

RISK MANAGEMENT FROM SHARI'AH PERSPECTIVE REGARDING UNIVERSITI TEKNOLOGI MARA MALAYSIA

SHUKOR, A. K. @ A.

*Faculty of Law, Universiti Teknologi MARA (UiTM), Selangor, Malaysia.
e-mail: akbar630[at]uitm.edu.my*

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Abstract. Islamic law (Shari'ah) recognises the concept of risk management although Shari'ah jurists do not write in detail its idea. Al-Qur'an and the Sunnah of Prophet Muhammad (s.a.w) provide evidence on the validity of risk management. Risk management practice is determined based on the Shari'ah rulings of obligatory (wajib), recommended (mandub), permissible (mubah), reprehensible (makruh), and prohibited (haram). Risk management is also related to the practice of objectives of the Shari'ah (maqasid Shari'ah) expounded by Shari'ah jurists, especially al-Ghazali (d.505H). The essentials (daruriyyat), needs (hajiyat), and embellishment (tahsiniyyat) form part of the maqasid that protects faith, life, intellect, lineage, and wealth. This protection is part of risk management under the Shari'ah. Universiti Teknologi MARA (UiTM) also practises risk management as a policy. The university, as a statutory body, has such a policy in following a similar policy practised by the Federal Government. The Risk Management Centre monitors on behalf of the university, the practice of risk management by its staff. The majority of the staff and students are Muslims. The main concern is the relationship of the university's risk management with the Shari'ah. Risk management of the university is in line with the Shari'ah. The strategic, financial, reputational, legal, operational, and project risks out of the university fall under the maqasid that protects faith, life, intellect, lineage, and wealth. It is therefore important to recognise the role of the Shari'ah in guiding the university in achieving its vision and mission.

Keywords: *risk management, objectives of the Shari'ah, essentials, needs, embellishment*

Introduction

Risk management is an important practice in Malaysia and the Malaysian government adopts it as a policy. For example, the Health Ministry had its risk management plan from 2016 to 2020. This plan was based on an order made by the 6th Prime Minister, Dato' Sri Mohd. Najib Tun Abdul Razak. He wanted all government sectors to implement risk management. Local statutory bodies and companies embrace it to ensure transparency and accountability in governance. Examples of the bodies and companies are Tabung Haji and Maybank Berhad. Local public and private universities implement it to achieve their visions and missions. Universiti Teknologi MARA (UiTM) is an example of a public university and a statutory body that practises a comprehensive risk management system. The Universiti Teknologi MARA Act of 1976 establishes UiTM as a public university and the statutory body. The Federal Constitution of 1957 and federal legislations allow it to implement an affirmative policy favouring the Malays and the Natives of Sabah and Sarawak. It is also a fact that the majority of its staff and students are Muslims. In Malaysia, local Islamic law (Shari'ah) is a state matter that only binds Muslims and has limited jurisdiction. Examples of the jurisdiction of the Shari'ah and Shari'ah courts are Muslim matrimonial matters, property management, and some criminal offences such as adultery (zina). However, general Shari'ah covers many areas such as crime, tort, contract, and finance. Islamic jurists have written extensively on these areas. Their writings are now part of the countries' Shari'ah. For example, capacity (al-Ahliyah) is an element of contract. The jurists state that the general age of the majority is fifteen years old. He or she is

presumed to understand the legal effects of a contract. Thus, the Shari'ah courts will act to monitor this situation. However, there is no specific writing on risk management. This situation does not mean risk management is not important. Many authorities in the Qur'an and the Sunnah of Prophet Muhammad (s.a.w.) touching on risk management exist.

There are two objectives of this article. The first objective concerns the Shari'ah on risk management. The Shari'ah perspective is based on the majority views of Ahl al-Sunnah wa al-Jamaah. Ahl al-Sunnah wa al-Jama'ah represents the mainstream views of Islam. Generally, Muslims follow the Sunnah and the community. They will reject views that are weird, not following the Sunnah, causing disunity among Muslims. The Sunnah as living an Islamic life as taught by the Prophet (s.a.w) and community as the majority of Muslims from the Sahabah (Companions) and those who follow them until the end of time. In the Shari'ah, the views follow the Islamic jurists of the four schools of thought of the Hanafis, Malikis, Shafi'is, and Hanbalis. For example, Imam al-Shafi'i (d. 204H) founded the Shafi'is. His views were divided into al-qadim and al-jadid. Al-Qadim referred to his old opinions based on his learning with Imam Malik (d. 179H), the founder of the Malikis, and Muhammad ibn Hassan al-Shaybani (d. 189H), the student of Imam Hanafi (d. 150H), the founder of the Hanafis. Al-Jadid was his new opinion when living in Egypt (Makhmoo, 2017; Najihah et al., 2016; Hassan et al., 2015). The second objective relates Islamic risk management with UiTM's risk management system. The significance of this article is to encourage Muslims, especially in UiTM to recognise that the practice of risk management is part of Islam and can be rewarded with good tidings in this World and the Hereafter.

Results and Discussion

Shari'ah perspective

Islam is a religion of faith ('Aqidah), Shari'ah, and Sufism (Tasawwuf). In 'Aqidah, the main creed is Allah the Most Glorified and the Most Exalted (s.w.t) as the One God and Prophet Muhammad (s.a.w) as the Messenger of God. For example, Surah al-Ikhlās of the Qur'an states that Allah (s.w.t) is the only One God. Regarding the Prophet (s.a.w) as His Messenger, Sayyidina 'Umar al-Khattab (r.a), a Companion (Sahabah) narrated that Jibril (a.s) once asked the Prophet (s.a.w) about the meaning of Islam. He stated that Islam means; (1) to testify that there is no God except Allah (s.w.t) and the Prophet (s.a.w) is His Messenger, (2) to perform prayer (solah), (3) to pay mandatory almsgiving (zakah), (4) to perform fast in the month of Ramadhan (saum Ramadhan), and (5) to perform pilgrimage (hajj) (Al-Nawawi, 1999). In Tasawwuf, all acts of a Muslim are a remembrance of Allah (s.w.t). In verse 2, Surah Juma'ah of the Qur'an, Allah (s.w.t) sent the Prophet (s.a.w) to the people, recited His Words, and purified them. Purification is part of Tasawwuf known as self-purification (tazkiyah al-nafs). The Shari'ah deals with the conduct of a Muslim that is classified into obligatory (wajib), recommended (mandub), permissible (mubah), reprehensible (makruh), and prohibited (haram). In wajib, a Muslim who performs a wajib act will be rewarded and is sinful if he or she does not perform such an act. For instance, saum Ramadhan is wajib. In mandub, a Muslim will be rewarded if he or she performs a mandub act and will not be punished if he or she neglects it. An example of such an act is monetary charities (sadaqah). In mubah, the act of a Muslim being rewarded or punished depends on the Muslim's intention. For instance, driving a car is mubah. If a Muslim drives a car to

study knowledge, the Muslim will be rewarded. However, if the purpose of the drive is to drink liquor, the Muslim will be punished if the Muslim indeed drinks liquor upon arrival. In makruh, there is no reward or punishment for a Muslim who commits it. However, the Muslim is advised to avoid such acts. For instance, the water wastage caused by ablution and smoking is makruh. In haram, a Muslim who performs it will be punished. Examples of such acts are adultery, theft, and robbery.

The above wajib, mandub, mubah, makruh, and haram are established based on the interpretations and rulings of the jurists on the sources of the Shari'ah. There are primary and secondary sources of the Shari'ah namely, the Qur'an and the Sunnah of the Prophet (s.a.w). The Qur'an is the Word of Allah (s.w.t). It was revealed to the Prophet (s.a.w) in the Arabic language. It is the highest source of the Shari'ah and provides evidence on risk management. For example, verses 46 to 49 of Surah Yusuf state the stories of Prophet Yusuf (Joseph) and the King of Egypt. The verses state:

“He said, “Yusuf (Joseph), O man of truth! Interpret for us ‘the dream of’ seven fat cows eaten up by seven skinny ones; and seven green ears of grain and ‘seven’ others dry, so that I may return to the people and let them know.”

“Yusuf (Joseph) replied, “You will plant ‘grain’ for seven consecutive years, leaving in the ear whatever you will harvest, except for the little you will eat.”

“Then after that will come seven years of great hardship which will consume whatever you have saved, except the little you will store ‘for seed’.”

“Then after that will come a year in which people will receive abundant rain and they will press ‘grapes’.”

In his dream, the King saw that seven skinny cows had eaten the seven fat ones, seven green ears of grains, and seven others dry. Prophet Yusuf advised the King on two matters. First, he would ensure the people of Egypt planted grain for seven consecutive years. Second, they would consume some harvested ones and stockpile the rest. This scheme was important because there would be another seven years of hardship and calamity. During this period, the people would consume a large amount of stockpiled grains, and store a little of them for seeds. These stories teach us about risk management relating to food security. Food security is a risk that the authorities must control so that people will not starve and suffer from mental and physical illnesses. The Sunnah encompasses the words, acts, and tacit approval of the Prophet (s.a.w). In the words of the Prophet (s.a.w), for instance, it is recommended for Muslims to recite prayers after concluding an obligatory daily prayer. Through acts, the Prophet (s.a.w) asked his Sahabahs to watch how he would perform a prayer. The tacit approval means that the Prophet (s.a.w) would approve any act performed by the Sahabahs. For example, two Sahabahs went on a journey and an obligatory daily prayer time had started. There was no water for an ablution and they performed tayammum. Later, they performed the prayer. Before they reached their destiny, they found water and one of the Sahabahs took an ablution with the water and performed the prayer. The other Companion did not reperform it and both narrated the situation to the Prophet (s.a.w). The Prophet (s.a.w) approved both acts.

There are two examples of the Sunnah relating to risk management. First, the Prophet (s.a.w) encouraged us to invest money belonging to orphans to maintain its maximum value and avoid its value decreases because of the zakah payment. Second, an Arab Bedouin asked the Prophet (s.a.w) whether he needed to tie up his camel or leave it free and put faith in Allah (s.w.t). The Prophet (s.a.w) asked him to tie up his camel and then he should put his faith in Allah (s.w.t). The first example concerns the financial risk and the second one involves the financial and food security risks. The relevant secondary sources of the Shari'ah relating to risk management are qiyas, maslahah mursalah, sadd, and fath zarai'. Qiyas literally, means analogical reasoning. In the Shari'ah, it is an analogical reasoning applicable to juridical principles' deduction from the Qur'an and the Sunnah. For example, the Qur'an prohibits drinking khamar (liquor) produced from grapes. However, the Shari'ah rules drinking all types of liquor as haram. Since the legal motive for the ruling of haram is intoxicating and damaging to the brain, this ruling applies to all liquors. An example of Qiyas related to risk management is the legal status of smoking. Some Islamic scholars rule smoking as makruh and others as haram. The Islamic scholars who rule smoking as haram equate it to drinking khamar. Smoking does not only intoxicate but also damages the mind and causes diseases such as cancer and heart stroke. Thus, smoking is a risk to a person's health and mind. In Malaysia, the States of Selangor and Pulau Pinang have ruled smoking as haram for Muslims. Among the reasons for the prohibition are health, wastage of time, and wealth. The Federal Government of Malaysia currently implements a policy that prohibits smoking at premises such as public parks, religious places, kindergartens, airports, government buildings, food outlets, public transport, shopping malls, universities, and petrol stations. For example, the owner of a food outlet who allows smoking activities in the outlet can be found guilty of committing a criminal offence under the law.

Maslahah mursalah literally means unrestricted public interest. The Shari'ah defines it as unrestricted public interest that the Qur'an and the Sunnah do not regulate. It is a method that the Shari'ah jurists use to establish rulings based on the Muslim community's interest (Isnaini, 2020). The examples of maslahah mursalah that the Sahabah introduced were the use of currency and the construction of prisons for offenders. These examples are not only for the benefit of the Muslim community but can also be considered part of risk management. The use of currency is related to the financial risk and the construction of prisons refers to the safety risk. Sadd zarai' is an act of closing the path towards prohibited things in Islam. On the other hand, fath zarai' refers to a path that originally led to prohibited things but is permissible based on the important interests of the community. An example of sadd zarai' is the prohibition of a man being alone with a foreign woman to prevent adultery. Adultery is a criminal offence and adulterers are punishable under the Shari'ah. An example of fath zarai' is the government's decision to regulate the price of certain commodities. The purpose of the regulation is to prevent consumers from buying the commodities' price at a high price due to monopoly. The Shari'ah advocates an open market and prohibits such a monopoly. Among the examples of sadd zarai' related to risk management are the prohibitions on a man being alone with a foreign woman, monopolies in business, and a man seeing non-mahram women without need. These examples concern risks to religion, soul, and finance. On the other hand, an example of fath zarai' related to risk management is the government's policy to control the price of certain goods. Although the policy may cause harm to the seller, there is a more important maslahah, which is to prevent the consumer from paying a high price for goods because of monopoly. Another

example is the permission to pay ransoms to the enemy to reclaim prisoners of war. Although the ransom can strengthen the enemy, it was allowed to save the Muslim prisoners of war who would strengthen the Muslims.

Risk management is also related to maqasid al-Shari'ah. Maqasid al-Shari'ah refers to the objectives of the Shari'ah and al-Ghazali, a famous jurist of the Shafi'is has written extensively on its principles and theories. He classifies maqasid into three parts namely, essentials (daruriyyat), needs (hajiyat), and embellishment (tahsiniyyat). The three parts protect faith, life, intellect, lineage, and wealth. In daruriyyat, its non-existence severely affects human needs. In Malaysia, rice is a staple food and a daruriyyat for Malaysians. Malaysians generally consume rice, unlike other countries which may consume other staple foods such as wheat and banana. The absence of rice would affect the life of a Malaysian. Therefore, the Federal Government of Malaysia must ensure that rice is made available to all Malaysians either through domestic cultivation or international import of rice. In hajiyat, it essentially fulfills human needs. It means that people would not suffer mentally and physically without hajiyat. An example of hajiyat is the famous Malaysian breakfast known as nasi lemak. Malaysians generally love to have nasi lemak as breakfast. They will not suffer mentally and physically if nasi lemak is not sold at restaurants or eating outlets. They can always have a bowl of normal rice for breakfast. The Malaysian government should not make it a policy to ensure all Malaysians can have nasi lemak. The government could ensure that nasi lemak is sold at an acceptable market price. In tahsiniyyat, it complements human needs. An example of tahsiniyyat is eating nasi lemak with fried chicken. This dish complements human needs and its absence does not affect their lives.

The above rulings, sources of the Shari'ah, and maqasid are important in human life. Humans always encounter risks and dangers. Humans normally accept and control risks for the betterment of their lives. However, risk management must conform to the Shari'ah. Risk management must also involve wajib, mandub, mubah, makruh, and haram. The guideline for risk management must be based on maqasid. For example, in Malaysia, Malaysians may take conventional insurance or Islamic takaful for health management. For Muslims, they must choose Islamic takaful because it is permitted while conventional insurance is haram. Taking takaful is part of a Muslim's risk management that intends to protect life, lineage, and wealth under maqasid. Protecting faith, life, intellect, lineage, and wealth is important under maqasid and generates important risks under the Shari'ah. In the protection of faith, insulting a religion is a risk. In Malaysia, insulting a religion in particular Islam is a criminal offence. Article 3 of the Malaysian Federal Constitution stipulates that Islam is the religion of the Federation but other faiths or religions may be practised in harmony throughout the Federation. The majority of Malaysians are Muslims and rampant acts of insulting Islam could lead to racial and religious riots that are not good for national stability and prosperity. An example of a law to combat the offence of insulting religions is the Sedition Act of 1948. Section 3 of this Act explains that sedition may occur if there is an incitement of hostility among races in Malaysia. This incitement covers religions because Malaysians practice diverse religions. The spread of deviant teachings among Muslims is also a risk. Many Shari'ah laws of the states intend to control any deviant teachings among Muslims. Deviant teachings could lead to Muslims being ignorant of the established practices of Islam in Malaysia. Normally, a fatwa or legal ruling will be issued on deviant teaching, allowing the authority to take necessary actions to combat

the deviant teaching. Both state religious and federal authorities e.g. the Police will then work together to fight the teaching.

In the protection of life, risk managements provide various examples. Murder is a criminal offence, haram, and also a risk. In Malaysia, the offence of murder leads to a death sentence. It is governed under public law. In Islam, murder is haram. The Shari'ah also provides punishments for murder under qisas. Qisas is the principle of retribution for a crime committed. It is an eye for an eye. For example, if someone causes physical harm to another, the victim has the right to demand that the offender receives the same harm. The Shari'ah states that the punishments are either equal retribution, monetary compensation, or the grant of pardon. In murder, the deceased family may demand from the offender death, monetary compensation, or grant him an apology. Murder is also a risk because the deceased family will suffer trauma because of the murder. The community will not feel safe and this will create social disharmony. Another example that is related to social disharmony is robbery. Robbery is also a criminal offence, haram, and also a risk. The law in Malaysia categorises robbery as a criminal offence under public law. On the other hand, the Shari'ah regards robbery as a criminal offence under Hudud. Hudud is punishment stated in the Shari'ah that encroach on the limits set by Allah (s.w.t). Robbery is also a risk because it could cause serious injuries to the victims and damage to properties. Another example is health, an important aspect of human life. Taking care of health is a huge responsibility. In the Shari'ah, the practice of takaful is valid. Muslims can take takaful relating to health to ease the high cost of medical treatments in Malaysia. Muslims can also adopt a healthy lifestyle to ensure they are fit to conduct their daily affairs and religious acts to Allah (s.w.t).

In the protection of the mind, the human mind must be nurtured with noble values and knowledge. For example, a person with integrity and expertise in mathematics will execute his or her job at a computer company with integrity because a good act will be rewarded in the Hereafter. However, a person with expertise but no integrity will execute the job through abuse of power and corruption. Likewise, a person with integrity but no expertise could be incompetent and cause his or her employer financial losses. The importance of noble values and knowledge means that consuming liquor, drug abuse, and surfing pornography sites are a risk to the intellect. In controlling the mind, the education system will foster the mind with positive and religious knowledge. The implementation of the law is to regulate the consumption of liquor, drug abuse, and surfing pornography sites. In Malaysia, consumption of liquor is allowed for non-Muslims but they and Muslims are prohibited from drug abuse and surfing pornography sites. In the Shari'ah, drinking liquor is haram and governed under Hudud whereas drug abuse and surfing pornography sites are under Ta'zir. Ta'zir refers to punishments for any act of disobedience to Allah (s.w.t) not classified under Hudud and Qisas. The implementation of Ta'zir is subject to the Muslim ruler's discretion (Darsi and Husairi, 2019). In protection of lineage, a person's lineage manifests the dignity and pride of oneself and family. Dignity and pride are based on the standards of a particular community. For Muslims, Islam determines the standards. It means that the culture of a Muslim community must conform to the Shari'ah. Same-sex relationships, adultery, and sodomy are haram and also a risk to lineage. For example, same-sex relationships affect and reduce lineage. Such relationships also affect life because they generate diseases such as AIDS and other genital diseases. Adultery and sodomy are also criminal offences under the Shari'ah. Adultery between non-married persons could lead to children born out of wedlock or illegitimate children. The Shari'ah does not recognise

the right of illegitimate children to property and the maintenance of biological parents. Although Islam recognises that children, illegitimate or not are entitled to protection, the illegitimate children may suffer personal trauma because of the act of their biological parents. In Malaysia, adultery is a civil wrong under Civil law and the Shari'ah regards it as a crime. Same-sex relationships and sodomy are considered as a crime by both Civil law and the Shari'ah in Malaysia. The laws as a mitigation plan, intend to control the risk of same-sex relationships, adultery, and sodomy to lineage.

In the protection of property, Islam encourages Muslims to seek property legally. For example, a Muslim is prohibited from lending money with interest to others. Interest is usury and a haram transaction. The Holy Qur'an states that Allah (s.w.t) permits trading and prohibits riba. Lending money with interest is riba. In the Sunnah, a Hadith states that an exchange of gold for gold must be equal in measure and value. The exchange must be done immediately otherwise it is haram because of riba. A Muslim with property is open to theft and robbery and these acts are a risk to him or her. Therefore, the authority must provide him or her with adequate protection in law and enforcement. Islam also encourages trading, business, and commercial transactions. Prices of commodities and services should be based on the market's demands. Corrupt practices, financial oppression, and business monopolies are prohibited. In the Qur'an, Allah (s.w.t) even declares war on those committing oppression. Therefore, the government must enact and enforce laws to prohibit such corrupt practices, financial oppressions, and business monopolies. In the Shari'ah, Ta'zir deals with fraud, corruption, and monopolies. On the other hand, the Hudud deals with theft and property.

UiTM perspective

UiTM recognises risk management as a policy and all Responsible Parties (RPs) must implement such risk management. UiTM's Risk Management Centre (RMC) will ensure that the RPs implement risk management. It also provides advice and consultations to the RPs. The university has recognised strategic, financial, reputational, legal, operational, and project risks. These risks affect the university's relationship with third parties and its staff. They also guide the university in implementing risk management within contexts and experiences. They are also Islamic and related to the above practice of Maqasid Shari'ah. They must be categorised under daruriyyat as expounded by al-Ghazali. Strategic risk refers to the risks that arise when an organisation implements its business objectives. The strategic risk of UiTM refers to its strategic planning. This risk affects the university's visions, missions, and objectives. Normally, strategic issues exist in a state of uncertainty. This situation has given rise to strategic risk as these visions, missions, and goals are pursued (Emblemsvåg and Kjølstad, 2002). An example of a strategic risk is graduates' unmarketability. The graduates' employment will not match their qualifications. This situation is detrimental to the graduates, the university, and Malaysia because the university's main objective is to provide the Bumiputeras with quality education and opportunities to obtain good employment. In Islam, employment is a quest of a Muslim for a living. Making a living is wajib, especially for men. For example, a husband is the leader of the family. The Shari'ah obliges him to provide adequate nafkah to the wife and the children. Therefore, he must have good employment. By having a good education, he may obtain such good employment. The university controls the strategic risk by implementing students' industrial training, empowering study programmes, and strengthening lecturers' profiles. For example, the Faculty of Laws requires its students to undergo short

industrial training at important institutions such as courts, the Attorney General Chambers, and legal firms. This training exposes them to the real working world in law.

Generally, financial risk management is a strategic means to minimise possible losses and maximise possibilities in constant changes in the environment (Chitta and Soni, 2023). In UiTM, the financial risk comprises the university's internal and external expenses. The university's biggest funder is the federal government. The university's journey towards becoming a premier university depends on the strength of its finances. For example, the university spends millions on utility, which is a risk. Risk management helps the university to monitor and control its finances. Using online systems to organise official documents will reduce the university's expenses on purchasing papers for official usage. The Qur'an states that an act of wastage is an act of Satan. Thus, the Shari'ah expounds that wastage is makruh. For example, a Muslim who utilises excessive water for ablution or wudhu' is committing a makruh act. The reputational risk is important but difficult to protect. It is formulated outside an organisation and involves the media, customers, employees, and other stakeholders. It also cannot be transferred to another party such as insurance companies (Heil, 2018). In UiTM, the reputational risk touches on the university's image as an educational institution. The university's staff and students must protect the university's reputation through good and respectable conduct. The university will take disciplinary actions against staff and students involved in negative acts that tarnish its reputation such as corruption and immoral acts. It will also take legal actions against third parties that tarnish its reputation through defamation suits. However, it must also prepare itself against the legal actions of third parties via the same defamation suits. Protecting reputation is important in Islam. Islam considers slander as an act of sin. For example, an act of accusing a chaste woman of committing adultery or zina is a sin and a criminal offence. The guilty party is punishable under Hudud with eighty lashes.

Legal risk refers to all consequences arising from actions related to an organisation (Moorhead and Vaughan, 2015). It also concerns the adherence of UiTM to Malaysian law. The Malaysian law encompasses Civil law and the Shari'ah. Civil law applies to Muslims and non-Muslims in the Federation whereas the Shari'ah is a state matter and only applies to Muslims. Civil law is divided into public, private, and international law. Public law governs relationships between the state and individuals such as criminal and constitutional law. For example, an individual who commits a crime is answerable to the State. Private law administers relationships among individuals such as contract, tort, and land law. For example, an individual who commits negligence is answerable to the victim of the negligence. International law monitors the application of foreign laws in Malaysia. For example, a foreign national who commits a crime in Malaysia is answerable to Malaysian law. The Shari'ah mostly governs matrimonial and property matters involving Muslims. For instance, in a divorce case, the Shari'ah court has the jurisdiction to determine maintenance (nafkah) of children, child custody after divorce (hadhanah of the children), and jointly acquired property. UiTM must control the legal risk because it could affect the university's reputation and finances. The university is open to monetary legal suits by its staff and third parties. For example, third parties may sue the university for breach of contract. In the Shari'ah, the state government permits the university to collect zakah and conduct the weekly Jumaah prayer on its premises. The university also uses the Shari'ah court's decision as evidence in its staff's disciplinary proceedings.

Operational risk is a day-to-day hazard of running an organisation's business (Dvorsky et al., 2021; Coleman, 2010). The UiTM's operational risk concerns its daily activities, procedures, and system. This risk forms the majority core of the risks in the university. For example, a faculty governs academic, student, and general administrative matters. These matters involve individuals, facilities, procedures, and guidelines. The individuals must ensure that these matters follow the university's visions and missions. This risk concerns protecting faith, life, intellect, lineage, and wealth under Maqasid. For example, bribery and corruption are haram in Islam. Therefore, the university's staff must not engage in bribery and corruption in daily activities and routines. A lecturer must not engage in sinful acts such as sexual intercourse with students in return for good grades. Thus, the university has disciplinary proceedings to determine these matters and the guilty party can be punished with punishments such as dismissal, suspension from work, and reduction in rank. A project risk is an uncertain event that has a positive or negative effect on the project objectives (Gachie, 2017). In UiTM, it involves the university's project management. The university as a statutory body is permitted to be involved in projects beneficial to its staff and students. The projects involve massive finances that the university must manage with prudence. The finances are mostly the taxpayers' money. Honesty and trust are focal in Islam. In Maqasid, the management of this risk protects wealth. The university will be able to provide a first-class education to its students by having more wealth.

Conclusion

Generally, the Shari'ah does not discuss risk management in detail. However, this does not mean that Islam does not practice risk management. The evidence in the Holy Qur'an and the Sunnah of Prophet Muhammad (s.w.t) establish such practice. For example, the Holy Qur'an teaches Muslims the importance of food security. The advice of Prophet Yusuf to the King on the stockpiling of harvested grains is risk management. The Prophet (s.w.t) advises us to practise risk management by investing money belonging to orphans to maintain its maximum value and avoid its value decrease because of the zakah payment. Maqasid al-Shari'ah also acts as a guide in the implementation of risk management. Al-Ghazali expounds daruriyyat, hajiyat, and tahsiniyyat to protect faith, life, intellect, lineage, and wealth. This protection also generates important risks. Malaysia also practises the Maqasid as expounded by al-Ghazali to manage these risks. Examples of these risks are insulting religions, criminal offences, abuses of powers, corruption, adultery, same-sex relationships, robbery, and theft. Civil law and the Shari'ah in Malaysia exist to control these examples. The risk management in UiTM is also in line with the Shari'ah through Maqasid. The university manages the strategic, financial, reputational, legal, operational, and project risks. These risks affect the university's relationship with third parties and its staff. For example, in the legal risk, the university will use the Shari'ah court's decision in staff disciplinary proceedings. In short, two possible recommendations are as follows. First, Malaysian academics and authors should write extensively on risk management under the Shari'ah. Risk management is an important aspect of Malaysia and the writings would be guidelines to those in authority who practise risk management. Second, the Federal and State governments must implement extensive risk management by adhering to the Maqasid. This implementation covers all aspects of administration. For example, a Shari'ah judge should practise risk management in determining issues on nafkah of

children and hadhanah because they affect the welfare of the children. It is not fair for the judge to reduce the amount of nafkah because of divorce.

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