

THE IMPORTANCE OF THE SHARI'AH SUPERVISORY BOARDS (SSBS) IN THE ISLAMIC BANKING SYSTEM

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ABSTRACT

Shariah Supervisory Board (SSB) plays an important role in the Islamic banking system, and it has an important impact on their performance and stability. The study concentrates on the banking system and on the SSBs as an important part of it. The study aims at showing the impact of the SSBs on the Islamic bank stability. It also reveals the importance to be Independent department in the implementation of its decisions. The study concluded that SSBs is a significant department in the Islamic bank like the other departments. The interference of it decision-making and management could adversely affect for the Islamic bank.

Key words: Islamic Banks, Shari'ah Supervisory Boards, Non- Compliance Risk , Reputation Risk.

Introduction

Islamic banks have evolved dramatically over the past two decades. They have become strong competitors of the conventional banks. This is due to their faith and principles that are mainly based on the prohibition of usury and to stay away from suspicion (Shatnawi, 2009). The holy Quran says: "for they claimed that: Trade is Like usury, (Whereas Allah has permitted trading and forbidden usury)" (Quran 2:275). This verse is the main point that distinguishes between the trade and the usury.

Now, Islamic banks are very competitive in most economic sectors. Due to their coherent and sustainable banking system, their products have been evolving and their investments, expanding from time to time, so there are a wide variety of products and instruments available to customers. This is without a doubt need a control system, supervises these financial services, and ensures its survival within the limits of the Islamic law to keep their reputation among these customers. This is verified by the presence of an independent body within the Islamic banking, namely, Shariah Supervisory Board (SSB). The main problem of this study, is the risks that could be caused by the issue of conflicting fatwa between the SSBs in the Islamic banks, in addition, the possibility of intervention of the bank's management in the decisions of the SSBs.

This paper will clarify the nature of banking system in the Islamic bank and its services. Moreover, it will illustrate the role of SSBs in this system and their challenges, particularly with regard to its independence and mandatory decisions and its impact on the Islamic Bank.

Definitions Of The Islamic Banking (AL-MASRAF)

Al-Masref (المصرف) is an Arabic term, meaning all the banking institution that is implementing its activities and businesses on the basis of Islamic principles and rules of jurisprudence (Hejazi, 2005, p. 434). Also known as the financial institution, collects and using money within and committed to the Shariah principles legitimacy to serve the construction of the Islamic community solidarity, to achieve distributive justice and put the money on the right track (Ibid).

As Abu Dabi Islamic Bank (ADIB) (2015) system, Al-Masrif is a bank that complies with the principles of Shariah in all financing, banking, and investment transactions and is subject, as a financial institution, to the supervision and control of the central bank. In addition, an IB complies with Shariah principles in all the transactions and products it provides to its clients,

whether such products are investment deposits, investment certificates or savings accounts. Meanwhile, Bank Negara Malaysia (BNM) (2015) defines Islamic banking as a system of banking that complies with Islamic law. The underlying principles that govern Islamic banking are a mutual risk and profit sharing between parties, the assurance of fairness for all and that transactions are based on an underlying business activity or asset.

It is quite evident from the above that there are many definitions IBs (Al-Masraf), but the majority agreed that the IB is that the institution, which aims in essence, to apply the principles of Islamic law (Shariah) in all financial transactions. And this is consistent with the IBs Act in the UAE in the first article, it defined the IBs (Al-Masaref) as the financial institutions and the Islamic investment companies, the ones that include in their constituent contracts and statutes a commitment to apply the principles of Shariah and proceed its activities in accordance with these principles (Hejazi, 2005). This is also consistent with the definition of the International Association Of Islamic Banks (IAIB) in the first paragraph of Article 5, which defines IBs as those banks or institutions that establishment and its statute law explicitly states adhere to the principles of Shariah, and not to deal the usurious interest (Riba) (Abdullah, Sidek, & Adnan, 2012; Mohamed, 2012).

It can be concluded from the foregoing that the definitions in general have the same purpose and meaning. Hence, the IB is the institution that conducted all their internal and external activities and financial transactions (taking and giving) according to the Islamic law which is based on the Quran and the Sunnah, and those who not comply with all this is not considered an Islamic bank.

Islamic Banking Objectives And Basic Features

The essence of Islamic banks lies in the rejection of interest and the application of Islamic Shariah in all of their transactions (Hejazi, 2005). The basic characteristics of IBs represented in the exclusion of dealing with usury interest, and directing effort towards development through investments, furthermore linking the economic development with social development. In addition, the revival of Zakat and their economic, social and correct function (Al-najar, 1980). The IBs have other features, they don't take people's wealth unlawfully, besides subordination of IBs to self-supervision, as well as a good selection of those in charge of the management of these banks (Hejazi, 2005). Some traditional authors mentioned other characteristics of the IBs like the application of financial intermediation that based on a joint venture (Musharakah). Also, the characteristics of that distinguish IBs from conventional banks, such as Qard Al-Hassan, Zakat fund, and others, and it is committed to the characteristics of development, investment, and positively in the investment banking transactions (Naghah Hussein Ne'ma & Najm, 2010).

As regards to the objectives, the IBs are not a profitable company as the case with the conventional banks, but it is one of the Islamic financial institutions, and part of the Islamic economy system (Naghah Hussein Ne'ma & Najm, 2010). The IBs have many goals; profit and non-profit that is by attracting and a pool of funds. Also the mobilization of available resources in the Muslim world, with the support of these resources through the development of saving awareness among individuals. In addition, channeling funds for investment operations that serve the objectives of economic and social development in the Muslim world. Finally, doing the transactions and banking services based on Islamic principles and free of usury, exploitation and including solves the problem of short-term funding (Al-najar, 1980). On the other hand, there are substantive goals of the Islamic banks, including the bringing about of a broad-based economic well-being, with full employment. Moreover, the creation of socioeconomic justice, equitable distribution of income and wealth, and the bringing about stability in the value of money. In addition, the mobilization of savings and investment for economic development in an equitable manner. Finally, effective rendering of all services normally expected from banking services (Noibi, 2014, p. 111). At the.

Some researchers considered that the goals of the IBs lie in providing the appropriate conditions for attracting Islamic capital in order to achieve their collective independence and freedom from the foreign dependency that depletes resources and destroy its economy. In addition, it is a goal in the development of banking instruments and improve the applicable ones in order to attract more resources and direct them. IBs like other institutions aims to achieve a reasonable profit within the Shariah principles, taking into account the non-overvaluation. It also aims to spread awareness of the Islamic banking system and the development of the audience confidence Islamic economic. Finally, its goal in an attempt to eliminate unemployment, and the development of craft and occupational industries (Abdo, 2009).

Researcher sees from the above, that the IBs are characterized by features and goals distinguish them from conventional banks, in addition to the basic essence of the abolition of usury and the implementation the principles of Shariah in all financial transactions. This gives the IBs the ability to serve the community economically and socially, through the encouragement of craft and industrial projects producing, and motivate customers on the development projects and not the consumption ones. The IBs establishing the principle of social solidarity, not only the collection and disbursement of Zakat through legitimate channels, but also to the quest for justice in the funds invested. Hence, the IBs presence became more necessary, and the advancement is required to be able to fulfill all his goals without failure or defective.

Overview Of Islamic Banking Products And Services

All transactions in an Islamic system must be governed by norms of Islamic ethics and enunciated by the Shariah (Obaidullah, 2005, p. 37). Therefore, the IBs depend on the risk sharing with their customers, and their nature based mainly on the sale contracts, which is based on the profit or loss (Dusuki, 2008; Hunt & Take-Aways, 2013). This nature is what distinguishes them from conventional banks that is adoption the interest rates as a basis of the profits. (Dusuki, 2008). The contracts and instruments of the IBs based basically on the principles of Shariah that is derived from the Holy Quran and Sunnah to find a legitimate

alternative for the conventional banks, so they prohibits usury categorically forbidden (taking and giving) (Afanah, 2009; Hejazi, 2005). Allah almighty says (يَا أَيُّهَا الَّذِينَ آمَنُوا اتَّقُوا اللَّهَ وَذَرُوا مَا بَقِيَ مِنَ الرِّبَا إِن كُنْتُمْ مُؤْمِنِينَ) (Quran 2:278), the translation: “O ye who believe! Fear Allah, and give up what remains of your demand for usury, if ye are indeed believers”.

The IBs adoption the investment formulation and financing projects by using the instruments that based on the contracts known and inspired by the Islamic principles and Shariah, and have been adapted to fit with the nature of Islamic banking system. The IBs accept the deposits in order to invest in projects that match with Shariah principles (Abdo 2009). As figure No. 2.1, the Shariah contacts applied in Islamic financial business based on two structures, the first is, liability structure or source of funds (deposit services), and the asset structure or possible uses of funds (financing services and products). The two products, provide services to the customer audience, and both of the techniques have characteristics and particular functions (Obaidullah, 2005).

Figure 1. Shariah Contacts Applied In Islamic Financial Business

ASSETS			LIBILITIES		
Sales Based • Murabahah • Istisna` • Ijarah • Tawarruq	Equity Based • Mudarabah • Musharakah	Fee Based • Wakalah • Kafalah • Rahn	Islamic Deposits • Wadi`ah • Qar_ • Tawarruq	Investment Accounts (Equity) • Mu_arabah • Musharakah	Investment Accounts (Other) • Wakalah

Source: IFSB, Stability Report Islamic Financial Services Industry (2015)

- The deposit services

As other banks, the deposit services are available in the Islamic banking system, which is based on taking deposits from the customers of the several forms of services or products. The most famous of these accounts or services are the current account and saving the account. The current account at the IB is represented in the Islamic banking system what is called “Wadiah/Qard Al-Hassan” such as, checking facility, automated teller machine, cards, charge card, etc... (M. S. N. Khan, Hassan, & Shahid, 2008; Obaidullah, 2005). Saving account services, and it has called in the IBs saving “Wadiah/ Mudarabah”, this service is basically serving the need for the safekeeping of one's surplus fund while providing a modest return, and often be in the form of rewards and gifts (Hiba). This depends on the nature of the Mudarabah contract between the IB and the customer (Obaidullah, 2005, p. 65). There is a service under deposit structure is the investment Mudarabah deposits, this product is based on the concepts of Mudarabah, it is also known as Profit– And – Loss Sharing (PLS) deposit, or participator deposit (Obaidullah, 2005, p. 66). This service is divided into three mechanisms:

- General investment deposit
- Specific investment deposit
- Limited and unlimited period investment deposits

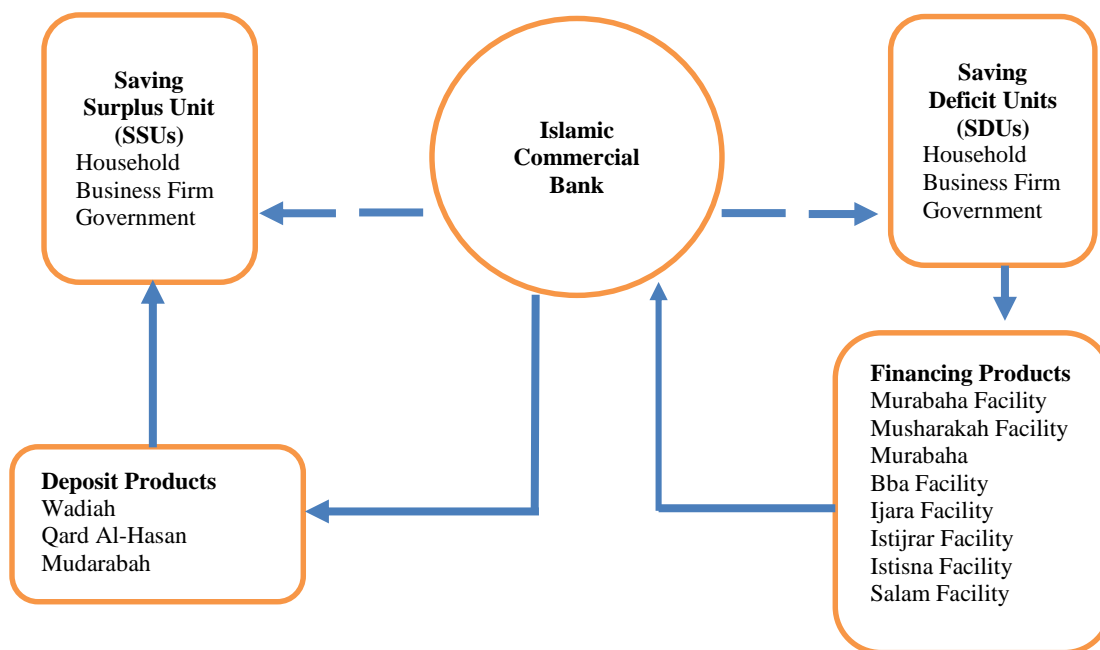
In general, investment deposit, the fund is not related to any specific investment project, but is utilized in different and continuous finance operations of the IB and the profits are calculated and distributed at the end of the accounting period. The second service is specific investment deposit, it closely resembles the previous type, but the difference is that the depositor must achieve certain requirements and the minimum required to invest in this product. As for The limited and the unlimited period investment deposits, In this type, the signed contract ending between the IB and the customer at the end of the specified period, but the profits are calculated and distributed at the of the accounting period. The further deposits or withdrawals are not permitted for this kind of product (Obaidullah, 2005).

- The financing services

Financing products are an important part of the Islamic banking system, and they divided into two parts; equity- based and debt - based. Equities - based products are unique to Islamic banking in some sense, account for its superiority over conventional banking on grounds of ethics and efficiency (Obaidullah, 2005, p. 72). Equity-based included two facilities; Mudarabah and Musharakah products (Ibid). Under the trustee partnership facility (Mudarbaha), the two parties, i.e. The supplier of capital (Rabb al-mal) i.e the IB, and the entrepreneur (trustee of the venture) i.e. the customer is sharing the profits according to an agreed-upon the PLS ratio, it may be 70:30 or 80:20, depending upon the agreement (Samad, Gardner, & Cook, 2005, p. 74). The joint venture (Musharakah) undertaking is a partnership contract between two or more parties, each of which contributes investment capital. In a conventional sense, it is a joint business contract (Ibid).

The debt- based financing products are used extensively by the Islamic banks. These products include some mechanisms such as Murabaha, Ijara, Bia-bithaman-ajil (BBA), these three products considered the most popular instruments used in the most of the IBs (Obaidullah, 2005). There are also other Islamic products such as Salam, Istisna, Istijrar, Qard AL-Hasan. On the other hand, the list includes some debt-products that involve Bai-al-Dayn, Bai- al-inah, and Tawarruq, that are either reject or at the best deemed controversial by mainstream Islamic scholars (Ibid). The mechanism of an Islamic financial system can be summarized in the figure below No. 2.1, regarding the deposit and financing services, which illustrates the way that implements by the Islamic Bank, which is between the Saving Deficit Units (SDUs) and Saving Surplus Units (SSUs).

Figure 2. Blueprint of Islamic Commercial Bank System



Source: Obaidullah (2005:34)

The Main Financing Instruments In The Islamic Banking

There are some of popular contracts and formulas are implemented in the most of the IBs. Among these products are: MPO, Ijarah, and Bia-Bithaman-Ajil (BB) (Obaidullah, 2005), and it can be defined as follows:

- Murabaha, (mark-up), a contract implies a sale on a cost-plus basis, that refers to the sale and purchase transaction for the financing of an asset whereby the cost and profit margin (mark-up) are made known and agreed by all parties involved (buyer and seller). The total cost is usually paid in installment and is specified in the agreement (Errico & Farahbaksh, 1998). The MPO is the widest transactions used by the IB (Wahyudi, Rosmanita, Prasetyo, & Putri, 2015).
- Ijarah (Lease financing), involves acquiring the financing needed to use a particular asset. In such a contract, the IB purchases an asset on behalf of the entrepreneur and allows him/her to use it for a fixed rental payment. In Ijarah Bi Tamlik or Ijarah Wa Iqtina` (lease financing toward eventual ownership) financing, the IB purchases an asset and leases it to the entrepreneur, who eventually opts to buy it at a previously agreed-upon price under contract (Bai'). (Samad et al., 2005, p. 76). It is also defined as a transaction or contract which whereby the bank can purchase the product and lease it to the borrower for a specific sum and a specific period. The borrower can also negotiate for lease-purchase of the product, where the payments include a portion, which can be applied towards the final purchase and transfer of ownership of the product (M. S. Khan & Mirakhor, 1989, p. 45).
- Bia-bithaman-ajil (BBA), (deferred payment sale), is a contract that refers to the sale and purchase transaction for the financing of assets on a deferred and an installment basis with a pre-agreed payment period. The sale price will include a profit margin. Under this contract, payment is made to the bank in the future either in a lump sum or in installment and the price agreed cannot include any charge for deferring payments (Errico & Farahbaksh, 1998; Samad et al., 2005).

As can be seen from the above, the IBs have particular instruments, services, and own financial system, whereby have the ability to compete in the market and maintaining more customers. The IBs distinguished from others conventional banks by owning a wide and varied range of financial instruments and services that based on the ethics and Islamic principles. The IBs have the ability to finance most of the various kinds of commodities and projects required by the customers. Hence, the IBs have the considerable options of Shariah compliant product, this gives more confidence to the customers and also enhancing their loyalty. Most of the financial instruments owned in the IBs are often under the principle of PLS with the customers. The PLS mode gives a kind of satisfaction to many of the customers when they feel that the bank shared the same risk, this also creates some kind of concerted efforts to reach the desired success and profit. By the unique instruments and contracts, the IBs have the ability to cover the funding of investment projects and non-productive items (Consumerism) at the same time. For instance, the IB can fund the purchase of a car by the MPO product, it also can finance a production plant through Musharakah and Mudarabah contracts. The IB is based on two techniques (debt-based & equity-based) and through each of them, it can provide a variety of funds to the customers.

One of the IBs instruments is Murabaha, it is considered the most important and popular Islamic financial instruments. The MPO or banking Murabaha that currently applied in the IBs, It is a major financial instrument competitive with usury-based instruments in the conventional banks. The Murabaha similar to a large extent the features of BBA contract which is widely applied in the State of Malaysia, and is one of the most popular Islamic financing techniques used there, which is based on the deferred payment sale.

The Shariah Supervisory Boards In The Islamic Banks

Supervisory in the idiomatically meaning, means to verify the implementation of Fatwa that issuance by the authority to find the legitimate alternatives and formulas in any acts that contradict the legal requirements (Idrees, 2014, p. 13). It also refers to the follow-up, testing and analysis of the works, behaviors and actions that are conducted by individuals, groups, institutions, units and others, to ensure that these transactions are accordance and within the requirements of the Shariah by using the legitimate means and indicating any irregularities and their solutions (Ibid).

According to the definition of Shariah Supervisory Boards (SSBs), There is no standard definition for the SSB, and it has many definitions (Nathan Garas & Pierce, 2010). As Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) (2010), the SSBs are an independent body of scholars and specialists in transactions by adding another member to the specialists in the field of Islamic financial institutions who is familiar with the field of Islamic transactions. The member of SSB is responsible for the follow-up the tasks and the validity of the implemented transactions in the IB and to find legitimate solutions to the irregularities. The SSBs also responsible for following up, examining, analyzing activities, business, behaviors, and operations that carried out by the several Islamic Financial Institutions (IFIs), to ensure that they are in accordance with the rules and principles of Shariah. The SSBs using the appropriate legitimate tools and methods, with the indication of mistakes and corrections, at the same time, finds a legitimate alternative (Al-'layat, 2006).

Dubai Islamic Bank (DIB) (2015), has also defined the SSBs as a body that supervises and monitors the process of developing the Islamic products and services of finance and investment in the Islamic bank. In addition to strengthening the activity of the bank by issuance Fatwas and a legal guidance for the daily transactions, according to the needs of the different business units in the bank. SSBs also known as the preventive, remedial and complementary process of control, review and analysis of all the IFIs activities, products, contracts and transactions starting from the incorporation of the IFI onwards to ensure compliance with Islamic Shariah for the purposes of generating legitimate profits (Halal) and improving on the IFIs performance (Nathan Garas & Pierce, 2010, p. 388).

According to the SSB Functions, the purpose of the SSB is to ensure that the financial institutions operate in conformity with Shariah and are usually made up of a number of jurists who provide clarification in regards to any questions that the financial institutions may have (Rammal, 2006, p. 205). The most of the researchers and Islamic finance specialists have indicated that the SSB in IBs has three main tasks. It begins with the preventive stage, which is a pre-implementation stage. The curative stage, which conducting during the implementation of the transaction or the project, and its function is responding to the complaints and deal with the detected errors in the financial transaction. The last stage is called the complementary stage, which role concentrates on issuing reports about the executing projects, annual reports and financial statement (Hammad, 2004).

The main role of the SSB in the IBs and IFSS is summarized in the participation in formulate the instructions, regulations, forms of contracts, correction and development. They are also responsible for supervising the activities of the IB to ensure the conformity of its works to Islamic legal precepts and principles (Gulzar, 2006). The SSB has the task of Fatwa by answering to the questions and queries, whether those inquiries are from the employees of the IB or the customers, also participating in the preparation of drafts of decrees, decisions and orders presented by the bank, in addition preparing explanatory notes thereto (Ibid). As AAOIFI (2010), the main functions of SSB are:

- Directing, reviewing and supervises the institutions activities to ensure Shariah compliance.
- Shariah advice and guidelines.
- Shariah approval on products and services.
- The functions of final review.

The SSB plays a role in educating workers in the IB through the patrol training courses in order to be legally qualified to accomplish their assigned work. In addition to the intervention in the resolution of disputes between the IB and others, whether the dispute is between the bank and investors or shareholders. Finally, the role in the testimony of the general assembly through the submission of an annual report that reflects the extent of the legality of the banks business (Al-'layat, 2006). There are other functions for the SSBs that relate to the selection and hiring processes of the employees and conduct interviews to ensure that their academic qualifications are fit and proper to the IB, as it nature that based on the Shariah principles, another task is to oversee the projects and their implementation (Ibid). The SSB functions can be also classified into two functions, supervisory functions like issuance of Fatwa and giving approval to new products. Moreover, consultative function like explaining the way of calculating the due Zakat and offering Shariah compliant solutions during the implementation of contracts (Garas, 2010).

From the foregoing, it will be seen that the presence of SSBs is a necessity and significance in the IFIs without exception, as their significant role in the monitoring, regulation, and investigation for the IBs activities and behaviors. The SSBs have another role in the development of Islamic banking products to be compatible with the principles of Shariah, which is based on the

abolition of usury, ambiguity, and avoid suspicions. The mere presence of the SSBs in the Islamic banks, it gives a sense of satisfaction and confidence among customers of Islamic banks, which increases their credibility level and contribute indirectly to their financial performance. It is obvious that the SSBs exposed to significant challenges represented in the ability to find an expert who combines with Fiqh (Islamic jurisprudence) and financial sciences at the same time. The IBs must continue to meet the customer demands and fulfill their needs by providing more products and services within the Shariah principles, and this imposed the SSBs for another challenge.

From the core issues which related to the SSBs, are the mandatory of their decisions, and the independence from the management of conflicts, several studies and thesis have argued in this matter, most of them considered that the independence and strength of their decisions are essential. Therefore, if this significant department in the Islamic bank is ineffective, and it keeps track of the bank management decisions and to its desires and orientations, inevitably, will affect the reputation of the Islamic bank, due to the presence of some excesses and irregularities in some matters. Hence, this matter may become related to the risks of Shariah non-compliance risk, which is one of the most influential types of risk on the Islamic bank.

Shariah compliance defines as failure to comply with the Shariah rules and principles determined by the Shariah board of the IBs and IFIs or what IFSB is called "IIFS", or the relevant body in the jurisdiction in which they operate (IFSB, 2005). Shariah compliance in Islamic banking also defines as a phenomenon that ensures that the banks underlying financial products are in accordance with the rules and laws defined by the Shariah that is revealed upon the last Prophet of Islam Muhammad ﷺ (Ariffin, Archer, & Karim, 2007). The compliance requirements must be pervasively infused throughout the organization as well as in their products and activities, This becomes realistic by the adequate system and controls, such as Shariah Board/Advisor (Izhar, 2010). According to the IFSB (2014), the reputation risk may arise from inappropriate business conduct and significant failures in Shariah compliant. This proves the extent of risk that can be exposed the Islamic bank, as a result of the intervene in the SSBs decisions.

Malaysia is one of the leading and the backbone of the Islamic finance industry in the world (IFN, 2015). It includes a Council for Fatwa namely, Shariah Advisory Council (SAC), which is in fact, followed the Central Bank of Malaysia. It established in May 1997 as the highest Shariah authority in Islamic finance in Malaysia. The SAC has been given the authority for the ascertainment of Islamic law for the purposes of Islamic banking business, Takaful business, Islamic financial business, Islamic development, financial business, or any other business, which is based on Shariah principles and is supervised and regulated by Bank Negara Malaysia (BNM, 2016).

SAC considered a role model in this matter because of the mechanism in which it operates in the field of Fatwa and supervision of banks. SAC includes a group of scientists and experts with experience and competence in economics and Islamic law. It is responsible for validating all Islamic banking and Takaful products to ensure their compatibility with the Shariah principles. In addition, it advised Bank Negara Malaysia on any Shariah issue relating to Islamic financial business or transactions of Bank Negara Malaysia as well as other related entities (Ibid). In fact, the presence of SAC gives the ability to control the phenomenon of inconsistent fatwa between Islamic banks and thus limiting the irregularities. In addition, the SAC limiting the Management interventions in the decisions of SSBs in the Islamic banks. This may have a positive impact on Islamic banks in general, especially with regard to improvement of its image and reputation for their customers.

Conclusion

Islamic banking system is based essentially on the prohibition of usury in all its forms. In spite of that, there are a set of services provided by it, which is totally different from interest-based system services, include the services of funding, such as Murabaha, Ijara and Istisna etc., and Investment services, such Musharkah and Mudrabah . In order to practice and implementation of these activities properly, in accordance with the principles of Islamic law, shall be an independent body within these banks, to following the work of these financial services, and supervise of the development and formulation of the contracts. However, this department may be exposed to some of the challenges, which is about the lack of mandatory decisions and the possibility of intervention by the authorities or management such as a CEO. The researcher concluded that the possibility of interference in the work of SSBs may lead the Islamic bank into errors and irregularities legitimacy, which may lead to the adverse consequences to the Islamic bank. The presence of legitimate mistakes, and the failure to comply the adopted principles in the application of some of the contracts, therefore the Islamic bank may expose to the non-compliance risk, which is one of the important risks in Islamic banks.

The researcher concluded that, the exposure of this type of risks, i.e. Non-compliance risk may lead to the reputation risk, which could impact on the financial stability of the Islamic bank. There are several of studies show the association between non-compliance risk and the reputational risk. As well as the current study also concluded that Malaysia from countries that have been able to reduce and control the phenomenon of conflicting fatwa between Islamic banks, This is due to supreme central authority by Shariah Advisory Council which follows to the central bank of Malaysia. SAC is fully supervised on the Islamic banks in regards to the issuance fatwa and thus limiting the possibility of interventions in commission's decisions by the management. Accordingly, Malaysia is exemplary model, thus, the study recommends further research regarding this success exemplary, particularly to the Middle East

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