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The Method of Managing Employee Motivation Based on a Halal Lifestyle

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Abstract
In general, there are various methods of managing motivation that have been adopted by Islamic institutions. Nevertheless, a question remains whether there is any method that can enhance employees’ motivation? What is the role of Islamic law and how can its principles be incorporated in the motivation management method? This needs to be emphasised as some motivation management methods, such as having a reward ceremony, are against Islamic law due to the serving of alcohol and the unethical interaction between male and female employees. In Islam, the issue of halal and haram has been discussed clearly and in detail. Halal in Islam is naturally holistic, as it can be integrated into the entire lifestyle and it is not only limited to aspects of food, dressing and economy but extends to the aspect of employee management. This paper was written with two objectives in mind. The first objective was to identify the method of managing employee motivation that has been applied by the management of Islamic institutions. The second objective was to analyse the method based on a halal lifestyle. This paper work unravelled the answers by using the qualitative approach that applied document analysis. Based on the analysis, it was found that there are three methods of managing employee motivation and these methods are consolidated by the halal aspect to ensure that they are consistent with the Islamic Shari’a. After the questions were answered, this paper tried to clarify to society, especially the management, that halal is not small in scope but it goes even further than that because halal in Islam is holistic, and it needs to be practised in all aspects of a lifestyle.

Keywords: Method, Managing, Employee Motivation, Halal, Halal Lifestyle.

Introduction
From a broad perspective, management’s effort to enhance employee motivation should include the adoption of various methods appropriate for motivating employees. However, is the management free to implement any method that it thinks fit although it contradicts Islamic Shari’a? What if the method can actually boost employees’ motivation although it is not halal according to Islam?
Therefore, this working paper intended to identify methods for managing motivation as prescribed in Islamic institutions. The methods were then analysed based on a halal lifestyle. In this vein, the discussion in this paper began with the section named Halal in The Method of Managing Employee Motivation. This section discussed employees’ motivation in institutions and then focused on three main methods in employee motivation management, namely Salary Grant, Job Promotion and a Good Working Environment. Finally, the paper finished with the conclusion part that featured the summary to the discussions in this working paper.

**Halal as a Method for Managing Employee Motivation**

In general, employees are a very important entity in an institution and an Islamic institution is no exception (Dewa & Zakaria, 2012). Thus, by being aware of the employees’ priority when working in an institution, the management should make every effort to use various methods to manage their employees, especially when it comes to increasing their motivation at work. For an Islamic institution, the method adopted to manage employees’ motivation, especially Muslim employees, must use the Islamic-based management method that is inclined towards the al-Qur’an and hadith (al-Buraey, 1990; Salleh, 2003; Bahaldin, 2005). One of the basic principles in the Islamic management system is the halal concept. This is evident in the hadith of Rasulullah SAW, meaning:

> “Seeking halal is obligatory for all Muslims.”
> (Narrated by al-Tabarani with proper sanad; Narrated by Imam ad-Dailami in Musnad al-Firdaus hadith no. 5270)

Halal in general means something (tangible or intangible), or an action that is permitted by Allah SWT, whereas, haram is something that is forbidden by Allah SWT and must be avoided (al-Qaradawi, 1960; Ahmad, 2008). Furthermore, halal refers to anything or any action initiated by humans as long as it adheres to Islamic law or Shari’a (Riaz & Chaudary, 2004; Muhammad, Salleh & Mahmood, 2008). In relation to this, Salleh and Mahmood (2008), cited the fiqh method, whereby, as long as there is no evidence indicating that something or some action is haram, then that something or some action is considered halal.

Thus, when managing an institution as well as its employees, Islam demands that its followers look for halal aspects as explained in the hadith above, while abstaining from aspects of haram when managing employees. The things or actions that fall between the halal and haram aspects are called syubhah and Muslims are required to steer clear from this category. The determination of both these concepts is very clear in Islam (al-Qaradawi, 1980). Based on this reality, the field of managing employee motivation is not exempt from the halal aspect in all of its elements of implementation.

Bahaldin (2005) stated that the management of Islamic institutions must be halal, including in terms of managing an Islamic management system without neglecting principles that need to be upheld by an Islamic institution. Hence, the halal aspect rarely touches on the institution’s management aspect and some of the issues frequently discussed concerns food, medicines and cosmetics. According to the hadith mentioned previously, every Muslim and Islamic institution
must ensure that every aspect in life must be halal, including the aspect of employee management, particularly management of employees’ motivation.

In addition to employee management, all aspects of life in the Islamic institution must be halal as well as the various sources, products and the system without any haram elements present (Yusof, 2013). All management activities involving employees must be halal and consistent with Islamic Shari’a. This is agreeable with the realisation of the hadith that every Muslim must obey the command to pursue and ensure that the halal aspect is practiced in everyday life in a holistic and comprehensive manner.

Therefore, in a situation where institutions exert efforts to boost employees’ motivation through appreciation ceremonies, the mode of celebration must not blend or integrate with anything haram in nature. It has been reported earlier that ceremonies organised for employees by the Lawyers’ Council in Malaysia did serve alcohol and this is undeniably haram (Lim, 2017). This is the reason why Muslim employees are reluctant to attend certain ceremonies although the majority of the employees are Muslims. According to Islamic practice, any kind of ceremony, including the one related to employee appreciation, which contains elements of haram, must be avoided.

The second example is Bangladesh, where numerous institutions have tried to obtain halal sources of income but inadvertently they were involved in haram trading or businesses as in selling haram products, such as alcohol, faulty items, selling items at very high prices, fraud during weighing of goods and hiding necessities in order to increase prices (Sobhani & Ather, 2012). It is recorded that 90% of businesses in Bangladesh are not run according to Islamic principles as businesses are desperate to gain profit and finally abandon the halal aspect. This should not happen because although every institution has undeniably set the targets that need to be achieved, the process of achieving them cannot be interwoven with haram elements or something with a dubious status.

Thus, it is obvious that the management, especially that in Islamic institutions, has to ensure that any method adopted for motivating employees cannot separate itself from the concept of halal, as recommended in Islam. It is also important that the halal concept is understood by the employees as emphasised in Islamic principles and not as understood by Western society. This is because, from a Western perspective, halal is more synonymous with halal food and it often refers to food that is slaughtered according to Islamic rites other than refraining from consuming pork or any food containing pork derivatives (Fischer, 2011). However, Fischer (2011) stated that the concept of halal in the modern world has gone further from just the food aspect. This has been proposed in Islam, whereby everything an individual does needs to be halal and avoid anything that is haram in all aspects of life (Muhammad, Salleh & Mahmood, 2008). This situation clearly shows that the concept of halal must be integrated in all aspects of life or in the lifestyle of every individual.

Indonesia is one of the countries that has successfully incorporated the halal concept into the lifestyle of its society. This is because, for the past ten years (before 2016), the lifestyle in
Indonesia has experienced progress when its people started living a modern lifestyle but with an emphasis on Islamic elements (Taringan, 2016). This is when the society followed the surge of modernization but was careful in adopting Islamic elements based on the concept of halal and haram.

Since the halal concept has found its place at the global level, communities around the world have started to show interest and become more sensitive to the concept of halal in all areas of their lives (Ahmad & Ahmad, 2016). The society’s sensitivity towards this concept is becoming more apparent as its perception improves, from only involving the halal aspect in self needs like food, medication and treatment to more holistic aspects like every day living activities (Muhammad, Salleh & Mahmood, 2008). This is at par with the teachings of Islam, whereby halal does not just concentrate on any one aspect but needs to be applied to the entire lifestyle including the management aspect.

Islamic management is a comprehensive and systematic management since it is mainly based on the al-Qur’an and hadith (Arshad & Azmi, 2015). One significant aspect in Islamic management is managing employees well as they are an institution’s asset that could help the institution to reach al-falah, which is success in this world and in the Hereafter. In addition, employee management based on Islamic guidance can help enhance employees’ motivation and further ensure that the aim of the institution is realised.

According to Yusof, Yusof and Abbas (2017), institutions practising Islamic-oriented management based on the main sources of Islam, which is the al-Qur’an and hadith, produce employees who are honest, fair and trustworthy towards their jobs. Indirectly, this situation increases the employee’s level of motivation and job satisfaction that they are entrusted to carry out. When there are characteristics of mahmudah, such as honesty, sincerity and fairness, in an institution, the management will be able to achieve the objectives to create a halal lifestyle and subsequently, prevent people from being involved in wrongdoings (haram) (Sobhani & Ather, 2012). The management must ensure that the method adopted is consistent with Islamic Shari’a and permitted by Allah SWT. In other words, the management must ensure that the motivation management method is halal and does not involve any element associated with haram. This is due to the fact that ensuring the halal aspect in a lifestyle is obligatory for all Muslims (Balhaldin, 2005; Muhammad, Salleh & Mahmood, 2008).

Based on the analysis, it was found that there are three methods of managing employee motivation based on a halal lifestyle. The methods are salary granting, promotion and a good working environment.

**i) Salary Granting**

In Islam, all matters including management and economy, must be based on the al-Qur’an, hadith and the *ijtihad* of religious scholars (Shahib, 2012). This shows that Islam is a comprehensive religion and encompasses all aspects of life, including salary granting, found in the economic system. However, the lack of understanding about salary granting, which is consistent with the teachings of Islam, will create numerous problems in the management of an institution,
especially in Islamic institutions (Uddin, Iqbal & Hoque, 2014).

Salary is given to employees after the tasks assigned to them are completed and salary granting serves as one of the methods used to motivate workers or employees (Amin, 2011; Azmi, 2013; Arifatunnisa, 2015). Nevertheless, in efforts to motivate employees, management has to ensure that the salary given to employees is in accordance with Islam. In other words, there are three aspects that need to be taken into consideration by the management to render the salary halal for employees. The first aspect is salary granting (Shahib, 2012; Hashim, 2012; Arshad & Azmi, 2015; Ashtankar, 2015). The source of the money used for paying the salary must be halal and it must be clear where the money comes from. Islam forbids financial resources that are haram in nature such as riba, bribery, gambling and fraud (Bahaldin, 2005). Shahib (2012) has enlisted five criteria\(^1\) that need to be emphasised in Islamic-based salary granting; thus, halal as well as clean resources (assets) stand prominently as the first criterion.

The second aspect is the task carried out (Ismail, Shahimi & Possumah, 2011; Arshad & Azmi, 2015). The management needs to ensure that the salary given to employees comes from valid tasks, activities or transactions that comply with Islamic law and principles. According to Ismail, Shahimi & Possumah (2011), halal occupations can produce halal salary for the employees. Occupations that contain elements of fraud or misfeasors will cause the salary to be equally haram.

The third aspect is when the management has to refrain from any form of oppression or abuse to the employees. The first example is that management needs to avoid discrimination and unfairness or inequality in terms of salary payment to the employees (Ahmad, 2011; Ridwan, 2013; Azmi, Ismail & Basir, 2014; Uddin, Iqbal & Hoque, 2014; Ashtankar, 2015; Arifatunnisa, 2015). Employees who have completed their jobs must be paid fairly without any discrimination of religion, race or gender. Moreover, the management is not allowed to pay their employees’ salary by deducting any amount of money from the salary. The second example is when the management deliberately delays salary payment to employees as this is seen as a form of oppression (Ismail, Shahimi & Possumah, 2011; Shahib, 2012; Hashim, 2012; Ashtankar, 2015).

Briefly, halal salary payment can have a positive impact on enhancing motivation and level of work performance (Sutanto & Patty, 2014). More importantly, halal salary means that one gains the benefit and mercy of Allah SWT (Arshad & Azmi, 2015).

**ii) Job Promotion**

The second method that can boost employees’ motivation is job promotion (Baloch, 2008; Islam & Ismail, 2008; Khan, Farooq & Ullah, 2010; Azmi, Ismail & Basir, 2014). Although it can enhance their motivation, the management needs to ensure that job promotion is based on the halal

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\(^1\) The second criterion is that the amount of salary paid must be precise and made-known. The third criterion is that the salary given must be beneficial to the employee. Fourth, the salary received must be confirmed. Fifth, the salary given by the employer must be from the employer or the owner of the said institution (Shahib, 2012).
concept, or one that is permitted in Islam.

The analysis confirmed that the main element that allows for the halal concept to be used in job promotions is fairness or equality. This is because Islam is a religion that prioritises fairness in all aspects of life (Abbasi, Rehman & Bibi, 2010; Jabnoun, 2012). In job promotion matters, the management must avoid being biased by offering job promotions to people based on their religion, race or gender.

According to Azmi (2013), the management personnel need to avoid the culture of biasness in the job promotion exercise. Besides that, they need to be honest and ensure that employees are not engaged in elements of bribery or brown-nosing, which means that they do not deserve the promotion. In another study, Azmi, Ismail and Basir (2014) asserted that women employees are not given the opportunity to climb up the career ladder. This has to be taken seriously by the management, especially in Islamic institutions, as Islam does not tolerate unfairness.

Management personnel must instil confidence among employees that the job promotion exercise is carried out according to Islamic teachings and on the basis of fairness. This can be achieved if the job promotion is carried out based on the employee’s service tenure and experience (Islam & Islam, 2011). According to Yusof (2005), the management, when offering job promotions, must assess both, the external and internal aspects of the employee such as knowledge and skills as well as spiritual elements like possessing trust, honesty and sincerity. At the same time, these characteristics can enhance their motivation because they will have confidence on the job promotion exercise initiated by their institution and they will have the tendency to work harder to improve their working skills.

In conclusion, to ensure that there is an element of halal in the job promotion exercise, it can be summarised that the job promotion exercise should be free from any haram elements such as oppression, unfairness and bribery. Employees who are successfully motivated through the job promotion containing any haram elements will determine if the salary received is clean, blessed, or otherwise. This is based on the statement by Azmi (2013) that the salary received through Islamic-compliant job promotions will be accepted and blessed by Allah SWT.

iii) A Good Working Environment

An employee’s motivation can be enhanced when the management creates a good working environment (Baloch, 2008; Rasheed, Aslam & Sarwar, 2010). The work environment is important to employees because they spend long hours at work, besides their home. Thus, management needs to be sensitive of this and try to create a conducive as well as a good working environment for employees. However, in efforts to do so, the management has to make sure that the environment it creates caters to the Islamic teachings.

The first method is for management to create a helping culture (Omar, 2014). For example, the management can help employees in tasks that they cannot understand. In Islam, these top personnel are leaders and Caliphs mandated by Allah SWT to assist their subordinates. With this assistance, employees will be more motivated and productive at work. However, it is crucial for
management to ensure that the assistance given to employees is not for tasks that are forbidden in Islam, such as fraud, gambling or bribery.

The second method is for management to prevent damage to the work environment through arrogance, abuse of power and jealousy (Yusof, 2013). This situation can create a gap between the management and employees; hence, these *mazmumah* characteristics that are prohibited by Allah SWT can prevent one’s good deeds from being accepted by Allah SWT.

The third method is by not causing any kind of cruelty towards employees (Yusof, 2013). For example, fighting or not treating employees well, lowering their standards or humiliating them. These are haram in Islam because humans are subjects who are empowered by Allah SWT; therefore, it is not reasonable for a human to treat another cruelly.

In conclusion, a good working environment can make employees work comfortably and at the same time increase their productivity. This is achievable because employees’ motivation can be enhanced by the management that makes the effort to create an Islamic-compliant working environment for them.

**Conclusion**

Hence, it can be concluded that the halal concept must be integrated in all aspects of life, including managing employees’ motivation. The society, especially the institution’s management, has to be aware of the fact that halal does not only concern certain dominant aspects like food, economy, tourism etc., but it also encompasses numerous other aspects including managing employees.

The management needs to be sensitive to the fact that in their effort to enhance employees’ motivation, they cannot neglect this halal aspect. Methods like salary granting, job promotion and creating a good working environment must be integrated with the halal concept. This is because the halal concept should exist in all management activities to ensure that the management consistently practices Islamic teachings.

The management personnel who prioritise the halal concept and consistently practice Islamic Shari’a in all management activities will produce motivated employees, or employees who possess characteristics of *mahmudah* and this further enhances the concept of a halal lifestyle in an institution. Thus, the concept cannot be separated from any life activities, including the management of an institution, especially in terms of managing employees’ motivation.

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