

【Symposium】

The Study of Muslim Intention to Become Muslimpreneurs

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Introduction

Becoming an entrepreneur is not a fate but a decision made by individuals. Despite the common challenges such as uncertainties, barriers, failure in making decisions and risks that may lead to the failure of the entrepreneur growth in their business (Nandan, 2007), people still have intentions and determinations to become entrepreneurs. The core intention covers the motivational factors that influence individuals to perform certain behaviours (Ajzen, 1991). Literature shows that many reasons influence the intention of individuals and amongst other factors, religion is regarded as a core factor. Religion influences the attitude, values, behaviors of people at both the individual and the societal levels (Safiek Moklis, 2009 & Khraim, 2010); their way of life (Oukil, 2013); and entrepreneur's activities in terms of their decision to become entrepreneurs or select their jobs (Dodd et al., 1999). However, Basu and Altinay (2002) stated that the influence of religion needs to be studied further, especially focusing on the aspect of Muslim entrepreneurs as it is contrary to the conventional ways. Carswell (2007) supported this view and strongly suggested that further studies on religion and entrepreneurship are needed and that these two studies are relatively still untouched. In addition, Ali (2009) lamented that, there are lots of literature highlighting the contribution of religion and its impact on behaviour and performance, but unfortunately the contribution of the Islamic elements was ignored even though Islam shared many thoughts with other religions and also offers a very unique perspective on balancing work and life, and on the nature of organizational work and activities. Kayed et al.

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(2010) also stated that the discussion on Islam and entrepreneurship is under presented and not well discussed. From these analogies and suggestions, one could assume that there is a huge study gap in the study of Islamic entrepreneurship, especially within the Islamic countries themselves. Thus, in Malaysia, where Islam is the official religion, the intention of Muslims to become entrepreneurs is interestingly to be understood and explored.

I Overview on Islamic Entrepreneurship

1. The Islam and Entrepreneurship

Islam is a way of life (*Ad din*), encompassing all parts of human life, such as economic, social, political, and moral, where all aspects are interrelated (Pramanik, 2002 & Ahamad Asmadi et al., 2012). The way of doing Islamic business is inclusive in the *Fiqh muamalat*⁵, which is related to the social relationship between human and others inclusively (Abdullah et al., 2011). In fact, the Prophet was once an entrepreneur before he became a prophet.

For Muslims, things that are allowed and prohibited are clearly stated in the Shari 'ah or Islamic Law. Muslims believe that man is the best form of creation as compared to other creations as stated in the Al-Qur'an (Surah At-Tiin (95):4; & Surah Al-Isra' (17):70) and is appointed as a *khalifah or caliph*; entrusted as the caretaker of the earth, to not destroy or cause any damage to the environment (Surah Al-An'am (6):165, Surah Al Baqarah (2):30 & Fatir (35):39). Indeed, man holds three main duties which are: responsibility to Allah The Almighty (*Hablumminal' Allah*), responsibility between mankind (*Hablumminan nas*), and responsibility to the earth (*Hablummin alam*) (Surtahman Kastin, 2001).

All human actions if they are performed according to the principles are taken as acts of worship (*ibadah*) to Allah The Almighty (Yusuf Al Qaradawi, 1998). Therefore, doing business and complying with the Islamic lawful manner are also considered an *ibadah* (Syahida et al., 2013). Muslims were asked to prosper their basic survival and physical needs as well as to accumulate wealth (Kriger & Seng, 2005 & Yusuf Al-Qaradawi, 1988). However, in Islam, a small portion from the wealth created must

⁵ *Fiqh muamalat* related to the social relationship between a person and others including the way of business (Abdullaah et al., 2011 & Surtahman, 2001)

be contributed to help the poor and or the less fortunate. The need to perform this responsibility has been emphasized by the Prophet, peace upon him, as he stated that a relationship between one Muslim and another Muslim is a relationship that of brothers and sisters. Muslims are not to hurt the feeling of other Muslims and whoever helps other Muslims, easing them from any problem or difficulty, Allah The Almighty will help this person in hereafter (Shahih Bukhari. Book 29. Hadith #2262). Provisions for the poor can be provided through alms, givings (*sadaqah*), and taxes.

2. The Understanding of Muslimpreneur

Not all Muslims conducting business activities can be categorized as Muslim entrepreneurs. Some Muslims adhere and apply the Islamic principles yet some Muslims only perform a partial act, while some others may not perform nor comply to them at all (Oukil, 2013). As an example, a study amongst Muslim immigrants in London showed that, there are many Muslims who actually disobey the Islamic principles in their business premises by selling and even serving alcohol or pork because such acts would bring more business profits (Basu & Altinay, 2002). How can we find the element of Muslim entrepreneurship in the cases like these? Vargas-Hernandez et al. (2010) stressed that a Muslim entrepreneur is a person who always acts according to the Islamic principles and values regardless of place and time. Muslim entrepreneurs are concerned with permissible profits and their main motive of doing business is to achieve something beneficial to himself, to enhance the economy of the society, and to aspire good deeds for hereafter. In the same vein, Oukil (2013) defined a Muslim entrepreneur as a person who will and shall always act according to the Islamic principles and values.

Researchers chose to refer to Muslim entrepreneurs as Muslimpreneur. As mooted by Umami Salwa et al. (2013), Muslimpreneurs are described as “Muslims who perceive an opportunity and create an organization to pursue it” (page 62) and M. Faizal et al. (2013) defines Muslimpreneurs as “Muslims who are involved in entrepreneurial activities, perceive an opportunity and creates organization to pursue it based on the Islamic principles” (page 4). The crucial aspect of becoming a Muslimpreneur is that one needs to obey the Islamic principles.

3. Intention to become Muslimpreneurs

From the Islamic perspective, the intentions is more essential than the outcomes (Syed & Ali, 2010) as referring to The Prophet saying,

“All action is based on niyyah (intention). The reward of deed depends upon the niyyah and every person will get rewarded according to what he has intended”

Narrated by Umar bin Al Khattab (Sahih Bukhari. Book 1. Chap.1. Hadith #1).

A correct *niyyah* in pursuing economic activities is also stressed by Imam Al Ghazali (Muslim scholar), in which he states that the intentions are consistent with the Shari 'ah, such activities are similar to worship and consistent with one's religious call (S. Mohammad Ghazanfar, 1997). Thus, the *niyyah* with the core purpose of obtaining the blessing from Allah The Mighty will lead to positive behaviors.

The conventional studies on the intention highlighted few factors that encourage individuals to become entrepreneurs mainly for the feeling of independence, income, and security. Some of the studies can be summarized as shown in Table 1.

From a study conducted by Ahmad Zaki & Mohd Fadzely (2006), besides all those motivational factors discussed earlier, they added another important element, the existence of spiritual liability amongst Muslims in Malaysia. They stressed that spiritual liability was the most influential factor that motivated Malay entrepreneurs to start their own business (other factors are financial security and personal satisfaction). Their Islamic beliefs created the feeling of responsibility for their development, family, and the Malay Muslim community, and ensured the compliance to the Islamic rules and regulation. This finding showed that Muslims are inspired by both the materialistic and the spiritual motivation forces. Nevertheless, a recent study by Chong (2012) indicated different findings whereby Malays, mostly Muslims, are more inspired by income, and an attitude of proving they could do it, own satisfaction, and personal freedom. Furthermore, Rosnia et al. (2012) stated religion becomes less significant, listed as the number eight reason next to passion, interest, money, independence, and freedom working time. So, does this mean that the intention of Muslims in Malaysia has taken a major change towards more materialistic factors? This research will further explore this matter.

Table 1: The Summary of Entrepreneur Motivation Factor

Researcher	Most significant motivation factor
Basu et al. (2002)	To be independent, greater control of life, improve social status, and make best use of their expertise.
Alstete (2002)	Greater control of their destiny, greater satisfaction, more money, and leave a legacy for children and family.
Swierczek et al. (2003)	Challenge and achievement than necessity and economic security.
Benzing, Chu & Callanan (2005)	North Vietnam - Hanoi: creating job opportunity for themselves and family. South Vietnam - Ho Chi Minh City: for their own satisfaction and growth.
Robichaud et al. (2010)	Own satisfaction and growth, to have fun, to prove one can do it, and to be own boss.
Stefanovic et al. (2010)	Greater business achievement, independence factor, intrinsic factor, and job security factor.

II Methodology

In order to understand the actual intention of Muslims to become Muslimpreneurs, five young emerging entrepreneurs were randomly selected. Interview sessions were conducted with all of them individually and their respective identities were marked and labelled as R1 to R5. They were asked two questions which became the focus of this study. The questions were:

- i) How do they understand the term Muslimpreneur; and
- ii) What are the basic motivations and or intentions of Muslims to become Muslimpreneurs?

III Finding and Discussion

1. The Understanding of Muslimpreneurs

For the first question, which is about their understanding on Muslimpreneur, the respondents clearly mentioned that Muslims can be identified as Muslimpreneurs if

they practice their business according to the *Shari'ah* law which includes the element of the do's (*halal*) and don'ts (*haram*). Their responses are listed in Table 2.

Table 2: The Understanding on Muslim Entrepreneur

Respondent	Statement	Main ideas generated
R1	<i>"In the context of Islamic business, the attention should be given to halal (allowed) and haram (not allowed). We should know allowable and prohibited business activities."</i>	Attention should be given to the allowed and prohibited activity.
R2	<i>"Whatever they do in the business must be according to the Islamic Principle".</i>	Business must be according to Islamic Principle.
R3	<i>"Must obey all the Allah The Almighty instructions and our behavior also must show as a Muslim".</i>	Must obey to the Islamic rules and behave like a Muslim.
R4	<i>"Entrepreneur is relating with the effort. For Muslim entrepreneur, it means Muslim entrepreneur who put their effort and hope to Allah The Almighty".</i>	Must put an effort and hope to Allah The Almighty.
R5	<i>"Muslim entrepreneur is entrepreneur who operate their business according to Shari'ah which mean particularly about the halal and haram."</i>	Must operate business according to Shari'ah.

Analyzing the statements of the respondents, the researcher found some similarities with the definition provided by M.Faizal et al. (2013) which is, they both stressed on the need to pursue entrepreneurial activities based on the Islamic principle. Therefore, this study suggests that the definition of Muslimpreneurs as those who are involved in entrepreneurial activities in line with the Islamic principles. The entrepreneurial activities may refer to "the enterprising human action in pursuit of the generation of value, through the creation or expansion of economic activity, by identifying and exploiting new products, processes or markets" (Nadim et al. in OECD, 2008). Thus, for Muslims, Muslimpreneurs must perform their entrepreneurial activities according to the Islamic principles, which is basically to follow the Islamic do's and don'ts as according to Shari'ah and to seek blessing from Allah The Almighty.

In order to comply with Shari'ah, Muslimpreneurs must have knowledge of the Islamic business principles.

2. The Intention of Muslim Becoming Muslimpreneurs

Answers to the second question on the intention of Muslims to become Muslimpreneurs are summarized in Table 3. Despite the wealth creation, time for family and for better standard of living which are stated in many conventional studies, the respondents emphasized few factors that relate closely with the religious needs. The respondents stressed that, their intention to become entrepreneurs are: to perform their worship (*ibadah*) to Allah The Almighty (R5), feeling of the responsibility to help provide halal products for the Muslim community (R4), and for future Muslim economic development (R3 & R4). Besides that, helping others such as poor people and establish a care centers for less fortunate children (R1, R3 & R5) were recognized as a part of their intention.

Table 3: The Summary of the Intention to Become Muslimpreneurs

Respondent	Main idea generated
R1	For the betterment of living standard, family and helping other people.
R2	To help and provide all the family needs, to be a family's example, have ample time for family.
R3	For the personal economic and the goodness of individual and Muslim society.
R4	The feeling of responsibility to provide <i>halal</i> products for Muslim; good information on product and sell if it is needed by the right customer, eg. It is unethically to sell to the drug addict; and have free time for family.
R5	Wealth creation Helping poor people through the wealth created. Helping family members for medical treatment. Leave wealth to the next generation. Besides that to help other Muslims to be successful in business too. Establish care centre for handicap kids Whatever business is <i>ibadah</i> as long the intention from the beginning is for Allah The Almighty.

IV Conclusion

The intention of Muslims to become entrepreneurs has coincided with the findings from the conventional study. The factors relevant are as such for them to gain their respective wealth. This notion of achieving the wealth can be related with the spirit of one Muslim to help other Muslims. Furthermore, this relationship between gaining the wealth and worshipping can be related to one another as well. The notion of worshipping is important for attaining the blessing from Allah The Almighty. For these reasons, the findings of this study provide us with some clues, in finding out the intentions of Muslims to pursue the way of becoming Muslimpreneurs. This conclusion leads us to think that it is important for Muslims to gain related knowledge when attempting to establish a new business. A new business must be established according to the Islamic ways of doing business.

V Limitation of study

Though the findings from this study are limited to the perspectives of Muslims in Malaysia, they can help to build the fundamental frameworks and structure for better research with larger number of respondents in the future.

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