

Supply Chain Policy for the Worldview of Innovations

Ridzuan Masri¹, Wan Mohd Azfar Wan Mohd Zain¹, Normy Rafida Abdul Rahman², Muhammad Zeeshan²

¹International University of Malaya-Wales, MALAYSIA

²Management and Science University, MALAYSIA

³University of Central Punjab, Pakistan

Abstract— Innovation is an important activity to ensure the organization's sustainability which strongly depends on the supply chain policy of the system. In addition to generating profits to the organization, innovation should also be an act that can warrant well-being not only to the present generation's life, but to future generations as well and for Islam, including well-being in the hereafter. This means, innovation is not just an ordinary activity, but a responsibility to be implemented. Nevertheless, the approach of innovation between the west and Islam is different. Before an innovation could take place, it is important and worthy for an innovator to comprehend the worldview of both civilizations as there are ethical boundaries that separate the objectives, ways, and direction of an innovation. This article discusses perspective of innovation from both Islamic and western worldview and its relationship with innovation in narrative methodology.

Keywords—Innovation, supply chain policy, worldview, economy, sustainability

1. Introduction

Innovation is a very important initiative to change the position of the organization from a status-quo to more dynamic position [1], thereby adding value to the firm in terms of productivity, profitability, internal processes, and customer satisfaction. In [2] defines innovation as an "idea, practice, or object perceived as new by an individual or other unit of adoption."

Islam considers innovation on worldly matters as *fard kifayah* which is a collective duty to the people to learn, adopt and implement it because if

without doing so, it may pose a massive destruction in the society. This is also in line with al-Ghazali's thought that the state to perform need fulfillment in accordance with the rules of precedence, as outlined in the *Maqasid Shari'ah*, as an important attempt to avoid or to minimize the possible social conflicts that may possess different social objectives [3].

The innovation of worldly matters as long as it does not violate the delineated principles in *Shari'ah*, is urged in Islam because there is a *maslahah* (public interest) in the context of *maslahah-mursalah* that is to benefit the public and simultaneously prevent the occurrence of harm as demarcated in the *Maqasid* in order to protect the religion (*hifz ad-din*), the life (*hifz an-nafs*), the lineage (*hifz al-nasl*), the intellect (*hifz al-aql*) and the property (*hifz al-mal*). For example, innovation in the Islamic financial market by replacing the conventional systems based on usury (*riba'*) to a more dynamic Islamic financial systems such as Takaful, Sukuk, REITs, Islamic trade finance, Islamic working capital financing and other Islamic financial instruments; innovation in medical and healthcare such as organ transplant, stem cell, and medical Nano-technology; innovation in the pharmaceutical industry such as the use of DNA from plant or animal to produce vaccines to prevent the death epidemics due to some deceases and many other scientific and non-scientific innovations.

While most innovations bring goodness, on the other hands, there are also innovations that could potentially bring harm to people, thus, violate the objectives of *maslahah* and guidelines set out in the *Maqasid Shari'ah*. The *maslahah* that leads to destruction becomes *maslahah mulgha*, the *maslahah* that is nullified by *Shari'ah* because of its greater harm

than its goodness [4] such as usury which in turn adds to wealth but on the other hand, it's prohibited by *Shari'ah* as it leads to damages to the economic and social systems in a greater spectrum. Another instance, the welfare lottery which originally helped the community to generate instant wealth, but the disadvantages of gambling habits are more greater and destructive that could lead to the collapse of the social and family institutions in more numbers.

An Islamic-based innovation demands innovator to observe and comprehend the Islamic Worldview as al-Attas suggests, "*a metaphysical survey of visible as well as the invisible worlds including the perspective of life as a whole, is not a worldview that is formed merely by the gathering together of various cultural objects, values and phenomena into artificial coherence*" [5] so that the dividing line between the needs of worldly innovation and the purpose of life in the hereafter could be fused that integrates the worldly life with the hereafter as mentioned in the Quran "Say (O Muhammad) The enjoyment of this world is little, and the Hereafter is better for he who fears Allah.

2. Worldview Supply Chain Strategy and Its Relationship with Innovation

The main objective here is to study supply chain strategy effects based on the worldview innovation for improving organizational performance. A more sustainable supply chain performance is indicated by a company's capacity to reduce the use of materials, energy, or water and to find solutions that are more eco-efficient by improving the management of their supply chains at the same time, there is a growing pressure on supply chain managers to provide economical and innovative solutions through waste reduction and the development of new "clean" technologies in order to support the organization's goals and strategic objectives and pacify stakeholders

2.1 On the Concept of Knowledge

Knowledge is the key to all human life systems. Whereas, the concept of knowledge in Islam is based on the *Qur'an* and the prophetic tradition (*nubuwwah*) in designing the culture, thought and the way of life of its people- the Muslim *ummah*. Due to the nature of knowledge in Islam is based on the truth (the revelation and the *Sunnah*), therefore, Islam places

knowledge at the highest position in the life of its followers more than the rest needed in this world.

Islam divides the knowledge into two parts; the knowledge of *fardh ayn* (individual duty) and the knowledge of *fardh kifayah* (collective duty). Both of this knowledge is closely interrelated in the life of every Muslim individual as a person and as part of the society. Hence, every thought, behavior, and action of one Muslim is bound to both of these knowledge. In fact, every individual Muslim is obliged to seek for both knowledge.

Islam urges its believers to seek knowledge that is not only for the worldly benefits but also for the hereafter. Therefore, Islam does not regard knowledge as only scientific, social or cultural production that always interacts with the conscious mind and the will of human desire for mere worldly benefits. Islam in fact, believes that knowledge is not simply an 'empty wisdom', but as an intellectual force resulting from the unifications of revelation and prophetic traditions, mind and spiritual devotions which forms the wisdom, thoughts and actions and that provides a clear signal of the existence of the Creator with the most creative and thoughtful creation that holds nature and life in it with definite measurements and dimensions. Human beings are then inspired by a very limited creative force through their intellects to reflect their lives at every stage of life and social strata in the context of economic, *muamalah*, social, cultural, political and so forth through knowledge that creates wisdom, intellectual capability, rational considerations and spiritual stability that ultimately allows man to implement and fulfill his responsibilities to His Creator (*al-Khaliq*) as the *khalifah* (vicegerent) and simultaneously acknowledge and bear witness to the divine creation.

All knowledge, intellect, wisdom and abilities of rational thought ultimately drive human creativity to inspire invention and innovation that not only to make the world better, but prosper within the context of *habluminallah* and *habluminannas* (the relationship between man and man).

Contrary to the Islamic worldview, western or modern world which is predominantly founded on capitalism and secularism, has separated the knowledge into two parts that consequently make the religion and worldly matters disunite. Through the idea of secularism, therefore, the separation that has

made duality in knowledge makes the western society choose the knowledge that could help to achieve worldly perfection simply because religious knowledge has become a branch of a meaningless cultural image except as a moral and ethical symbols and moreover, it is inclined to individual choice rather than communal.

In the modern perspective, innovation is always needed as it improves the value of economy, productivity and wealth, thereby assuming that it can solve many issues that facing the present-day economic generation. In order to enhance the value in various aspects through innovation, knowledge plays a role as a vital source of capital for human beings in order to create a valuable skills resources for development and innovation. However, the knowledge of spiritual transformation has been neglected which supposedly enable them to understand the purpose of life and the reason for *muamalah* to make the world better through invention and innovation.

Knowledge also becomes a commercial commodity where innovation is eventually explored by those who have the monetary power to proliferate their own profit and wealth, far away from the benefit of the *ummah* as the sole purpose of innovation. As a result, many inventions and innovations have finally resulted in humanity being morally corrupted and abusive due to the greedy attitude formed by some people to pursue worldly affluence as much and as quickly as possible without restriction as a result of invention and innovation in accordance with the mold of the capitalism and materialism creed that ultimately make human life subdued to the culture of hedonism and lust.

2.2 On the Concept of Sustainability

The concept of sustainability in Islam is based on the concept of balance in all aspects of human lives, be it in religiosity, economy, politics, social, justice, ecological, natural environment and so forth. For Islam, the concept of sustainability and balance is very much related to each other. It could be observable in the Qur'an, "But seek, through that which Allah has given you, the home of the Hereafter; and [yet], do not forget your share of the world. And do good as Allah has done good to you. And desire not corruption in the land. Indeed, Allah does not like corrupters." [7].

The concept of sustainability in Islam not only deals with the prolong periods of establishment, but also ensuring the relationships of such establishment with other facets to be in a balanced position and finally, fulfilling the objectives of *maslahah* in the context of *maslahah-mursalah* (unrestricted public interest) or *maslahah-mu'tabarah* (accredited public interest). All need to be harmonized.

Islam strongly emphasizes that human beings have an important role in building sustainability in various *dharuriyat* (essentials) aspects as outlined in the concept of *Maqasid Shari'ah* proliferated by many classical and contemporary Muslim scholars and jurists as follows:

1. Protection of religion (*hifz al-din*)

Religion needs to be upheld and protected to ensure that Islamic faith continues to flourish until the Day of Judgment. It can be safeguarded when its people always hold fast with the commands contained in the *Qur'an* and follow the *Sunnah*, the commands and guidance of the Prophet and the theologians as his heirs so that men will not embark on corruption, disbelief, idolatry and polytheism (*shirk*) in seeking the worldly sustenance. As a result of not adhering to the true faith set out by the *syariat*, it can destroy the religion and its society including its morality, economy, *muamalah* and many other aspects of human life as ensued to the people and religions before the coming of the Prophet Muhammad [6].

2. Protection of Life (*hifz al-nafs*)

To ensure that human beings continue to exist by maintaining the sources of life such as food, water, shelter and the natural environment. It includes preserving the life from the aspects of basic necessities such as clothing, shelter, knowledge, health, and also implicit necessities which are faith, morals and manners and also to protect the self from oppressiveness which without those, may potentially bring harmful to the self, family and the society.

3. Protection of Progeny (*hifz al-nasl*)

To ensure that the biological lineage (*nasab* and *nasl*) is not tainted genealogically, and allow the children born to be strong, healthy and have the best qualities in sound intellect, character, attitude, personality, psychology and behavior, as well as has a high self-esteem and legitimate rights as a human being which is high dignity and noble in the Islamic sight.

4. Protection of Intellect (*hifz al-a'ql*)

To keep the mind healthy, balanced, able to think, and able to distinguish good and bad and able to always be efficient, supply chain strategy can be helpful. Keeping and maintaining common sense including acquiring knowledge for the benefits of worldly life and the hereafter and using the mind to perform good deeds and beneficial to religion, self, family, and society.

5. Protection of Wealth (*hifz al-mal*)

To protect life, man needs wealth to meet his life necessities. In order to meet the necessities of his life, man must strive to acquire wealth in a lawful manner in accordance with the principles of *shari'ah* and avoid the oppressiveness, and further allowing the wealth to grow through the means outlined by the *shari'ah* through the *muamalah* activity so that people will benefit from such wealth to carry on with their life.

Once the *dharuriyat* level is fulfilled, the *hajiyyat* becomes a requirement for the next level that also needs to be fulfilled but does not reach the threat of *dharuriyat*. But the condition of *hajiyyat* could be moved to *dharuriyat* if the *hajiyyat* needs is widespread in society and could pose a threat to the needs of *dharuriyat*, then it is obligatory to implement it according to the *fiqh* methodology. While, for *tahsiniyyat*, it fulfills the more abstract needs to improve the existing life value, nevertheless, it does not become a threat to the state of *dharuriyat* and *hajiyyat* if it is not fulfilled.

The concept of sustainability from Islamic viewpoint is diverse from the western viewpoint and understanding on sustainability in which, the goal of sustainability for western society is more extrinsic and focuses more profitability and economic stability (Gold, 2015; Stoddart, 2011) as the main objective,

followed by the stability of the resources ecosystem for future generations. From economic benefits generated, innovation could be implemented and gain more profitability through the increased productivity and performance over the economics of scale production.

The results of these innovations that able to generate economic profitability will further ensure long-term sustainability of the organization, including social impacts on future generations. Most sustained projects by western societies are generally limited to the importance of the organization as an agent or vehicle to the production of worldly material profits made for present and future generations by integrating economic, social, and the environmental interests in all aspects of decision making. From these definitions, it could be seen that the interests of the stakeholders are within narrow latitude and are limited to the interests of the organization, and for future generations, they are also an assets for future organizational sustainability that ultimately put the relentless objective to accumulation of wealth.

2.3 On the Concept of Innovation

Islam strongly promotes sustainability through innovation as long as such innovation does not violate the law and guidelines delineated by *Shari'ah*. It is in fact, a very important process because there are benefits (*maslahah*) for people in line with the basis in *maqasid syariah* namely *dharuriyyat* (essentials), *hajiyyat* (needs), and *tahsiniyyat* (embellishment) to help the people in the process of determining the priority of life.

In fact, the civilization of Islam is derived and sustained as a result of innovation in various forms guided by the leadership and teachings of the Prophet Muhammad until Islam emerged as the world's civilization leader for several hundred years.

Since the rise of Islam, innovation is not only limited in the context of product or process, but innovation in Islam encompasses all aspects of worldly life. The coming of the Prophet Muhammad has changed the customs, traditions and cultures of the pagan society of Arab that struck the system and structure of its society to a respected, moral and high integrity society and raised the ranks of women from

the lowest dignity to a more respected and equitable [3].

In the economic system, innovation in the Muslim world since the age of Prophet Muhammad, has transformed an oppressive economic system, tyrannical and based on widespread *riba'* (interest), corrupt and fraudulent to a sound, fair, balanced and responsible economic system [6]. Islam has also changed the ignorance political system to a transparent, fair political system and returning to innate nature of beings (*fitrah*) [4]. Islam does not take on innovation indiscriminately, Islam even rejects innovations that violate the principles and laws outlined by *shari'ah* that the ultimately aim is increasing the level of faith, building the strengths and well-being of the people (*ummah*) and shaping its people to always think of the greatness and wisdom in the context of total submission (*ubudiyyah*).

On the contrary, the western world applies innovation in every matter not only related to worldly life but innovation in the religion can also be found. Western-led innovations are guided by the interests of the individual or a particular group for material interest, even too far from benefiting the people as a whole except a very lucrative economic return to the innovators in line with the ideology of capitalism and various ethical philosophies that have been rationalized for the sake of economic and material significance.

Innovation for the western world, has nothing to do with the concept of grateful or pondering upon the greatness of supply chain policy, but only emphasizes its relevance to the advancement of scientific accomplishment, glorification, grace and achievement, including wealth gain as much as possible. There are many western-led innovations that have surpassed the limits of human natural being in the name of scientific discovery and the sustainability of scientific advancement to the extent challenging the Divine power. Even many western-led innovations have resulted in the destruction and harm in large scale and measure that has caused human to suffer, escorting their freedom and rights, including using innovation as a political weapon for economic and power sustainability.

It is undeniable fact that despite many benefits of western-initiated innovation that could be observable, the resulting innovation is not from the

guidance of the revelation, even spiritual building and faith is not present at all, but rather to fulfill the desires that make the western society to be corrupted morally, and far from their own religious value.

2.4 On the Concept of Worldly Life

Supply chain is a productive way to be enhance the proficiency based on the worldview in all aspects of life and not limited to companies.

Hence, every thought, planning and action must comply with the guidelines set forth by the religion through the *Shariah*. In fact, these resources need to be optimally utilized for the benefit of the people and it cannot be exploited for the benefit of the individual or a particular group solely. For Islam, the world is the bridge to life in the hereafter. Hence, Islam makes worldly life as a passage (*wasilah*) to the formation of faith and piety to draw closer to *Al-Kahliq* to fulfill the purpose of the Hereafter.

In the view point of the west, life is not related to life after death. Therefore, secularism becomes a culture and way of life which far from the guidance of the revelation. Both are separated, and even the belief in life after death is eroded in most western societies that no longer believe in religion as a system of life. As a result of the erosion in the belief system of the religious function in the life of most western societies, it has made the world full of hitches caused by their own hands.

Due to the western view of innovation that only focuses on profits and wealth that would be created through it, innovation even though not all, often found to violate moral boundaries, community norms and religious restrictions such as scientific studies that eventually lead to the destruction of the human characteristics and manners, damages in human and animal eco-systems and the natural environment, including the destruction of manners and worst, human civilization sometimes is the victim of innovation such as the atomic weapons that strucks Nagasaki and Hiroshima in 1945 that kills at least 129,000 people, most of whom are civilians.

3. Conclusion

In the beginning, this *surah* praised the knowledge, but on the next stage denounced those who transcended the limits of knowledge to do damages. Innovation is

an important effort to develop and retain long-term sustainability of any organization or society, and even play an important role in the development of the country as the main strategies in the supply chain. In general, innovation leads to good if it conforms to the boundary lines delineates in the *Maqasid Shari'ah* regardless of whether the innovations pioneered by Western or Eastern Civilization.

However, for an innovation that is based on Islam, innovators need to comprehend the worldview from the Islamic perspective on some of the key points that are central to innovation objectives.

By understanding the truth expounded in the worldview, an innovator knows and understands how an innovation is to be carried out guided by the truth and away from things that lead to falsehood, damage and destruction resulting from negligence from the human hands based on the supply chain policy.

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