

An Introduction to *Entrepreneurship and Management in an Islamic Context*

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With the evolution of international business environment where culture and religion are playing an important role cornering developing relationships (Dana 2009, 2010), Islamic entrepreneurship and management is becoming an essential research field (Ramadani et al. 2015). Islam, as a religion, highlights the importance of being engaged in business activities that improve society as a whole, and many of the limitations placed on Muslim entrepreneurs are meant to reduce activities that can harm the society; Muslims are expected to make a living in accordance with the beliefs of the Qur'an and Shari'ah laws. When Muslims engage in entrepreneurial activities it is believed that they fulfill their religious obligations to please Allah. Islam shapes entrepreneurship at different levels of the economy whilst encouraging and enabling entrepreneurial activities.

The combination of ethical, social, environmental and economic factors in agreement with Islamic Law (Hamid and Sa'ari 2011) are the bedrock of the achievements of business in Islam. All the major functional areas within an organization such as strategy, human resources, finance, and marketing can be shaped and influenced from an Islamic perspective (Ramadani et al. 2014; Raza 1999; Yaakub 2011).

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In general, when looking at the organization as a profitable entity from the Islamic perspective, it is not expected to be only profitable but also it is expected to be in alignment with worldly socio-economic welfare as well as spiritual growth. An entrepreneur usually judges success by the financial gains achieved from the business venture; however, from the Islamic perspective entrepreneurial success is measured not only by personal financial gains but also how well religious goals are achieved which can provide the entrepreneur with rewards in the afterlife (Campante and Yanagizawa-Drott 2013). Muslim entrepreneurs are obliged by religious laws to abstain from engaging in certain economic and financing activities, such as those involving gambling, usury, and speculation. This just proves the sincerity and the purity of promoting entrepreneurship and management from an Islamic perspective.

The book—*Entrepreneurship and Management in an Islamic Context*—consists of 14 chapters. The section below briefly introduces the content of the corresponding chapters.

The main notion elaborated in “Islamic Entrepreneurship and Management: Culture, religion and society” contributed by Vanessa Ratten, Veland Ramadani, Léo-Paul Dana and Shqipe Gërguri-Rashiti, is about identifying Islam’s view of entrepreneurship and management. In addition to recent and relevant literature on the topic mainly for this research the Holy Qur’an verses and the Muhammad’s (S.A.W) Hadith (teachings and traditions) were utilized. More specifically, the authors focus on taqwa, halal and haram, knowledge and entrepreneurs, innovativeness and risk-taking, proper usage of resources, financing and Islamic perspectives on ethics and social responsibility. In addition, the role of religious entrepreneurship and management on the Islamic context is discussed, which focuses on cultural values. This is useful for developing entrepreneurial management from an Islamic perspective and contributes to a better understanding of the role of culture and religion on entrepreneurship activity.

The chapter “Islamic Leadership Models: Lessons from Early Islam” represents a study that focuses on the role Islam plays as a variable in the behavior of entrepreneurs and entrepreneurship practiced within the context of the Islamic faith. This research, which is an extension from previous scholars’ research (Dana 2009, 2010; Davis 2013) by illustrating exemplars on effective leadership within an Islamic context focuses on specific attributes, qualities and characteristics, which provide a background to evaluate effective entrepreneurial behavior. The biggest reinforcement for the expansion of Islam from the borders of China to the Atlantic coast of Spain was meritocracy, honesty, tolerance, personal courage, and compassion. The main outcome of this research is a model for a conceptualization and examination of an Islamic leadership model, which is an enhancement of a previously proposed model, but not fully conceptualized, frameworks of Islamic leadership. This chapter is contributed by Miles K. Davis and John Winn.

George Acheampong in “Micro-Entrepreneurial Motivations in Ghana: Do Muslims Differ” looks into finding the difference between the Muslim entrepreneurs and their entrepreneurial motivations compared with entrepreneurs of other faiths. The main data used for this research is secondary data from the poor

localities in the urban Accra region of Ghana. Through regression analysis, the outcome of this study is that the main motivation for Muslim entrepreneurs compared to those of another faith is less likely to be for profits or self-employment. This particular research adds to the entrepreneurship literature by analyzing the role of religion in determining entrepreneurial motivations in an African country.

The chapter on “The Process of New Venture Creation in the Islamic World: An Organizing Framework”, a contribution of Wafa N. Almobaireek, Ahmed A. Alshumaimeri and Tatiana S. Manolova, looks into the main characteristics and unique aspects of the new venture creation process in the Islamic world. As a foundation for this research Hitt et al. (2011) was used by conceptualizing entrepreneurship as a socially-embedded and context-specific process of resource mobilization and opportunity exploitation, crowning it the creation of a new venture, whose purpose is to create value and generate wealth and other social enhancement benefits. This method gives a way to critically review and integrate conceptual developments, empirical evidence as well as highlight the unique characteristics of the process of new venture creation in an Islamic context. This specific study focuses the assessment on the inputs, the characteristics of the new venture, and the outcomes of the entrepreneurial process. The main purpose of this particular research is to highlight Islamic entrepreneurship through universally and comprehensively recognized framework of the entrepreneurial process and at the same time to specifically highlight and elaborate on the unique features of Islamic entrepreneurship.

Wafica Ali Ghoul in “Ethnic and Migrant Entrepreneurship: The Case of Muslim Lebanese Entrepreneurs in Dearborn” analyzes the hurdles that Muslims from less developed countries migrating to more developed countries in the pursuit of a better life. Particularly as a result of the so-called “Arab Spring” a new wave of migration has been experienced by millions of Muslims moving from their war-torn countries to the west especially to Europe. Since these refugees will take decades to be able to integrate into the new communities and life styles leads to the urgency to further study ethnic entrepreneurship. The primary research data used for this study is the emergence of enterprises by Muslims, who live in a country where they represent a minority particularly the Lebanese migrant entrepreneurs in Dearborn, Michigan. Bearing in mind the similarities between the Lebanese culture and the Syrian culture, this brief synopsis of Lebanese migrant entrepreneurship can provide a model that would help in dealing with the current stream of Syrian migration to the West.

The following chapter “The Foundation of Islamic Knowledge Management Practices” looks into epistemological presence as a crucial part of Islam and its principles not just as a religion but as well as in conduct of and practice of human affairs. Knowledge is seen as a main driving force in embodying science and knowledge for the common good. This chapter is contributed by Muhamadul Bakir Hj. Yaakub and Khatijah Othman.

The chapter written by Vanessa Ratten, Hussain Rammal and Veland Ramadani on “Islamic Finance: Entrepreneurial Management Perspectives” focuses on financial sector practices in Islam that have more of entrepreneurial character in money

management. This should be further researched on how to integrate the Islamic model of management in finance-based practices.

Gadaf Rexhepi and Nadire Ramadani in “Ethics and Social Responsibility in Islamic Finance” primarily focus on the responsibilities of the company not just from the rule of law aspect but also from the Islamic perspective given that these companies need to provide an additional level of regulations based on Islamic law enforcing ethics and social responsibility.

Social entrepreneurship is a fairly new concept and the lack of consensus for the definition means that there is plenty to be researched and to be agreed in this field. However seeing from the perspective of Islam, which again needs more research, the main pillars of good deed are and responsibility to generate prosperity could be very closely linked and analyzed as advanced social entrepreneurial culture providing to be as useful as possible for society. These particular concepts are treated in “Social Entrepreneurship in an Islamic Context”, by Hendrati Dwi Mulyaningsih and Veland Ramadani.

This following chapter, “Youth Entrepreneurship in an Islamic Context”, by Andrew Rixon, Alex Maritz and Rosemary Fisher besides analyzing best practices of entrepreneurship in UAE is it proving to provide very useful recommendations to the UAE youth to start engaging in entrepreneurial affairs through various institutional stakeholders. Successful implementation of these recommendations would have a crucial impact of entrepreneurship development in the UAE.

The chapter “Female Micro-entrepreneurship: The Key to Economic Growth and Development in Islamic Economies” chapter looks into in depth micro finance in Muslim countries and the possibilities to be more inclusive of Muslim women who would be able to engage in the social entrepreneurship sphere and fully develop the potential that is clearly there and needs to be utilized. This chapter is contributed by Alina Zapalska, Jim Stodder and Erik Wingrove-Haugland.

Salime Mehtap, Andrea Caputo, Massimiliano Pellegrini in “Encouraging Female Entrepreneurship in Jordan: Environmental Factors, Obstacles and Challenges”, look more in depth at educated women potentially entering the entrepreneurial world. According to the study their perception is that besides the economic issues as lack of economic stability, gender inequality and the difficulty of maintaining healthy work-life balance. However, what has been proven through the research is that not enough information and opportunities have been relayed to women who would potentially consider to get into the entrepreneurial world, and more needs to be done on this front.

The concluding chapter, “Islamic Entrepreneurship and Management: Future Research Directions” discusses the role of Islam in entrepreneurship and management by focusing on the spiritual, ethical and innovative elements that apply to business practices. The chapter indicates the entrepreneurial nature of Islam as a religion and provides a framework for future research about religious entrepreneurship. This chapter is contributed by Vanessa Ratten, Veland Ramadani, Léo-Paul Dana and Shqipe Gërguri-Rashiti.

In conclusion the editors and the contributors of this book hope that this collection of chapters brings an attractive and significant contribution to the field

of Islamic entrepreneurship and management, above all in terms of revealing the constituents of these fields in specific economies and cultures. While entrepreneurship and management are strategic areas, which have always been attentive and always changing over time, Islamic entrepreneurship and management being at the verge of research is becoming a very “hot” topic for scholars nowadays. Taking into consideration that such a book is not available in the market and no author has treated strictly the above mentioned topics in the perspective of the Islamic context, we trust that this volume shall be very welcomed by regional and international researchers who are interested to know more about entrepreneurship and management matters in the Islamic context and countries.

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