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Organizational Islamic Strategic Planning Practices in a Turbulent Environment

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Abstract

This research paper is aimed towards analyzing organizational Islamic strategic planning for institution while facing turbulence environment. The world is facing tough challenge which is dealing with COVID-19 virus. The World Health Organization (WHO) have recognized COVID-19 as a terrible pandemic which impacts the world economy overall. Since we are in the new norm, Islamic financial have to plan the organization direction to remain active, relevant and competitive in the difficult environment. Much new procedures have to be implemented to ensure it is aligned with current situation and procedures that are manifested by the government to secure that everyone benefits from the initiatives. However, the question is to determine the best strategy that can be adopted by Islamic institution in order to manage the pandemic COVID-19. This is because the Islamic institution have to make sure that every planning that is deemed to be initiated does not conflict with the Holy Quran and Hadith, and also do not impose negative impact to all. This research paper can be viewed as conceptual and analyzes qualitative contents. The conclusion derived from previous researches creates conceptual model framework which will be studied in the future.

Keywords: Strategic Planning, Turbulence Environment, COVID-19, Islamic

Introduction

Strategic planning is actually the main aspect in an organization. Strategic planning involves arranging, directing, implementing and controlling activities which are in accordance with the development and external surrounding changes. According to Ginter et. al (2018) the implementing strategic management and strategic planning are important for each and every situation because of the unpredictable current conditions which cannot be predicted accurately. The world now confronts the unexpected surroundings due to COVID-19. The prolonged pandemic of nearly two years have impacted the whole country.

Many sectors and institutions shut down temporarily and this impacts everyone. It is undeniable that all sectors and institutions need to adopt to new norm including Islamic

institutions. The institutions need to plan its challenging direction. Much new procedures were taken into account to ensure that the steps are aligned with the government's initiatives. Prior to this, the majority of studies focused on conversional strategic planning for organizational benefit, such as market orientation, organizational performance, organizational flexibility, competitive strategy, and so on (Alotaibi, 2019; Jayawarna and Dissanyake, 2019; Rofiq and Pramono, 2019; Yoshikuni and Albertin, 2018). Thus, the purpose of this paper is to explore organizational Islamic strategic planning in order to identify alternative strategies and provide new knowledge that can serve as a guideline for organizations dealing with turbulence. To fill this gap, this paper proposed the objective as follow:

- To analyzes the best organizational Islamic strategic planning practices in a turbulent environment.

The research paper will cover on the qualitative approach and studies systematically on all related conventional and Islamic strategies. Further elaboration is mentioned in the research methodology. In overall, this research paper can be divided into 7 parts. Firstly, the writer discusses on pandemic COVID-19. Next, writer touches on strategic planning in general. Thirdly, emphasizes on Islamic strategic planning. Fourth, reveals on its methodology. Move on, the strategic planning that can be utilized by Islamic institutions under new norm. Sixth, creating research conceptual framework and finally, conclusion of the paper.

1. Pandemic COVID-19

Coronavirus (COVID-19) is a contagious disease and was newly found in the end of 2019. COVID-19 is not the first virus in 21st century. The first virus was SARS, that began in 2002 and were estimated about 8000 people in 26 countries and caused 774 demises (Wilder Smith 2006). If compared to the former, COVID-19 was declared as pandemic. The emergence of COVID-19 has given a large impact towards economic, politics and social cultural in global. Various strategies were implemented by authorities such as social distancing, prohibition on travels and mobility, MCO on community, government's call on stay safe at home culture, self-quarantine and others.

As for institutions, they have to improvise on the pattern and business strategy such as working from home, work online, downsize the company and etc. It is undeniable that not all institutions could afford to withstand these changes following the new norm. In order to maintain the longevity of these changes, the institutions need to find best strategy and methods to success. Facing this turbulence times can be considered as one of the effective strategies.

2. Strategic Planning

Each organization in this world would maximize profit and let the most influential practices to success. However, to achieve this, organization needs to have the best strategic planning which will be apt to the current situation and to allow it to improve, monitored and maintained. Strategic planning is defined as a formulation process in implementing plans in an organization. It involves strategic analysis, strategic alternatives and strategic implementation (Wheelen at al., 2017). Kaburu and Simba (2020) observes strategic planning is usually practiced by top management in an organization. Detailed and systematic planning

contributes to the success of an organization. Besides that, strategic planning practices could also help to direct of an organization towards its short term and long-term objectives (Henderson and Hines, 2019).

There are also other perspectives in regards to strategic planning. Bieler and Mckenzie (2017) has defined strategic planning as a process to create vision, mission and identify the best way to realize it. Strategic planning could also help the organization leads its direction in order to achieve long term objectives. For Bryson (2018), strategic planning could allow its leaders to think, learn and act strategically. Strategic planning is a systematic effort in providing a good decision and reactions that help form an organization.

Discussion on strategic planning usually leads towards the elements of strategic planning ran by an institution. Many authors classified that there are 3 important elements in a strategic planning which are vision, mission and objectives (Abdullah, 2011; Bieler and Mckenzie, 2017; Aldahari et al., 2020). These elements shall be discussed in the next following parts.

3. Islamic Strategic Planning

The strategic planning concepts are really much limited. Strategic planning from the Islamic point of view is actually a process that is deemed an effort by human towards sincerity, fair and full of kindness to frame, arrange and conduct the best efforts in the organization to achieve Allah's blessings. Thus, an institution should work hard towards ensuring the planning to give benefits to all and the success of the planning determined by Allah SWT. This aspect is emphasized in Surah Al-Imran (3:159). Therefore, the management would have faith in every decision made and definitely, each strategic planning will be effective if Islamic values are prioritized and belief in Allah's force.

Strategic planning should lean against strategic planning based on Islam, by the Institution leaders themselves (Rodriguez & Ahmad, 2013). Strategic thinking based on Islam becomes the fundamental for two basic factors. Firstly, the belief that Allah SWT has knowledge or known for mystical matters whereas human as His servants is unknown of mystical matters. This has been studied in Surah An-Naml (27:65). In this matter, human can only work towards thinking of strategic planning depending upon the knowledge and brain that are rewarded by Allah. The second factor, is belief in God as He is the best planner.

This matter is emphasized in Surah Al-Imran (3:54) and Surah Al-Anfal (8:30). For that, human need to have faith in God's planning and surrender to Allah SWT in making the strategic planning. Based on this discussion, it can be concluded three aspects. First conclusion is, there are 2 fundamentals in the thinking and strategic planning which is in line with the base of Tasawur Islam which is Allah is the Creator and every human being is His Creation (Salleh, 2021). Therefore, it is suitable base in the strategic planning concept on the Islamic core. Secondly, is it important for leaders to build skills in the real strategic planning based on Islam with effective for Islamic institution. Thirdly, is strategic planning based on strategic Islamic thinking can be the base towards achieving Islamic qualities for Islamic management institution.

Overall, there is Islamic approach in the strategic planning even though strategic planning concept is yet to be developed. Scholars in relation to Islamic strategic planning is still limited.

Theoretically, strategic planning is focused to two main aspects which is vision and mission of the institution. Although conventional strategic planning concepts, it is still agreeable that the real understanding of vision and mission towards the desired objectives can be accepted. The next part discusses about this matter.

Vision and Mission of the Institution

In strategic planning component, the creation of vision and mission is critical and important. Vision exposes the direction and long-term goals that are wished to be achieved by the organization. It involves the goals that are desired to be achieved, the type of operational tasks that is deemed to be implemented, the demands of customers that are wished to be fulfilled and the type of positions (Abdullah, 2011). Vision refers to the insight that are wished to be achieved by an institution and its process that takes a long time, in about the duration of 20 to 30 years. Other than that, vision also provides a perception to the direction of the organization that will be utilized by all members of the institution. Vision also aims at simplifying to create strategical approach. Firstly, effective communication amongst the upper management with other levels; next, effective leadership; and, thirdly not over promising in implementing planning (Bahaldin, 2005).

Mission refers to the objectives that are wished to be achieved by the institution. It aims at revealing to the community the rationale of establishing of an institution. This is because it will portray the type of operation adopted by the institution, depicts the characteristics of the institution and concludes the existence of the institution. Mission also aims at identification of the framework, the core and philosophy that underlies in an institution (Manan, 2008). Besides that, mission of an organization also enables the member of the institution to focus on the objectives, needs and efficiency that are deemed to be implemented by the organization.

Basically, vision and mission of an organization reflects the commitment of the management. Commitment not only effecting the upper management, but also to the whole institution so that every aspect undertaken by the organization is successfully executed. Vision and mission provide a common direction to the members to run the organization.

Research Method

This study is aimed at analyzing Islamic strategic planning of the organizations in facing the pandemic crisis of COVID-19. Therefore, this study utilizes the qualitative approach to investigate the literature in relation to conventional and Islamic strategic planning. Main reference materials are taken are obtained through free and subscribed databases. The core reference that is used in this research is the Holy Quran and Hadith to reinforce the statements especially in strategic planning. From the various literature, the authors quoted the matters of what is the best Islamic strategic planning by organizations in encountering the pandemic crisis COVID-19. In search of former articles, there are only materials in the journals that are researched such as Scopus, Web ISI, Emerald, Ebscohost, MyJurnal, SAGE, Wiley Online Library and Google scholar. Other materials are depicted from thesis, seminar proceedings and research reports. The total articles referred to commenced from as early as 2001 till 2020. To reduce the bias of selection on resources that are collected for literature reviews, the researcher particularly chose articles outlining on strategic planning alone.

4. Islamic Strategic Planning by organization in The New Norm

Strategic planning in the new norm should be experimented by all institutions whereby they must observe the current situation and what effects it brought about so that all planned are in the right direction and benefits its members. For strategic planning, it is viewed that there are elements which could be a guidance to be applicable by the organization in embracing the new norm. It is this new norm that affects all members and deserve the best strategic planning for the top management to elevate the burden of its staffs. The author reveals two main aspects which are, the best practices and human development.

I. Best Practises

Institutions should adopt the best approach to plan each management activities. The best practice is that emphasizes on Islamic principles based on the Holy Al-Quran and Hadith. In reality, the Islamic strategic planning must not be adapted on short-term basis but also considers Hereafter. When observed, the spiritual aspect needs to be nurtured and inculcated by its members to avoid the negative behaviourism. Due to that, the institution must ascertain the best planning that focuses on the best policies serving the worldly and hereafter lifes. This is done through various initiatives by members in the institution to intensify the piety towards the Almighty.

As mentioned in Holy Quran, Surah Al-Ankabut, 29:69

And those who strive for Us - We will surely guide them to Our ways. And indeed, Allah is with the doers of good.

As mentioned by The Almighty in Holy Quran, this truly shows that God urges its servants to diligently carry out a task. The task must follow Islamic principles. God will always be with those who consistently improve themselves towards gaining His blessings.' In Islam, everything are done to the best level and favoured by Allah SWT. As His servant, one should always perform prayers and observe Islamic jurisprudence or fiqh that best fits the human nature. In relation to that, an institution should affirm that every task undertaken needs to be planned in order to ensure best practices that aligns with Islamic orderings.

II. Human Development

The significance of developing human resources needs to be emphasised by institution to produce mankind who abides the Al-Quran and Hadith. This clearly exhibits those institutions stresses the planning of institution focusing on human development rather that profits. In dealing with the new norm, mankind developments are prioritized, needs of members are considered so that it does not burden them and indirectly, provides positive outcome by the institution.

As mentioned in Holy Quran, Surah Al-Tin,95:4

We have certainly created man in the best of stature

Again, mentioned in Holy Quran, Surah Al-Isra', 17:70

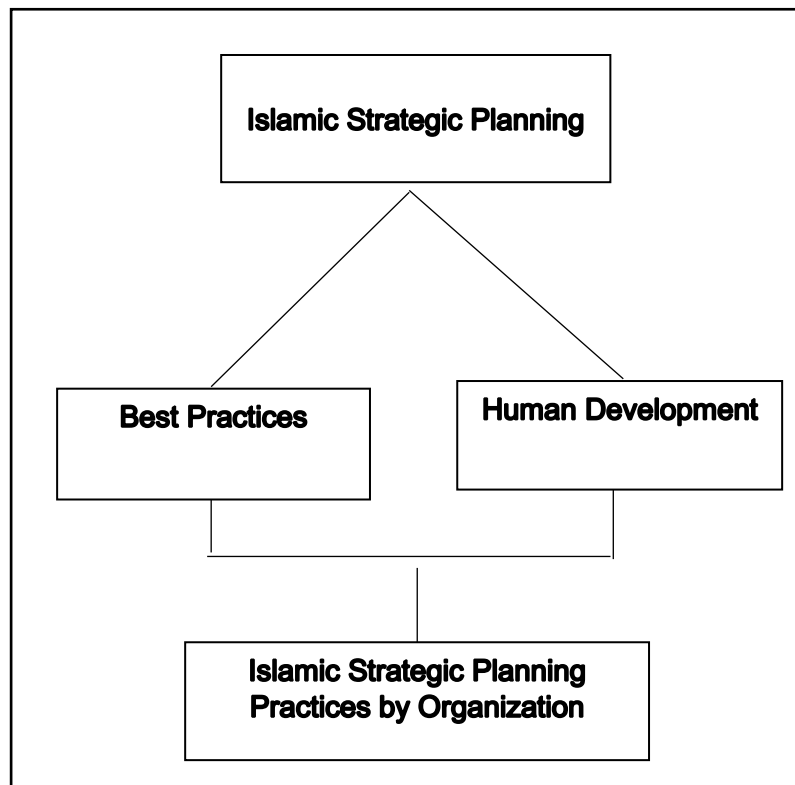
And We have certainly honoured the children of Adam and carried them on the land and sea and provided for them of the good things and preferred them over much of what We have created, with [definite] preference.

As being said by the Almighty Allah SWT, that in these two verses explains the noble form of human being. Allah SWT created mankind to worship and obtain His blessings. Moreover, this form of nobility has not been rewarded to other kind of creations of Allah SWT.

In this manner, the institutions should ponder on the best planning for its members to be highly motivated and fully-spirited in executing given tasks. This type of planning is deemed to increase members, to mould good behaviours and be faithful to Allah SWT. It is due to many cases that leads to suppress of people and injuring family members. The delegated responsibility by upper management should be aligned with the most conducive environment and situation whereby working from home may not be the suitable effort due to the uncounted challenges that it could impose.

Conceptual Framework

Based on the previous studies, the author has created a conceptual framework that demonstrates the practises of Islamic strategic planning by organisations in the face of pandemic COVID-19 endeavours. This framework could be referred to the following studies in order to obtain more concrete research. The main element that consists in this study includes two variables, which are the best practices and human development. Below is the conceptual framework that displays these variables.



Implication

The paper performs a critical review of the existing literature on strategic management, Islamic strategic planning, and a detailed overview of relevant studies from which research gaps were identified and a comprehensive research model was developed. This model is one of several attempts to adapt strategic management theory to analyse the best organisational Islamic strategic planning practises in a turbulent environment. In terms of practical contribution, the paper provides policymakers with a guideline for making the right decisions to improve organisational performance in today's turbulent environment.

Conclusion

To conclude, strategic planning by institution is utterly important because it portrays the overall picture in terms of vision, mission and objectives that are deemed to be implemented by the organizations. They also need to integrate the material and spiritual aspects. Best practices and human developments are some of the important elements that are needed to be incorporated by the organization in directing its business. This effort is done in order to prepare organizations for the unpredicted scenario emerges such as the COVID-19 pandemic. The initial stage of this paper has successfully created a conceptual framework model in Islamic strategic planning practices by organizations in this era. This framework would be researched in further future studies to elevate and become as best reference by the organizations when faced with different obstacles, especially the pandemic of COVID-19.

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