



UNIVERSITAS INDONESIA
FACULTY OF ECONOMICS AND BUSINESS
UNDERGRADUATE PROGRAM OF BUSINESS ISLAM

SYLLABUS

**BISNIS ISLAM (ISLAMIC BUSINESS)
(ECIE603002)**

SEMESTER 2 2015-2016

No.	Lecturers	E-mail Address
1	<u>Dr. Evony S. Violita, Ak., CA.</u>	evony.silvino@gmail.com

Subject Code	ECIE603002
Subject Title	Islamic Business
Credit Value	3
Year	3
Pre-requisite/ Co-requisite/ Exclusion	Introductory of Business (ECMU601001)
Role and Purposes	<p>This subject aims to support students to understand ethics and business management in Islamic perspective. Students are expected to explain factors underlying the business decision in Islamic perspective and to understand the way doing business according to Islamic shariah. This subject is discussing the concept of business, philosophy and ethics in business, how to form business organization and syarikah and management functions (marketing, human resources, finance, human resources, and contemporary issues). Through some cases and self searching, students are expected to learn more about the Islamic business practice and recent issues of business decision making.</p>

Subject Learning Outcomes	Upon completion of the subject, student will be able to: a) Explain the business management and ethics as well as factors to take decisions in Islamic perspectives; 1) Describe basic concepts in Islamic Business related Islamic perspective of business (C2) 2) Describe <i>maqasid al-shariah</i> approach in Islamic business (C2) 3) Describe and explain ethics and good corporate governance in Islamic Business (C2) b) Demonstrate and explain how business is run based on Islamic shariah and identify the contemporary business development in Islamic business. 1) Describe syirkah and the development of Islamic industry (C2) 2) Identify how management functions applied in Islamic business, including human resources, financial management, strategic management, and value chain management (C2). 3) Describe Islamic entrepreneurship and real case in contemporary Islamic business (C2) c) Students demonstrate well-developed critical thinking based on theory/knowledge 1) Demonstrate to deliver key idea or point 2) Demonstrate evaluate, analysis and comparison alternatives choices 3) Demonstrate to justify an argument or solution with supporting evidence/ relevant 4) Able to draw conclusion d) Communicate clearly and concisely in writing business/academic report 1) Express ideas logically and deliver content accurately 2) clear and precise use of language 3) formally of business/academic writing e) Communicate clearly and concisely in presentation and discussion 1) Able to clearly deliver content with logical structure 2) Use of body language, eye contact and voice tone at appropriate pace 3) Use of visual aids or technology		
Subject Synopsis/ Indicative Syllabus	Week	Material	Reference
	1	Basic Concepts of Shariah and Business <ul style="list-style-type: none">• Concept of shariah• Islamic World View• Relationship to God and Human in Islamic perspective• Approach of Islamic Law (shariah)	MA: chapter 2 (7-17), chapter 4 (29-39)

		<ul style="list-style-type: none"> • Basic Concept of Business in Islam 	
	2	Concept of Business in Islamic Perspective <ul style="list-style-type: none"> • Importance of Shariah in Business • Prohibited transactions in Islamic shariah • Freedom in Economy • Concept of 'Adl (Justice, Equilibrium, Equation) • Approved and Disapproved Business 	AJA: chapter 1 (1-16); 50-52. MA: chapter 7 (75-100); chapter 8 (102-126)
	3	Approach of Maqasid al-syariah in Business <ul style="list-style-type: none"> • Concept of wealth: maal, ownership, barakah, falah, rizk. • Concept of Maslahah • Cycle and distribution of Wealth • Importance of <i>maqasid al-syariah</i> in business • Maintaining justice in Business • Principle of Equilibrium • Right to Own and to Earn • Transparency and Recording in Business • Develop and Invest Assets • Avoiding moral hazard 	MA: chapter 5 (41-51) AL: chapter 4 (79-117)
	4	Ethics in Islamic Business <ul style="list-style-type: none"> • Define, concept, and Coverage of Ethics • Factors that Influencing Ethics • Islamic Ethics • Islamic Business Ethics (IBE) • Ethics in Modern (Western) Business • Ethics of Related Party in Islamic Organization 	RIB: 1-30 MA: chapter 9 (127-141) AJA: 63-72 AL: 301-318 KA: 314-327
	5	Corporate Governance in Islamic Institution <ul style="list-style-type: none"> • Importance of Social responsibility • Organization Ethics (Perspective of stakeholders-inlcuding environment) • Concept of social responsibility and corporate governance • Managing social responsibility • Concept of maslahah 	RIB: 38-63

	6	Syarikah (Musyarakah) in Contemporary World <ul style="list-style-type: none"> • Law and History of Syirkah • Types of syirkah • Form of Islamic Syirkah in modern world • Syirkah in corporation • Musyarakah and Relation go real economic sector 	HM: chapter 2-3(19-79) HM: chapter 7
	7	Islamic Industry <ul style="list-style-type: none"> • Halal Product • Islamic business Process • Islamic life style • Travel, food, clothing, and leisure industry • Islamic Business Process 	SGIER FAO
	8	Submission of group paper of LO a1-a3.	
	9	Marketing Management in Islam <ul style="list-style-type: none"> • How to Create Market • Basic Law of Practicing Marketing in Islamic Perspective • Marketing Mix in Islam (<i>Product, Price, Place, Promotion, people, process and physical</i>) • Promotion mix in Islam 	SA2012 AH2011 AS1996 MA2010
	10	Financial Management in Islam <ul style="list-style-type: none"> • Financial Instruments for Working Capital • Financial Instruments for Capital Budgeting • Financial Instruments for Capital Structure Financial Management for Mikro Finance	KA: part 3, Chapter 16, chapter 17
	11	Human Resources Management <ul style="list-style-type: none"> • Phylosophy of Human Resources in Islam • Human Resources Motivation • Managing Cultural Influence in an Organization • Wages • History of Leadership in Every Era • Leadership Model in Islam 	

	12	Strategic Management <ul style="list-style-type: none"> • Strategic Management in Islamic perspective • Culture and Strategic • Process of Strategic Decision Making Case study (case will be taken from the book of Strategic Management from an Islamic Perspective – chosen by the lecturer) <ul style="list-style-type: none"> • 	FA
	13	Value Chain in Islam <ul style="list-style-type: none"> • Definition of Value Chain in Islam • Types of Value Chain in Islam 	OJ2011 Tieman2015 Tieman2012 VB2001 FAO
	14	Entrepreneurship in Islam <ul style="list-style-type: none"> • Islamic Spirituality and Entrepreneurship • Microproducer, Entrepreneur and the Business owner: Opportunity and Threat • From TQM to Quantum Quality 	KA Part 4 page 355-366 KA page 425-439
	15	Managing Islamic Business <ul style="list-style-type: none"> • Experience in forming a new business and start focusing in Islamic business • Experience in implementing Islamic based management function Threat and opportunities in Islamic industry	
	16	Submission of case study	
Teaching/Learning Methodology	<p>Learning process in this subject mostly delivered through collaborative learning method. Students should be in group (5-6 group/class) to complete these assignments:</p> <ol style="list-style-type: none"> 1. The students should search materials from several text books recommended and added with self search to be able to answer the given trigger questions. Groups in turn will present the group discussion about the answer of the trigger question for the CL process. 2. Prepare paper for final project about a case in an Islamic financial institution or company that is practicing Islamic Management or company that promotes halal products. Case can be of the problems that company faces or any cases related to the subject materials. The main sources of 		

	the paper is a company visit contain the threat and innovation in the company relevant to the subject materials. The report should be in Times New Romans of 12 points. Paper is developed in a format of Universitas Indonesia.							
Assessment Method in Alignment with Intended Learning Outcomes	Assessment	% weight	intended learning outcomes to be assessed					
			a1	a2	a3	b1	b2	b3
	continues assessment							
	GROUP	(40%)						
	Short report 1-5	20%	4%	4%	4%	4%	4%	
	Paper	20%			10%		10%	
	INDIVIDUAL	(60%)						
	mindmap	15%	3%	3%	3%	3%	3%	
	On-line quiz	15%	3%	3%	3%	3%	3%	
	participation	15%	3%	3%	3%	3%	3%	
	Case study +presentation slide	15%						15%

<p>Reading List and References</p>	<p>Required Readings:</p> <ol style="list-style-type: none"> 1. Ahmad, Mushtaq ((1995), Business Ethics in Islam, The International Institute of Islamic Thought and The International Institute of Islamic Economics, Pakistan (MA). 2. Ahmad,Khaliq (2008), Management from Islamic Perspective, Principles and Practice, International Islamic University Malaysia (KA). 3. Ali, Abbas J. (2005), Islamic Perspectives on Management and Organization, Edward Elgar Publishing Ltd., Cheltenham, UK (AJA1) 4. Fontaine, Rodrigue, & K. Ahmad (2013), Strategic Management from an Islamic Perspective, Text and Cases, Wiley & Sons, Singapore (FA). 5. Ali, Abbas J. (2014),-----, (AJA2) 6. State of the Global Islamic Economy Report 2015/2016, Thomson Reuters (SGIER) 7. General Guidelines for Use of the Term “Halal”, FAO (FAO) <p>Supplementary Readings:</p> <ol style="list-style-type: none"> 8. Hasanudin, H. Maulana dan H. Jaih Mubarak (2012), Perkembangan Akad Musyarakah, Kencana Prenada Media Group, Jakarta (HM) 9. Beekun, Rafiq Issa (1997), Islamic Business Ethics, The International Institute of Islamic Thought, Human Development Series No.2 (RIB). 10. Lahsasna, Ahcene (2013), Maqasid al-Shariah in Islamic Finance, IBFIM, Kuala Lumpur (AL). 11. Ahmad, Khaliq, Rafikul Islam, dan Yusof Ismail (2012), Issues in Islamic Management: Theories and Practices, IIUM Press, Selangor, Malaysia (AII) 12. Temporal, Paul (2011), Islamic Branding and Marketing. Creating a Global Islamic Business (PT) 13. Abuznaid, Samir. 2012. <i>Islamic Marketing: Addressing the Muslim Market</i>. An-Najah Univ. J. Res. (Humanities). Vol. 26(6), 2012 (SA2012) 14. Alom, Md. and Haque, Md. 2011. <i>Marketing: An Islamic Perspective</i>. World Journal of Social Sciences Vol. 1. No. 3. July 2011. Pp. 71-81 (AH2011) 15. Anwar, Muhammad and Saeed, Muhammad. 1996. <i>Promotional Tools of Marketing: An Islamic Perspective</i>. Intellectual Discourse, 1996, Vol 4, No 1-2, 15-30 (AS1996) 16. Arham, Muhammad. 2010. <i>Islamic Perspective on Marketing</i>. Journal of Islamic Marketing, Vol. 1 Iss 2 pp. 149-164 (MA2010) 17. Omar, E. and Jaafar, H., 2011. <i>Halal Supply Chain in the Food Industry – A Conceptual Model</i>. (OJ2011) 18. Talib et al., 2015. <i>Halal Supply Chain Critical Success Factors: A Literature Review</i>. Journal of Islamic Marketing (Tieman2015) 19. Tieman, et al. 2012. <i>Principles in Halal Supply Chain Management</i>.
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	<p>Journal of Islamic Marketing, Vol. 3 Iss 3 pp. 217-243 (Tieman2012)</p> <p>20. Van der Vorst, J., and Beulens, A. 2002. <i>Supply Chain Management; Theory and Practices</i>. (VB2002)</p>
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