

Human Resource Management from Islamic Perspective

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Abstract

Organization's Human Resource Management (HRM) practices have been found to have a significant impact on the organizational performance. HRM can be an important strategic tool for the organizations only when all the functions of HRM would be performed rightly. Since Islam is a complete code of life, all Muslims must abide by the rules and regulations of Islam. But lack of adequate Islamic guidelines regarding HRM is one of the key constraints to the way of practicing Islamic HRM in the Muslim world. So, this study is conducted for identifying the process of Islamic HRM so that Muslim managers can rightly manage their human resources which will help them not only in getting competitive advantages in this world but also in ensuring salvation in the hereafter. In this study it is found that there may have eight major functions of Islamic HRM such as HR planning, recruitment, selection, orientation, performance appraisal, training and development, compensations and benefits, and career development. If all functions are performed as per the guidelines of this study it is expected that both the organization and the employees would be benefited highly.

Keywords : Islam, Human Resource Management (HRM), organization.

Introduction

Human resource management (HRM) is a vital function performed in organizations that facilitates the most effective use of people to achieve organizational and individual goals (Hashim, 2009). Indeed, without effective and efficient utilization of employees of an organization it is not possible to achieve the goals and objectives of an organization. HRM deals with most important resources of an organization because

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employees supply the talent, skills, and creativity and exert the effort and leadership that contribute to the level of performance of an organization (Khan and Taher, 2009). Hashim (2009) opined that it is the human resources that hold the organization's lifeblood, because, all of the enthusiasm, satisfaction, quality and experience of the organization's employees as well as their sense of fair treatment can affect the firm's productivity, customer service, reputation and long-term survival. Hence, HRM must be finely tuned, properly implemented, and continuously monitored to achieve desired outcomes. According to Tayeb (1997), everywhere in the Islamic world, stretching from West Africa to Lebanon, and Malaysia to Indonesia, Muslims have witnessed a "return" to Islamic traditions and the fundamentals of their faith as a way of asserting their identity, a mean to fight the unjust social and political oppression experienced in their societies, and an alternative to avert materialism and pressures of the twentieth century. Many Muslim countries have begun their efforts to re-institute their territories in their own indigenous way of running the social, educational and commercial organizations. So this study is an attempt to Islamize the human resource management so that the Muslim managers can get an idea in managing their human resource which will not only help them improve the performance of organization but also protect themselves from the sufferings in the hereafter.

Objectives of the Study

In this article, the authors took interest to highlight the various functions of human resource management from the Islamic perspective. The rationale of the study lies in the fact that no comprehensive research regarding human resource management from the Islamic perspective has been undertaken. There are few studies in this line but they are not fully and analytically written from the Islamic point of view.

So the objectives of the study are:

- i. To focus on the concept of human resource management;
- ii. To focus on the concept of Islamic human resource management;
- iii. To develop human resource management functions from the Islamic perspective.

Methodology

This study is a desk-based and library-oriented research. To find out development in Islamic human resource management and related Islamic issues, the authors consulted available published literatures, research monographs, journals and magazines in this field. The study has been structured in the light of the research objectives.

Concept of Human Resource Management (HRM)

Traditional concept of HRM

Human resource management (HRM) is the process of acquiring, training, appraising, and compensating employees, and of attending to their labour relations, health and safety, and fairness concerns (Dessler and Varkkey, 2009). According to Griffin (2005), HRM is the set of organizational activities directed at attracting, developing, and maintaining an effective workforce. HRM is the process that seeks to staff the organization and sustain high employee performance through human resource planning, recruitment or decruitment, selection, orientation, training, career development, compensation and benefits, and performance appraisal (Robbins and Coulter, 2008). It is the process of human capital formation and managing its use in the development process of a firm (Khan and Taher, 2009).

Islamic Concept of HRM

Islamic human resource management is the process that seeks to staff the organization and sustain high employee performance based on the guidelines of Al-Qur'an and Sunnah through human resource planning, recruitment or decruitment, selection, orientation, training, compensation and benefits, performance appraisal, and career development. Islam is a complete code of life (Qur'an; 5:3). So Muslims must do each and every single activity as per the guidelines of Qur'an and Sunnah. The Qur'an often refers to honesty and justice in trade, and it calls for an equitable and fair distribution of wealth in the society. The Qur'an encourages human beings to acquire skills and technology, and highly praises those who strive in order to earn a living.

Functions of Islamic HRM

Planning

Human resource planning is the process by which management ensures that it has the right number and kinds of people in the right places and at the right times, who are capable of effectively and efficiently completing those tasks that will help the organization to achieve its overall objectives (Robbins and Coulter, 2000). We can accept the definition of Human resource planning given by Robbins and Coulter for Islamic human resource management. The Qur'an inspires the believers in different ways to design plans for their actions through observing the plans of Allah (SWT) in His creation. Allah (SWT) said in the Holy Qur'an "Verily, all things have We created in (planned) proportion and measure" (54:49). Allah (SWT) also said "No misfortune can happen on earth or in your souls but is recorded in a plan before We bring it into existence" (57:22).

These verses clearly show that both the conception and the end result of every creation is according to a plan. Thus, Allah (SWT) teaches mankind that His work is made according to a plan and a record. This is true inspiration for any sincere believer to follow and practice.

Turning attention to the life and example of Prophet Muhammad (SAW), we can learn that his actions were based on planning in both the religious and the worldly domains. It was reported in the *Bukhari* that Prophet Muhammad (SAW) said:

"If the Hereafter is about to occur and in the hands of one of you there is a plant (he is about to plant it in ground), he must do so as long as he has a chance"¹. The companion of the Prophet Abdulla Bin `Umar also said :

"For your worldly affairs, construct your plans based on the assumption that you are going to live forever, and as for the work reserved for the Hereafter, construct your plans based on the assumption that you are going to die tomorrow."²

¹ Bukhari, Al-Adadul Mufra, (Beirut, Darul Basayer, 3rd Edition-1989), Vo.1, P. 168, Hadith No.479

² Ibn Qutaiba : Garibi Hadith, (Bagdad, Matba`tul `Ani, 1st Edition-1397H.), Vo.1, P. 286, Hadith No.16.

The above traditions are certainly another clear order for the Muslims to conduct their affairs according to a plan.

It is not possible to materialize the goals of the organization without having right people in the right places at right time. Islamic human resource planning can be condensed into three steps as prescribed by Robbins and Coulter (2000) such as (i) assessing current human resources, (ii) assessing future human needs, and (iii) developing a program to meet future human resource needs. HR planning is to be done very carefully and with full sincerity because selection will follow human resource planning. In the planning phase it is to be clearly determined how many people are required, what would be their duties and responsibilities, and what would be the qualifications that job seekers must have to carry out job duties and responsibilities successfully.

Recruitment

Recruitment refers to the process by which organizations locate, identify and attract potential and capable applicants to fill job vacancies (Robbins and Coulter, 2000). The ultimate objective is to motivate the most suitable persons so that they apply for the job because a successful selection largely depends on successful recruitment. In order to find the suitable person, the organization can advertise in both electronic and printing Medias and thereby can properly inform and inspire the job seekers. In most organizations, this responsibility usually is shouldered by the human resource manager. The recruitment process must be done fairly and all recruitment decisions must be made wisely, to ensure the hired candidate is best suited for the job (Hashim, 2009). In the light of this, Islam requires the person who is in charge of recruitment to be pious and just (Hashim, 2009). Ahmad (1995) elaborated that a manager should perform religious obligations such as prayers, fasting, *zakat* and other pillars of Islam. This is to ensure that the recruitment is fairly conducted and a just treatment is given to all applicants. A true working Muslim who observes his religious obligations would reflect him being a responsible man towards his earthly duties as he is responsible towards Allah and His commands. There is a general belief that a true pious or religious person tends to be more honest. A true pious manager is hoped

to be aware of the requirement that job vacancy offerings are to be done in the way of Allah with trust and responsibility. In Islam, one is recognized as pious if he acts in accordance to the commands of Allah; works in righteousness and prevents himself from evil or harmful acts. Thus, a true pious manager is most by hoped to be aware of the need for recruitment and other HR practices to be done in the way of Allah with trust and responsibility. This requirement is stated in the Qur'an (4:58-59) "Allah does command you to render back your trust to those to whom they are due; and when ye judge between man and man, that you judge with justice; verily how excellent is the teaching which He giveth you! For Allah is He who heareth and seeth all things. O you who believe! Obey Allah and the Messenger, and those charged with authority among you. If you differ in anything among yourselves, refer it to Allah and His Messenger if you do believe in Allah and the Last Day : That is the best and most suitable for final determination".

The employers are required to inform the truth or facts about the jobs to the applicants. These include the jobs' requirements, the criteria of the job holders, and the compensation to be paid (Hashim, 2009). This information is important to the applicants so that they can evaluate the job suitability with their competency, capability and interest. The applicants should not be assigned tasks too difficult to handle, neither should they be ordered to do any work beyond their capacity. For example, the Qur'an states, (2 : 286) : "On no soul doth Allah place a burden greater than he can bear". Ali (2005) mentioned that the requirement of job specification and task requirement were practised during the time of Prophet Muhammad (SAW), in selecting Personnel for government positions. As regards to compensation, the applicants must be informed on the compensation offered because prophet Muhammad (SAW) said, "Whosoever engages a worker on work should mention the wages in advances" (Ahmad, 1995). Similarly for the applicants, they are required to provide true information about themselves. Ahmad (1995) asserted that the Qur'an is strongly opposed to falsehood. False assertions, unfounded accusation and false testimonies are severely condemned and strictly prohibited in Islam. The Qur'an (2:42) says, "And never mix truth with false, nor conceals the truth when ye know (what it is)." The accurate information from both parties is to protect the interests of both parties in the future, as Allah

says in the Qur'an (9:71), "The believers, men and women, are protectors, one of another; they enjoin what is just, and forbid what is evil."

Selection

Selection is the process of screening job applicants to ensure that the most appropriate candidates are hired (Robbins and Coulter, 2000). Selection is one of the most complicated tasks in any organization. This is owing to the fact that many potential candidates apply for the available jobs at any given time and so employers are often faced with numerous job-candidates to select for screening (Hashim, 2009). In addition, favouritism and nepotism may influence selection decisions. According to Ahmad (1995), the Qur'anic standard of eligibility for a job is the required merit and competence for it. It stresses the importance of competence and honesty of a job-candidate, since without these prerequisites one could not be efficient. For example, the Qur'an states, (28 : 26) : "O my [dear] father! Engage him on wages: truly the best of men for thee to employ is the [man] who is strong and trustworthy."

Thus, it is important for the Muslim managers to understand the guidelines prescribed in the Qur'an so to avoid the often perceived bias and unprofessional acts of favouritism, or nepotism and also to avoid any form of discrimination in the workplace (Ali et al., 2000). To overlook the needed competence for the job and to select a potential candidate for any other considerations are tantamount to dishonesty as well as injustice. From Sahih Bukhari, he narrated from Prophet Muhammad (SAW): "He whoever hires a person and knows that there is another one who is more qualified than him has betrayed Allah and His prophet and the Muslims" (quoted in Ahmad, 1995). Ali (2005) reported that the main factor affecting employees' selection in contemporary Muslim countries is friendship networks. During his lifetime, Prophet Muhammad (SAW) refused to accept the request of his close friend, Abu Zarr, who sought to work as a governor, and told him kindly that Abu Zarr was weak (not suitable for the work), and the employment process is based on the values of trust and responsibility³. In Islam, employee

³ Ahmad Bin Hambol : Al-Musnad, (Muassasatur Risalah, 3rd Edition-1999), Vo. 35, Page. 404, Hadith No.21513.

selection is required to be done following four principles (Hashim, 2009). The first principle is justice. Literally, justice means to treat or to put a person or a thing at their right place or where they belong. According to Syed Agil (1997), Ali Ibn Abi Talib wrote; “Do not nominate them [officers] on account of favoritism or egoism. These two attributes reflect injustice and treachery.” Second, an employee is selected based on his competency. The Quranic standard of eligibility for a job is the required merit and competence for it. The individual should not be appointed on the basis of friendship ties, wealth, age, race, and political power or alike. The third principle is honesty. Both the applicant and the recruiter have to be honest. Honesty is important to ensure that the right decisions and judgment are made. Besides that, honesty can prevent the recruiter from doing any undesired or unlawful actions that contradict the law or legal conduct. Fourth, Islam forbids assignment of work that will exceed the individual’s capacity. This is because the individual may not be able to perform the assigned job due to excessive workload or own limitations. Consequently, it may harm him as well as the organization where he works.

Orientation

Orientation is the introduction of a new employee into his or her job and the organization (Robbins and Coulter, 2000). During the orientation employees get the chance to meet co-workers and managers, ask questions and familiarize themselves with how things get done in the organization. Orientations vary in size, depending on how many new employees there are. Employees may be asked to watch a welcome video from the company’s president, or listen to a live presentation. The company’s policies and procedures, code of conduct and organizational culture will be introduced to employees during orientation. When employees attend orientation, they obtain the information necessary to have a successful experience at the company. They can learn the rules and understand the company’s expectations right off the bat. Orientations give employers the chance to meet their new team members and get to know them before the managerial relationship begins. This helps managers get a feel for the supervision style that will be most effective with the new employee. Successful orientation, whether formal or informal, results in an outsider-insider transition that makes the new

member feel comfortable and fairly well adjusted, lowers the likelihood of poor work performance, and reduces the probability of a surprise resignation by the new employee only a week or two into the job (Robbins and Coulter, 2000). So, in all the Islamic organizations, human resource managers should exercise orientation as one of the important HRM functions for the betterment of employees, organization and customer.

Performance Appraisal

Performance appraisal is a formal system of setting work standards, assessing performance, and providing feedback to employees for the purpose of motivation, development and persistence of their performance (Dessler, 2008). Information obtained from performance appraisals is used as the basis for pay and promotion decisions. It also plays an integral role in performance management and helps in correcting deficiencies and reinforcing good performance, and hence, it is useful for career planning activities. Islam recognizes rewards and punishment in worldly life and the Hereafter. Good news and warning from Allah to humankind are sent through the revelation and His Messengers, “Whoever doth wrong, him shall We punish; then shall be sent back to his Lord, and He will punish him with a punishment unheard of [before]. But whoever believes, and works righteousness, he shall have a goodly reward, and easy will be his task as We order it by Our command” (Qur’an 18:87-88).

According to Ahmad (1995), a true Muslim believes in the Day of Judgment, the Resurrection, man’s presence in the divine court, and the acceptance of reward or punishment. He believes that the record of all actions of a man in this world is preserved and will be presented on the Day of Resurrection. A man shall be accountable to Allah – his creator, for all his deeds in this earthly life. The Qur’an declares (34:3-4): “Not an atom’s weight or less than that or greater escapes Him in the heavens or in the earth but it is in a clear record. That He may reward those who believe and do good works. For them is a provision and a rich provision”.

This verse of the Qur’an reveals that the rewards and punishment on the Day of Judgment are bestowed upon every man depending upon his every conduct or behaviour (including work behaviour) in this world.

Ali (2005) explained that performance appraisal in Islam is based on normative instructions and the practice of the Prophet Muhammad (SAW) and his immediate four Caliphs. The normative realm is revealed in Quranic instructions. It can be grouped into three categories: contractual arrangement, self-responsibility and control, and the Almighty's assessment of performance. In terms of contractual aspect, Islam views the employment of a person as a reaffirmation of an obligatory relationship between the organization and the employee. Both the company and its employees have expectations that must simultaneously be fully met. The Qur'an instructs Muslims that any promise or engagement is subjected to a contract that must be met by the participants (17:34): "And fulfill engagement (promise), for the engagement will be enquired into." As for self-responsibility, Ali (2005) further elaborated that the Qur'an clarifies that what one does is solely his or her responsibility and no one should be held responsible for the mistakes of others. Employees are expected to have a moral duty to monitor their own performance and work for self-development. The Qur'an reveals (75:14) "No, man is a witness against himself." Both contractual agreement and self-assessment are verified in the Hereafter. The action of parties, employees and employers in the contract is monitored by Allah and is measured or accounted for in the next life (4:1): "For Allah ever watches over you." The other category is the sayings and practices of Prophet Muhammad (SAW) and his immediate four Caliphs. These also have an influence on the outlook towards performance evaluation. Prophet Muhammad (SAW) commands that "Muslims shall be bound by the conditions which they make" (quoted in Ali, 2005). Furthermore, he makes it obligatory for employees to work at their best performance and be responsible for what they do, irrespective of their positions either in social or organizational hierarchies. The performance evaluation needs to be objective. Ali (2005) reported that there are two methods of evaluation: judgment-based and behaviour-based evaluation. The judgment-based approach normally use statements related to traits, attributes and characters of employees. These attributes include decency, truthfulness, kindness, shouldering, responsibility, maturity, justness, decisiveness, reliability, dedication, and so on. On the other hand, the attributes should also be based on the criteria included in the job selection, such as honesty, and whether or not the employees perform the five pillars of Islam. Ahmad (1995) asserted that Islam urges

Muslims to do their jobs without any lapse or omission, and to the best of their efficiency and competence. Competence and honesty are the two attributes that make one an excellent employee. Beside traits, the employees' performance needs to be evaluated based on acceptable standard or competency. Competency is based on job descriptions that place importance on observable behaviour (Dessler, 2008). For example, Ali (2005) explained that the behaviour-based approach was used consistently by the second Caliph, Omar, to focus on how his deputies and subordinates carried out their work and to observe the reaction of constituencies to their behaviour. He gave priorities to the following questions: did the deputy visit the sick people, did he take care of the slaves, and how did he treat the disenfranchised? If the answer to one of these questions was negative, Omar would remove the subordinate from the position.

The next issue is about who should do the appraisal. The common practice is that the superior will always perform the appraisals. Some companies have adopted the use of 360 degree evaluation. Based on what the second Caliph, Omar has done, the client's feedback was taken into consideration for appraisal. This can reduce the problem of favouritism in employee evaluation. Appraiser biases are well documented. There are almost a dozen of known phenomena which prove that supervisors tend to appraise employees inaccurately because of subconscious tendencies. According to Ali (2005), managers sometimes find it difficult to appraise their employees effectively. This is because of religious consideration, personal relationship and bureaucratic tendencies. For example, Ali (2005) said there is a common understanding and religious edict that firing employees may constitute a violation of spiritual guidelines and commitment to the community. In addition, some managers are in a dilemma to be merciful, kind and forgiving and they have to consider the actual intention of the poor performers. The Qur'an says (64 : 14) : "Would pardon, overlook, and forgive, know that Allah is All-forgiving and All-merciful." Another dilemma is due to personal relationship; some managers avoid being seen as harsh or inconsiderate, thus they do not dare to make negative evaluations against friends, relatives and neighbours. Ali (2005) also mentioned that some managers evaluate just for the sake of evaluating, with no intention to implement their recommendations.

Thus, Muslim managers should be aware that measuring performance in Islam must take into account the concept of accountability and responsibility (Hashim, 2009). Given the responsibility to appraise employees, managers must be fair and considerate towards their employees. This is the trust that has been entrusted to them. According to Al-Buraey (2005), Ali Ibn Abi Talib wrote: “Monitor the behavior of your assistants and use them only after probation. Monitor their performance and use for this purpose people who are known for their truthfulness and loyalty. Your discreet monitoring of their work will ensure that they remain honest and considerate to their subject”.

Training and Development

Training is the process of developing qualities in human resources that will enable them to be more productive and thus to contribute more to organizational goal attainment (Hashim, 2009). According to the Al-Qur’an, man’s basic qualification for being the representative of Allah on earth is knowledge. Allah said, (2:30-33): “When the Angels questioned Adam’s suitability for representation, Allah cited Adam’s knowledge to convince them.” According to Hashim (2009) two important points may be drawn from these verses of the Holy Qur’an. First, Adam’s progeny is entitled to a position of Allah’s vicegerent on earth on the basis of knowledge. Second, those among the children of Adam who are more deserving of vicegerents are those pre-eminent in knowledge. Men of knowledge surpass others, and limit the reception of admonition to those endowed with knowledge and understanding in ranks in the presence of their Lord, and are more favoured than others. Allah says, “He will exalt those who believe among you, and those who have knowledge, to high ranks. Allah is informed of what ye do” (Qur’an 58:11). In another verse of the Holy Qur’an Allah says “Are those who know equal to those who know not? But only they who are endowed with understanding keep this in mind” (39: 9).

Ali (2005) commented that most training programs in the Muslim world rely heavily on Western techniques and methods, with no adequate attempts to decipher their relative cultural appropriateness and an emphasis on theory at the expense of application. In addition to this, the bureaucratic tendencies have caused the lack of notable management innovation in Muslim countries. However, Altalib (1991) asserted that

Islamic training and development is all encompassing, beginning from the moral and spiritual development of man and manifested eventually into physical development. Training and development also should be conducted to increase faith in Allah. Knowledge and training are undoubtedly related. Islam proposes training and development to enhance knowledge and skills of workers to increased levels. The knowledge emphasized in Islam includes the general knowledge that can improve both faith and religious practices of men (Hashim, 2009). Since, Islam considers work as an essential element of man's success in his life, it does not only encourage individuals to work, but also motivates them to seek perfection and excellence in all that they do. In this regard, according to Al-Marsati (1980), workers should work with full capacity, eagerness and sincerity to achieve excellence and success for themselves, as well as for the society, and more importantly for the life in the Hereafter. Thus, it is an obligation for Muslims to seek knowledge and obtain excellence in performance. In Islam, the concept of Ihsan (excellence or benevolence) is related to goodness and is desired by Almighty Allah. Muslims have the responsibility to perform their level best to obtain perfection and excellence in worship and all works of life with the constant consciousness that the Almighty Allah is watching over all that they do (Hashim, 2009). Allah calls for job mastery. Moreover, Prophet Muhammad (SAW) has said "Verily Allah has enjoined goodness to everything; so when you kill, kill in a good way and when you slaughter, slaughter in a good way. So every one of you should sharpen his knife, and let the slaughtered animal die comfortably (Sahih Muslim)⁴. Altalib (1991) asserted that in the light of these directives, the Islamic worker and the Islamic movement obliged themselves to do the right things and do them well.

Compensation and Benefits

The Muslim Managers should develop a compensation system that will not only fulfil the fundamental needs of employees but also will motivate them to invest their best effort. While designing compensation package, the Muslim managers should consider some very important factors such as need of employee, performance of employee, ability of company,

4. Muslim: Assahish, (Beirut, Darul Zil), Vo.6. Page. 72, Hadith No. 5167.

profitability of company, nature of work, geographical location of company and competitors' package. According to Hashim (2009), the purpose of any compensation, whether direct or indirect, is to recognize the performance value of employees and to establish ways to motivate them to work with full efficiency in an ever-changing business environment. Islam emphasizes that workers should be given adequate and reasonable wages for their work, keeping in view the quality and quantity of work, their needs and requirement, and the overall economic condition of the society (Hashim, 2009). Islam strictly prohibits coercion and forced labour (Hashim, 2009). Rather, it directs that full compensation should be given to deserving workers for their work without any deductions (Beekun, 1991; Ahmad, 1995; Ali, 2005). Abu Huraira narrated that the Prophet (SAW) has said "Allah says that I will act as a plaintiff, on the Day of Judgment against the person who engages some worker on work and takes full work from him but does not give him [full] wages" (Bukhari)⁵.

At the same time, Islam denounces slavery and gives proper recognition to the dignity of work and employment. Narrated Al-Miqdam, the Prophet (SAW) said "Nobody has ever eaten a better meal than that which one has earned by working with one's own hands" (Bukhari)⁶.

Ali (2005) commented that Muslim companies in recent years have adopted compensations that are similar to what are found in Western countries, and this has often violated the equity issues of a compensation system which was cherished in the early years of the Muslim states. According to Ali (2005), in the early years of Muslim State, the compensation was based on five foundations. First, employment is a contract, thus it is an obligation that must be met by both the employer and the employee. The Qur'an not only instructs believers to meet conditions, but also to avoid any attempt to go around the contract (7:85), "Nor withhold from the people the things that are their due." Second, compensations differ according to expertise and situation. Ahmad (1995) said that the Qur'an acknowledges various gradations

5. Bukhari : Assasih, (Daru Tawqunnazati, 1st Edition-1422H.), Vo.5. Page.480, Hadith No.2270.

6. Bukhari : Assasih, (Daru Tawqunnazati, 1st Edition-1422H.), Vo.5. Page.242, Hadith No.2072.

among workers on the basis of the quality and quantity of their work (Qur'an 46:19). Al-Mubarak (1972) elaborated that some workers need specific skills, whereas some can do manual work. The outcome and the salary of every worker may vary. This provides an ample proof that wages for all workers cannot be equal in all cases. The Qur'an states, (46:19): "And to all are ranked according to their deeds." Third, compensations must be determined in advance and that wage has to be given immediately once the work is completed. Prophet (SAW) said; "Whoever believes in Allah and the Day of Judgment should not employ a worker, until he or she knows what he or she is going to receive" (Bukhari) ⁷. Fourth, compensations can be either in cash or/and in kind. Fifth, wages and compensations are based on prior agreement and should be increased according to circumstances. Ahmad (1995) added that Islam forbids any misuse or misappropriation of an employer's property by his employee, who is entitled to the mutually agreed wages only. Appropriation of anything beyond the stipulated wages amounts either to dishonesty or stealing, both of which are expressly prohibited in Islam. As highlighted by Al-Marsati (1980), work materials are entrusted in the hands of the worker, so he must take care of them. Lastly, wages and compensation should be sufficient to provide a decent living. Beekun (1991) asserted that if the wage provided is too low, the individual may not feel motivated to put in an adequate amount of effort, while Ahmad (1995) on the other hand, stated that a worker is entitled to a fair and just wage for his work. The Qur'an instructs that wages must be decided upon mutual consultation and consent (Qur'an 28:26-28).

Career Development

The term 'career' has several meanings. In popular usage, it can mean advancement, a profession, or a lifelong sequence of jobs (Robbins and Coulter, 2008). But whatever is the meaning of career, it is very essential for HR managers that they should have thinking regarding the development of career of employees including themselves. For example, managers should expand their hands of cooperation to those employees who would like to improve their knowledge and skill by pursuing higher degrees both from home and abroad and thereby they can better

7. Bukhari : Assasih, (Daru Tawqunnazati, 1st Edition-1422H.), Vo.5. Page. 484, Hadith No.2276.

contribute to organization and society as a whole. Development is a continuous process, it never ends. There is a saying : who is not today better than yesterday, he will be backdated. In Islam, there is always a room for improvement, Prophet Mohammad (SAW) always prays to the Almighty Allah to increase him in knowledge (Holy Quran 20 -114) no matter how knowledgeable or skillful he is.

Concluding Remarks

Based on the above discussions, it can be said that there are eight major functions of HRM from Islamic perspective such as HR planning, recruitment, selection, orientation, performance appraisal, training and development, compensations and benefits and career development. The main objectives of those HRM functions are to ensure the availability of competent, willing, dedicated, sincere and ethical workforce to an organization who will work for maximizing interest of internal as well as external stakeholders. Though Islamic HRM functions seem similar to the Western HRM from the standpoint of process; but, important differences exist from the perspectives of content, philosophy and spirit. Because, All requirements in Islamic HRM functions are based on the Qur'an and Sunnah (the sayings of Prophet Muhammad (SAW)). Thus, this study will help those Muslim employers, Managers and employees who would like to run their managerial and professional life as per the guidelines of al-Qur'an and Sunnah for the betterment of organizational performance as well as Hereafter. One very important thing is that if any employer or manager would like to get maximum benefits from Islamic HRM he or she must rightly perform all functions of HRM from Islamic perspective. Otherwise, Islamic HRM will not be able to beget its highest benefits. As a result, the manager or employers will get benefits neither here nor Hereafter. Moreover, this paper would be an important reference for future work in the Islamic HRM.

Finally, this paper suggests that further study should be conducted to know the real performance of those organizations where Islamic HRM is practised, because, the empirical study will help the employer as well as manager in understanding the true benefits of Islamic HRM over traditional HRM.

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