GENERIC COMPETITIVE STRATEGIES FROM A QUR’ANIC PERSPECTIVE

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ABSTRACT
This paper explores generic competitive strategies from Qur’anic perspectives as alternative view. This approach attempts to purify the conventional concept of strategic management, which is a business competitive strategy from a Qur’anic postulate. The process of purification could be done by understanding Islam, organizational realities, and man. When comes to practices, man plays a vital role in integrating Islam into organizational realities. Hence, the most apparent element that needs to be purified is man who is managing, coordinating, and making the objectives a successful reality. The Qur’an has outlined ways and means of managing competitiveness that established justice, fairness and harmony.

Keywords: Islam, competitive strategy, Qu’ranic perspective, business policy, strategic management
INTRODUCTION
This paper explores generic competitive strategies that embedded the futuristic elements which is salvation in the Hereafter life (al yaum al qiyyamah) from a Qur’anic perspective. Competitive strategy allows long term action to sustain perform and competitive advantage (David & David, 2017; Robbins & Coulter, 2016). This study enables organizations to generate higher return of value [profit] to the organizations through rigorous and thorough managerial decisions and actions. The process of strategic management involved eight steps, namely, a) identify the organization’s current mission, objectives, and strategies, b) analyse the environment, c) identify the opportunities and threats, d) analyze the organization resources, e) identify strengths and weaknesses, f) formulate strategies, g) implement strategies, h) evaluate results/performance.

By going through this process, organizations would be able to formulate strategies into a few categories, namely corporate level strategy, business level strategy, and functional/unit level strategy. Corporate level strategy provides the direction how a set of businesses in a firm contribute to the attainment of its. The business level strategy will specify the strategy for each business on it could attain financial and strategic goals of the firm. As for the functional level strategy, it provides strategy on how the financial and strategic goals could be achieved on a sustainable basis.

While corporate strategy views an organization from a “helicopter” view for its multiple businesses, business level strategy attempts to view more specific businesses to be in. Hence business level strategy determines how an organization should compete in each of its businesses by creating more strategic business units that can be independent from the parent organization to formulate specific strategies. At this juncture, the strategic business units will identify elements of competitiveness that can produce competitive advantage to the organization.

Competitive advantage can be manifested by organizational distinct edge and superior value for the organization which may derive from the organization’s core competencies. However, not every organization can transform its core competencies into a competitive advantage. This is due to the ability of the organization to sustain it. The most apparent issue in creating competitive advantage is that once it created, organization must be able to sustain it; otherwise this can be detrimental to the organization.

METHODOLOGY
This study uses qualitative method through content analysis of selected Qur’anic verses and a few literatures related to the topic of the paper. The aim of this paper is to explore generic competitive strategies from Qur’anic perspectives as alternative view to the subject of strategic management. The Qur’anic approach provides alternative paradigm of strategic management from the selected verses of the Qur’an. It is not to reinforce the existing knowledge and literature on strategic management. The core of Qur’an is about the reality of human in the context of organization. The Qur’anic approach is to examine for potential area of purification from the understanding Islam into the organizational realities. When comes to practices, human plays a vital role in integrating Islam into organizational realities. Hence, the most apparent element that needs to be purified is man who is managing, coordinating, and making the objectives a successful reality. The Qur’an has outlined ways and means of managing competitiveness that established justice, fairness and harmony.

What is Strategic Management?
Strategic management is a discipline in business studies. It is an advanced subject that integrated all functional knowledge about business. Literally, strategic management is derived from a Green term called ‘strategy’ which refers to military tactic on how to win the
battle. Gradually, it became “sine qua non” of serious management (Collinge, 1995). Organisational decision making implication has been the focus of strategic management classical school as Chandler (1962) and Ansoff (1979) identified the determination of long-term goals and objectives as being central to strategic management. Nevertheless later researchers such as Kottler and Cox (1988) have reinforced the argument of Chandler (1962) and Ansoff (1979) that strategic management provides a framework of choices for the direction of the organization. Hence, strategic management focuses more on planning function in an organization (Quinn, 1980; Maire & Moore, 1993).

Strategic planning is part of strategic management. Quinn (1980) argued that strategic planning is vital to provide directions on how goals are attained cohesively. The setting of goals and plans are based on the input of environmental scanning. In a more cohesive approach, Maire and Moore (1993) contended that strategic planning is process oriented, in which organizations are responding the dynamism of the business environment with reactive and proactive manner. Moreover, being reactive or proactive is not to disregard the vital role of strategic planning (Maire and Moore, 1993, p. 341). A lot of efforts are required to plan for long term and sustainable performance.

Strategic planning is not about corporate planning alone. There are differences between strategic and corporate planning in the contexts of strategic management. While strategic planning is a process to formulate strategies based on the input of business environment, corporate planning refers to the on-going process of performance management with some concerns on strategic plan. Needless to say, both strategic and corporate planning are necessary to enable organizational dynamism (Ranson & Stewart, 1994, p.189). Hence the decision making is disabled to formulate plan that responsive and proactive to real and anticipated changes in the environment.

Consequently, decision making is conceived less as a rationally formulated plan and more as constant process of adjustment and proactive responses to real and anticipated changes in the environment. Strategic management should serve as stream of decisions over time (Donald & Lorsch, 1983, p.6), consistent actions and decisions over time (Pettigrew, 1985, p.438), and emergent strategies (Mintzberg & Water, 1985). Then strategic management has become wider which is beyond merely decision making and planning.

Competitive strategies are derived from sociological elements too. Sociological perspective has been inserted also to review the impact of not confining to decision-making and planning that can be detrimental to organizational structure, delegation of authority, and organizational change (Parker, 1994; Hard, 1995). Furthermore, many of the cultural and discursive changes that accompany the adoption of strategic management, and this is enhancing our overall understanding of the concept by illustrating its symbolic and ideological significance (Barry & Elmes, 1997; Weick, 1995; Knights & Morgan, 1991). Indeed, the sociological essence provides dynamism for the competitive strategies.

Strategic management process is necessary for any organization regardless of its nature, size, orientation and performance. The primary concern of strategic management is to sustain financial and strategic objectives of organizations are attained with effectiveness and efficiency. Since strategic management is dynamic, there are always changes in the organizational direction which may hinder the effectiveness of implementation (Stoney, 2001). As such, any process oriented task requires more than flexibility and transactional approaches.

**Business Competitive Strategies**

There are five forces acting on an industry threat of new entrants, bargaining power of buyers, threat of substitute products or services, bargaining power of suppliers, and rivalry

Firstly, Porter’s cost leadership aims to become the lowest-cost producer in the industry through identifying efficiencies in all operations, keeping operations overhead minimum, and providing products/services that comparable as offered by competitors. Secondly, Porter’s generic strategy on differentiation attempting to offer unique products that are widely valued by customers. This strategy will be effective via setting up visibly apart form competitors; differentiating based on quality, service, product design or brand image; and persuading customers’ willingness to pay a price premium that exceeds the cost of differentiation. Finally, Porter’s focus strategy aims at a cost advantage or differentiation advantage in a narrow segment. In this strategy there is no attempt to serve the broad market and the feasibility of the strategy depends on the size of the segment and the ability of the firm to support the cost of focusing.

Table 1 summarizes the requirements for successful implementation of Porter’s business strategies.

Table 1: Requirements for successfully pursuing Porter’s Business Strategies

<table>
<thead>
<tr>
<th>Generic Strategy</th>
<th>Commonly Required Skills and Resources</th>
<th>Common organizational Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall cost leadership</td>
<td>✓ Sustained capital investment and access to capital</td>
<td>✓ Tight cost control</td>
</tr>
<tr>
<td></td>
<td>✓ Process engineering skills</td>
<td>✓ Frequent, detailed control reports</td>
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<tr>
<td></td>
<td>✓ Intense supervision of labor</td>
<td>✓ Structured organization and responsibilities</td>
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<tr>
<td></td>
<td>✓ Products designed for ease in manufacture</td>
<td>✓ Incentives based on meeting strict quantitative targets</td>
</tr>
<tr>
<td></td>
<td>✓ Log-cost distribution system</td>
<td></td>
</tr>
<tr>
<td>Differentiation</td>
<td>✓ Strong marketing abilities</td>
<td>✓ Strong coordination among functions in R &amp; D, product development, and marketing</td>
</tr>
<tr>
<td></td>
<td>✓ Product engineering</td>
<td>✓ Subjective measurement and incentives instead of quantitative measures</td>
</tr>
<tr>
<td></td>
<td>✓ Creative flair</td>
<td></td>
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<tr>
<td></td>
<td>✓ Strong capability in basic research</td>
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<tr>
<td></td>
<td>✓ Corporate reputation for quality or technological leadership</td>
<td></td>
</tr>
<tr>
<td></td>
<td>✓ Long tradition in the industry or unique combination of skills drawn from other businesses</td>
<td></td>
</tr>
<tr>
<td>Focus</td>
<td>✓ Combination of the foregoing policies directed at the particular strategic target</td>
<td>✓ Combination of the foregoing policies directed at the particular strategic target</td>
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</table>


**Man and Attributes a True Muslim**

Every true Muslim regardless of his choices must subservient to the choice of Allah and His Messenger. The true and complete faith in Allah and His messenger will be based on the Quran and Sunnah that determine the course of action in the life of a true Muslim.
Whosoever recites the “There is no God but Allah and Muhammad PBUH is His Messenger” is officially declaring and admitting the suzerainty of Allah in all his/her life affairs. Therefore, apart from the required qualities of good character (see Table 2), a Muslim must exercise the qualities of self-supervision and self-accountability.

<table>
<thead>
<tr>
<th>✓ Self accountability</th>
<th>✓ Open preaching and be outspoken</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓ Care and indignation for the defense of righteousness</td>
<td>✓ Living with Islam</td>
</tr>
<tr>
<td>✓ Wearing Islamic color</td>
<td>✓ War against evil</td>
</tr>
<tr>
<td>✓ Calling a spade a spade</td>
<td>✓ Love for lofty principles</td>
</tr>
<tr>
<td>✓ Support for the right cause</td>
<td>✓ Humbleness and humility</td>
</tr>
</tbody>
</table>

Table 2: The Qualities of a true Muslim

Source: Gilani (1987).

Islam and Organizational Realities

Islam provides comprehensive framework on how to perform in this life for the life in the Hereafter. Strategic management is a tool for this life that can bring to the Hereafter. According to Gilani (1987), the qualities of a true Muslim enable the Muslim to advance in this world without compromising the duty and responsibility as vicegerent of Allah. In other situation, Choudhury (1989) argued that Islam enables Muslim to go through comprehensive way of life. There are elements of spiritual and ethical that embedded in individuals, societies and the world are capable of giving value such as trustworthy, sincerity, unity and brotherhood to the predetermined socio-economic framework.

Self-control provides critical control for people not to be excessive in any aspect of life in this world. While achieving financial target is a duty to the shareholders, a civilized society would practice humility and patient. According to Yousef (2000), being ethical at all times are about being able to control one from being criminal and unethical. Indeed, being ethical and consistent enable for meaningful self-control for sustainable competitive advantage.

The Islamic economic system is a practical faith-based system that is accommodative to different preferences based on local advantages. Abbasi, Hollman & Murrey (1989) contended that Islamic economic system is practical because its emphasis on both worldly material and the Hereafter happiness as a result of being faithful obedience to Allah. In other situation, Metwally (1997) argued that the presence of dominant number of Muslim in certain countries is desirable, if they could live with caring, respect, and harmony. As such, faith, morality and intellectualism enable for more sustainable competitive advantage in a very competitive situation.

Man’s Nature and His Firm

The Qur’anic approach to human is a guide for human to live in this world according to the commandment of Allah. The duty of man is beyond merely worshipping Allah in the mosques on the obligatory and supplementary prayers. Like a manager in a firm, he or she has to plan, lead, organize and control through the resources, people and reputation for sustainable performance.

In the Quran, Allah has reminded human of the origin root of human as a signal that human must submit to the will of Allah. In essence, human have a dual nature both soul and body (as stated in Surah Al-Hijr verse 29 and Surah Al-Mukminun verses 12-14). Allah has created human for the purpose of worshipping him (Surah al-Zariyat verse 56) and to obey him as God which in conformity of the nature of man (Surah al-Ruum, verse 30).
Nevertheless, such perfect creature is not only entrusted with the trust as vicegerent of Allah in the worldly life, but they are paired with negative attributes.

Negative attributes are not meant to degrade the stature of human as vicegerent of Allah. There are meant to reinforce the executive of duty as vicegerent of Allah. The negative attributes of human, namely, weak, greedy for power and wealth, oppressive and ignorance, stingy and miserly, impatient, forgetful, rash and hasty, selfish, restless and love possessions, quarrelsome, and ungrateful, are weaknesses and strengths simultaneously. For instance, greedy for power and wealth and restless and love possessions require human to create and sustain superior value to outcompete the rest of human society in order to retain the leadership and influence. Figure 1 highlights from the Qur’an about human’s negative attributes.

Figure 1: Highlights from the Qur’an on Human’s Negative Attributes

The internal factors of organizations provide capability to be innovative in ensuring the competitiveness and sustainability. Being quarrelsome is advocating for optimization of resources. In the context of human as insan, who has the inclination of forgetfulness, are likely to move towards competitive disadvantages such as disobedience, injustice and ignorance (Surah Al-Ahzab, verse 72). However, Allah has supplied human with the faculties of right vision and apprehension so that human will strive for right choice (Surah Al-Balad, verses 8-10).

Competing tasks may be challenging, but can be rewarding in the Hereafter. Human assumes two roles simultaneously, namely servant of Allah (Surah Al-Zariyat verse 56) and vicegerent of Allah (khalifah) (Surah Al-Baqarah verse 30). Both roles are embedded as trust (amanah) which is guided (huda) by the Qur’an to help human attaining to truth and right conduct and to discharge man’s duty according to the Will and Pleasure of Allah (Surah Al-Ahzab verse 72).

The understanding of human nature is essential. Hassan (1990, p.33) emphasizes that understanding of the nature of man is pertinent in managing a firm, especially when the firm requires absolute stewardship from man. The reason man must understand his nature is because man will recognize his origin, his creation, his duties and roles, his strengths and
weaknesses, his enemies and competitors, his actions and decisions, and the ultimate objective of his life.

Hassan (1990, p.37) further elaborates on the dual functions on man as servant of Allah as well as vicegerent of Allah should be aware of those negative attributes and behaviors because Allah has guided man with Qur’an, Prophetic teachings (sunnah), reason (‘aql) and skills of using his intellectual capability to differentiate between good and bad (Surah Al-‘Adiyat verses 6-8). Therefore, man’s carelessness and inattentive about the bad deeds may degrade his level of awareness. Hence, the absence of faith (iman), knowledge/skill (‘ilm), and good deeds (‘amal soleh) will be empowered by the evil guidance and overpowered by greediness.

In sum, man and firm have a strong relationship. A weak man will make a firm performs poorly and vice-versa. The fact that firm serves the form while a man serves the substance, hence strong substance will consolidate a firm to serve a strong form and vice-versa. Therefore, man must understand his nature so that he can serve strong substance to a firm.

The Heart of Man and His Firm

Man has a lot of negative attributes that hinder him from flourishing the earth with the tawhidic paradigm. One of negative attributes is his greediness. Man’s greediness is caused by his jealousy (Hassan, 1990). The greediness is common to normal human, but can be serious when it became dysfunctional.

Jealousy is a disease of the heart. It is, perhaps, one of the oldest problems of human beings. Some Islamic scholars say that this is the first sin that was committed. When Allah said to the angles to bow down to Adam, Iblis refused to bow because he was jealous of the honor that Allah gave to Adam.

He said to Allah, “Do You see? This one whom you have honored above me, if You give me respite to the Day of Judgment, I shall surely bring his descendants under my sway, all but a few.” (Surah Al-Isra’ verse 62).

He then tempted Adam and his wife Hawa -peace be upon both of them. They repented and Allah forgave them, but then when they came to this earth they had two sons; Abel and Cain. Cain killed his brother because of jealousy (Surah Al-Isra’ verse 62).

Jealousy is called “hasad” in Arabic and in the Qur’an and the Sunnah of the Prophet - peace be upon him- there is ample guidance to save us from jealousy and its harmful effects. Jealousy is that you hate to see anything good in or with another person and you wish to see that person loose that good thing.

However, if you see something good in or with another person, and you also want the same thing for yourself, without hating the other person, or wishing that person to loose that good thing, then this is not called jealousy in Islam. Islam allows competition in goodness. Islam allows that people try to excel and do things better, but without getting involved in hatred and jealousy and without wishing bad things for others.

Whether it be money, power, fame or lust, all material things are finite. It is for this reason People normally get jealous about material things. One should try to pay less attention to material things and more to spiritual things. The spiritual things are infinite and unlimited. There is no fear that if one has something spiritual then the other may not have it, and may have it less. So there is no jealousy in spiritual things. That is why it is said that there will be no jealousy in Paradise. Imam Ghazali, a great Muslim ethical thinker, philosopher and ‘Alim, he said that jealousy is often caused by:

a. Enmity (bad feeling): one has animosity for a person or group and does not want to see anything good to happen to that person or group.
b. **Ambition**: It hurts a person to see someone else ahead or above him/her.

c. **Pride and Arrogance**: When a person is self-conceited and arrogant, he/she feels very jealous to see anyone else going ahead or doing better.

d. **Astonishment** (amazement): Some time a person feels astonished that another person could do better than him/her. He/she feels surprised: ‘how come that person became so rich, so successful, so popular etc.

e. **Fear**: Fear that if another person would have such and such thing and then he/she may not have it.

f. **Desire for power and prestige**: Some time a person becomes jealous, because he/she wants to make oneself great by putting others down.

g. **Evil nature and avarice (greediness) of the heart**: Some people just do not like to see others happy. They want to see the whole world in misery and difficulty except their own selves.

Normally, jealousy occurs among the people who know each other. It happens among the siblings, among the family members, people of the same profession and age. A Muslim must always keep in mind that jealousy is forbidden (haram). The Prophet -peace be upon him- said, "Do not be jealous of each other, do not boycott each other, do not hate each other, do not contrive against each other. Be all of you brothers to each other, O Servants of Allah."

Jealous people live under stress and unhappiness. They often ruin their own health, their firms and live a miserable life. A hadith authenticated by Al Bukhari, Muslim and Ahmad from Abdullah Bin Omar, may Allah be pleased with both of them, who said that the Prophet, Peace and Blessings be upon him, said:

"Verily, each one of you is a guardian (shepherd), and each guardian (shepherd) is responsible for his subjects (flock); the emir who is in charge of people is a guardian for them and he is responsible for them; the husband is likewise a guardian of his household and he is responsible for it; similarly, the wife is a guardian of her husband's home and children and she is responsible for them; the servant is a guardian of his master's wealth and he is responsible for it; therefore, each one of you is a guardian, and each one of you is responsible for his subjects" (Narrated by Al Bukhari and Muslim)

**Relationship between Man and His Firm**

After discussing about man and his firm, the ‘bilateral’ relationship between man and his firm is crucial in determining the success and failure of a firm. Man serves the role of substance (spiritual dimension) while a firm serves the role of form (physical dimension). Instability of any of the elements may affect the performance of a firm. Therefore stability of environment would not support any business firm if the substance is not ready the react on the opportunity.

Strategists or planners use sophisticated analytical tools to understand the business environment, but if the decision makers declined, nothing could be done to seize the opportunity. Sometimes maintaining relationship with organizational stakeholders can be essential if they could affect the organizational and strategic performance. Stake holder’s relationship management for both internal and external are essential to manage the dynamism of the business environment and the situation in organizations.

**Applying the Concepts into Practices**

Doing business is just like participating in a battlefield. Preparation is very much needed before anyone could declare a battle or to participate in a battle. In this segment, the author would like to relate the competitive strategy of Porter (1980) and the Prophet Muhammad PBUH’s military strategy and leadership.
There are generic competitive strategies that are based on the competitive advantage inclination and the size of the market. Porter (1980) highlights three basic generic competitive strategies, namely cost leadership, focus and differentiation. These three strategies are determined by the composition of a firm operating business environment. Since the generic competitive strategies derived from the market, the competitive strategies are market-driven strategies. Therefore, well comprehension of business environment is very essential to launch the most strategic competitive strategy.

The elements of market and military tactic are apparent in both market-based and military tactical-based strategies. The Porter’s (1980) strategies are market-based strategy. According to Hassan (1990), Prophet Muhammad PBUH’s war strategies are field-based strategy. Prophet Muhammad PBUH employed field-based strategy to minimize losses and maximize chances of victory. Likewise, Porter (1980)’s market-based strategy is to optimize resources for maximum possible financial and strategic performance.

Indeed, Hassan (1990) argued that Prophet’s military leadership attributes in battlefield are visible in a few situations, which are related to market. Firstly, there is a need for the military to make preparation for the battlefield. Before launching any war, Prophet did a lot of preparations (mental, physical, spiritual and intellect). Indeed, the similar requirement is required for the market-based strategy. Secondly, there is a need for secrecy. Prophet was very meticulous about the secret of his war plan. Even to his close companions. Prophet Muhammad PBUH would announce the war plan when the war was about to start. Thirdly, there is a need to use various skills. Due to different geographical environment, Prophet used various skills to enable his military strategies, which is resembled to the market. Finally, there are a few things such as rational forces, mobility (speed and surprise), psychological facts, intelligence and commando, and inspiration from the divine guidance (Qur’an).

Business Strategies and Prophet’s Battlefield Strategy in Business Strategy

Prophet Muhammad PBUH has played vital role in ensuring the victory of wars between Muslims and the unbelievers in Mecca and Medina. The victory of wars was not entirely determined by the sound logistic preparation but rather it was colored and shaped by the strong conviction of Muslims towards Islam. This well-constructed attitude towards Islam was not built overnight but rather over a blistered-decade to ensure the conviction is deeply cultivated. Therefore, the role played by the Prophet was not to teach them on how to confront the enemies in war but rather ensuring the faith and the religion are well-protected.

DISCUSSION

The understanding of the Qur’anic way of human action and reaction can be explained by the hadith of the Prophet PBUH and the interpretation within and among verses in the Qur’an. This context is justifiable when this study used qualitative method through content analysis of selected Qur’anic verses and a few literatures related to the topic of the paper. This is in line with the aim of this paper is to explore generic competitive strategies from Qur’anic perspectives as alternative view to the subject of strategic management. The Qur’anic approach provides alternative paradigm of strategic management from the selected verses of the Qur’an. It is not to reinforce the existing knowledge and literature on strategic management. The core of Qur’an is about the reality of human in the context of organization. The Qur’anic approach is to examine for potential area of purification from the understanding Islam into the organizational realities. When comes to practices, human plays a vital role in integrating Islam into organizational realities. Hence, the most apparent element that needs to be purified is man who is managing, coordinating, and making the objectives a successful
reality. The Qur’an has outlined ways and means of managing competitiveness that established justice, fairness and harmony.

CONCLUSION
The Qur’anic perspective on competitive strategies is central to the attributes of human who has duality roles as servants and viceroyents of Allah. While competitive strategies are scientific and positivism in nature, the implementation is imbued with values and attitudes of human. The science and art elements are presented in the Qur’anic point of views. Before going deeply into the crafting of competitive strategies, the Qur’anic approach is heavily on the nature of human. A lot of verses in the Qur’an are elaborating them in different contexts and situations.

REFERENCES