A Brief Overview on Islamic Compliance Quality Management System

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Abstract
The Islamic Compliance Quality Management System Requirements from Islamic Perspectives (ICQMS): MS 1900:2005, has been introduced and implemented in Malaysia for quite sometimes. The controlling and monitoring body is SIRIM Malaysia. The implementation of MS 1900:2005 is based on the ISO 9001:2000 standard which is revised as ISO 9001:2008 (Quality Management System), a Quality Management System established by the International Organization for Standardization (ISO) that is applicable for all type and size of organizations. It establishes a standard with the objectives to improve the effectiveness of products, services and processes. In fact ICQMS, MS 1900:2005 has become a basis in measuring standard recognized nationwide in measuring quality from Islamic perspectives. With the references to the Malaysian contexts, this paper intends to give a brief overview on its philosophic establishments, practices and components within the philosophic values and requirement of Shariah based compliance in accordance to Al-Quran and Hadeeth.


1. Introduction
Islamic Compliance Quality Management System (SCQMS), MS1900:2005 is a standard quality management that has been used in measuring Islamic quality in the organizational operation, management and production. This MS1900:2005 standard was established in 2005 under the authority of Standards Malaysia (SM) with the collaboration work of Universiti Islam Antarabangsa Malaysia (UIAM), Institut Kefahaman Islam Malaysia (IKIM), SIRIM Bhd, Institut Tadbiran Awam Negara (INTAN), Persatuan Pengguna Islam Malaysia (PPIM), Institut Integriti Malaysia (IIM) dan Jabatan Kemajuan Agama Islam Malaysia (JAKIM) based on Quality Management System (QMS) ISO 9001:2000 in compliance with Islamic Perspectives. In Malaysia, this standard is issued and supervised by SIRIM QAS International and it has been instigated based on standard of ISO 9001:2000 Quality Management System (QMS) that is recognized worldwide. In this establishment, ISO 9001:2000 has been inoculated with value added elements of Islamic perspective compliance. Those includes the aspect of production process of halal products, delivery of services, applications ethics and Islamic practical virtues in a work place such as fairness, honesty, sincerity, punctuality, discipline, dedication, systematic work and the like. Islam being preached by Prophet Muhammad PBUH withholding comprehensive values and covers all aspects of life. Islam does not only encourage individuals to work, but also motivates them to seek perfection and excellence (Hamed Mohamed [1]). This is clearly underlined in the Quran, surah Yunus, verse 61; “In whatever business thou mayest be, and whatever portion thou mayest be reciting from the Qur’an,- and whatever deed ye (mankind) may be doing,- We are witnesses thereof when ye are deeply engrossed therein. Nor is hidden from thy Lord (so much as) the weight of an atom on the earth or in heaven. And not the least and not the greatest of these things but are recorded in a clear record”. In relating to the Islamic quality management and its compliance, hence the establishment is on the principle that although the values used in this standard (ICQMS) is based on the Islamic perspective, but its nature is universal and can be applied by all, including non-Muslims. Therefore, the implementation of
ICQMS is supposed to be seen in a positive light in order to strengthen the Islamic quality management system in all types and sizes of organizations.

2. Islamic Compliance Quality Management System
2.1 Definition of Quality Management System (QMS) and Its Application

A Quality Management System can be seen as a complex system consisting of all parts and components of an organisation dealing with the quality of processes and products. A QMS can be defined as the managing structure, responsibilities, procedures, processes, and management resources to implement the principles and action lines needed to achieve the quality objectives of an organisation (CERCO [2]). It’s definition evolving the overall good management system. It is not an addition to an organisation. It is an integral part of its management and production. A good QMS does not mean automatically will make an organisation more profitable, efficient or customer focussed, but it will impact towards the ability to do things better, from production to sales (CERCO [2]). European working group on quality, (CERCO [2]) outlined the QMS main components consist of the active and positive commitment of senior management; good two-way communication throughout the organisation that encourages a culture of initiative and improvement; simple, efficient monitoring systems that enable all levels of management to identify bottlenecks and waste; staff development that provides the correct level of competence for each job, and provides staff with opportunities to progress; and documentation that supports all the earlier mentioned matters.

Hence in the contemporary management system and worldwide standard, Quality Management System (QMS) is very important to all types of organizations in setting the standard procedures in implementing and maintaining quality. QMS is a structured procedure in ensuring that the organization complies with the real standard set and conforms to all the process and procedures in implementing it. The standard ISO 9001:2008 Quality Management System is issued by ISO (International Organization for Standardization) in Switzerland. The ISO standards are developed with international participation of more than 170 countries. To date, the latest reviewed version is ISO 9001:2008 maintain as the most popular standard and is used by more than one million organizations across 178 countries and economies. The standard has developed it reputation on how organization achieve it quality credentials. As such, ISO 9001 is requested in many public and private sector as standard in quality certification. The principals of the standard mainly stressed on three process-oriented goals which are: ‘Customer Satisfaction’, ‘Continual Improvement’ and ‘Utilization of Proven "Good Business Practices"’. Those are three goals that head the objectives of any reputable companies that implemented ISO 9000 QMS series (CERCO [2]).

QMS is strongly influenced by the concept of Total Quality Management. According to Fadzila Azni Ahmad [3], the whole concept of quality which embodied in TQM leading to the same principles of systematic improvement, integration and consistency across all levels of the organization and it gave full emphasized on total customer satisfaction. In the U.K., the United Kingdom Accreditation Service (UKAS) is recognised by its Government as the sole national accreditation body for QMS purpose. UKAS accredits certification bodies by evaluating their competence against international standards (UK-Department of Trade and Industry [4]). UKAS accreditations are focus in four categories of quality, environment, product and personnel.

In US, ANAB (ANSI-ASQ National Accreditation Board) accreditation for certification bodies is available for ISO 9001 quality management systems. ANAB ensures that the certifications bodies accredit are competent and comply with the international requirements. Like its counterparts in other countries, ANAB oversees the competency of those it accredits through a rigorous system of evaluation and accreditation (anab.org [5]).Whilst in Malaysia SIRIM-QAS is the authentic government body that having the sole ownership in conferring the status of ISO standard which can be considered as the only certified body in Malaysia that is able to confer certificate standard/quality compliance to all organizations in Malaysia. Those certification covers Management System Certification, Product Certification, Product Testing and Inspection. In the development of Malaysian Standards and in carrying out international standardisation
activities, Standards Malaysia is responsible for the policy and strategy and it appoints SIRIM Berhad to undertake the implementation at the technical level.

Malaysian Standards are prepared by more than 120 Technical Committees and Working Groups, which are established under the supervision of 24 Industry Standards Committees (ISCs) (Standard Malaysia [6]). And also it is accredited by the United Kingdom Accreditation Service (UKAS). As a one-stop solution provider, SIRIM QAS offer services to a cross-section of economic sectors ranging from the electrical and electronic sectors to forest management and the construction and building sector.

2.2 Islamic Compliance Quality Management System-Requirements from Islamic Perspectives

In practice, Islam does not merely delve on the issue of religious obligations, but comprehensively covers guidelines on quality subsistence in terms of economy, social, culture, politics and others. Hence this brings positive image on Islam to be viewed as a progressive and dynamic religion instead of being static and negative (Tun Ahmad Sarji [7]). Islam and management are inseparable; Islam gives complete guidelines for managing human and managed so as not to exceed the limit and safe in both world, in this world and hereafter-world. Covering all aspects of management from environmental management, to the management of people, Islam touches all aspects of human life in a complete manual bounded in the Quran, the Sunnah, and the consensus of scholars, Qias. With this perspective Islam considers the Divine Law as universally true and they are not relative to time or place (Nik Mustapha [8]). A vibrant explanation with regards to Shariah was given by Nik Mustapha [8] stated that the Islamic law, Shariah which governs the social order is a system of social control established for the purpose of maintaining an ordered organization and society among men. It indicates the right path to follows; it defines the individual and collective responsibilities in a harmonious, just and dynamic manner based on explicit orientation of society toward Allah SWT.

In relation to this, Islamic Management Standards has been formulated to become as a benchmark in practicing Islamic management among the administrators especially of Islamic organization in Islamic country. In this juncture, Standard MS 1900:2005 Quality Management Systems; requirements from Islamic Perspective taking the ISO 9001 as a referral framework has been developed by adding the Islamic values to it. This standard specifies the requirements for a Shariah Compliance Quality Management System. The aim of the standard MS 1900 is to ensure that organizations are managed in accordance with the universally acceptable values such as justice, honesty, truthfulness, sincerity, timeliness and discipline, and that the halal and non-halal aspects of all processes necessary for the delivery of services and products are identified, communicated to every personnel in the organization and effectively implemented. The MS 1900:2005 is based on the ISO 9001:2000 standard from the Islamic perspective. SIRIM QAS International Sdn. Bhd. also establishes the Shariah Advisory Council (SAC) to oversee the MS 1900 certification Scheme and ensure the granting of certification to MS 1900 is done in accordance with the Shariah requirements. MS 1900:2005 "Quality Management Systems-Requirements from an Islamic Perspective" was published by the Department of Standards Malaysia in 2005. The technical committee responsible for the preparation of this standard included representatives from the Institute of Islamic Understanding, the Malaysian Institute of Management, the Malaysian Administrative Modernisation and Management Planning Unit, the Integrity Institute of Malaysia, the National Institute of Public Administration, International Islamic University Malaysia and Sirim QAS International Sdn Bhd. Important to note that this is the first management system standard in the world with requirements based on Islamic perspectives.

In general, there are three main areas within any Shariah requirement. They are 'akidah', which is the belief system, 'akhlak', which are behavioural traits, and 'fiqh', which refers to dealing or interaction with fellow human beings, the environment and religious observance. MS 1900 mainly looks at the 'fiqh' part and the values that govern a company. For example, it is imperative to ensure that the organisation in question does not mislead anyone or any corporation. The customer service requirement should also be
fulfilled to make sure it is comply with Shariah compliant.

This is reaffirmed by Nik Mustapha [8] where he proclaimed that Islam prescribes that human beings organise collectively on values of truth, justice and brotherhood, the spirit derived from divine revelation. Those policies and structures will need to be adjusted to present socio-economic situations within the framework of the injunctions and spirit of Shariah law.

2.3 The Framework and Model of ICQMS Applicability

SIRIM-QAS provides highly experienced and professional auditors, who are competent in a wide range of sectors that ensures widely accepted universal values are incorporated into the quality management practices of organizations. The organization also supposed to place greater emphasis on ethical standards in their pursuit of business excellence. There should be independent assurance that the processes and practices implemented by organizations are in accordance with Shariah (Islamic) requirements. As at to date the status of Malaysian MS covers the areas as follows (referred to Malaysian Standard [9]):

- MS 1500:2009 (E & M), Halal food - Production, preparation, handling and stock – Main guide line (Second revision)
- MS 2424: 2012 Halal Pharmaceutical – General Guide Line
- MS 2200-1:2008 (E & M), Islamic Consumer Goods – Part one: Cosmetics and personal care - General Guide Line
- MS 1900:2005, Quality Management System – Compliance from Islamic perspectives
- MS 2300:2009, Values based Management System – Compliance from Islamic perspectives
- MS 2393 (P) Islamic Principles and Halal - Definitions and Interpretation of Terms
- MS 2400 - 1:2010, Halalan-Toyyiban Assurance Pipeline - Management System for Transport of Goods and / or Services in Cargo Chain
- MS 2400 - 2:2010, Halalan-Toyyiban Assurance Pipeline - Warehouse Management System and Related Activities
- MS 2400 - 3:2010, Halalan Toyyiban Assurance Pipeline - System Requirements for Retail Management

Figure 1: The framework of the development flow of Malaysian Standard MS 1900:2005 (referred to Malaysian Standard [9]).

Figure 1 shows the process flow on the development of Malaysian Standard by three important organization involved SIRIM Malaysia, Malaysian Standard and Ministry of Science and Technology Malaysia. The Department of Standards Malaysia has the responsibility to supervise the development of Malaysian
Standards and accreditation recognised as an instrument to boost product competitiveness and services by the industries in Malaysia at par comparing to the international market.

3. Conclusion

The application of MS 1900:2005 standards through positive practices outlined is mainly to strengthen the integrity and contribute to higher performance of an organization or company. The global financial crisis is an instructive example of how the goals should not be set aside for profit only but morally should be practiced in accordance to good corporate governance. Global financial crisis had proved that profit oriented attitude has upset many corporate giants in the West, which in initial place people thought they were invincible to all sort of crisis, but ultimately it demolished their businesses empire. Islam views that quality management system is a holistic system which encompasses every aspects of human life. Therefore, many organizations will find it beneficial to set up quality management systems based on Islamic principles. Hence by implementing the MS1900:2005, an organisation would gain the edge against its competitors. Therefore Islamic Compliance Quality Management Principles are among the one that should be studied and analysed further in an effort to find the congruence balancing between the employee, the organizations, the leadership, the customer, the shareholders and also other stakeholders (environment, society, green and clean air, etc’s). No doubt, this tremendous task requires a combination of knowledge, wisdom and patience, intellectual and physical determination in order to ensure its continuation of practicality and enforcement in the future undertakings.

References


