

Spirituality in Entrepreneurship from Islamic Perspectives: A Conceptual Analysis on the Effects on Entrepreneurial Motivation and Social Responsibility

Isa Mohammed Adamu, Zulkarnain Kedah & AAhad Osman-Gani

Department of Business Administration

Faculty of Economics & Management Sciences

International Islamic University Malaysia. Kuala Lumpur

Email: isaardo@ymail.com; zulkarnain@iium.edu.my; aosmangani@gmail.com

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*Department of Business Administration
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International Islamic University Malaysia. Kuala Lumpur*

Abstract

Spirituality in entrepreneurship as an emerging area of interest has begun to generate attention from management scholars. However, most research in this area is from the western perspective. Until recently, there is dearth of research that gears towards spirituality in Islam and its contribution to the overall development of modern organisations. This exploratory study presents a conceptual analysis of the effects of spirituality in Islam on entrepreneurial motivation, performance and commitment to social responsibility. It has been suggested that spirituality in Islam has the potential to positively influence the entrepreneurial outcomes considered.

Keywords: Spirituality, Islamic beliefs, Entrepreneur, motivation, Performance, Social responsibility

Introduction

The concept of spirituality has been gaining interest and popularity in management literature over the past decade and as observed by Fornaciari and Lund Dean (2004), spirituality in the workplace is more than a passing fad. This is consequent upon paradigm shift being witnessed in organisational sciences, management theory and practice (Karakas, 2010).

According to King and Crowther (2004), this trend is coming after a history of mostly ambivalence and neglect. It may be attributed to the desire to meet individual, organisational and societal needs.

From workers' (individual) perspective, the causes of increasing need of spirituality are due to their search for higher purpose, personal meaning, and transcendent values of work as a result of challenging work conditions characterised by downsizing, reorganization, frequent job changes, and the use of a temporary workforce which have resulted in a great increase in instability for workers (Douglas, Vora and SubbaNarasimha, 2005). Thus there appears to be a fundamental change in the nature of work as many workers are now searching for meaning in work that transcends mere economic exchanges between isolated, autonomous individuals (Barro & McCleary, 2003). People are searching for a way to connect their work lives with their spiritual lives, to work together in community, to be unified in a vision and purpose that goes far beyond making money (Jackson & Konz, 2006). Consequently all these scenarios further echoed worker's desire for more meaning and quality of life at work (Walsh, J. P., Weber, K. & Margolis J. D., 2003)

From the employer and society sides, an increasing number of employers have begun to recognise the importance of spirituality in the workplace in an effort to increase workers satisfaction, creativity, and productivity (Fry, 2003; Henricks, 2005; Mitroff, 2003; Garcia-Zamor 2003). Furthermore, recent scandals involving ethical lapses at major corporations and institutions in the United States of America have generated a profound lack of trust in corporate leadership and have served to reinforce the need for organisations to acknowledge employees' thirst for meaning, community, and connection with a higher purpose and/or power. In addition, organisations are now renewing their commitments to social responsibility and the common

good. As a consequent of this development, the call for values and spirituality is currently echoing in organisations in order to provide the required level of inspiration (Harris, 2010).

Drawing from the benefits of workplace spirituality and the consequences of ignoring it, Mohammed, Wisnieski, Askar and Syed (2004), remarked that management field and organisations may pay a heavy price for its oversight of spirituality. In the first instance, there would be an increase in the frustration of spiritually deprived employees with their non spiritual or anti spiritual workplace. Secondly, management theories and models that ignore spiritual dimension will remain incomplete or incorrect. Consequently, it can be deduced from the above and as observed by Karakas (2010), organisations these days make room for spiritual dimensions which has to do with meaning, purpose and sense of community.

Considering the contributions of small and medium scale enterprises (SMEs) to the overall development of nation economies, it is imperative to look at the potential benefits entrepreneurs could derive from spirituality. One area of concern to both policy makers and scholars is to dwell more on how to stimulate the volume and intensity of entrepreneurial activity by concentrating on the question of why some people choose an entrepreneurial career (and prosper in it) and why others don't (Turker & Selcuk, 2009). As observed by Drost (2010), the study of what predicts entrepreneurship as a career remains an important research issue. Providing answer to what triggers entrepreneurship in some people not others is up to today an area of interest to policy makers and scholars. Kayed and Hassan (2010) suggested two reasons why entrepreneurial motivation becomes an area of interest. One reason for the interest is that the status and direction of a country's entrepreneurship can be explained by studying the personal motives of entrepreneurs for starting business. Another reason is the belief that the performance and conduct of entrepreneurs depends to some extent on their motives for starting business.

However, despite the phenomenal growth of workplace spirituality within the management discipline, and claims by Gibbons (2000) that greater pluralism is a feature of the post modern spirituality, all major workplace spirituality models have been developed in the United States of America and most of the few empirical studies testing these theories have also been conducted essentially on American organisations ((Fernado & Jackson, 2006). Thus, the practice of workplace spirituality in the non-Christian and non-western settings remains unaddressed. Specifically there is insufficient research that gears towards Islamic spirituality and its contribution to the overall development of modern organisations ((Kamil, Khatani & Sulaiman 2011). Not focussing more on workplace spirituality processes of managers from non-USA cultures (especially Islamic perspective) may result in incomplete understanding of workplace spirituality, considering the fact that Islam is the second largest religion in the world with over 1.6 billion adherents (Kettani, 2010).

Thus, based on the above background, this paper attempts to add cultural pluralism to the field by selecting non-Western and non-Christian research setting. Through extensive literature review, the application of spirituality in entrepreneurship from Islamic perspective by exploring its relationship between entrepreneurial motivation, performance and commitment to social responsibility will be examined. By so doing, this study will significantly promote the understanding of entrepreneurship phenomena from the perspective of spirituality in Islam, thereby contributing to filling the exiting research gap in the literature.

This study consists of five sections. Apart from the introduction discussed above, section two examines spirituality from Islamic perspective and showed that it is constituted by Islamic beliefs. In the third section an extensive literature was presented on the effects of spirituality on entrepreneurial motivation, performance and commitment to social responsibility where we

posited positive relationship. The fourth section presents our conceptual frame work. The final section provides study implications, limitations and conclusion.

Spirituality from the Islamic Perspective

The concept of spirituality is very much related to Islam this is because all aspects of Muslims' lives have to deal with it since the main purpose of man's creation is only to worship Allah (Rulindo, Hidayat & Mardhatillah 2011). Islam recognises that human being consists of two parts. The first part is the body which is the physical dimension. The second part is the spirit, which is called "*nafs*" (in Arabic language) while the human is living and "*ruh*" (soul) when the human dies (Kamil *et al.* 2011). According to Nasr (1987), spirituality in Islam deals primarily with the inner dimension of a person's life and embrace the outward elements of Islam as means to achieve spiritual life.

Spirituality from the Islamic perspective, according to Al-Khalifa (1994) refers to the beliefs (or covert) dimension, which represent an individual's full and sincere belief in God as the creator of the universe and as the only one worthy of worship, and one's belief in His angels, books, messengers, the day of judgement and the hereafter, and in faith. In a similar vein, Nasr (1987) states that spirituality in Islam is the realisation of *tawhid* and based on consciousness of Allah. He added further that the basic of spiritual aspect of one's life is to live by the will of Allah and follow His command. Consequently, to be guaranteed a life of spirituality; one should live in world of Qur'an and according to its injunctions.

Similarly, the role of spiritual factors in shaping human behaviour is well recognised in Islam. Hawa (2004) explained that Islamic spirituality is capable of producing a complete Muslim who would worship Allah and also be a valuable member to his society through kindness. Ali (2005, p. 34) also captured that "Spiritual and mental needs strengthen the quest for

perfection and actualization of one's potential in serving the community and organization, while pursuing his/her activities". Spiritual people enjoy minds that are motivated towards good deeds and "complete satisfaction and self-actualization" (Ali, 2005, p. 28).

To relate spirituality to workplace, Mawdudi (1948) as cited in Toor (2011) maintains that Islam encourages the man to integrate his work and everyday objectives with religion and spirituality and grow every day on earth while establishing God's will. In a similar vein, Bouma Haidar, Nyland, and Smith (2003) posit that one's spiritual endeavours in Islam must take place in the context of *ummah* relations (of which work is an essential part). They noted further that a worker becomes alienated from both the output of production and the society if work is considered as purely a secular activity only. Thus, Islam rejects perceiving work as merely a secular activity or a means to attain material pleasures (Bani-Sadr, 1980).

Dimensions of Islamic spirituality Relating to Entrepreneurship

Scholars have argued that many of the characteristics of "spirituality in the workplace" are basic themes in Islam because of the recognition of the fact that spirituality and religion in Islam are not distinct entities but rather branches of the same tree (Toor, 2011). For instance, Kriger and Seng (2005) noted that attributes captured in Fry (2003); Kriger and Hanson (1999) such as the building of community, concern for social justice within the organisation and its vision, and equality of voice, humility, forgiveness, compassion love, faith, and kindness are all basic Islamic themes found in the Holy Qur'an and other popular Islamic literature.

Khaliq (2011) considered spirituality synonymous with purification of the heart, which is required to set right all the parts of the human body. He stressed that for the heart to be purified

(spiritual) it must be strong in Islamic belief (*Iman*). To be spiritual, one has to have the firm belief in Allah’s greatness and develop divine qualities like “*Taqwa*”, (piety) “*Tawakkul*” (trust in Allah) “*Qana’ah*” (contentment) “*Sabir*” (patience) “*Ikhlas*” (purity of intention) “*Akhira*” (the life Hereafter).

From the foregoing, the dimensions/attributes of spirituality can be represented in figure I below. The influence of these dimensions/qualities on entrepreneurship in relation to motivation, performance and social responsibility from the literature is to be explored in this study.

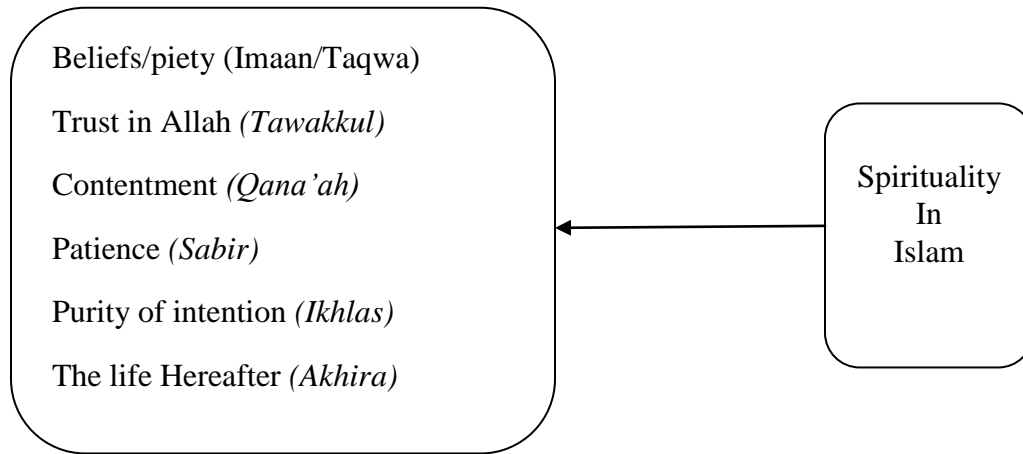
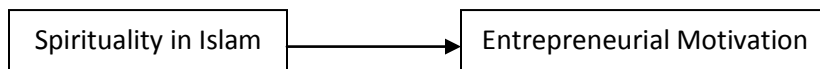


Figure I: Dimensions of Spirituality in Islam

Spirituality as Antecedent of Entrepreneurial Motivation



The significance role of spirituality as a form of motivation is fully captured and stressed in Islam (Amin, 2011). People are induced by spirituality to achieve pre determined objectives. Khaliq (2011) averred that motivation from Islamic perspective is by far more comprehensive

than the approach of Western management theorists such as Maslow, McLealand and Freud because it has spiritual and material perspectives. Spiritual incentives may be the best alternative to material incentives (Amin, 2011). The dimensions of spirituality in Islam that form the basis of entrepreneurial motivation had been identified from the literature. Some of these dimensions are briefly discussed below.

i) Islamic Beliefs

One of the sources of motivation in Islam is the beliefs. Ahmad (2001) (in Ahmad, 2011) and Khaliq (2011) maintain that a worker with Islamic beliefs draws his/her satisfaction in an organisation not only by need fulfilment as defined by Abraham Maslow's hierarchy of human needs but more fundamentally, from the belief that he/she is a holder of *amanah* (trustee of Allah) on earth. On the issue of *amanah*, this is what the Holy Qur'an says:

“O you who believe! betray not the trust of Allah and the Messenger nor misappropriate knowingly things entrusted to you” (8:27)

It can thus be inferred that a Muslim entrepreneur with strong Islamic beliefs (as a dimension of spirituality) derives satisfaction from doing the business as a holder of *amanah* and hence become motivated.

ii) Purity of Intention

Another motivating force from the Islamic point of view that is related to spirituality is purity of intentions (*Ikhlas*). It has the distinct property of moving and changing the direction of mankind. The whole set of Islamic practices, according to Ahmad (2011) revolve around the axis of intention. This is because from the Islamic point of view human activities (including entrepreneurship) are governed by inner intentions, drives and motives. The person with purity

of intention is motivated to undertake entrepreneurship (and be dutiful, hardworking and devoted without external control) with the ultimate aim of seeking the pleasure of Allah rather than other ulterior motives such as seeking for wealth, fame, and name (Ahmad, 2011). He further adds that the person without *ikhlas* may be money minded, selfish and self centred. To show the significance of intention in Islam, Prophet Mohammad in was reported to have said in a *Hadith*

“The acts depend on intentions. A man will get whatever he had intended for” (Al-Bukhari and Muslim 1:1).

Relating the above hadith to one of the cardinal beliefs in Islam (*Iman* – true faith and belief in Allah, his apostles, His book the day of judgement and resurrection), Amin (2011) argued that a spiritually guided person will perform all types of activities (be it productive or organisational work) with the basic intention of seeking the pleasure of Allah. Thus the worker’s (in this case the entrepreneur’s) performance is not consequent upon the reward system (or the profit) but striving to gain Allah’s pleasure and avoid His wrath (Khaliq, 2011). Furthermore, the performance of the person with *Iman* (high spirituality) is not necessarily adversely affected by any reduction in the value of worldly and materialistic reward since he is working with loftier objective (the wellbeing in this world and the hereafter). Such a person according to Khaliq (2011) would be willing to defer self-gratification or make some personal sacrifices in respect time effort and money should the organisation pass through difficult or turbulent times due to extra-organisational factors beyond his control.

Similarly, believing that work is part of worship will serve as a motivation for increased dedication and involvement. Thus an entrepreneur with high level of spirituality will not only be bounded by intense feeling of responsibility and accountability before the Almighty, he will also perform his entrepreneurial tasks effectively irrespective of the difficulty of the task at hand,

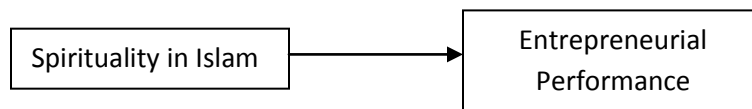
working condition or adequacy of returns (Ahmad, 1988). What guides the entrepreneur in this respect is his basic intention of seeking the pleasure of Allah.

From the foregoing discussion, it is therefore apparent that Islamic teaching and the practices of the Prophet and His successors not only value work but also considers it as a sort of worship if the intention is forwarded to Allah. If work (including entrepreneurship) is considered a form of worship, then it may be inferred that the more spiritual a person is, the more the motivation to perform better and do good since the work is regarded as a way to seek Allah's favour.

Based on the foregoing and by referring to the conceptual framework presented later, the proposition below is presented:

H1: Spirituality in Islam is positively related to entrepreneurial motivation.

Spirituality and Entrepreneurial Performance



According to Abeng (1997) work and participation in all sort of productive activities are considered very important in Islam. In addition the possession of required skills and technology (referred to as *fadhl* or grace of God) as well as striving to earn a living is highly encouraged and praised in Islam (Abeng, 1997). In much the same way Jabnoun (2008) asserts that quality and excellence performance in any job is emphasise by the teaching of Islam. This is buttressed by the following *hadiths*:

“Allah, the Almighty wants that when one of you does a job, he or she does it well” (Al-Bayhaqi 4:5312)

“Allah has decreed excellence for everything. When you kill, do it the best way, and when you slaughter (an animal for sacrifice), do it the best way. So every one of you should sharpen his knife, and let the slaughtered animal die comfortably”. (Muslim10:3615)

The dimensions of spirituality in Islam that also influence entrepreneurial performance had been identified from the literature. Some of these dimensions are briefly discussed below.

i) Taq’wa (piety)

According to Maudoodi (1991), *taq’wa* is the all-encompassing, inner consciousness of one’s duty toward Allah and the awareness of one’s accountability towards Him. He added that the essence of *taq’wa* lies in an attitude of heart and mind rather than in an outward form. Thus a person frame of mind - his thoughts, emotions, and inclinations – will reflect Islam when immerse in *taq’wa*, (Beekun and Badawi, 2009).

As noted earlier Islam recognise work (including entrepreneurship) as a form of worship. In line with this contention, Abeng (1997) observed that the Qur’an elevated *al-‘amal* (productive work) to the level of religious duty and in addition mentioned it consistently in more than fifty verses in conjunction with *imaan* (faith). He maintains further that there seems to be symbiotic relationship between faith and work; one cannot exist without the other. And as noted by Mohsen (2007) there are two conditions for good and happy life; one is *Iman* (belief), second doing good deeds (*amal salih*) such as being honest, just and helpful. *Taqwa* (piety or spirituality) represent both concepts and is the quality of fundamental nature that puts a person on the right track.

Ahmad (2011) notes that the work performance of a person with high level of spirituality (*taqwa*) will be substantially improved since he is guided in all matters by probity and the belief

that his success, his prosperity, his salvation depend on him (by keeping his soul pure as Allah made it). On the other hand he believes too that failure, decline, perdition could be attributed to soiling hands with evil. To strengthening the above position, the result of empirical research conducted by Mohsen (2007) relating *Islamic beliefs* with business leader's effectiveness was found to be positive and significant. This was again supported by the argument that belief provides leaders with superior values (Ibrahim, 1997) and also a source of strength against crookedness and wickedness (Al-Gazali, 2004).

In line with this contention, Jabnoun (2008) further posits that independence of mind is another outcome of beliefs (*tawhid*). He added that for any person that believes sincerely in Allah, he becomes free of his desires and the dictate of others and also look up to no one except Allah the Exalted for help. Such independence may make an entrepreneur to be proactive by taking initiative to solve problems. Thus independence prevents defects and improve decision making (Jabnoun, 2008). The following Qu'anic verses lay credence to this contention:

"For Allah is He who gives (all) sustenance – Lord of Power-steadfast (for ever)"(51:58)

"...And for those who fear Allah. He (ever) prepares a way out, and He provides for him from (sources) he never could imagine...." (65:2-3)

Again, for any worship the end result is reward. Thus, Mohsen (2007) asserts that for successful entrepreneurial exercise, individuals who fulfil their duties are entitled to reward (*falah*). This position is supported by the Qur'anic verse below:

"Indeed whoever purifies himself shall achieve success. And remembers the Name of his Lord and perform salah. Rather you prefer the life of this world. Although the life Hereafter is better and more lasting" (87: 14-17)

In the tafsir of Ibn-Kather (2002), it was stated that “Whoever does good deeds in this world, Allah will reward him for those good deeds in this world and in the hereafter. The worldly rewards include the good life (*hayat tayyibah*) includes feeling of tranquillity in all aspects of life and lawful provision of satisfaction and happiness”. The *Hayat tayyibah* mentioned above might be in the form of Allah’s blessing (*baraka*) and according to Al Qurtobi (2000) *baraka* stands for surplus. Thus Mohsen (2007 p. 73) states that “the effects of Allah’s blessings (Baraka) could be reflected in the business organisation’s performance in the form of better efficiency, productivity, easiness and accomplishment of tasks in much shorter time”. Thus it can be seen that *baraka* stands for both time and resources.

Furthermore, the most difficult task will be made easy and enjoyable for someone who believes in (and prefers) bigger rewards in the life hereafter compared to the worldly reward (Ahmad, 2011). So relating this concept to entrepreneurship, it could be inferred that the performance of an entrepreneur (guided by spirituality) who considered his task as a religious and who believe in getting better reward in the hereafter can be enhanced in order to reap more in the hereafter. In addition Ali (2005) assert that during time of difficulties and hardship (as sometimes experienced by entrepreneurs), Islamic spirituality helps in maintaining self confidence and assurance.

ii) Trust in Allah (*tawakkul*)

Tawakkul originates from the belief in Allah and His attributes. According to Abu Sulaiyman, (as cited in Jabnoun, 2008 p. 142), “*Tawakkul* is the reliance of the heart on, and its confidence in Allah. It is the belief of the heart in the power, wisdom, and justice of Allah and that all ends are on His disposal”. To add to this, *tawakkul* stands for a person doing his best and putting his trust in Allah (The Merciful, The Wise, The Knowledgeable, All Mighty) to deliver the outcome

(Jabnoun, 2008). However it should be understood that *tawakkul* comes after one does his best toward achieving his goals. So it does not mean that mean expecting Allah to grant a person success without doing what is necessary to achieve goal (Jabnoun, 2008). The concept of *tawakkul* is stressed in the following Qu'anic verses:

"...You say: Indeed this affair is wholly Allah's..." (3:154)

"And when you are resolved, then put your trust in Allah. Lo! Allah loves those who put their trust (in Him)" (3:159)

"But that which is with Allah is better and more lasting: It is for those who believe and put their trust in their Lord" (42:36)

Trust in Allah (*tawakkul*) is the second factor associated with spirituality that could influence the performance of entrepreneur. According to Ahmad (2011) a true believer in one God would be the most affluent in the world (if he has full trust in Allah) because he will draw strength from Him. Some of the (entrepreneurial) benefits relating to performance that could emanate from *tawakkul* include confidence and optimism (that encourage them to be risk tolerance), resolve and diligence (Jabnoun, 2008). Beside, in one of his traditions, the Prophet of Islam has Counsel Muslims to be confident and optimistic in carrying out their work. He specifically said:

"Ask Allah to help you and do not feel incapable, for nothing is impossible" (Sahih Muslim12:4816)

Ahmad (2011) further affirmed that the believer feels the richest (even without anything) by having trust in Allah only, instead of having trust on money, material, or possessions. Since business is done for Allah's cause, an entrepreneur (for instance) that has full trust and

confidence in almighty Allah will have more devotion and will act more responsibly in entrepreneurial matters that require concentration, adherence, devotion and passion.

iii) Contentment (*qana'ah*)

Another spiritual element that enhances the performance of the entrepreneur is contentment (*qana'ah*). The quality of contentment possess by a person determine to some extent the level of his consistency in terms of honesty, punctuality, and commitment to work (Ahmad 2011). A contended person (in a job setting for instance) does his own part of the task carefully and expeditiously, leave the rest to the will of Allah and be satisfied with the outcome (even where result did not match effort) on which he has no control. As a result, the entrepreneur's energy and momentum is preserved, undue stress leading to frustration and depression is minimised. The Holy prophet in the following *hadiths* emphasised the need for contentment:

“Know that if the nations were to gather together to benefit you with anything, it will benefit you only with something that Allah had already prescribed for you, and if they gather to harm you with anything, they would harm you only with something Allah had already prescribed for you. The pens have been lifted and the pages dried” (Al-Tirmidhi 9:2440).

iv) Patience (*Sabr*)

Patience is another dimension of spirituality that is related to entrepreneurial performance. The patience in Islam according to Ahmad (2011) is aimed at preventing the people from prohibited things and keeps them steadfast on obedience, tolerance and

perseverance even in times of adverse circumstances. The Holy Qur'an emphatically stressed the virtue of patience in many places:

“And certainly, We shall test you with something of fear, hunger, loss of wealth, lives and fruits, but give glad tidings to the patient ones” (2:155)

“Therefore be patient as did the Messengers of strong will” (46: 35)

“Oye who believe! Seek help and patience in prayer. Truly! Allah is with the patient” (2: 153)

In much the same way, The Prophet (S.A.W) says:

The Muslim who lives with the people and shows tolerance towards the people and shows tolerance for the harms received from them is better than the Muslim who does not meet them and does not show tolerance for the harms received from them” (Al-Tirmidhi 9:2431).

To think and behave rationally (a requirement for entrepreneurial success) one has to be in position to control his desires and emotions and such can only be achieved through patience (Ahmad, 2011). Similarly the patience in a leader (in this case an entrepreneur) makes him to be forbearing and wise and also not to retaliate to injustice with injustice (Randeree, 2011). Thus the higher the quality of patience (*sabr*) possess by the for instance entrepreneur, the higher would be the level of maturity, stability, perseverance and tolerance and consequently the better the ability to control his emotion in the workplace for better performance (Ahmad, 2011).

Based on the literature review the following propositions are made:

H2: Spirituality in Islam has direct positive relationship with entrepreneurial performance.

H3: Entrepreneurial motivation moderates the relationship between spirituality in Islam and entrepreneurial performance.

Spirituality and Entrepreneur's Social Responsibility.

The need for entrepreneurs to be socially responsible and ethical while engaging in business had been stressed by a number of Muslim writers in management (Khaliq, 2005). According to Fontanaine (2011) entrepreneurs can demonstrate commitment to ethics and social responsibility in three ways; first dealing with stake holders (whether share holders, employees customers or suppliers) in ethical manner. Secondly engaging in business ventures that are not Islamically immoral and thirdly re-investing part of the profit through *zakah* or charitable contribution.

Islam being all encompassing had addressed social responsibility issues as one of the goals of the religion. For instance Chapra (1992) recognised the fact that the goals of Islam are not materialist. Rather they are based on Islamic concepts of human well being and good life which stress brotherhood/sisterhood and socio economic justice and require a balanced satisfaction of both the material and spiritual needs of all humans (Rice, 1992). Similarly as noted by Toor (2011), researchers have also recognised that specific guidelines are available in Islamic ethical system for achieving the moral filter and for conducting business.

Al-Qaradawi (1996) maintains that from the Islamic point of view business organisations are established to meet societies' needs by providing goods and services in order to live good life (which Islam is aiming to correct and maintain for all human kind) rather than solely make profit. Business organisations are therefore expected to serve the society and advance the cause of the community. Furthermore Khalifa (2003 p. 12) in defining business purpose from the Islamic point of view states as follows: "to create and deliver goods (*tayyibat*) needed and valued by the people, to provide opportunity for people to work and realise their mission in life, to develop themselves, to contribute to their societies and to live a good life".

The influence of spirituality on social responsibility is well explained within the context of *Taq'wa* (God-consciousness or spirituality) dimension relating to the belief of servant and vicegerent roles given to man by God. According to Al-Attas (1995) the Islamic vicegerent principle requires businesses and wealthy individuals to see themselves as stewards or caretakers, not just of shareholders' financial resources, but also of society's economic resources, holding their property in trust for the benefit of society as a whole and ultimately attaining the blessing of God (who is the ultimate owner of all the resources). Thus the God-consciousness paradigm inspires a firm always to operate in a good and socially responsible manner regardless of the financial consequences. Failure to do so is tantamount to an affront to God's will, with all the attendant consequences in this world and in the Hereafter (Dusuki 2008). In line with this contention, on the issue of reward and sanction the Holy Qur'an says:

“Then shall anyone who has done an atom's weight of good see it: and anyone who has done an atom's weight of evil shall see it” (99:7-8)

Verily we have warned you of a penalty of war, the day when man will see (the deeds) which his hands have sent forth (78:40)

Thus, it can be seen that an element of responsibility (which will serve as deterrent to being stubbornly disobedient) is introduced in one's life by the concept of accountability in the Hereafter. As such the will and pleasure of Allah becomes paramount over and above personal interest (Khaliq, 2011).

A qualitative research conducted by Fontaine (2011) to explained the behaviour of Muslim entrepreneurs in Malaysia who uphold their religious values in business practice validate the Khalifa's (2001) framework. Findings suggested that the respondents were in business to

wage what they termed “business *jihad*” to make money to spend in the course of Allah and in charity.

In much the same way, Dusuki (2008) posits that the invocation of *Shari'ah* and the reflection of the *taqwa-paradigm* in business imply that the entrepreneur is no longer driven *only* by the principle of profit maximization, but also by the pursuit of the ultimate happiness in this life and the Hereafter, whereby he acknowledges his social and moral responsibility for the wellbeing of his fellow-men (*e.g.* consumers, employees, shareholders and local communities). In line with this contention, Toor (2011) argued that leadership in Islam (be it entrepreneurial or otherwise) is a great responsibility that demands immense conscientiousness from the person in the leadership role and also emphasises the service of mankind as well as encourages the leader to look after his followers with utmost sincerity and humility. To buttress this position The Qur'an and The Holy Prophet in the following verse and *hadith* say:

“And we made them chiefs who guide by our command, and We inspired in them the doing of good deeds and the right establishment of worship and the giving of alms and they were worshipers of Us (alone) (21:73)

“The leader of the people is their servant (al-Tabrani)” and that *“each of you is a guardian and each of you will be asked about your guardian-ship. The leader is a guardian and the man is a guardian over the people of his house, and the woman is a guardian over her husband's house and the children. So each of you is a guardian, and each of you will be asked about your guardianship” (Al-Bukhari, Sahih Muslim 3:844)*

Therefore, CSR is a moral and religious initiative based on the belief that a company should be 'good' regardless of its financial consequences, be they positive or negative. However

this is not to suggest that Islam is against profit making. Rather, it is seen as a necessary condition, though not the sole purpose, of their existence (Hasan, 1983).

The belief in better return in the hereafter (*Akhirah*) has also an effect on entrepreneur's commitment to social responsibility. This is because in Islamic perspective the concept of reward is also broadened by incorporating within it, reward in this world and reward in the Hereafter. This provides a strong and self-propelling motivation for good and just behaviour, without denying the natural instincts for personal gain (Ahmad 2003). In strengthening this position, Ahmed (2011) posit that the full faith on *Akhira* touches the heart of a Muslim by making him kind hearted and helpful to others without seeking to gratification in return. Also one easily develops the habit of giving out voluntary charity (*sadaqa*) easily.

It can be observed from the foregoing that the level of taqwa (piety or spirituality) of a person determines his ethical behaviour. Where it exists, ethical behaviour raises the goodwill and reputation of business which in turn opens up greater opportunities. Furthermore, guided by the proper relationship with God, the person's daily interactions and transactions would be inspired by the values of truthfulness, firmness, fairness, respect for the law, kindness, forbearance, tolerance and uprightness, instead of deceit, haughtiness, class consciousness, ostentation, insubordination, envy, jealousy, backbiting and self-aggrandisement (Hasan, 2002).

Based on the above analysis, the following hypotheses are proposed:

H4: Spirituality in Islam has direct positive relationship with entrepreneur's commitment to social responsibility.

H5: Entrepreneurial motivation moderates the relationship between spirituality in Islam and commitment of entrepreneurs toward social responsibility.

Conceptual framework

Based on the analysis of literature, the following conceptual frame work is proposed to illustrate the relationship between spirituality in Islam and entrepreneurial outcomes. Even though there could be other factors affecting entrepreneurial outcomes, spirituality in Islam is selected for this study because other antecedents of entrepreneurial motivation, performance and commitment to social responsibility had been studied and similar result could be expected.

In the proposed framework depicted in figure I below, there is one independent variable (spirituality in Islam), two dependent variables; entrepreneurial performance and commitment to social responsibility and one mediating variable (entrepreneurial motivation). The model suggests that Spirituality in Islam directly influence entrepreneurial performance and commitment to social responsibility and indirectly through entrepreneurial motivation (as mediator).

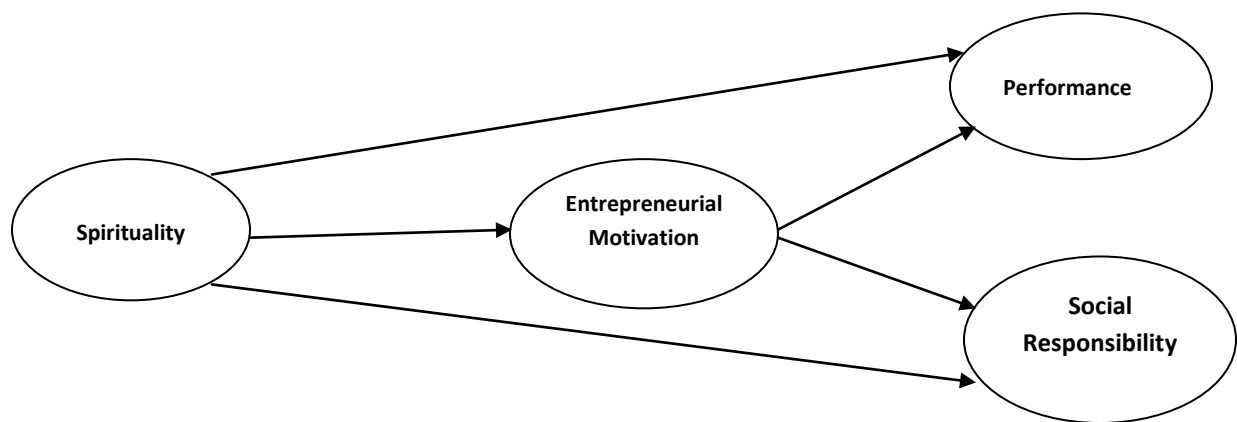


Figure 2: Conceptual Model

Conclusions and implications

Recent studies in management have dwelled into incorporation of spirituality in entrepreneurship from the Western perspective. In this study attempt was made to explore the

benefits of spirituality in Islam on entrepreneurship outcomes. It is argued that a Muslim entrepreneur that is charged with Islamic spirit is inspired from the heart and is guided in his entrepreneurial pursuit by seeking the pleasure of Allah and is motivated by rewards not only in this world (*falah*) but also in the life hereafter (*Jannah*). As such he undertakes his entrepreneurial tasks with utmost commitment as he is answerable (to Allah) for all he does as a caretaker of responsibilities given to him (as vicegerent) by Allah. From the foregoing it can be inferred that spirituality in Islam can positively influence the attitudes of entrepreneurs and serve as a motivational drive for going into business and also serve as a catalyst for positive energy, enhanced performance and a increased commitment to social responsibility. Thus because of its potential benefits, Muslim entrepreneurs should create an environment conducive for Islamic spiritual values and practice to flourish in their workplace by bringing their spirituality to life in their organisation's culture through their actions.

This is an exploratory study (based on literature reviews) of spirituality in Islam in relation to entrepreneurship where propositions were developed to be explored further. Thus our conclusion remain tentative until hypotheses are formed and empirical research carried out to directly measure the influence of spirituality in Islam construct on entrepreneurial outcomes of motivation, performance and commitment to social responsibility. However, despite this limitation, being one of the pioneering works in the field, this study contributes to our understanding of the much under-research subject of spirituality from the Islamic perspective in terms of its application to the field entrepreneurship and its possible impact on entrepreneurial outcomes.

This work is important because as noted by Mitroff (2003), people do want opportunity to realise their full potentials as whole human beings both on and off the job. It is our belief that

spirituality from the Islamic perspective being all encompassing and derived from Divine revelations offers this golden opportunity. Thus this study, apart from its academic relevance of understanding the antecedents of entrepreneurial behaviours from the perspective of spirituality, has also practical implications for practicing entrepreneurs and policy makers.

In the first place, for scholars seeking to understand the influence of Spirituality in Islam on business outcomes, this exploratory study will serve as a starting point. Most particularly the study furthers current research into the motivation and attitudes of entrepreneurs by exploring it from the window of spirituality in Islam. Thus the study is expected to contribute to existing literature on both spirituality and entrepreneurship by exploring the Islamic angle. As observed by Drost (2010), until this date the study of what predicts entrepreneurship as a career remains an important research issue.

Again by examining the relationship between spirituality (a religious construct) and entrepreneurship performance, the study could shade some light the understanding spirituality role in organisational performance. As posited by Kayed & Hassan (2010), the performance and conduct of entrepreneurs depends to some extent on their motives for starting business. Thus for the practicing entrepreneurs, this study could provide them with valuable information regarding the role of spirituality in their practice that would enable them utilise its outcome for the overall benefit of their organisations.

Similarly, if the motivation and behaviours of entrepreneurs are related to their religious beliefs and practices, then it become desirable for policy makers to adapt policies directed toward promoting religious values and practices in order to meet the goal of increased entrepreneurship in the society.

We believe that this conceptual analysis may compliment the effort being made to focus the attention of researchers, business practitioners and policy makers on the hidden treasures of spirituality in Islam as it relates to business outcomes. Similarly it is our hope that the study will serve as a stimulant that will accelerate further thoughts and discussions on the potential prospects or promises spirituality in Islam hold for entrepreneurship as well as other management outcomes. Also since the present study only focused on entrepreneurs as leaders of their organisations, future research may consider spirituality in Islam from the perspectives of employees to see whether similar outcomes could be obtained. Again in order to see similar or differential effect of application of spirituality on other entrepreneurial behaviours not covered in this study, future research could also explore entrepreneurial orientation. Finally it may be interesting too for future research to consider the effects of spirituality in Islam on specific individual characteristics (as mentioned by Gotsis Kortezi, 2009) such as the need for achievement, need for creativity, need for autonomy and independence associated with overall entrepreneurial characteristics.

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Al – Qur’an [65:2-3]

Al – Qur’an [87:14-17]

Al – Qur’an [4:77]

Al – Qur’an [30:17]

Al – Qur’an [30:16-17]

Al – Qur’an [3:154]

Al – Qur’an [3:159]

Al – Qur’an [42:36]

Al – Qur’an [2:155]

Al – Qur’an [46:35]

Al – Qur’an [2:153]

Al – Qur’an [8:46]

Al – Qur’an [3:31]

Al – Qur’an [33:21]

Al – Qur’an [99:7-8]

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H2: Spirituality in Islam significantly and directly relate to entrepreneurial performance.

H3: H4: Spirituality in Islam significantly and directly relate to the perception and commitment of entrepreneurs toward social responsibility.

H5: Entrepreneurial motivation moderates the relationship between spirituality in Islam and perception and commitment of entrepreneurs toward social responsibility.