY

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**ABSTRACT** - Islam exhorts for cooperation in righteous and God conscious acts. This exhortation has individual and institutional implications for efforts geared towards promoting the welfare of less privileged marginal segment of society. Conceiving an institutional form of cooperation, this paper proposes and explains a program which will target at empowering this segment. The program is for developing non-professional skills which have to be founded on and inspired by the Islamic principles of cooperation and self-reliance. As non-professional skills are mostly learned informally and on-the-job, business houses will be the cooperator who will provide platforms for training. Members of a marginal segment of society will be the beneficiaries who will receive training for acquiring job skills and mobility towards achieving their self-reliance. Government organ will be a facilitating party that shall provide support for the collaborative venture to occur and sustain. Apart from Islamic principles of cooperation and self-reliance, this paper will draw upon the theory of social learning, theory of conforming to group norms and doctrine of market supervision (*al-Hisbah*) in Islamic civilization to expound the role of the triad—the cooperator, the beneficiaries, and the facilitator—in achieving the major outcomes of the program.

**Keywords:** Cooperation, self-reliance, skills acquisition, mobility, *al-Hisbah*

**ABSTRAK** - Islam mendorong kerjasama dalam kebaikan dan bertindak semata-mata karena Allah. Dorongan ini memiliki implikasi individual dan institusional dalam upaya mensejahterakan masyarakat marjinal yang kurang beruntung. Dalam suatu bentuk upaya kerjasama secara institusional, artikel ini menawarkan dan menjelaskan suatu program yang akan menargetkan dalam memberdayakan segmen ini. Program ini bertujuan untuk mengembangkan keterampilan non-profesional yang dibentuk dan didorong oleh prinsip-prinsip Islam dalam kerjasama dan kemandirian. Keterampilan non-profesional sebagian besar dipelajari secara informal dan disaat bekerja, tempat-tempat bisnis akan menjadi pembuat kerjasama yang akan menyediakan platform untuk pelatihan. Para anggota masyarakat di segmen marjinal ini akan menjadi penerima manfaat yang akan mendapatkan pelatihan untuk mendapatkan keahlian kerja dan mobilitas untuk mencapai kemandirian. Institusi pemerintah yang berkaitan akan menjadi fasilitator yang akan menyediakan dukungan bagi skema kolaboratif agar dapat diwujudkan dan berkelanjutan. Selain dari prinsip-prinsip kerjasama dan kemandirian dalam Islam, paper ini akan mengutip teori pembelajaran sosial, teori sesuai dengan norma-norma kelompok dan doktrin pengawasan pasar (*Al-Hisbah*) dalam peradaban Islam guna menjelaskan peranan tiga pihak yaitu pembuat kerjasama, penerima manfaat, dan fasilitator dalam upaya mencapai hasil-hasil utama dalam program tersebut.

**Kata Kunci:** Kerjasama, kemandirian, memperoleh keahlian, mobilitas, *al-Hisbah*



## INTRODUCTION

Obtaining livelihood is a human necessity to sustain life in this world. The forms of obtaining livelihood which make people dependent on others are generally undesirable. Examples of such forms include begging, relief supplies, and loans— particularly when borrower gets increasingly uncertain about the settlement of accumulated loans. The human struggle for averting these types of dependent forms of living and achieving self-reliance is highly commendable.

The struggle for self-reliance can be supported and promoted in a variety of ways. Zakat distribution, cash charity, interest-free loan with flexible payback period (*qard hasan*), sponsoring vocational training for the poor, and establishing low-cost institutes or centers for vocational training all these may support the struggle one way or another. This kind of supportive activities are well known for their overt and pure nature of cooperation. Moving away from such overt and pristine cooperation, in this article, we conceive of a different sort of cooperation for supporting the struggle for self-reliance. Cooperation here is thought to emanate from business houses which are generally believed to be moved and motivated by economic gains of their own.

Thus, the main purpose of our article is to expound the idea of how the struggle of less privileged for self-reliance can be supported by the cooperative gesture of business houses through the mediation of government as a benevolent patron. We use the term '*collaborative venture*' to indicate this struggle and the activities supportive of the struggle. The article is organized as follows. The second section discusses why the partner of the collaborative venture should be voluntarily cooperate and be active in the venture. The third section resorts to relevant literature to demonstrate the logical success potential of the collaborative venture. In the fourth section, we elucidate the need for customized or discriminatory incentives for the cooperative venture to occur and sustain. The fifth section, before conclusion, discusses how the collaborative interaction should begin among the partners and points out three key role of the facilitator after presenting him as a *shadow muhtasib*. The concluding section indicates two implications of the discussion of collaborative venture one practical, social, religious and the other academic-theoretical.



## PARTNERS AND FOUNDING VALUES OF THE COLLABORATIVE VENTURE

The main purpose of the article indicates the involvement of three partners in the collaborative venture: (i) members of marginal segment the beneficiaries; (ii) business houses the cooperators; (iii) government organ the facilitator. Why should these parties put their effort in this collaborative venture? The answer to this question lies in the Islamic urge for cooperation, self-reliance and *ihsan* (generally translated as excellence and perfection) which are the foundational stones of the collaborative venture.

When Islamic faith is *the* factor common to all the partners involved, the spirit of cooperation should be the glue to hold them together for their meaningful existence on this earth and a blissful life in the Hereafter. The Qur'an and the Prophetic narrations have clear and forceful teachings for cooperation. "*The Believers, men and women, are awli'awliyā (helpers, supporters, friends, protectors) of one another*" (Surah al-Tawba 9:71) and they are obliged to offer mutual help in righteous acts. "*Help you one another in al-Birr and at-Taqwa (virtue, righteousness and piety), but do not help one another in sin and transgression*" (Surah al-Maidah 5: 2). The spirit of cooperation and acting upon it make them, the Muslims, a single unified community. "The example of Believers with regard to mutual love, affection, and fellow-feeling is that of one body; when any limb of it is in pain, the whole body will respond with wakefulness and fever" (Bukhari, Hadith no.6260).

In the above paragraph, we made a brief reference to the Islamic call for cooperation that equally applies to all the three partners to the collaborative venture since they are Muslims. Now, we refer to some other verses and prophetic narrations that have direct or indirect cooperative persuasion and implications for two partners, namely the cooperators (business houses) and the facilitator (the government organ).

### THE COOPERATORS

Clearly, the owners of the business houses are to be the cooperators who can provide a platform or functional space for non-professional skills training. Their spirit of cooperation emanates from their appreciation of the virtue of charity. Quranic verses extolling *sadaqah* and *infaq fi sabilillah* are numerous to catch attention of any reader of the Qur'an. "*Speak to my servants who have believed, that they may establish regular prayers, and spend in charity out of the Sustenance We have given them secretly and openly, before the coming of a*



*Day in which there will be neither mutual bargaining nor befriending*” (Ibrahim 14: 31). Those whom Allah has provided with “Sustenance” are encouraged to spend in charity for the needy. In response to the question as to what they should spend in charity, the Qur’an says: “*Say: 'Whatever you spend that is good, give it to parents, relatives, orphans, the helpless, and travelers in need. And whatever you do that is good— God is aware of it'*” (al-Baqarah 2: 215). In the explanation of the verse, Abdullah Yusuf Ali (2004) notes that object of charity (what is given out) may be “anything that is good, useful, helpful, and valuable. It may be property or money; it may be helping hand; it may be advice; it may be a kind word; whatever you do that is good is a charity.” Being the possessors of means, business houses are in a position to extend helping hand (*charity*) to those who are deprived of adequate means of living. For our current purpose, this helping hand of business houses is their cooperation in making the hands of marginal segment of the society skilled.

## THE FACILITATOR

The facilitator (*or the benevolent patron*) in our collaborative venture is government organ—one or more than one. Government as a guardian of the society is obliged to make sure that its members’ fundamental needs are met in a decent manner. It is a credit to the government if members of the society exhibit the virtue of hard-working and their heightened sense of self-respect does not allow them to easily submit to undesirable means of living like beggary, reliefs and subsidies. For this to happen, government cooperation is essential in supplying and safeguarding people’s means to work. We share here three incidences, from the Qur’an and the Prophetic *alḥadith*, in which authoritative figures are found to have cooperated either to preserve or supply means to work and thus saved concerned people from being reduced to beggary or rescued from beggary.

The first two incidences are mentioned in the Qur’an. Following the sequence in which the Qur’an mentions them, the first incidence is about the Prophet Musa (*‘alayhi wa sallam*) and Khidr (*‘alayhi wa sallam*) who took service of a hired boat, but the latter scuttled the boat before leaving it (al-Kahf 18:71). Why did Khidr do this seemingly cruel act? The reason was, as Khidr explained to Musa: “*As for the boat, it belonged to certain men in dire want. They plied on the water. But I wished to render it unserviceable, for there was after them a certain king who seized on every boat by force*” (al-Kahf 18:79). What Abdullah Yusuf Ali (p.730, fn2422) wrote in explanation of this verse is worth quoting here.



Its (*boat's*) owners were not even ordinary men who plied for trade. They had been reduced to poverty, perhaps from affluent circumstances, and deserved great commiseration, the more so as they preferred an honest calling to begging for charity. They did not know, but Khidr did, that the boat, perhaps a new one, had been marked down to be commandeered by an unjust king who seized on every boat he could get—it may have been, for warlike purposes. If this boat had been taken away from these self-respecting men, they would have been reduced to beggary, with no resources left them. By a simple act of making it unseaworthy, the boat was saved from seizure. The owners could repair it as soon as the danger was past. Khidr probably paid liberally in fares, and what seemed an unaccountably cruel act was the greatest act of kindness he could do in the circumstances.

The second incidence is about Dhū al-Qarnayn's third expedition which took him to a tract between two mountains (al-Kahf 18:92-98). In this expedition, he came across a people who were subject to oppressive incursions from wild tribes who are called Gog and Magog. Abdullah Yusuf Ali (p.733, fn2439) observes that these people were not primitive as "they were skilled in the working of metals, and could furnish block (or bricks) of iron, melt metals with bellows or blowpipes, and prepare molten lead (18:96). Apparently they were a peaceable and industrious race ... (who) were willing to purchase immunity by paying the Conqueror tribute in return for protection." Dhū al-Qarnayn helped them to secure protection against the incursions, but he did not take money from them, only asked their physical labor. "He said: *“That (wealth, authority and power) in which my Lord has established me is better (than your tribute). So help me with strength (of men), I will erect between you and them a stronger barrier* (al-Kahf 18:95).

The third incidence is about our Prophet Muhammad (*Sallallahu 'alayhi wa sallam*) when he managed an axe for a poor man so that he could earn his livelihood by his own labor and turn away from begging for charity. The incidence is recorded in Sunan Abu Dawud as follows.

Anas ibn Malik reported: A man from the AnîÉr came to the Prophet (*Sallallahu 'alayhi wa sallam*) and begged from him. The Prophet said, "**Have you nothing in your house?**" The man said, "Yes, a piece of cloth, a part of which we wear and a part of which we spread on the ground, and a wooden bowl from which we drink water." The Prophet said, "**Bring them to me.**" The man brought these articles to him and the Prophet took them in his hands and he said, "**Who will buy these?**" Someone said, "I will buy them for one coin." The Prophet said twice or thrice, "**Who will offer more than one coin?**"



Someone said, “I will buy them for two coins.” He sold them for two coins and the Prophet said, **“Buy food with one of them and give it to your family. Buy an axe and bring it to me.”** The man brought it to him. The Prophet fixed a handle on it with his own hands and he said, **“Go gather firewood and sell it, and do not let me see you for a fortnight.”** The man went away and gathered firewood and sold it. When he had earned ten coins, he came and bought a garment and food. The Prophet said, **“This is better for you than for begging to come as a spot on your face on the Day of Resurrection. Begging is correct only for three people: one in severe poverty, one in severe debt, and one who must pay a difficult compensation.”** (Sunan Abu Dawud, Hadith no. 1641)

We see in the first incidence Khidr, an authoritative figure bestowed with special knowledge, helped impoverished boatmen in a strange way. He saved their boat—the means to their work—from the coercive seizure by an unjust king. Had they lost their boat, they would have been reduced to beggary. In the second incidence, we see Dhū al-Qarnayn, a just ruler bestowed with immense wealth, authority and power, extended his magnanimous assistance to an industrious race to save their lives and properties (including the means to work) from the oppressive incursions of Gog and Maggog. His cooperation ensured the continuity of peaceful, competent and industrious work of the mountain community. In other words, his generous cooperation in building the barrier helped community to save them from potential poverty, begging and enslavement. In the third incidence, we see the Prophet (*Sallalhu ‘alayhi wa sallam*), the Divinely sanctioned leader of the then Madinah Governance, supplied a man with a tool to work and rescued him from begging—a means to livelihood that earns humiliation both in this life and the life after.

## THE BENEFICIARIES

The main goal of the collaborative venture is to help members of the marginal segment of the society in acquiring work skills and thus enabling them for upward mobility in the job market and the society. Since they are the direct beneficiaries of the collaborative venture, it may seem that they will automatically be inspired to be active in the collaborative venture. Despite this pragmatic and utilitarian logic of their presumed spontaneous participation in the venture, we acknowledge that treading strenuous and laborious path to progress requires motivational force of higher order. Since expected beneficiaries are Muslims, we of two principles that can religiously motivate them for their meaningful participation in the collaborative venture. These are principle of self-reliance and principle of *ihsan*.



## 1. *Self-reliance*

The *hadith* on axe giving quoted above has obvious teaching for self-reliance. In that *Hadith* the Prophet (*Sallallahu 'alayhi wa sallam*) said: **“This is better for you than for begging to come as a spot on your face on the Day of Resurrection.”** The word **“this”** clearly meant **obtaining livelihood through own effort which implies of self-reliance. Corroborating self-reliance**, Allah's Apostle categorically said, "By Him in Whose hand my life is, it is better for anyone of you to take a rope and cut the wood (from the forest) and carry it over his back and sell it (as a means of earning his living) rather than to ask a person for something and that person may give him or not" (Bukhari, hadith no.549).

That dependence on others is undesirable is made clear by the Prophet in another occasion. Once sanad Ibn Abi Waqqas (*radhiyallahu anhu*) fell critically ill and feared his life. He wished to donate two-third of his property and sought the Prophet's permission for this. When denied, he asked for the half. Eventually, he got permission to contribute only one-third as alms while he was said: "To leave your heirs wealthy is better than to leave them having to be dependent on someone" (Bukhari, Book 75, hadith No. 693).

Admiring the ability to give others, the Prophet (*Sallallahu 'alayhi wa sallam*) said: "The upper hand is better than the lower one, the upper being the one which bestows and the lower one which begs" (Bukhari, Book 24, hadith No.509). Moreover, the Prophet (*Sallallahu 'alayhi wa sallam*) has highly extolled earning by own hand, meaning manual labor. For instance, he said: "Nobody has ever eaten a better meal than that which one has earned by working with one's own hands. The Prophet of Allah, David used to eat from the earnings of his manual labor" (Bukhari, hadith no. 286). All these urge Muslims to be self-reliant in one way or another.

## 2. *Ihsan*

The Prophet (*Sallallahu 'alayhi wa sallam*) said: "Verily, Allah has enjoined *ihsan* with regard to everything. So, when you kill, kill in a good way; when you slaughter, slaughter in a good way; so everyone of you should sharpen his knife, and let the slaughtered animal die comfortably" (Imam Nawawi, Forty hadith, Hadith No. 17). The *hadith* contains a principle of *ihsan*.



The issue of slaughtering is an example to explain application of this principle so that Muslims can apply the same in other situations. Jamal Ahmed Badi (2002) explains that *ihsan* is a comprehensive concept comprising four components: sincerity (*ikhlas*), completeness, tastefulness (doing things in a nice manner), and correctness (doing things in the right way). The principle demands that, as he observes, “a Muslim is a responsible person and a person of quality where he does things in a very good manner, in a complete sense, in a nice and tasteful way and is never satisfied with anything other than a quality job in all that he/she does, motivated by realizing that Allah prescribed *ihsan* to everything and to all deeds.” It goes without saying that putting efforts to acquire and continually upgrade work skills for doing a job better is an application of the principle of *ihsan*.

## **LOGICAL SUCCESS POTENTIAL OF THE COLLABORATIVE VENTURE**

The main goal of the collaborative venture, as stated earlier, is to facilitate non-professional skills acquisition by members of the marginal segment of the society and thus increase their chance to achieve upscale mobility in the job market and the society. When Islamic values like cooperation, self-reliance and *ihsan* inspire the partners of this venture (cooperators, facilitators and beneficiaries) to cooperate, the goal of the venture is likely to be achieved. Drawing on the literature on training and labor mobility, this section briefly explains this goal accomplishment potential.

## **ON THE JOB TRAINING AND INFORMAL LEARNING**

Organizations may select employees effectively, but this does not guarantee that newly selected employees will know well what to do and how to do. Training is a must to make sure that employees know doing right things right. In many organizations, this knowing or learning of employees takes place only through on-the-job training (OJT) (Wexley & Latham, 2002). OJT simply means learning by doing. When a supervisor tells a new employee, “Here’s your desk; get started”, the employee is then going to learn his job by actually doing it. In fact, every employee, from mailroom clerk to CEO, gets on-the-job training when he or she joins a firm (Dessler, 2011). This preponderance of OJT for learning job skills suggests that business houses themselves, by virtue of their organized and systematic task assignments, are the most effective and most pervasive centers for skills training.





Not the said preponderance of OJT, the most interesting fact for our current purpose is the prevalence of informal ways of learning. This should be noted that on-the-job training can be both formal and informal. Coaching or understudy, for instance, is the most common formal OJT method where an experienced worker or employee's supervisor trains the employee. However, the contribution of formal on-the-job training is remarkably less than informal learning. It is estimated that as much as 80% of what employees learn on the job they learn through informal means, not through formal training. This informal learning includes performing their jobs on a daily basis in collaboration with their colleagues (Paradise, 2008; Weintraub & Martineau, 2002). This fact about informal learning further underscores the potential of our current collaborative venture. It is because the prospective beneficiaries will not be official employees of cooperating business houses and hence they are supposed to learn work skills through informal ways.

### **INFORMAL LEARNING AND WORKERS' DEVELOPMENT**

The role of informal learning is understandably greater for non-professional and low-wage skills acquisition than for professional skills development. Professional employees have more opportunities to attend formal training and development programs to acquire and enhance knowledge and skills. This opportunity is very limited for non-professional and low-wage employees. Immigrant workers, who have no opportunity for formal training, offer an example of the critical role informal means of learning has for non-professional skills acquisition and consequential labor mobility.

Immigrant workers are characterized by no/low skills, no/low level of education, low income (World-Bank, 2013) and less mobility. While these features generally hold true from the economic and political-legal perspectives of human capital theory, the notions of their skills and mobility are not necessarily true when seen from sociological perspective. From this perspective, learning of skills is a social process that is embedded in social relations. Sociologists categorically point out that immigrant workers learn substantial amount of skills through social networks and ghetto or ethnic niches which work as centers of informal learning and skill development (J. M. Hagan, 1998; Waldinger & Lichter, 2003) which eventually become instrumental for their upscale economic mobility. The study of Hagan et al. (2011) on Latino immigrant workers in the construction industry of USA shows that they create mobility pathways through skill transference, on-the-job reskilling, and job jumping. The immigrant workers who are branded as unskilled or semiskilled are thus seen to acquire skills and earn economic



mobility through informal social learning. Iskander et al. (2010), as stated in Hagan et al. (2011), found that this learning process was especially characteristic of construction work.

It is important to note that workers new in construction work begin their career with a very low-wage. Campbell (2012), in his work on low-wage mobility, observes that “for more educated workers, low-wages may only be a brief stint and a stepping stone; but for less educated workers, low-wages may be a dead end.” This observation apparently contradicts immigrant workers’ mobility mentioned above as low or no education is a general characteristic feature of them. If however education is taken as indicative of the potential of skills formation, the Campbell’s observation will be consistent with immigrant workers’ mobility. Thus, it is not the education itself, rather skills acquisition (which education facilitates) that determines if low-wage jobs will be stepping stones or dead ends. Since low-wage workers learn job skills primarily through informal means of learning and our current collaborative venture aims at offering them a platform for informal learning, the venture has a promise to increase the chance of turning low-wage career into a stepping step for many marginal members of the society.

## **DISCRIMINATORY INCENTIVES FOR THE COOPERATORS**

Business houses as a partner of the collaborative venture will be inspired by Islamic call for cooperation. This we have mentioned and elaborated in the second section of this paper. However, utopia must not hold sway over us and cause us to take the call for cooperation equally inspiring for every Muslim forgetting the reality of contemporary business world. For the collaborative venture to occur and sustain, we thus feel the need to highlight the current reality of the environment in which our prospective cooperators work and different likelihood of their cooperation.

## **REALITY OF COOPERATORS’ WORLD**

Modern civilization is a business civilization. The most dominant and influential institute of this civilization is corporation. Corporate world thus is synonymous with business world. The society of corporations, by nature, is an acquisitive society. This society, according to Tawney (1937), is founded upon the idea of absolute individual rights; hence, enjoyment of benefits is not contingent upon the discharge of *functions* or performance of services. He maintains that such a society offers human instincts unfettered freedom in the pursuance of self-interest without due regard for social obligations. In such a



society, corporations are inspired and governed by the values of capitalistic paradigm. The core of this paradigm is competition and the core is founded upon and continuously nourished by instincts of man as biological entity. Adam Smith (1759), the premier philosopher of *laissez faire* capitalism, had anticipated that substandard mercenary behavior (i.e., instincts-based and instinct-driven competition) would be the rule in business when drew a suboptimal society in which pivotal force would be *mercenary* motives. Wright and Hart (1998) note, “Most of the significant businesses in the global market are capitalist and they are dominated by the mercenary paradigm. So, *competition* is the rule of world in which our prospective cooperators run their businesses.

Admitting the dominance competition, driven by mercenary motives, in the modern business world does not mean it is totally void of cooperation. The existence and importance of cooperation recently caught scholarly attention through the works of Nalebuff and Brandenburger (1996) and Bengtsson & Kock (2000). They coined the terms co-opetition (or coopetition) to maintain that simultaneous pursuit of cooperation and competition between firms exists in the business world.

The common understanding of all current research works on coopetition is firms can cooperate to create value, but they compete while capturing it. That’s why the most fertile ground for cooperation is R & D activities of firms and the natural domain of intense competition is marketing and sale (Bengtsson & Kock, 2014). This brief observation on cooperation clarifies that although cooperation exists, it exists only together with competition or its existence is instrumental to ultimate competition. Thus, we can say that in contemporary business world competition is the rule and the norm, and cooperation is an exception or an add-on.

## **LIKELIHOOD OF COOPERATION**

Prospective cooperators of our collaborative venture are not beyond the influence of competitive reality of their work environment. It is very much likely that all of them will not be equally interested to cooperate and their motives of cooperation will also vary. Here we make a brief review of some theoretical frameworks on moral-behavioral issues to offer a three-fold classification of business organizations which can help us to appreciate the extent and motive of cooperation.



Stage of moral development is one of the vital factors that determine ethical and unethical behavior of an individual. Researches such as Trevino et al., (2006), and Graham (1995), suggest that there are three successive levels of moral development. These levels in progressive order are *pre-conventional*, *conventional* and *principled* (or post-conventional). Each level is having two stages. At the first level, an individual adheres to rules to avoid physical punishment and or gain his immediate interest. At the conventional level, he lives up to what is expected by people close to him and maintain conventional order by fulfilling obligations to which he agreed upon. At the highest level, the principled level, firstly he values rights of others and upholds absolute values and rights regardless of majority's opinion and secondly he moves up to follow self-chosen ethical principles even if they violate the law. It is important to note that at each successive level, an individual moral judgment becomes less dependent on outside influences and more internalized (Robbins & Coulter, 2014).

Individuals conform to group norms for three main reasons. In developmental order these reasons are *compliance*, *identification* and *internalization*. Compliance is the most widespread basis for conformity. With compliance motive an individual assents to a norm in order to attain rewards or avoid punishment. Moving beyond compliance, when he conforms to a norm with identification motive he does so because the people who he likes and wants to be associated with conform to the norm. At the highest level, an individual conforms to a norm because he believes that the behavior dictated by the norm is truly the right way to behave (Hackman, 1992).

Firms view their responsibility towards society differently and act for social purposes with different intentions. A firm may engage in social actions because of its obligation to meet certain economic and legal responsibilities (Basu & Palazzo, 2008; Sethi, 1979). This is *social obligation* view. At the next higher level, a firm may engage in social actions in response to some popular social needs e.g. (Wartick & Cochran, 1985; Wood, 1991). This is *social responsiveness*. Moving beyond legal or economic obligations, or expectations of meeting some popular social needs, *socially responsible* organization views things differently. It does what it can to help improve society because it's right thing to do (Buchholz, 1985).

A concept closely connected with the concept of social responsibility is green management. Green management refers to managers' consideration of the impact of their organizations on the natural environment. Managers may have different ways to see environmental issues and act for protecting and



preserving natural environment. Freeman et al. (1995) use the term shades of green to describe different environmental approaches organizations may take. The *legal (or light green) approach* is simply doing what is legally required. The organization following *market approach* responds to environmental preferences of customer while offering products or services. In the *stakeholder approach*, an organization works to meet environmental demands of *multiple stakeholders*, not only customers. Organization having the highest sensitivity to environmental issues follows *activist (or dark green) approach*; it proactively looks for ways to protect the earth's natural resources.

Shahabuddin and Amran Rashi (2012) present a typology of business attitude from Islamic religious perspective. They consider business owner's perception of the source of livelihood and his business goal to identify and describe four types of business attitude. In progressive order, they label the types as *worst*, *worse*, *better* and *best*. A trader possessing the '*worst*' attitude habitually thinks to maximize his material means of life through business (business goal) and strongly believes that his business is the efficient and ultimate source of what he earns (perception of the source of livelihood). The possessor of the '*worse*' type subscribes to the thinking that business is the source of his sustenance, but acknowledges that chance factors play their part in what he earns. He aspires to maximize his wealth, and he does so through serving customer needs. The possessor of the '*better*' type attitude clearly recognizes Allah as the source of provisions for life and business as a means for receiving what Allah has allotted for him. His business conducts are motivated by his urge for serving the society and earning a decent/moderate livelihood. Moving up to the far advanced level, a Muslim trader possessing the '*best*' of business attitudes pronounces with full consciousness that Allah, Who can give without any means, is the efficient cause of provision. He conducts business in order to promote goodness for mankind and humbly seeking bounties of Allah. For our current purpose, we call "the worst" and "the worse" as *materialistic* attitude, "the better" as *rational-spiritual* attitude and "the best" as *pure spiritual* attitude.

Although these theoretical frameworks are developed independent of each other, levels or categories of each of them appear to have correspondence. Keeping this correspondence in mind, Table 1 below presents the levels or categories of each theoretical framework. This presentation results in a sort of continuum of cooperation likelihood—the lowest to the highest.



Table 1. Probable Degree of Cooperation by Different Categories of Business Firms/Owners

Theoretical Frameworks	<i>The Probable Degree of Cooperation</i>		
	<i>Lowest</i>	<i>Moderate</i>	<i>Highest</i>
<b>Stages of moral development</b>	Pre-conventional	Conventional	Principled
<b>Why team members follow norms</b>	Compliance	Identification	Internalization
<b>Views on social responsibility</b>	Obligation	Social responsiveness	Social responsibility
<b>Go green approaches</b>	Legal approach (light green)	Stakeholder approach or Market approach	Activist approach (dark green)
<b>Typology of business attitude</b>	Materialistic	Rational-Spiritual	Pure Spiritual

## NEED FOR DISCRIMINATORY INCENTIVES

Information of Table 1 above is supposed to strengthen our understanding that cooperators' cooperative behavior will be reinforced by different kind and degree of incentives depending on moral-spiritual orientations and motives of the cooperators. It is crucially important to note that the Table is *not meant to be a tool* to classify prospective cooperators of our collaborative venture into various categories. For our present purpose, the table should be interpreted as illustrated below.

Say, a business owner, Ms. Fatimah, is interested to act as cooperator of the collaborative venture. If she has attained the highest level of moral development; she does good things knowing fully the goodness of her acts; her business conducts manifest her proactive concern for society and natural environment; and as a Muslimah, she is fully cognizant of the fact that Allah is the Only Provider and her business is merely a means of promoting human welfare, in that case, she will cooperate with all possible means and her cooperative behavior will hardly need any external reinforcement. In other words, a cooperator fitting these properties somehow will be highly likely to cooperate from internalization motive. On the other hand, a businessman may be primarily driven by materialistic causes, does things of social importance only when legally mandatory. He is then morally immature. He will be less likely to cooperate; in case he cooperates, his cooperative behavior will need major external reinforcements. It is the facilitating partner of the collaborative



venture (i.e. the government office) who will try to understand the moral-spiritual standing and motives of the cooperators and think about customized incentives and reinforcements for the continuation and enhancement of their cooperative behavior.

In this section although we highlighted the need for discriminatory or customized incentives for cooperators, one plausible benefit will be common to all of them. Well-designed collaborative venture will pave an excellent way of finding good workers or employees. It is a point of immense benefit and hence a motivation for the business houses. It is a benefit because the work samples (actual job tasks used in testing applicant's performance) as a selection method is universally recognized as the best and most reliable method. Work samples' validity is high, adverse impact is low, and applicant reactions to it is more favorable; its only problem is it is expensive (Pulakos, 2005). Since in our collaborative venture the costs will be shared or totally born by others, business houses will get the chance to obtain new recruits in the best possible manner at the least cost or even zero cost.

## INITIATING COLLABORATIVE INTERACTION

### The Shadow Multasib

Our collaborative venture is an embodiment of voluntary cooperation and endeavor of multiple partners. Ideally, either the cooperator (business houses) or the facilitator (government organ) can make the initial move to begin the collaborative interaction. Considering the social and economic realities of our time, we however believe that government needs to assume the primary ownership of the venture. Taking the ownership essentially means that the facilitator will take the preliminary and primary initiatives to turn idea of the collaborative venture into a practical reality. This suggestion implies an active and positive role of government in the economy as Islamic societies had witnessed in the past when *al-isbah* was the third prominent institution of Islamic governance or Islamic caliphate.

In the history of Islamic civilization, *isbah* (or *ihṭiseb*) is a one-word expression of the Quranic injunction about commanding right and forbidding wrong. It is an Islamic social obligation (*fard al-kifayah*). Muslim societies had experienced two lines of performance of this obligation –individual and institutional, or private and governmental. The institution that was entrusted with governmental discharge of this obligation is historically known as *al-isbah*. The *muḥtasib* was the chief official of this institution. He supervised



diverse activities of vast domains including “both material and spiritual: religious rituals, public hygiene, morals, education, commerce, industry and crafts” (Essid, 1995). Supervision of economic activities (or economic *isbah*) had been the most conspicuous and impressive function of *al-isbah* and practically outweighed its functions in other domains (Orman, 1998).

The facilitator (government organ) of the collaborative venture is expected to perform as a *shadow muhtasib*. Two reasons can be stated for calling *shadow of muhtasib*. The office of the *muhtasib* of the past was founded upon the Quranic injunction of ordering good and forbidding evil. So, he was entrusted with a religious duty. Our current facilitator’s facilitating functions are motivated primarily by Islamic religious call. In this sense, the facilitator is modern *muhtasib*. Then why *shadow muhtasib*? The *muhtasib* of the past was vested with authority to command and use force when needed. But insofar as collaborative venture is concerned, the respective government organ, as a facilitator, will employ the mode of persuasion and exhortation to elicit cooperation from partners, particularly business houses. The facilitator will not be vested with authority to make cooperation mandatory because, as stated already, the idea of collaborative venture is mainly founded on voluntary cooperation.

### The Key Role

In our collaborative venture, the facilitator’s main role is to act as liaison office between the cooperators and the beneficiaries. During the initial formative period of the collaborative venture, the facilitator will identify interested cooperators and beneficiaries, and help matching them considering the business nature and capacity of a particular cooperator and a particular beneficiary’s occupation or occupational skill of interest. Examples of relevant occupations include carpenter, chef, construction laborer, electrician, over-the-road truck driver, pipefitter, and plumber. Although initially the facilitator needs to search for interesting partners, the *shadowmuhtasib*’s office will be known and the venture will get some degree of momentum, it is not unlikely that both beneficiaries and cooperators will express their interest to this office to find matching partner.

Finance always plays vital role for accomplishing goals. The facilitator needs to deliberate on the possible sources of finance including tax exemption, tax incentive, charity and donation from individuals and organizations, *zakat* (having endorsement from appropriate body of Islamic religious scholars), and funding from Islamic Development Bank (IDB). As explained in previous





section, cooperators' need for incentives and reinforcement will vary. Similarly, the need for financing the costs of training beneficiaries at business compound is likely to vary from one cooperator to another cooperator.

Before concluding one important point is in order. The office of the *shadow muhtasib* must offer a special training program for the beneficiaries who complete their training at cooperator's premise or who are likely to join the training there. Seemingly, this is quite unorthodox for the facilitating office. However, the special training program will be for inculcating traits like honesty/integrity, strong work ethic and loyalty. These traits are listed among top fifteen (15) skills and traits employers seek in candidates (NACE, 2007). The *shadow muhtasib's* office will probably be the best to arrange and offer this training.

### **CONCLUDING REMARK: A NEW MODEL OF SOCIAL RESPONSIBILITY**

The idea of tri-party collaborative venture is primarily for promoting the welfare of less privileged marginal segment of the society. If this idea is put into practice after sufficient deliberation on it by appropriate committees, the resulting collaborative venture is to be a potential tool to facilitate circulation of wealth among various strata of the society. And such a circulation of wealth is one of the prime objectives of Islamic economy. Apart from this practical, social, religious implication, an academic-theoretical contribution of this paper can be envisaged as well. The collaborative venture aims at empowering marginal segment of this society which is social development. This form of social development through the role of business houses as de facto training centers has the potential to be recognized as a model way discharging social responsibility of business. In other words, the collaborative venture, as a model, may gain recognition as a novel contribution in the field business ethics and social responsibility.

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