Malaysian Islamic quality management system MS1900: an implementation steps at Malacca Zakat Center

1. Introduction
Malaysia is a Muslim country that has achieved a lot of success either in the field of development, economic or even social. Malaysia is the founder of the Islamic financial system that is increasingly globally popular. Malaysia is also a precursor to the Islamic-based quality management system when the government launched the Islamic Quality Management System MS1900 in 2005. The quality system underlined three (3) objectives (SIRIM, 2005):

i. To inculcate Shari’ah requirements into quality management practices with an emphasis on value-based management.

ii. To enhance the level of effectiveness and efficiency through the practice of universal good conduct at all levels of the organization.

iii. To enhance the level of Shari’ah compliance and confidence among Muslims and stakeholders

MS1900 is developed using ISO 9001 as its basis. MS1900 is a structured system to assist organizations in delivering products and services that meet customers’ requirements, as well as regulatory requirements and the dictates of Shari’ah. The Shari’ah requirements are included as an addition to the requirements of ISO 9001, and aim to close the gap that exists in the ISO 9001 standard in relation to the Islamic perspective (Long, 2008). There are three (3) main areas within any Shari’ah requirement. They are ‘Aqidah’, which is the belief system, ‘Akhlāq’, which are behavioural traits, and ‘Fiqh’, which refers to dealing or interaction with fellow human beings, the environment and religious observance (Othman, 2013).

MS1900 was initiated under the Malaysian Industry Standards Committee on Halal Standards, (MISC I) (Bernama, 2010). MS1900 has attracted considerable attention for implementation from many Malaysian organizations. There are many organizations in Malaysia implementing MS1900 in their endeavour to obtain MS1900 certification (Malaysian Certified, 2016). Apparently, the interest to implement MS1900 in Malaysia is quite momentous. Currently, there are 23 organizations that have successfully obtained MS1900 certification. Despite the enthusiasm towards MS1900 quality management system, so far, only few empirical study was conducted to find details on the implementation process of MS1900 (Sarion et al., 2014, Hasliza, 2015, Hasan Al-Banna, 2015) and it’s challenges (Hasan Al-Banna et al., 2013, 2014). Therefore, there is a need to study on how MS1900 is implemented in certified organizations.

2. Issues in Zakat management in Malaysia
Islam arrived in the Malay Archipelago in the 13th century. The history of Zakat in this country also began from this date. Up till now, the administration of Zakat in Malaysia has undergone many improvements in terms of infrastructure, human capital, delivery system and governance transparency (Ab Rahman et al., 2012). However, there are still issues that need to be tackled to ensure that the administration of zakat is moving on the right track to cater to the needs of the community especially the entitled Zakat recipients from the eight (8) categories of people (Asnaf), as stated in the Qur’an which means:
"The alms are only for the poor and needy, and those who collect them, and those whose hearts are to be reconciled, and to free the captives and the debtors, and for the cause of Allah, and for the wayfarer; a duty imposed by Allah. Allah is knower, wise." (Surah al-Tawbah, verse 60).

Zakat institution in Malaysia faces many problems. Abd Wahab and Abdul Rahman (2011) revealed many weaknesses of the Zakat institutions, especially in respect of distributing the funds and a lack of proper governance mechanism. According Ab Rahman et. al. (2012), bureaucracy and inefficiency especially in distribution aspect and is the main problem faced by the institution of Zakat. In this regard, Wahid et al. (2009) revealed that many Zakat payers are not satisfied with the distribution of Zakat.

The issue of low level of confidence in the Muslim community to Zakat institutions is rather alarming. Zakat governance that not transparent alleged to be one of the contributing factors to this problem (Hussain, 2012). This problem may be linked to attitudes of Zakat payers who prefer to distribute Zakat by themselves (Makhtar and Abdul Wahab, 2010). Although many agrees that Zakat has huge potential in alleviating poverty, recent situation and research reveals that a lot of issues need to be resolved in order to meet the objective (Ahmad Nadzri, 2012). Therefore, Wahid and Ahmad (2014) argued that Zakat management must be delivered in a professional manner so that it can enhance the confidence of Zakat payers.

Zakat institutions in Malaysia have begun incorporated in 1991. The corporatization program allows Zakat institutions to be managed professionally. Zakat institutions that professionally managed have successfully improved the management of Zakat. It also has increase the amount of Zakat payments drastically. Actually, many improvements have been delivered in Zakat institutions. Therefore, various parties have to put confidence and trust in Zakat institutions (Makhtar and Abdul Wahab, 2010). Zakat payers’ confidence to Zakat institutions is influenced by certain factors. Wahid and Ahmad (2014) explains that efficient and quality services are the factors affecting the level of confidence amongst Zakat payers to Zakat institutions. Meanwhile, Abdul Wahab and Borhan (2014) found that quality of services and good governance affect the payment of Zakat in Malaysia. Zakat institutions function is very important because it is responsible for collecting and distributing Zakat effectively. If these institutions fail to function properly, then the Zakat management as a whole will not succeed.

The above discussion shows that Zakat institutions dealing with various problems. One of the problems is low level of confidence of Zakat payers to zakat institutions. The discussion also showed that the confidence level of Zakat payers affected by quality of services provided by zakat institution. The literature shows that there is a need to conduct a study on the quality program in Zakat institutions in Malaysia. The literature also indicated that only a few empirical studies were conducted in regard to Islamic Quality Management System MS1900 implementation. Therefore, objective of this study is to explore the steps carried out in the implementation of MS1900 in Zakat institution in Malaysia that is Malacca Zakat Center.

3. The Principles of the Malaysian Quality Management System MS1900 from an Islamic Perspective

Embedding Islamic elements through the Shari’ah requirements in MS1900 is the first ever effort done in the world by Standard of Industrial Research Institute of Malaysia (SIRIM) under the responsibility of Department of Standards Malaysia (DSM), Ministry of Science, Technology and Innovation in 2005. It includes three (3) major principles which are compliance to the principles of *Halal* and *Haram*, organizational operation based on values and action taken is in
line with the objectives of Shari’ah (Maqasid Shari’ah) (Basir and Azmi, 2011). This can also be seen in the Qur’an’s characterisation of itself as “a healing to the (spiritual) ailments of the hearts” and “a Guidance and Mercy” for the believers and mankind (Surah Yunus, verse 57). It seeks to eliminate prejudice, alleviate hardship and establish justice through the realisation of Maslahah (Benefit) in communal life. Justice as a value or primary objective of the Shari’ah is mentioned in the Qur’an fifty-three times. ‘Adl literally means to place things in their right and proper place. As a fundamental objective of the Shari’ah, is to seek to establish equilibrium between rights and obligations, so as to eliminate all excesses and disparities, in all spheres of life.

3.1 Compliance to the principles of Halal and Haram

In the Islamic law (Shari’ah), no management program, product or service should contradict the principles of Halal and Haram. Halal and Haram is a Quranic terms. Halal derived from the Arabic term, hala means allowed, lawful or permitted and Haram is the opposite term derived from the Arabic term, haruma which means unlawful or prohibited (Al-Qaradawi, 1986). Thus, Muslims are prohibited to consume products or foods and deliver and operate services that are not in comply with Shari’ah (Basir and Azmi, 2011). This prohibition is to secure human body and soul with best products (Halalan Thaïyyiba) and living environment. Halal and Haram are clearly explained in al-Qur’an, al-Hadith and Ijtihad by Muslim scholars (Al-Qaradawi, 1986). Allah SWT said to all human: “O Mankind! Eat of what is permissible and good on earth, and do not follow the footsteps of Satan; truly he is an open adversary to you” (Surah al-Baqarah, verse 168).

In another verse, Allah SWT addressed the believers by saying: “O You who believe! Eat of the good things that We have provided for you, and be thankful to Allah if it is He alone whom you worship. Indeed, what He has forbidden to you is the flesh of dead animals and blood and the flesh of swine, and that which has been sacrificed to anyone other than Allah. But if one is compelled to anyone by necessity, neither craving (it) nor transgressing, there is no sin on him; indeed, Allah is Forgiving, Merciful” (Surah al-Baqarah, verse 172-173). While, the Prophet Muhammad SAW said: “What Allah has made lawful in his Book is Halal and what He has forbidden is Haram, and that concerning which He is silent is allowed as His favor. So accept from Allah His favor, for Allah is not forgetful of anything. He then recited, “And thy Lord is not forgetful” (Al-Bukhari, 2003).

Therefore, products and services that are offered by organizations must comply with the principles of Halal and Haram to enable them to acquire MS1900 certification (Basir and Azmi, 2011). This means that the organization has to ensure that non-Halal food including pork and its by-products, animals improperly slaughtered or dead before slaughtering, animals killed in the name of anyone other than Allah (God), alcoholic beverages and intoxicants, carnivorous animals, birds of prey and land animals without external ears (such as snakes, lizards, reptiles, crocodiles, insects and worms), blood and blood by-products foods contaminated with any of the above products should not be served to customers. Scope of this standard is to prescribe practical guidelines for the food industry on the preparation and handling of Halal food (including nutrient supplements) and to serve as a basic requirement for food product and food trade or business in Malaysia (Halal World, 2016). Al-Jurani in the book of al-Ta’rifat states that Halal is the ability to use something that is required to meet the physical needs, including in the food, beverages and medicines (Al-Zuhayli, 1989). With Halal compliance, this standard can also support in avoiding Shubhah (means suspected, doubtful or questionable) matters. While many things are clearly
Halal or clearly Haram, there are some things which are not clear. These items are considered questionable or suspect and more information is needed to categorize them as Halal or Non-Halal. Such items are often referred to as Shubhah or Mashbuh, which also suspected. It is reported by Bukhari, Muslim, Abu Daud, Ibn Majah and Darimi that the Prophet SAW said: “What is Halal is clear. And what is Haram is also clear. And in between those two is a dubious area in which many people do not know about. So whoever distanced himself from it, he has acquitted himself (from blame). And those who fall into it, he has fallen into a state of Haram”.

In addition, this concept also provides for a prohibition on the sale of items, where their characteristics or existence are not certain or under contract terms that are unclear. This would make an insurance contract or the granting of a purchase option contract unlawful. The Islamic prohibition of gambling (Maysir in Arabic) disallows dealing in futures and options that are speculative. Indeed, organizations should not be involved in the prohibition against interest (Riba) and uncertainty (Gharar) which are not allowed in Islam based on the principle of fairness and justice (al-‘Adl) (Abdur Rahman, 1984). Besides that, the procurement process must be transparent and equal opportunity and assessment must be given to all applicants.

3.2 Organizational operation based on values
The components of morality and a value system are given the highest priority in Islam (Basir, 2001). It is known as Akhlaq. Indeed Islam is also define by the Prophet as good behaviour and learning Akhlaq is considered as obligatory knowledge to all strengthen the primary of values and morality in Islamic practice (Sharifah Hayati, 2010). In customary matters and interpersonal relations, the Shari’ah encourages al-Rifq (gentleness), Husn al-Khulq (pleasant speech and conduct) and Ihsan (fair dealing). According to Juozas (2012) the orientation towards the value of quality is a new trend of modern quality management sciences. The author added that the quality value orientations (national, social, religious, government bodies, market participants, and consumers) and quality culture are quite significant in the global economical alliance and trade, as well as in the international communication on the business, scientific or personal level (Juozas, 2012).

Any organization that aims to acquire MS1900 certification should make certain that the values executed in the organization do not oppose Islamic values. Organizational values such as greed, selfishness, practice corruption, non-transparency, and slander must be eradicated, as these values will have a harmful consequence on any organization. In contrast, organizational values that are in line with Islamic values such as teamwork, benevolence, striving for excellence, honesty, and tolerance must be ploughed (Basir and Azmi, 2011).

3.3 Decision or action taken in line with the “Objective of Shari‘ah (Maqasid Shariah)”
Maqasid al-Shari‘ah means way of life (Shari‘at), as provided by Allah SWT, the objective of which is to preserve humankind’s sanctuary. The Shari‘ah, on the whole, seeks primarily, to protect and promote these essential values, and validates all measures necessary for their preservation and advancement. The Muslim scholars have classified the entire range of Maqasid into three (3) descending categories of importance: the Daruriyyah (the essential), the Hajiyiyah (the complementary) and the Tahsiniyiyah (the desirable or the embellishments). The essential Masalih are enumerated as five (5), namely life, intellect, faith, lineage and property. Al-Zuhayli says that there are five (5) Shari‘ah obligations in regards to humankind (Al-Raisuni, 1995):

i. Safeguarding of faith
ii. Safeguarding of life
iii. Safeguarding of intellect
iv. Safeguarding of lineage
v. Safeguarding of wealth

In fact, al-Qaradawi has further extended the list of the Maqasid to include human dignity, freedom, social welfare and human fraternity among the higher Maqasid of the Shari’ah. According to Al-Zaidan (2006), Maqasid Shari’ah refers to an act of achieving and protecting the benefits and good (Masalih) for the sake of human beings. Likewise, Imam al-Ghazali (1993) also describes Maqasid Shari’ah in a view that benefits (Masalih) that should be consistent and in line with the objective of the Shari’ah, since the basic purpose of Islamic legislation is to protect the interest of people against harm (Mafsadah).

Any organization that aims to obtain MS1900 certification has to ensure that any decision engaged must be in agreement with Maqasid al-WShariah. For instance, if any decision taken by managers could spoil the Muslim faith, the organization is not qualified to get MS1900 certification (Basir and Azmi, 2011). In addition, the value in MS1900 process such as listening to customer needs is in line with the concept of Maslahah and the practice of al-Syura (mutual consultation) in Islam.

4. MS1900 implementation process

Islam views that quality management system is a holistic system which encompasses every aspects of human life. Hence, many organizations will find it beneficial to set up quality management systems based on Islamic principles (Othman, 2013). This section discusses the steps that should be carried out in ensuring the successful implementation of MS1900.

Case study carried out by Sarion et al. (2014) in Malaysia Airports Consultancy Services (MACS) showed that there are three (3) steps in implementing MS1900, namely the support of top management, to ensure the organization is fully prepared and, to provide training that emphasizes the values and the basic rules in Islam. Another case study conducted by Hasan Al-Banna (2015) in Malaysian public and private higher education institutions revealed that MS1900 implementation process involves nine (9) steps of developing an understanding of MS1900; establishing a quality committee, the responsibility of management, resource allocation, customer feedbacks, internal audits, external audits, management review and continuous improvement activities. Meanwhile, Hasliza (2015) found analyzing gaps, developing quality group, documentation and audit as steps have been employed in implementing MS1900 in Malaysian Department of Waqf, Zakat and Hajj.

Meanwhile, Basir and Azmi (2011) explained that the MS1900 implementation process can be carried out by integrating five (5) steps in the ISO 9001 implementation process with the Shari’ah elements embedded in MS 1900 requirements. The five (5) steps are as follows:

4.1 Understanding the MS1900

The understanding of MS1900 must be ensured prior to its implementation. As such, training in regard to MS1900 must be emphasized. All top managers, middle managers and employees that are working for the organization must be given sufficient training on Halal and non-Halal aspects of processes, products and services (Basir and Azmi, 2011).

4.2 Documentation
As stated in MS1900 requirements, the managers should identify and document procedures that require Shari’ah compliance in a manual. Nevertheless, the placement and storage of documents that contain Qur’anic elements must be observed (Basir and Azmi, 2011).

4.3 Demonstrate commitment
MS1900 states that the management should consider Shari’ah requirements in financial management, human resource management, procurement procedures, production and marketing. In this case, the managers have to ensure that organizations are not involved in financial transactions that are prohibited in Islam. Therefore, financial transactions that involve riba (interest) must be avoided (Basir and Azmi, 2011).

4.4 Quality policy
The management should ensure that the quality policy is Shari’ah compliant. As such, any quality policy that is not Shari’ah compliant must be avoided. The quality policy must be formulated vigilantly to ensure that it complies with Shari’ah requirements. (Basir and Azmi, 2011).

4.5 Audit and review the performance
The managers should monitor the continuous compliance with Shari’ah of the processes and products, as stated in MS1900 requirements. The managers should also collect and analyze appropriate data to demonstrate the Shari’ah compliance of the QMS and to evaluate continual improvement of the effectiveness of the system (Basir and Azmi, 2011).

From the above explanation, the model of the MS1900 implementation process is developed. The model demonstrates that MS1900 implementation entails three components, namely, the implementation steps of ISO 9001, the Shari’ah requirements in MS1900 and the MS1900 principles. Since the basis of MS 1900 is ISO 9001, organizations intending to obtain MS 1900 certification should implement ISO 9001 first. The ISO 9001 implementation process involves 13 steps. The ISO 9001 implementation process should be integrated with Shari’ah elements that are embedded in the MS1900 requirements. There are five (5) steps in the ISO 9001 implementation process that can be integrated with Shari’ah elements, namely (Basir and Azmi, 2011):

- Understanding the quality system.
- Documentation.
- Demonstrate commitment.
- Quality policy.
- Audit and review the performance.

The principles of MS1900 should be employed as a foundation of the MS1900 implementation process. There are three MS1900 principles, i.e. compliance with the principles of Halal and Haram, the organization operates based on values, and decisions are taken in accordance with the ‘Objectives of Shari’ah’ or Maqasid Shari’ah (Basir and Azmi, 2011). A model of implementation process of Islamic Quality Management System MS1900 is illustrated in Figure 1.
5. Methodology

The methodology of this study involved qualitative research design as suggested by Yin (2013). The research strategy employed is case study, also suggested by Yin (2013). Case study selected in this study is Malacca Zakat Center (MZC) which is located in southern part of peninsular Malaysia.

Semi-structured interview was employed as main data collection method, and it was triangulated with data collected from documents and observations. The study involved a total of 17 interviewees selected by purposive sampling strategy as recommended by Bryman (2001), which consisted of personnel directly and actively involved in the MS1900 implementation who are as the Top Management Officers, Managers, Shari’ah Officer, Members of Quality Committee, Internal Auditors and Staff. This strategy allows the researcher to sample purposefully and to make sure a wide range of interviewee characteristics (Bryman, 2001). Jones and Crompton (1988) argued that different levels of respondents may generate different or conflicting views, so that the author can then develop insights into the way the organisation functions. In this study, the interviewees were chosen from different categories and roles. Therefore, they were able to offer multiple sights regarding to subject studied, that is steps delivered in MS 1900 implementation.

While conducting interview sessions, researcher have explained the technical terms and jargon words of MS1900 to the interviewees. This is to ensure that interviewees truly understand the questions asked by the researcher. Researcher have been allowed to record the interview by using digital recorder. With that permission, the researcher has been able to devote full attention to the interview session without interruption for rewriting the answers of the interviewees. Each interview session lasts between 30 minutes to one (1) hour.

All the interviews have been transcribed into transcriptions wherein researcher only rewrites the important contents of the interviews. After that, data from transcriptions were analyzed using thematic analysis method. By using this method, the authors have managed to find themes relating to the steps delivered MS1900 implementation in MZC MS1900. The themes about the steps carried out in MS1900 implementation are explained and discussed in findings and discussion.

5.1 The background of the case study: Malacca Zakat Center (MZC)

Malacca Zakah Center (MZC) was established in 1996, in which before that the zakah management is handled by Malacca Computerised Zakat Counter (MCZC). Islamic Religious Council of Malacca (IRCM) through MZC was consigned to manage Zakat collection in effective and professional manner. Before MZC establishment, all related matters with zakah was managed by the Baitulmal which under the supervision of IRCM, whereby the job scope is more focused to manage and distribute Zakat based on the Enactment of Shari’ah Law Administration (Malacca Zakat Center, 2015).
This enactment is designed to replace traditional methods in which the religious teachers are entrusted to collect and distribute zakah. In early 1993, more streamlined system so-called Malacca Computerised Zakat Counter (MCZC) was introduced to manage Zakat collection effectively (Malacca Zakat Center, 2015).

MCZC’s name only lasted for three years and was renamed to MZC to show the seriousness of the IRCM in improving management systems for professional Zakat collection and distribution. MZC’s history carved again on 1st of April 2001, when it was corporatised and the task scope was divided, wherein MZC is responsible for Zakat collection only while Zakat distribution scope was assigned to the Baitulmal under the IRCM supervision. Since then, MZC started the move as an entity that is accountable to ensure zakah collection is managed professionally. Every individual Muslim also is given knowledge and awareness on zakah obligations. In September 2004, MZC had been certified with ISO 9000 certification. Meanwhile, in 2008, MCZ had been awarded with MS1900 certification. MS1900 implementation scope at MZC is zakah collection since it was MZC’s main responsibility (Malacca Zakat Center, 2015).

6. Findings & Discussion

The result of data analysis or research findings shows that there are 12 steps involved in the implementation of MS1900 in MZC. The steps are explained and discussed as follows:

6.1 Identifying gaps
The research findings showed that prior to the MS1900 implementation at MZC, research was conducted by the top management to identify management style practiced at MZC, and to compare the current management style at that time with requirements outlined by MS1900. From that research and observation, it was found that there is a need for MZC to commence MS1900 implementation. The main objective of MS1900 implementation at MZC is to improve management system and to cultivate quality culture which very much needed in a journey to accomplish excellency in management. Another objective is to prove that management system practiced at MZC is at par with management system implemented at other government or corporate entities in the state of Malacca, or in Malaysia at large. These findings are in line with Hasliza’s (2015) findings that is analyzing gaps between the existing management system and the requirements of MS1900 as the first step in implementing MS1900.

6.2 Understanding towards MS1900
According to Basir and Azmi (2011) and Hasan Al-Banna (2015), understanding towards MS1900 is the first step in the implementation of MS1900. MS1900 is an Islamic Quality Management System consists many technical and jargon words that are not easy to understand. Therefore, the system must be understood first before it can be implemented effectively. Only sufficient and right understanding of the system will prompt interest and confidence amongst the management or employees at MZC to implement it wholeheartedly. The research findings from this study revealed that to ensure that all of the managers and employees have a right understanding towards MS1900, many MS1900 related training were conducted namely understanding towards MS1900 training, audit trainings, understanding towards halal aspects of trainings and, data analysis and improvement training. One of the aspects that is given priority in the trainings is pertaining Halal aspects in terms of work processes, product manufacturing and service realisation. The total numbers of management and employees at MZC is 40, and this
small numbers of workforce enable everybody to attend any training which was conducted frequently.

The research findings also revealed that there were managers and employees have attended other management trainings that were closely connected with MS1900 implementation. For instance, the Accounting Officer was attending Zakat accounting training, and the knowledge accrued from the training enables him to earn better understanding towards accounting in the Zakat context as required by Shari‘ah. Meanwhile, the Shari‘ah Officer has attended several training and workshop pertaining Shari‘ah and Islamic law. The training attended had enhanced his Shari‘ah knowledge and this had helped him significantly in injecting Shari‘ah elements into the quality manual and work procedures at MZC as needed by MS1900 requirements. These findings are consistent with the findings by Sarion et al. (2014) that shows that training as key step for successful implementation of MS1900.

6.3 Outlined quality policies and objectives
The research findings indicated that in order to chart the MS1900 implementation ultimate aim at MZC, the management had outlined the quality policies and objectives. The quality policy and objectives that put in place had also proved the management and employees commitment towards MZCs’ organisational performance, particularly which are related with service provided to MZCs’ customers, that is Zakat payers.

The three (3) quality policies at MZC are as follows (Malacca Zakat Center, 2015):

i. MZC is committed to provide Zakat collection services for Muslim community at the State of Malacca. The management is committed to continuously improve customer satisfaction and to continuously enhance quality management system which is compatible with Shari‘ah requirements.

ii. The MZCs’ management and employees are committed to utilise two ways communication in their effort to enhance the effectiveness of Islamic quality management system MS1900 continuously.

iii. The MZCs’ management is committed to ensure that Shura (mutual agreement) is practiced in decision making processes.

These findings revealed that all of the quality policy specified by management in MZC is in line with Shari‘ah requirements. This is in line with the recommendations made by Basir and Azmi (2011) that is the management should ensure that the quality policy of the organization that implements MS1900 must be Shari‘ah compliant.

Meanwhile, the four (4) quality objectives at MZC are stated as follows (Malacca Zakat Center, 2015):

i. To foster the concept of customer-friendly in dealing with Zakat payers.

ii. To increase Zakat collection up to 12 percent annually.

iii. To ensure that each customer receive services within than 10 minutes.

iv. To ensure that salary deduction statements is sent each year of the following year.

v. To provide at least two (2) times training or workshop for managers and employees annually.

6.4 Quality committee establishment
The research findings showed that the quality committee was established which consists of officers from MZC divisions namely Administration Division, Marketing and Corporate Division, and, Financial Division. The committee had delivered significant role in MS1900
implementation, ranging from discussing MS1900 matters, collecting and disseminating information needed, stipulating works schedule, allocating resource required, monitoring the MS1900 implementation processes and conducting audit activities. Those significant role were distributed properly amongst the officers to ensure that MS1900 is implemented smoothly. The establishment of this kind of committee had cultivated Shura (cooperation) amongst officers and this was very much in line with MS1900 requirements. These findings has similarity with findings from Hasan Al-Banna (2015) in that quality committee establishment as one of the step in MS1900 implementation in Malaysian higher education institutions.

6.5 Management representative establishment
The research findings from this study indicated that the management representative was set up in which its role is to commence works, activities and changes that is required for the MS1900 implementation. These role need to be delivered to ensure that quality system implemented at MZC is well-suited with MS1900 requirements. The management representative consists of General Manager, Head of Administration Division, Head of Marketing and Corporate Division, and Head of Financial Division.

6.6 Management commitment
Management commitment especially from the top management is highly important in MS1900 implementation. The research findings showed that the top management commitment to MS1900 implementation at MZC was confirmed with resource was allocated for MS1900 implementation like budget provided to fund many quality trainings. MZC was also well-facilitated with ICT infrastructures and this had helped significantly in easing MS1900 implementation. The top managers and officers had also showed high interest towards MS1900 implementation and actively involved in quality meetings and activities. Employees and managers motivation, reward and interest were highly emphasised at MZC with the availability to a very good salary scheme, loan services and health insurance. The MZC management had also frequently organised informal activities that promote cooperation amongst employees such as sport days and family days. Meanwhile, in order to cultivate Islamic values practices at MZC, the top managers had always actively involved in organising daily religious briefing. Various topics were discussed in those briefing, ranging from aspect of works ethics, Shari’ah law, Islamic management, Tawhid and Thaharah (an attempt to remove impurity and unclean). Another activity that had also always delivered in the daily religious briefing is reciting al-Qur’an.

Customers demand must be in line with Shari’ah obligations. Therefore, the MZC management had ensured that financial services, human resource management, procurement procedures, product manufacturing and marketing being offered were not against Shari’ah requirements. For instance, MZC only deal with bank and financial institutions which offer interest free loan financial services. This was to ensure that interest-based financial transaction is avoided. In terms of human resource management, a prayer room for Muslim was provided to enable employees perform their prayer conveniently. Besides that, Halal food can be found easily and conveniently.

The research findings also revealed that documents pertaining to the development and realisation of Shari’ah compliant services were organised and located properly to enable employees to reach the documents easily. These findings indicated that the management commitment to sustain workforces and customers interest is highly evidenced and this is in
parallel with the objective of *Maqasid Shari’ah*, that is to uphold human interest. These findings support findings of Basir and Azmi (2011), Sarion et al. (2014) and Hasan Al-Banna (2015) who found that management commitment is an important step in the implementation of MS1900.

6.7 **Documentations**

Hasliza (2015) has listed documentations process as one of the steps in MS1900 implementation. The research findings showed that all work procedures were properly documented with its objective is to help MZC to manage Zakat collection effectively and efficiently. Overall, 26 work procedures were documented that that covers all of the work processes at MZC. All the documented procedures were developed in accordance with Shari’ah requirements. The Shari’ah Officer had delivered a good works by injecting Shari’ah requirements into the work procedures and quality manual. For instance, many relevant Quranic verses and hadith were injected into the quality manual. The Shari’ah Officer had consulted Islamic scholars on the matter of Islamising the MZCs’ quality manual.

The research findings also indicated that documents which consist of Quranic verses and hadith were located at safe, respected and hygienic place. These findings coincide with suggestion from Basir and Azmi (2011) wherein documents that contain Quranic elements in MS1900 implementation must be located carefully and stored in a place that is secure, clean and respectful.

Documentation processes at MZC was properly conducted in terms of its content, organisation and storage. MZC had also implemented management program 5S which emphasize on holistic cleanliness, orderly and tidy at the work place and all these had have significant positive impact on MS1900 implementation. MZC had a special big room to locate all aged files and this tremendously had improved filing system and coordination at MZC at large.

6.8 **Determining the quality scope system**

The research findings indicated that the quality scope system at MZC was specified as Zakat collection services. In regard to this, managers and employees at MZC evidenced high commitment in their endeavour to continuously and professionally improve Zakat management system to increase the amount of Zakat collection so that more money can be distributed to the needy. The increment of Zakat distribution in the future meaning that more needy people could be assisted and sustained in improving their quality of life and this is in line with the objective of *Maqasid Shari’ah*.

6.9 **Implementing the MS1900**

The research findings from this study showed that after the completion of work procedures and determination of MS1900 implementation scope, then all the workforce at MZC had begun to deliver their jobs in accordance with the MS1900 requirements. This was to ensure that the aim of getting MS1900 certification will be finally realised. It is inevitable to mention that research findings revealed that the ultimate aim of MS1900 implementation is to facilitate managers and workforce to improve management efficiency and effectiveness at MZC.

6.10 **Internal audit**

Another important step in MS1900 implementation is internal audit Basir and Azmi (2011) and Hasan Al-Banna (2015). The research findings revealed that internal audit were conducted by internal auditors at MZC. All of the internal auditors had undertaken a series of audit training...
to ensure that they are sufficiently competent to deliver internal audit activities. Internal audit were carried out twice a year wherein the main objective is to check if quality management system implemented at MZC is complies with the MS1900 requirements. Nevertheless, another objective of internal audit was to ensure that Shari’ah requirements of Zakat collection efforts at MZC are complied. Internal audit activities were deliberately planned in which the significance of work activities related to Zakat collection to be audited were taken into account. Other information that was considered before audit activities started is previous audit report. These findings have affinity with findings by Hasliza (2015) that is internal audit as a step in MS1900 implementation in Malaysian of Department of Waqf, Zakat and Hajj.

6.11 Evaluating quality management system performance
The managers should be committed to the continual improvement and the effectiveness of the MS1900 implementation (Basir and Azmi, 2011). The research findings from this study indicated that internal audit findings were used as an input to evaluate to what extent MS1900 implementation had helped in enhancing management efficiency at MZC. The audit findings were also utilised to evaluate to what extent that MS1900 implementation had carried out is beneficial to MZCs’ workforce. The evaluation results were employed to find the way of improving the quality management system since this is inevitable as a preparation to deal with external audit or surveillance audit conducted by the accreditation body.

6.12 Surveillance audit
The research findings showed that surveillance audit was conducted and finally, MZC was awarded with MS1900 certification in October 2008. MZC was actually the first Malaysian entities awarded with MS1900 certification. All necessary steps are planned to be engaged to continuously improve and maintain MS 1900 certification effectively. These findings correspond with Hasliza’s findings (2015) in that surveillance audit was the final step of MS1900 implementation before MS1900 certification is awarded to the Malaysian of Department of Waqf, Zakat and Hajj.

7. Conclusions
The findings showed that the management and employees showed a high commitment and cooperation to the MS1900 implementation. Shari’ah principles as the main pillars of MS1900 which consist of compliance to Halal and Haram, organization operates based on values and decisions are taken in accordance with the objectives of Shari’ah were successfully observed and delivered. Religious and spiritual practices had also been emphasized in MZC, namely religious briefing and Qur’an recitation MS1900 implementation in MZC does not only involved technical aspects like documentation and audits, but also emphasizes the religious aspects such as interest-free financial system, free from corruption and safeguard the interests of workers. It can be concluded that the implementation of MS1900 in MZC is delivered holistically as required by Islam.

MZC was the first Malaysian entities awarded with MS1900 certification. Although this was remarkable success, there are rooms for improvement of MS1900 implementation. The MZC top management should continuously improve and upgrade so that MS1900 implementation can be maintained effectively and eventually carried out many benefits as planned. Data and information gathered from audits, management review meeting, stakeholders, customers and employees feedback should be garnered in the effort of maintaining MS1900. Besides that,
religious practices which very much in common with universal positive practices must be 
continuously promoted and strengthen since these practices had significantly supported MS1900 
implementation.

The findings from this research can be employed other Malaysian Islamic Institutions to 
 improve the management of their organisations. The findings can also be employed by managers 
that intend to implement MS1900 in their organisations. The successful story of MS1900 
implementation at MZC has approved that Islamic Quality Management System is a functional 
measurement that carried out many benefits to certified MS1900 organisation.

This pioneer study focuses on the steps taken in MS1900 implementation. Future researchers 
should extend this research to study various issues which are not yet explored such as factors 
influence MS1900 implementation, and, challenges and benefits of MS1900 implementation. 
Another study can be conducted is to find the impact of MS1900 implementation to 
organisational performance. Finally, this study employs qualitative approach; therefore future 
research should employ quantitative approach.

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Figure 1:
Model of implementation process of Islamic Quality Management System MS1900

MS 1900 PRINCIPLES

- Compliance with the principles of Halal and Haram
- Organization operates based on values
- Decisions are taken in accordance with the “Objectives of Shari’ah”

Implementation steps of ISO 9001

- Identify the gap
- Understanding the quality system
- Produce quality policy
- Develop a team
- Management representative
- Demonstrate commitment
- Documentation
- Determine the scope of the system
- Try it out
- Audit it internally
- Review the performance
- Pre-assessment audit
- Audit (and Certification)
- Maintaining the system

SHARI’AH ELEMENTS IN MS1900 REQUIREMENTS

Source: Basir and Azmi (2011)