

THE INFLUENCE OF ISLAMIC VALUES ON MANAGEMENT PRACTICE



GILLIAN FORSTER

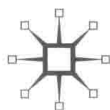


The Influence of Islamic Values on Management Practice

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1

Introduction

This book presents a research study on how Islamic values influence management practice in Morocco and in doing so extends knowledge of management in the pan-Arab context so that greater cross-cultural understanding can be achieved and acted on.

Background to research

The reasons for undertaking this research were both academic and personal. In academic terms there was an opportunity to provide greater knowledge and understanding of geopolitical regions that have ignited comparatively little interest thus far in the academic world. It is an oversight that may cost the West dear, as Nisbett (2003 p 220) noted in *The Geography of Thought*:

In the emerging world of ethnic conflict and civilizational clash, Western belief in the universality of Western culture suffers three problems: it is false, it is immoral, and it is dangerous.

Nisbett is not alone in his belief. Weir (2001 p 2) too accuses Western academics in business and management of 'cultural myopia' in their proclivity to 'read the transmission of knowledge and praxis strictly from West to East'. Weir goes on to call for a paradigm shift so that, rather than being seen as 'objects' in the West's narratives, non-Western countries become 'participating subjects'.

I draw upon the words of Weir for one reason; Weir's focus of concern is the 'Arab World', as is the focus of this research. Weir

(2001 p 17) believes that this geopolitical region has been neglected by the extant management research and that the region's 'management practices... now need to be studied as an entity in [their] own right'. Weir (2003 p 71) calls this 'entity' – which is Arab management – the 'fourth paradigm', distinguishing it from the first three paradigms of American, European and Japanese management that currently take precedence in business and management research and practice. Within this 'fourth paradigm' Weir (2001 pp 16–17) identifies the 'integrating framework of Islam... a matrix of belief that is manifested in behavioural practice' as a source of study because of the 'morality of management [being] at centre stage' in management practice.

Little more than a decade after Weir's 'call to arms', perhaps the biggest geopolitical issue of the day – and a growing source of global tension – is the intersection of the secular and commercial with the religious and ideological. It is a domestic issue as well as global, and finding a *modus vivendi* between these two oppositional world views is also an urgent one. Under the circumstances, there is no doubt that within the global context companies with significant presence in, or dealing with, the Islamic world should be interested in the interface between the secular and commercial interests of their organizations and the religious, ideological and cultural traditions of their various host countries (Tayeb 2000, Weir 2000, Wilson 2006, Metcalfe 2006, 2007).

It is my view that academics should contribute fully to the international dialogue that is taking place, providing the necessary insight into different cultural traditions and practices that global organizations need. After all, academics too are part of the 'organizationally interdependent world' (Warner 1999 p xvi), and as such one of their roles is, I believe, to encourage the exchange of knowledge and understanding and to facilitate cultural sensitivity.

Furthermore, academics must play their part to eliminate the 'cultural myopia' endemic in Western management practices and learn sufficient humility to accept wisdom from cultures other than their own. I wanted to contribute to that process and it 'made sense' to me to do so through the exploration of this phenomenon – Islam – which not only acts as a 'unifying force' (Weir 2003 p 72) across an entire management paradigm but is also to be found at the source of current global tensions.

But why choose Morocco as the cultural context for the exploration of Islamic values in management practice? Weir (2000 p 509) argued that Arab management is 'a developing theme awaiting the empirical study and a more comprehensive theoretical rationalisation', but Weir's Arab World is confined to the Middle East and now researchers such as Ali (1989, 1992, 1995, 2005, 2009a, 2009b) are beginning to 'plug the gap' which Weir goes to such lengths to point out. But this is not so for another Arab World – that of the Maghreb (a collective term for the North African countries) – or more specifically Morocco (Benson and Al Arkoubi 2006). To all intents and purposes, despite the efforts of researchers such as Wahabi (1993), d'Iribarne (1998, 2002, 2003), Al Arkoubi (2008) and Cox, Lynham and Motii (2005), Morocco remains what Thomas (1996 p 485) refers to as a 'forgotten location'. Therefore, sources of knowledge and practical guidance are thin on the ground for those multinational and global organizations that do business in Morocco. But my reason for choosing Morocco is not just to provide greater knowledge and understanding in order to facilitate cultural sensitivity in a comparatively unknown country – unknown that is to the management research community. It is also to give a voice to those whose views and experiences that, despite their trading backgrounds (Pennell 2003), have largely gone unheard in the 'organizationally interdependent world' (Warner 1999 p xvi) of today.

On a more personal level, I am familiar with Morocco and its people, entranced by its allure and fascinated (often baffled) by its ways. It could only be Morocco!

Focus and scope of study

The guiding principle of this research was that 'the study of values... reveal(s) deep insights about how work is viewed' (Robertson, Al-Khatib and Al-Habib 2002 p 585). Further justification for the choice of Islamic values as the focus of this study on management practice in Morocco was provided by the extant research revealing Islam as a 'unifying force' (Weir 2003 p 72), 'an integrating framework' (Weir 2001 p 17) or a 'moral filter' (Rice 1999 p 346) for management practices across the fourth paradigm. Whilst Weir (2003 p 74) might question Morocco's place within his Arab World because of its different 'historical, administrative and linguistic traditions',

there is still support for placing Morocco within this pan-Arab context, notably because of shared religious beliefs (Gellner 1969, Benson and Al Arkoubi 2006). Furthermore, extant research (Benson and Al Arkoubi 2006, Cox, Estrada, Lynham and Motii 2005, Al Arkoubi 2008 and d'Iribarne 2002, 2003) on management in Morocco sends a clear message that Islamic values do have a role to play in management practices. As far as the extant research is concerned therefore, the subject of this study appeared to be a relevant and important one.

What also had to be considered, however, was that despite the recognized influence of Islamic values on Arab management, these values do not work in isolation but are an integral part of a country's 'national character' (Tayeb 1988 p 154) – an all-encompassing phrase used by Tayeb to include all of a country's cultural, political and socio-economic (i.e. its national) characteristics. Tayeb's view is that all features of the 'national character', including religion, 'have a significant bearing on the management styles of organizations located in particular countries'. Thus the scope of this research had to go beyond the identification and enactment of Islamic values in the workplace and seek also to identify other contextual influences (national characteristics) that also shape how managers 'practise' management in Morocco.

As a result of the above considerations, the objectives for the research were as follows:

- To identify and explore how Islamic values shape management practice in Morocco
- To identify and explore other influences that might shape management practice in Morocco
- As a result of the above, to develop a framework for greater understanding of how different cultural contexts affect business practices
- To explore and understand management practice in Morocco via an interpretivist methodology which thus far has had limited application within the extant research in Morocco and the broader pan-Arab context.

And in order to achieve these objectives, the research process was designed to:

- Provide a cultural portrait of Morocco which identifies its national characteristics (Tayeb 1988) and how they might shape management practice in Morocco
- Identify the nature and content of Islamic values for the purposes of analysing and exploring how they influence management practice in Morocco via the lived experiences of the research participants
- Review the extant management research on the pan-Arab context in order to provide both sensitizing concepts (Strauss and Corbin 1998) with which to explore management practice and to better establish the clear potential of this research to contribute to, and augment, existing knowledge
- Build a heuristic model of sensitizing concepts from the extant research for the purposes of exploration of management practice
- Explain and justify the choice of methodology and methods employed for this research
- Explore how participants 'live' management practice in Morocco and establish how Islamic values influence management practice from their perspective
- Provide greater insight into how Islamic values and other influences shape management practice in Morocco through a synthesis of the participants' voices with the extant research
- Develop a framework of greater understanding of how the cultural context of Morocco affects its management practices.

Concepts and 'working definitions' within the study

Watson (2006 p 27) suggests that whilst, on the one hand, in everyday life people seek '*correct definitions* of phenomena, ones that will be generally helpful...when communicating within a broad public language' (original emphasis), the social scientist, on the other hand, must 'analyse phenomena with the greater degree of rigour and focus that distinguishes scientific analysis' and thus s/he must '*conceptualise* phenomena. This means devising working definitions which are helpful...in trying to analyse and understand some aspect of the world (original emphasis).' Concepts – or working definitions – he proceeds to say, 'differ from dictionary definitions which tend to have a much more general applicability' (original emphasis).

Set out below are my own conceptualizations, or 'working definitions', of the different concepts that I used in this study; they are 'management practice', 'values' and what is meant by 'influence'. The concept of Islamic values will be discussed within the framework of what is Islam in Chapter 3. In providing these 'working definitions', not only will I be explaining, and justifying, my use of the concepts, but I will also be providing a loose framework in which the research question and objectives were addressed. Loose, because although there was a need to establish the scope of the research – and the development of working understandings facilitated that – this was an interpretive piece of work and, as such, no assumptions based on *a priori* knowledge could be made and terms had to remain to some extent flexible.

What is management practice?

Management practice is a ubiquitous term within the extant research on management (Marchal and Kegals 2007, Watson 2006, Linstead, Fulop and Lilley 2004, 2009), but it is not one which is clearly explained by any commentator who reflects upon it (Watson 2006), critiques it (Linstead, Fulop and Lilley 2004, 2009) or attempts to describe some element of it (Marchal and Kegals 2007, Stewart 1989, Hales 1986).

However, despite the ambiguity of the phrase, it was possible to establish that the extant research understands that management practice is what managers actually do (Stewart 1989, Watson 2006, Hales 1986, Ghoshal 2005) as opposed to what it is thought they might do. The 'working definition' of management practice for this study therefore is that management practice is the **totality** of the activities that managers do. In accordance with the extant research (Mintzberg 1973, Watson 2006, Linstead, Fulop and Lilley 2004, 2009), management practice is regarded as an umbrella term which describes or encompasses in the broadest terms the total collection of behaviours, actions and processes of individuals in management positions. Thus it is empirical rather than theoretical, descriptive rather than prescriptive, general rather than specific. This 'working definition' provided a form of framework, albeit loose, in which I, as the researcher, could work. But it also allowed flexibility – a requirement necessary to acknowledge not only the view of Linstead, Fulop and Lilley (2009 pp 2–3) that management practice 'is a complex

process which is cultural, social, economic, political and informational', but also that it is all of these things and in an unknown cultural context too.

What are values?

Within the extant literature, values are a 'a conception, explicit, or implicit, of what an individual or a group regards as desirable' (Guth and Tagiuri 1965 pp 124–25); a preference for 'certain states of affairs over others' (Hofstede 1981 p 19); and also that which 'guide and direct our behaviour and affect our daily lived experiences' (Dolan, Garcia and Richley 2006 p 27).

These are thumbnail 'definitions' and as such did not provide adequate means to develop a 'working definition' or 'understanding' that could be employed to discover not only the existence or not of values but also their influence within a cultural context. In addition to this problem of brevity, Ali (2005 p 63) also reports that values are often 'confused with other related terms such as attitudes, beliefs, needs and norms'.

It is the work of Rokeach (1973) which sheds most light on this concept of values, providing greater exploration and sharper 'definition'. Rokeach (1973) enables values to be made operationally distinguishable from concepts such as attitudes, which he believes to be the favoured concept of social scientists mainly because of the ease with which they can be researched. It was with his work therefore that I began in my search for a 'working definition' for the purposes of this study.

Rokeach's (1973 p 5) 'definition' of a value is that it

is an enduring belief that a specific mode of conduct or end-state of existence is personally or socially preferable to an opposite or converse mode of conduct or end-state of existence (and) a value system is an enduring organization of beliefs concerning preferable modes of conduct or end-states of existence along a continuum of relative importance.

Rokeach proceeds to provide an in-depth description of the nature of values, how they are integrated into organized systems **and** how they refer to the mode of conduct (instrumental values) and the end-state of existence (terminal values). How individuals get to their desired

end-state is just as important as the end-state itself. The challenge, however, in using Rokeach's definition as the 'working definition' for this study was that it is complex in nature, and despite Rokeach's own studies on religiosity (1969) and how this impacts people's behaviour and values, the disparity between his own 'definition' and that of others' highlighted before (Guth and Tagiuri 1965, Hofstede 1981, Dolan, Garcia and Richley 2006) was considerable.

It was Schwartz (1994 p 21) whose research on values provided the possibility of a 'working definition' which dispensed with some of the detail provided by Rokeach and yet could be sufficiently robust for the purposes of this study. Furthermore, Schwartz (1994 p 21) provides the reassurance for those wishing to research values that there is much crossover between value definitions and that he is attempting to 'modify [those] earlier definitions' rather than dismiss them. Basing a 'working definition' on Schwartz therefore seemed to be possible.

Schwartz's 'definition' and subsequent research have enabled him to substantiate that there **are** universal values – those of power, achievement, hedonism, stimulation, self-direction, universalism, benevolence, tradition, conformity and security – which act as motivators of behaviour, which can be identified and measured in a variety of contexts, for example culturally (Schwartz 1994), cross-culturally (Schwartz and Bardi 2001, Schwartz and Sagiv 1995) and in examining 'worries' (Schwartz, Sagiv and Boehnke 2000).

Additionally, and especially relevant to this study, Schwartz together with Huisman (1995) has also undertaken research into religiosity, looking at its association with specific values within his identified universal value system. Although his study did not include Muslims, as was also the case with the study by Rokeach (1969) into religiosity, what was important for me is that his theory of values and his value system could be 'operationalized' to identify specified values within the value system, in this case values linked to religiosity.

Although Schwartz (1994) does not consider explicitly whether values are instrumental or terminal in nature, it could be assumed that he implicitly addresses this dilemma posed by Rokeach (1973). Schwartz's universal and motivational values could be perceived as both instrumental **and** terminal. Indeed, he explains that the value types are described by their end-state, but nowhere does he say that they are **not** modes of behaviour. Benevolence, for example, is a

goal predicated on particular modes of conduct – being honest, treating people with respect, being caring and supportive, for example. It is often difficult to separate the mode of conduct from the end-state. In critiquing Rokeach's (1969) work on religiosity, Gorsuch (1970) would appear to support this view, vigorously challenging the concept of discrete terminal and instrumental values. I therefore considered it unnecessary to distinguish between terminal and instrumental values for the purposes of this study.

Consequently, the 'working definition' for this study was that of Schwartz (1994 p 21), who believes values to be

desirable, transsituational goals, varying in importance, that serve as guiding principles in the life of a person or other social entity.

This 'working definition' has a number of implications. First, that as goals, values can either be modes of conduct or end-states; sometimes goals will be in conflict, sometimes congruent, according to circumstance, and value systems will therefore change. Second, that as a goal, a value does not necessarily dictate the behaviour of the individual because the goal is desired rather than actual and conditions may prevent that goal from being met. Third, that serving as 'guiding principles' could infer an intention towards thought and behaviour rather than actual thought and behaviour to some extent, that is there is always the element of 'oughtness' and contingency to a value, particularly an instrumental one (Rokeach 1973).

Interpreting influence

The research question for this study was how Islamic values influence management practice in Morocco. The choice of the word 'influence' was deliberate and considered, and I explain here the reason for its selection.

In part, the choice was determined by much of the extant research (Ali 1996, 1992, Tayeb 1988, 1997) which proposes that many of the beliefs, attitudes, values and preferred ways of being that can be identified in management in the fourth paradigm are the result of a number of socio-historical, economic and cultural factors that are specific to that paradigm – for example, Islam, colonization, tribal ways and customs. Whilst I argue that Morocco is only in part a member of that fourth paradigm – an argument supported by Weir

(2003) – it does by virtue of being a ‘part member’ share some common features. These will obviously be explored in greater depth within this book, but it is necessary at this point to establish that what this commonality presents is a research context which is susceptible to a variety of factors or circumstances that may shade, alter, guide, direct, shape or perhaps even transform how that context is ‘perceived’ and ‘experienced’. All of these notions are subsumed in the word ‘influence’. What was important to me as the researcher was that in employing the word ‘influence’ to explore management practice in Morocco, I acknowledged that Islam’s effect could be covert, it could be by indirect means, it could be explicit or implicit. And so in maintaining consistency with my interpretive approach to the study, I sought to create a fluid, loose framework which was able to accommodate the life-worlds of individual participants in the research.

Also, the word ‘influence’ can accommodate the different degrees of intensity with which the specific phenomenon to be explored may manifest itself – it could be just a touch or impression (‘imperceptibly or by indirect means’ (*Shorter Oxford English Dictionary* 2007 p 1379)) or at the other end of the spectrum it can affect, govern and decide (‘affect the mind or actions of...affect the conditions of someone or something’ (*Shorter Oxford English Dictionary* 2007 p 1379)). Furthermore, from its roots in the Latin *influer*e (to flow in), the word has connotations of dynamism and movement, of ebb and flow, of something that is complex and fluid rather than one-dimensional and static and was thus appropriate to the phenomenon under review.

Methodology

The study adopted a broadly interpretivist approach, beginning with a process of purposeful sampling (Patton 1991). The sample comprised 24 managers of great experience (both in personal career longevity and a broad range of industries and businesses) and seniority. They were individuals who have been highly successful and are therefore expert managers, with direct experience not just of receiving/living management policy and practice but also of themselves directly shaping and dispensing such policy and practice. These managers were various – from national offices of global corporations

to wholly national Moroccan operations. The sample also represented the diverse socio-historical contexts of individual managers who manage in Morocco in order to ensure 'representativeness' (Locke 2001 p 80) in the findings. Thus the sample included non-Moroccan managers. The justification for this approach is provided by Schutz (1964) and his concept of 'the Stranger'. Schutz's (1964 p 96) 'Stranger' is an immigrant trying to make sense of an unfamiliar world. The Stranger does not share 'the tested systems of recipes...[and] the culture...has never [been] an integral part of his biography', and as a result there is no 'thinking-as-usual' from 'the Stranger'. Gherardi (1996 p 190) also sees the value of what she calls 'outsiders' to research situations because they are not firmly entrenched in the taken-for-granted assumptions embedded in the culture.

The interviews were loosely structured in order to 'see the research topic from the perspective of the interviewee and to understand how and why they [had] come to this particular perspective' (King 2004 p 11). All but one (by telephone) of the interviews was conducted face-to-face, lasting from 45 minutes to 1.5 hours. An initial study was undertaken, primarily to 'test out' the chosen methods and questions. Sampling for the initial study was facilitated by a 'gatekeeper' (Hammersley and Atkinson 1995 p 75) – the Director-General of an exclusive hotel in Marrakech – who had taken a keen interest in the research. To achieve 'believability' (Brewer 2004 p 157) the location of the main study had to be Casablanca, Morocco's industrial, commercial and business centre.

Data interpretation and analysis

Data were analysed using the funnel structure of progressive focusing (Miles and Huberman 1984, Hammersley and Atkinson 1995). Progressive focusing enables the researcher to 'make sense' of the 'bulk and complexity' (Bryman and Burgess 1993 p 216) which characterize qualitative data. A process of open and selective coding (Strauss and Corbin 1998) distilled, refined and focused the data in order to achieve some form of theory-building and ensured that the final analysis remained 'faithful [to the] people's voices' (Brewer 2000 pp 151–52).

Participants were characterized as belonging to one of four groups according to biographical data. There were two reasons for this.