Chapter Three

Islamic Religious Practices and Business Success

Chapter Objectives:

- To examine the effect of Islamic religious principles and values on business ethics, motivation and business practices.
- To discuss the concept of business as a form of worship in Islam and its influence on entrepreneurial behavior.
- To explore how Islamic values help in the field of sustainable business, social responsibility and economic development.

Introduction

The intersection of Islam and business practices creates a unique and powerful framework that affects how people do business in many cultures. Islam, as both a religion and a way of life, has rules that cover everything from how people should act to how businesses should do business. The Qur'an and the *Hadith* teach values like honesty, fairness, social responsibility, and the ban on unfair practices like usury *(riba).* These religious directives serve to foster trust, accountability, and ethical stewardship among businesspeople.

This chapter, looks at how Islamic values affect how people do business, make decisions, and work together. We will look at how Islamic commercial law (*Shariah)* includes principles like justice *('adl),* mutual consent, and keeping contracts, and how these affect how Muslim business owners and entrepreneurs act. The chapter will talk about how faith can encourage ethical business practices, but it will also talk about how hard it is to balance religious duties with the needs of a competitive market. This study, shows how deeply and broadly Islam has helped create business environments that are ethical, strong, and socially responsible.

Islamic Principles and Business Success

Over several years, Islam teachings have been used as the guide of the religion, with their followers influencing their understanding of life and their attitude to different aspects of life, including business. In this chapter, the author examines the role of Islam in enabling its followers to become successful businesspeople. Fundamentally, Islam does not only promote business as a way of making a livelihood but also as a way of worship and expression. It is a distinct approach where business activity is seen as a way to serve the religious duty and serve the society positively, and it turns the business process into a religious experience. The Islamic values also give business people a sense of direction and drive. Through values such as hard work, ethical behavior, and corporate responsibility, business operations are taken to the moral level and make sure that in chase of profit, integrity and the welfare of the society are not sacrificed.

Figure 3.1, Islamic Principles on Business success (Davinci, 2026)

The available literature emphasizes the positive relation between business success and high Islamic values, including initiative, creativity, and leadership. These principles help business people to be determined and ambitious, and thus Muslim business people are well prepared to face the challenges of starting and developing any business, which is inevitable. Integrating Islamic principles into business operations, Islamic business people develop such traits as compassion, trustfulness, and service orientation, which contribute to the success of the company (Rizky et al., 2024). Spiritual intelligence based on Islam encourages the success of business through morally based business processes (Rizky et al., 2024). Charity, prayer, and remembering are significant Islamic spiritual practices that enhance the development of admirable character traits and selfconfidence that are crucial to becoming a successful business person (Zabidi, 2023). With these rules, Muslim businessmen are able to target the *halal* incomes, blessed earnings, and prosperity of the society (Zabidi, 2023). Islamic religious cultural activities, promote ethics and motivation leading to successful businesses, but some negative effects are possible (Maviya et al., 2024). The concept of Islamic business and its characteristics have been observed to influence business success (Valipour et al., 2025).

The Islamic doctrines encourage cooperation and the well-being of the community alongside personal qualities. Mutually assisted and thereby established cooperative networks complete the business opportunities of individuals and provide the overall economic progress of the Muslim population. Islam also motivates businesspeople to achieve financial success without compromising moral values and social obligations and promotes a balanced way of wealth creation. This holistic model is what ensures the long-term corporate businesses are beneficial to the society as a whole. The Islamic religious practices and values are fundamental in fostering entrepreneurship mindsets act as a guide to Muslim entrepreneurs in their bid to achieve success with a sense of purpose, moral uprightness, and community. This chapter demonstrates how these ideas may serve as a powerful stimulant to individual and general economic development under the Islamic context.

Business as a Form of Worship in Islam

Aeni, et al., (2024) argues that Islam perceives business as worship when it is in line with the Islamic principles. Business that is in accordance with Islamic law is believed to abide by the instructions of Allah and is highly recommended for the progress of the economy. This perspective helps Muslims excel in the material and spiritual world by putting business ventures in the category of worship because Allah has legalized them in the Quran (Olaofe, 2023). Emboldened by the ambitions to satisfy Allah, Islamic business people attaches great importance to the moral values, such as piety, integrity, dependability, and excellent service (Rizky et al., 2024). Introducing religious aspects into the business activity by fostering service orientation and sparking Islamic spiritual intelligence so as to ensure that practices correspond to the Islamic religious values encourages human self-development (Rizky et al., 2024). Working hard to get rich are considered to be a part of the worshipping realm because it enables Muslims to make other religious obligations, such as taking care of their families and giving *zakat*, (Yuli, 2024).

Worship *(ibadah)* in the context of Islamic philosophy encompasses a lot more than traditional worship practices such as prayer, fasting, or pilgrimage. It is an inclusive activity, not only business and entrepreneurship, but also doing so in good faith to satisfy Allah. Hence, business can be perceived, on the one hand, as a kind of religious practice, not necessarily as the way to achieve monetary benefit. When the business activities are practiced in line with the moral and ethical values established by Islam, they end up becoming activities that enhance the welfare of the society as well as the spiritual development of the individual.

A principle of intention, or *niyyah,* is one of the main elements that make business a form of worship. Prophet Muhammad (peace be upon him) claimed that the will is what determines the actions in Islam (*Bukhari and Muslim*). This implies that any legal practice, such as conducting business, may turn out to be some form of worship, provided the intention is to do so. When a business person decides to open a business with the aim of supplying their family with *halal* food, to give back to the community, or to help in economic growth, e.g., one business activity is filled with spiritual meaning.

Islamic teachings also consolidate the concept of entrepreneurship being worship, offering an overall ethical approach to running a business. A Muslim business owner must be honest, just, open, and socially responsible. Examples of business practices that are aligned to the Islamic values are fair trade, avoiding exploitation, and protecting the well-being of clients and employees. Following these regulations, businesspeople practice justice and compassion, two key tenets of the Islamic religion, and make their daily business practices devotion. A business also gives Muslims a chance to do other religious duties, including *zakat* (charitable giving) and *sadaqah* (voluntary charity). An effective business allows someone to help his family and the society in general. Income and resources can be used by the business people to serve people in need, which adds more spiritual value to their activity and enhances the connection between business and worship.

The Islamic perception of business as a worship depends on the principles of moral conduct and will. As they infuse Islamic principles in their businesses, as well as by remaining determined to pursue the blessing of Allah, business people will be able to transform their efforts into prayers. This view does not only improve the spiritual aspect of the business but also fosters social justice, economic prosperity, and moral uprightness in the entire community.

Motivation from Islam

Honesty, integrity, and responsibility are some Islamic values, which are good sources of sustainable business, and business is regarded as a form of worship in this dimension (Faizin et al., 2025). African empirical evidence shows that Islamic religion and business are related in terms of value systems. Islamic business people are motivated and driven through religious values, which make them determine their business paths (Kuada & Mangori, 2022). Religion positively influences the social capital of students in learning institutions, which subsequently increases their entrepreneurship motivation and self-efficacy. Social capital is a mediator of this relationship to some extent (Junaidi et al., 2023). Although these two spheres are inherently conflicting and tense, the convergence of Islamic religion and business is an important source of heterodox knowledge, which offers new visions of how the entrepreneurship action is applied by business people to change organizations and society (Smith et al., 2023).

The Islamic teachings provide the business people with a lot of encouragement and focus since they put a business operation into place, which is a combination of faith and meaningful living. The Muslims are advised to seek legal *(halal)* wealth and consider business as one of the ways of attaining it to assist their families, community, and society. The Prophet Muhammad (peace be upon him) encouraged people to work and make a living since he was a trader himself. This example provides the meaning to the businesses of the Muslim business owners by encouraging them to view their businesses as both a personal accomplishment and worship.

Islamic religion plays a very crucial role in the attitude of a business person regarding risk-taking, perseverance, and ambition. The Islamic teachings emphasize a lot on personal responsibility and thorough preparations and the faith in Allah (*tawakkul).* This dual view can help people be fearless of failure and become more resilient because it prompts businesspeople to take calculated risks, believing that God has the final say. The Islamic concept of *Sabr*, or perseverance, also encourages business owners to be patient and persistent in the face of the difficulties and to make long-term goals and work on their achievement.

The Quran and the teachings of the Prophet Muhammad give the fundamental principles that constitute the moral principles of Islamic entrepreneurship. Any business transaction promotes the virtues of being honorable, transparent, and just towards the businessmen. Islam does not permit fraud and deceit as well as exploitation; hence, the moral market place is established. Such ethical grounds will provide that the financial gains will be managed reasonably and the welfare of all parties involved, such as employees, customers, and the people, will be preserved.

The Islamic business practice has certain principles such as justice *(adl),* honesty *(sidq),* and dependability *(amana)* as its foundation. Treating someone fairly and providing equitable outcomes is a part of justice, and being honest creates credibility and trust among partners and clients. Reliability promotes the possibility of a long-term relationship founded on mutual respect and trust. Following these rules will also help

Muslim businesspeople develop a reputation of integrity, which is crucial to the future expansion of the business, besides gaining loyal customers and other reliable partners.

The Islamic ethical codes play a vital role in achieving the success of a business in the long term. Their advice is to ensure that long-term, value-oriented growth and non-unethical shortcuts are avoided by business people. Maintaining morals attracts goodwill, builds positive publicity for a business, and creates loyal customers. It also makes entrepreneurship useful to the society by creating a balance between material success, spiritual fulfillment, and a lasting legacy. The Islamic teachings are promoting businesses and tend to give it a base of values that are beneficial to both the society and the individual.

Promoting innovation and leadership

The study of Islamic leadership and innovation offers numerous crucial strategies for fostering development in Islamic contexts. An examination of the literature of Islamic educational institutions demonstrates the implementation of these ideals in real settings. Charismatic and transformative leadership is crucial for fostering an innovative culture at Jauharul Falah Islamic Boarding School, as indicated by Zufadli et al. (2024). These leaders cultivate shared visions and inspire stakeholders to participate in innovative endeavors. Efendi et al. (2024) assert that business leadership is essential for the development of high-quality Islamic education through the creation of inclusive learning environments, creative curricula, and technological education, all while upholding Islamic values as foundational ethical principles. To thrive in the digital age, Islamic educational leaders must cultivate a disruptive mindset, incorporate technology that aligns with Islamic principles, and reconcile technological advancement with established Islamic teachings, as stated by Azman et al. (2024).

The Islamic ideology highly encourages initiative, creativity, and flexible leadership skills, which are increasingly becoming critical in the contemporary business environment. Prophet Muhammad (peace be upon him) led by example by becoming proactive, problem-solving, and tough in his adversity. Creativity and innovation have a philosophical basis in the Quran and the *Hadith,* which often stress the need to aim at excellence *(Ihsan*) and apply their ability in a responsible manner. Such teachings are meant to help Muslim executives and businessmen to adopt new beliefs and practices without compromising on morality.

Rashid, (2024), found that business people who incorporate Islamic values like honesty, reliability, and social responsibility tend to experience long-term growth in their business and good relationships with the stakeholders. As an illustration, the ideas of *Shura* (consultation) and *Ijtihad* (independent reasoning) facilitate team-based decisions and ongoing improvements in firms, which are proved by research published in the Journal of Islamic Marketing. These concepts motivate staff to come up with creative solutions and enhance the level of leadership. Another aspect that is emphasized in Islam is the importance of leaders being flexible and adaptive. The notion of *Ijtihad* allows exploring the issue of change and uncertainty without fear, as it empowers people to understand and implement Islamic principles in new situations. This flexibility is particularly valuable in the contemporary business world, where quick thinking and creative problem-solving are required due to the rapidly changing environment of the technological sphere. It is urged that Islamic leaders should be open-minded and to have an innovative culture in their organizations.

The individual empowerment at a corporate level is also promoted by Islamic teachings. The Islamic type of leadership that strongly focuses on respect towards each other and consultation promotes initiative and idea sharing for all employees (*Shura).* This inclusive practice makes team members feel engaged and have a feeling of ownership that enhances creativity and productivity. The positive effects of these participative leadership models on organizational performance and innovation are common in the literature on Islamic management.

Islam regards morality, flexibility, and the involvement of groups as these are directly related to innovation and leadership in the business sector. Rantaprasaja and Fachrunisa, (2025) shows that classical doctrines have demonstrated that Islamic values are a beneficial foundation for prosperous business. The Islamic principles have been used to promote initiative, creativity, and inclusive leadership within organizations to succeed in an ever-changing business environment.

Islamic Faith-Based Ambition and Resilience

Trinanda et al. (2025) findings out that on faith-based aspirations and resiliency of Muslim entrepreneurs in crisis situations show that Islamic values have significant relationships with business success. The Islamic tenets such as *ikhtiar* (effort) and *tawakkal* (dependence on God) are pertinent to the resilience determinants that Muslim business people are able to practice both through direct entrepreneurship characters and the indirect ways through the entrepreneurship orientation (Trinanda et al., 2025). Resilience among Muslim retail entrepreneurs through COVID-19 was studied, and six influential factors were found, including digital marketing, entrepreneurship capacity, customer orientation, retailer attitude, social capacity, and Islamic spirituality (Junusi & Mubarok, 2020). The resilience of the Islamic MSMEs is contributed to by internal spiritual aspects that are founded on *Sharia* principles and cannot be eliminated in the human experience, including faith and optimism (Kasim et al., 2024). The Islamic resilience with the help of the *Sufi* spiritual training practices consists of specific spiritual qualities, such as *sabr* (patience), *tawakkal* (trust in God), *shukr* (gratitude), and ikhlas (sincerity) (Gumiandari et al., 2022).

Figure 3.2, Islamic Faith-Based Ambition and Resilience (Davinci, 2026)

Islamic religion is important in developing the aspirations and strength of business people and so the Muslim world. Islam asks its people to pursue excellence *(ihsan)* in everything that they do, including in the world of business, and also tells them that persistence (*sabr*) during misfortune is a commendable and rewarded quality. These teachings give businesspeople the motivation to reach the heights, strive, and never give up when things are failing. The belief that problems are tests sent by God helps in developing a growth-oriented, patient, and positive mindset, all of which are required to succeed in business.

Tenacity, which is an essential part of successful business, is acquired in Islamic teaching. As a trader, Prophet Muhammad (peace be upon him) had many challenges in his mission and in his business ventures. His life is an inspiration of perseverance since he still achieved his goals despite being criticized and facing financial difficulties and personal setbacks. The verses in the Quran, such as "Indeed, with adversity ease" (Quran 94:6), act as a reminder to Muslims that good things always follow misery, and they should keep the hope and hang on till the end.

Social responsibility and cooperation, as well as mutual aid, are also highly valued in Islamic business. It is also encouraged that Islam practice ethical business and necessitate the sharing of wealth by *zakat* (charitable giving) and *sadaqah* (voluntary charity). The values strengthen the social fabric by promoting the culture of giving back and assisting those in need, which leads to an environment conducive to businesses. Besides the personal gain motive, the business people have been advised to improve the quality of life in their communities.

Even the Islamic teachings are highly favoring group aid and community-based businesses. The Muslim communities usually form business networks with cooperative effects and share resources and expertise to attain collective interests. These networks are being run based on the principles of justice, transparency, and trust that are fundamental to Islam. Through collaboration, the members are able to overcome individual shortcomings, increase market reach, and establish sustainable businesses that are relevant to the larger group. Such collaborative efforts have a lot of positive effects. These networks ensure social cohesion, create jobs, and alleviate poverty, besides offering financial and technical assistance to those who intend to start a business. Due to a conducive environment, the success of every member will benefit the community. Due to their religiously inspired ambition and strength that is rooted in Islamic values, Muslim business people can collaborate with other people, overcome challenges with ease, and build thriving and socially responsible businesses.

A Balanced Approach to Wealth Creation

According to the concept of Tawhid and Islamic Shari'ah law, Islamic wealth management emphasizes the approach being moderate, as it incorporates both worldly and spiritual aspects (Ismail & Aisyah, 2023). Sakinah (2024) understands wealth as *amanah* (trust) of Allah, which has both social and spiritual duties. In order to avoid wealth concentration and promote social welfare, the framework entails moral wealth creation, protection, and distribution mechanisms, which are *zakat, infaq*, and *waqf* (Ismail & Aisyah, 2023). The strategy is focused on meeting the material and social-spiritual well-being and emphasizes highly *halal* earnings, justice, and sustainability (Arifin, & Agustiani, 2025). Islamic values also focus on morally earned and socially responsible distribution of wealth and show how susceptible they are to modern realities, including the complexity of the digital economy (Okanlawon et al., 2024). Although the Quranic and Sunnah foundations continue to be important, the current innovations, such as the digitalization of *zakat* and dealing with *waqfs* constructively, enhance redistribution (Sakinah, 2024). Through balanced wealth management means, this holistic model aims at achieving *falah,* which means success and flourishing in both worlds.

The concept that wealth is trust, or *amanah*, is the foundation of a holistic strategy of wealth management. Most ethics and religions consider wealth not only as a private resource that one can use freely but also as a duty imposed on people. This idea also serves to remind individuals to take a modest and thankful look at what they have because their end goal is beyond self-interest. By considering wealth as a trust, people will tend to be more inclined to good financial behaviors, including wise budgeting, saving, and investing with regard to the long-term consequences of their actions. Money management is very prudent to fulfill the requirement of the *amanah.* This involves making wise investments, making sensible budgets, and setting certain financial targets. It also involves not spending wastefully and not entering into debt, which can affect the ability of one to promise and be financially stable. Besides taking care of themselves, individuals can ensure that they are able to assist others and ensure that the society is well off by ensuring that they exercise sound wealth management. To satisfy both financial and moral responsibility, a fine line should be drawn between focusing on financial development and keeping ethical values. It is easy to be absorbed with the need to achieve greater wealth, but a balanced approach emphasizes the need to do things with integrity, justice, and honesty in our financial transactions. This strategy will deter such practices as exploitation, fraud, and unjust enrichment and enhance accountability and transparency. In the creation of wealth, a moral standard is desired to make sure that the acquisition of assets does not go against morals or harm other human beings.

By viewing wealth as trust, people will have a greater tendency to utilize their resources to benefit their societies. This can be done by individuals giving donations to charitable organizations and sponsoring charitable activities or programs that enhance economic growth and social equity. With their resources serving the greater good, individuals can make a positive impact that goes beyond their inner circles and one that makes society a more caring and just place. A balanced approach to wealth creation is based on the idea that wealth is a trust, with a great deal to do. The key to long-term prosperity of the individuals and their contribution to the society can be prudent money management, setting personal goals on one hand and moral principles on the other hand, and may also find out the effects of the financial decisions on the larger population. This all-round solution leaves a legacy and encourages personal satisfaction on top of financial prosperity.

Long-Term Sustainability and Social Impact

The long-term sustainability and social impact of Islamic enterprises identify Islamic business ethics as a relevant tool for achieving sustainable business performance. By illustrating how the business and work ethics and sustainability awareness of the Islamic faith can enable business survival, Ghoniyah et al. (2024) revealed how global sustainability objectives can be fulfilled by companies operating under the Islamic faith. Anshari and Jaharuddin (2025) state that the introduction of Islamic moral values and justice principles, in particular, has a significant positive impact on the sustainability of business in terms of creating social harmony, increasing customer loyalty, and building relations, which affect the economy, society, and religion negatively. To mitigate the impact of the pandemic and reduce reliance on external aid, Afifi (2024) proposed a new business model known as the *Waqf* Business Model, which is a socially oriented yet financially sustainable approach. Manalu et al. (2025) find Islamic business ethics, which are anchored on the Quranic and Hadith concepts of justice, honesty, and mutual benefit, to be a good foundation for long-term corporate management that contributes positively to society and the environment.

It is important to encourage sustainable business methods within the business people so that they can have a prosperous society in the long run. Sustainable businesses focuses on the management of resources, making ethical decisions, and being willing to make a positive impact on society besides getting financial benefits. Sustainable business practices aid in the conservation of resources, the enhancement of domestic economies, and the reduction of the rate at which the environment is degraded. Besides aiding in the presentation of generations, this will make sure that the future generations will have the opportunities and capabilities they require to prosper. Business people have a great influence on the values and the direction of a community. Having a strong focus on sustainability, they demonstrate a strong example to others, making them feel motivated to work together to achieve a common objective. The consistent investments by sustainable businesses in the local infrastructure and education and creation of jobs result in more powerful and resilient societies. These positive changes improve the quality of life of every member of the society by solving the urgent problems (poverty, inequality, and unemployment) and resulting in social progress.

In particular, Islamic businesses offer a paradigm that is inherently consistent with the goals of economic and social sustainability. The impact of ethical conduct, environmental sustainability, and social good is of high importance in Islamic businesses that is rooted in the concepts of justice, equity, and compassion. The business people who follow these principles by balancing their material success with their social and spiritual duties would guarantee that their businesses will not only benefit the community at large but also them. Islamic businesses do not only help individual businesses; it helps the society and the economy in general. Islamic businesspeople also contribute to minimization of inequality and social cohesion by maintaining moral principles and ensuring inclusive economic development. Their adherence to fair trade, zakat (charitable giving), and ethical labor practices is beneficial to the underserved communities and bolsters the local economies. The holistic strategy promotes a fairer distribution of opportunities and wealth through strengthening social bonds and promoting a sense of community mission. To attain long-term social impact and economic sustainability, Islamic businesses should be encouraged. By considering such ideas in business ventures, business people make important innovations and make sure that all aspects of society development, such as social progress, environmental conservation, and economic development, coexist.

Islamic Values as Accelerators of Economic Growth

Recent studies have shown that Islamic values are crucial in enhancing economic growth at a very rapid rate in various ways. Mardani (2021) is of the view that Muslim entrepreneurs in Tasikmalaya who practiced the Islamic value such as integrity, thrift, and openness experienced growth in sales. This, on its part, directly increased local taxes, reduced unemployment, and increased incomes, all increasing the regional economy. As the conventional human capital measures are replaced by ethical capital (piety), Raies (2021) developed an endogenous growth model, which theoretically illustrates how Islamic work ethics is a primary economic development driver. Shah et al. (2021) highlighted how Islamic banking supports an inclusive economic development through the enhancement of the connection between the nominal and real sectors by risk sharing and asset-based financing systems. As Quadri et al. (2023) used data on 47 countries (2010-2021) to provide some empirical evidence to support the hypothesis that Islam positively influences long-term economic growth in Muslim countries, the role of Islamic education in affecting economic performance and behavior cannot be overlooked.

The Islamic values based on Quran and *Sunnah* teachings contribute greatly to an entrepreneurial attitude. Islamic economics lies in the idea of *barakah* (blessings) in the creation of wealth and the halal (lawful) business operations. These values urge Muslims to be moral and get respectable jobs, invent new things, and serve the society. The focus on morality, reliability, and social responsibility has motivated businesspeople to add value to themselves and the community at large by promoting Islam. The practices and beliefs of Islam also have a great influence on the economic growth. Inclusive growth is promoted by regular practices that redistribute wealth and reduce poverty, including *zakat* (charitable giving), *sadaqah* (voluntary charity), etc. These requirements encourage people and organizations to be proactive in helping the poor to put in place a safety net that will help keep the economy stable and reduce inequality. These practices enhance economic activity by enriching the buying power of marginalized groups of people and business opportunities.

Social development is also supported by Islamic values that stress cooperation, social justice, and social support (*taawun).* The ban on predatory lending and hardship by banning usury (*riba)* safeguards the populace against usury. Instead, Islam encourages partnerships, risk-sharing, and profit-and-loss sharing models that would enhance long-term business expansion and enhance relations in the community. The values promote a teamwork environment, which encourages individuals to work collectively in the best interest of everyone. Islamic teachings make people have self-control, strong will, and a sense of responsibility. Prayer, fasting, and introspection are everyday habits that enable individuals to have self-control and perseverance, two elements that are fundamental to a business person in an uncertain situation. Individuals are also able to acquire new skills, be able to adjust to new circumstances, and engage in the process of self-development due to the Islamic focus on knowledge acquisition and self-growth, or *ilm*. Islamic values are very strong economic boosters since they encourage ethical businesses, redistribution of wealth, social unity, and individual growth. These values uphold compassion and justice and provide a good ground for the economic prosperity of the individuals and communities. Thus, incorporating the Islamic principles into the corporate operations ensures inclusive and fair growth, in addition to the sustainable growth.

Practical Questions:

1. How do business ethics and values of Muslim entrepreneurs relate to the Islamic principles of honesty, justice and social responsibility?
2. How does the idea of business as worship influence the motivation and resilience of Muslim entrepreneurs?
3. How can Islamic values contribute to long-term sustainable business practices and economic development in Muslim communities?