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## INFLUENCE OF *ULŪL ALBĀB* ON SUSTAINING COMPETITIVE ADVANTAGE OF SMALL BUSINESSES IN MALAYSIA

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### Abstract:

Small businesses in Malaysia encounter difficulties in sustaining their competitive advantage in rapidly evolving markets. To effectively address this problem, owners and strategists of small businesses should possess technical knowledge, intelligence, and strategic insight that is known as *ulūl albāb*. The objective of this study is to investigate the influence of *ulūl albāb* on the formulation, implementation, and evaluation of strategies by owners and strategists of small businesses in Malaysia, with the goal of sustaining their competitive advantages in a rapidly changing market environment. This study used qualitative research through personal interviews with five owners and strategists of small businesses. The interviews provided valuable insights into their comprehension and utilisation of *ulūl albāb* characteristics on the decision-making procedures employed by the strategists. The results suggest that although the strategists recognised the significance of *ulūl albāb* qualities, most of the situation their decision-making process was impacted by emotions and sentiments. The presence of emotional involvement posed difficulties in the preservation of corporate continuity. This findings provides insights on the influence of *ulūl albāb* characteristics on strategic thinking that led to practical and helpful suggestions for small business owners and strategists. This implies the necessity of implementing training and development initiatives specifically designed to enhance these qualities within practical business environments, hence facilitating the ability of small enterprises to adjust and prosper in highly competitive marketplaces.

### Keywords:

Strategy, Competitive Advantage, Small Businesses, *Ulūl Albāb*, Malaysia

## Introduction

Small businesses struggle to sustain their competitive advantage in the highly competitive marketplace. Several factors contribute to the inability of small businesses in Malaysia to sustain their competitive advantage in rapidly shifting markets (Khalifa, 2008; Rumelt, 2011; Eliadis, 2013; Freedman, 2013; Strachen, 2013; Adobor, 2020; Khalifa, 2020; Khalifa, 2021; Miklian & Hoelscher, 2022; Gupta, Sardana & Lee, 2024). Sustainability refers to the capacity to maintain business operations by effectively managing the interplay between financial gain, societal well-being, and ecological preservation (Ross, Weill & Robertson, 2006; Kvale & Brinkmann, 2009; Ronda-Pupo & Guerra-Mart, 2012; Khalifa, 2021; Benedic, 2024; Gauttier, Simouri & Milliat, 2024; Love, Nikolaev & Dhakal, 2024).

Competitive advantage pertains to the capacity of businesses to gain and sustain superiority in the competitive market (Robins, 1993; Porter, 1996; Whittington, 2001; Verify, 2003; Raynor, 2007; Wunder, 2016; Adobor, 2020; Weaven et al., 2021; Milian & Hoelscher, 2022; Chaudhary et al., 2024). The deficiencies include a lack of capacity to prioritise which business segment to focus on, an inability to utilise strengths to take advantage of opportunities, and a lack of discipline in financial management (Eliadis, 2013; Adobor, 2020; Benedic, 2024; Thomas & Douglas, 2024). To effectively address these issues, small business owners must prioritise acquiring knowledge, enhancing their cognitive abilities, and cultivating values such as discipline, resilience, and perseverance (Adobor, 2020; Benedic, 2024; Gupta et al., 2024).

Small business owners are individuals who legally own businesses in the form of sole proprietorship, which are registered with the registrar of business at the Companies Commission of Malaysia and actively involve themselves with their day-to-day operations (Lim & Teoh, 2021; Kurniawaty et al., 2024; Zahari et al., 2024). The technical knowledge, intelligence, and strategic insight that is known as *ulūl albāb*.

Small business owners with *ulūl albāb* are characterized by their continuous quest for *'ilm* (knowledge) and *fāhm* (understanding) (Wahid, 2011; Yaqin, 2015; Muthfah and Muskania, 2017; Zahari et al., 2024). They seek to expand their intellectual horizons, stay well-informed about relevant fields, and leverage this knowledge to inform their strategic choices (Verify, 2003; Van de Steen, 2013; Zenger, 2013; Van De Steen, 2016; 2018; West, 2018).

Small business owners with *ulūl albāb* consciously adhere to the principles of *ulūl 'ilmi* (knowledge) and *uli an-nūha* (rationality) (Walid, 2011; Baharuddin & Ismail, 2016; Abdul Wahid, Abdul Sabian & Mhd Sarif, 2022; Budiayanti et al., 2022). Indeed, business owners with *ulūl albāb* exhibit a conscious commitment to embracing and embodying the principles of *ulūl 'ilmi* (knowledge) and *uli an-nūha* (rationality) (Mhd. Sarif, 2013; Subirin et al., 2017; Sahlan et al., 2020). Thus, small business owners with *ulūl albāb* ought to give priority to three essential actions, namely the acquisition of *'ilm* (knowledge), the enhancement of *an-nūha* (thinking skills), and the cultivation of necessary attributes, such as prioritisation (Basid, 2012; Abdul Wahid et al., 2022; Budiayati et al., 2022). In order to enhance their understanding of their industry, market trends, and rivals, individuals should proactively engage in knowledge acquisition by actively seeking relevant information (Baharuddin & Ismail, 2016; Subirin et al., 2017; Sahlan et al., 2020; Abdul Wahid et al., 2022). Knowledge plays a pivotal role as a valued instrument that enables individuals to make well-informed decisions and sustain a competitive edge.

Based on the issues mentioned, this study aims to investigate the influence of *ulūl albāb* on the development, execution, and assessment of strategies employed by small business owners in Malaysia. The structure of this paper is divided into introduction, literature review, methodology, main results, and conclusion.

### **Literature Review**

There are four points are critically discussed in this literature review, namely sustainability, competitive advantage, small business owners, and *ulūl albāb*. Sustainability in the business context refers to the ability of businesses to operate in a manner that is ecologically responsible, socially equitable, and commercially viable in the long run. As for competitive advantage refers to the strategies and practices that firms employ to gain and sustain a superior position in their markets. This can be achieved through several means such as innovation, operational efficiencies, exceptional customer service, or building strong brand loyalty.

Small business owners encompass the various responsibilities, difficulties, driving forces, and tactics employed to achieve prosperity. *Ulūl albāb*, a term derived from Islamic tradition, refers to individuals who possess deep comprehension and intellectual capacity. These four topics provide a thorough structure for the literature evaluation, with each area offering important insights that support the study's examination of how small business owners, guided by the principles of *ulūl albāb*, manage the difficulties and opportunities of maintaining a competitive advantage.

#### ***Definition of Sustainability***

Sustainability refers to the capacity to maintain business operations by effectively managing the interplay between financial gain, societal well-being, and ecological preservation (Ross, Weill & Robertson, 2006; Kvale & Brinkmann, 2009; Ronda-Pupo & Guerra-Mart, 2012; Khalifa, 2021; Benedic, 2024; Gauttier, Simouri & Milliat, 2024; Love, Nikolaev & Dhakal, 2024).

Sustainability in a corporate context refers to the attainment of a state of equilibrium that guarantees long-term sustainability and prosperity by effectively integrating three fundamental components: economic performance, social responsibility, and environmental stewardship (Benedic, 2024; Gauttier et al., 2024; Love et al., 2024). This notion has expanded to include contemporary frameworks and principles, such as ESG (Environmental, Social, and Governance), SDG (Sustainable Development Goals), and the circular economy, each offering a means for enterprises to make a beneficial contribution to the world (Benedic, 2024; Love et al., 2024; Zahari et al., 2024).

By incorporating these concepts into their strategies, businesses not only strive for their own long-term viability but also make a positive impact on the overarching objective of sustainable development at a global level. This strategy necessitates a reassessment of business models, pioneering in the design of products and services, and actively adopting sustainable practices to guarantee the enduring prosperity of the earth, society, and the economy.

#### ***Definition of Competitive Advantage***

Competitive advantage pertains to the capacity of businesses to gain and sustain superiority in the competitive market (Robins, 1993; Porter, 1996; Whittington, 2001; Verify, 2003; Raynor, 2007; Wunder, 2016; Adobor, 2020; Weaven et al., 2021; Milian & Hoelscher, 2022; Chaudhary et al., 2024).

The deficiencies include a lack of capacity to prioritise which business segment to focus on, an inability to utilise strengths to take advantage of opportunities, and a lack of discipline in financial management (Eliadis, 2013; Adobor, 2020; Benedic, 2024; Thomas & Douglas, 2024). To effectively address these issues, small business owners must prioritise acquiring knowledge, enhancing their cognitive abilities, and cultivating values such as discipline, resilience, and perseverance (Adobor, 2020; Benedic, 2024; Gupta et al., 2024).

The thought of competitive advantage emphasises the important capacity of businesses to outperform their competitors by utilising distinctive strengths and strategies, as emphasised by numerous scholars (Robins, 1993; Porter, 1996; Whittington, 2001; Verify, 2003; Raynor, 2007; Wunder, 2016; Adobor, 2020; Weaven et al., 2021; Milian & Hoelscher, 2022; Chaudhary et al., 2024). Nevertheless, attaining and upholding this advantage is plagued with challenges, such as the complexities of recognising crucial business segments to prioritise, capitalising on inherent strengths to seize opportunities, and adhering to financial prudence (Eliadis, 2013; Adobor, 2020; Benedic, 2024; Thomas & Douglas, 2024).

To address these complexities, small business owners should allocate resources to improve their knowledge base, and cognitive abilities, and embody qualities such as discipline, resilience, and tenacity (Adobor, 2020; Benedic, 2024; Gupta et al., 2024).

### ***Definition of Small Business Owners***

Small business owners are individuals who legally own businesses in the form of sole proprietorship, which are registered with the registrar of business at the Companies Commission of Malaysia and actively involve themselves with their day-to-day operations (Lim & Teoh, 2021; Kurniawaty et al., 2024; Zahari et al., 2024). The technical knowledge, intelligence, and strategic insight that is known as *ulūl albāb*.

Small-business owners play a crucial role in their businesses (Lim & Teoh, 2021; Kurniawaty et al., 2024; Zahari et al., 2024). They are actively involved in the day-to-day operations to use technical expertise, intelligence, and strategic acumen necessary for successfully navigating the competitive business environment. Small firms, despite their size, have obstacles similar to those faced by medium and big enterprises (Weaven et al., 2021; Milian & Hoelscher, 2022; Chaudhary et al., 2024). They aim to gain a competitive edge by outperforming both direct competitors of similar size and larger participants in the market (Benedic, 2024; Thomas & Douglas, 2024). This emphasises the widespread applicability of competitive strategy in businesses of all sizes, emphasising the significance of strategic expertise, represented by the principle of *ulūl albāb*, in attaining success in the market.

### ***Definition of Ulūl Albāb***

*Ulūl albāb* denotes persons who have achieved a notable degree of spiritual and intellectual maturity (Mhd. Sarif, 2013; Yaqin, 2015; Abdul Wahid et al., 2022). These individuals possess a remarkable capacity to effectively combine and utilise both their intellect and emotions (Walid, 2011; Sahlan et al., 2020). The combination of intellectual and spiritual abilities is seen as a defining characteristic of human greatness, demonstrating a thorough comprehension and utilisation of both worldly knowledge and spiritual wisdom.

Individuals who possess *ulūl albāb* have attained a deep level of spiritual and intellectual ability, allowing them to make decisions and plan actions for maximum effectiveness (Mhd. Sarif, 2013; Yaqin, 2015; Abdul Wahid et al., 2022). They are characterized by their

remarkable ability to harness and optimize the inherent gifts of both the mind and the heart for deep contemplation and *dhikr*, which is the act of remembrance and devotion to God in Islamic practice (Baharuddin & Ismail, 2016; Abdul Wahid et al., 2022; Budiyaniti et al., 2022). This unique capacity demonstrates a form of excellence inherent in the human condition (Wahid, 2011; Mhd. Sarif, 2013; Abdul Wahid et al., 2022).

### ***Attaining Ulūl Albāb***

To attain this elevated state of being, individuals must embark on a transformative journey that integrates several crucial dimensions. Firstly, intellectual prowess plays a pivotal role (Mintzberg, 1979, 1987; Robins, 1993; Porter, 1996; Qu & Dumy, 2011; Mhd. Sarif, 2013; Zenger, 2013; Wunder, 2016; Subirin et al., 2018; Abdul Wahid et al., 2022). *Ulūl albāb* engage in continuous learning and intellectual exploration (Mhd, Sarif, 2013; Subirin et al., 2018; Abdul Wahid et al., 2022). They seek to expand their knowledge and understanding of various subjects, including spirituality and the divine, in a quest for enlightenment and wisdom (Wahid, 2011; Freedman, 2013; Khalifa, 2020; Zahari et al., 2024).

The emotional and spiritual dimensions are essential components of this journey. *Ulūl albāb* cultivate a deep and profound connection with their inner selves and with the spiritual realm (Mhd. Sarif, 2013; Yaqin, 2015; Abdul Wahid et al., 2022). They are guided by a strong sense of empathy, compassion, and love for humanity, reflecting the harmonious integration of their emotional and spiritual facets (Reeves et al., 2012; Wunder, 2016; Van den Steen, 2018; Sahlan et al., 2020; Abdul Wahid et al., 2022).

Furthermore, achieving this state of *ulūl albāb* necessitates an intrinsic “involvement of reason and guidance from revelation,” (Muthfah and Muskania, 2017; Sahlan et al., 2020; Khalifa, 2021; Abdul Wahid et al., 2022). This means that these individuals draw upon both their rational thinking and spiritual insights, aligning their decisions and actions with divine guidance and moral principles (Khalifa, 2020; Sahlan et al., 2020; Zahari et al., 2024).

Indeed, *ulūl albāb* represent individuals who have reached a transcendent state of being, where intellectual acumen, emotional intelligence, and spiritual devotion converge (Mhd. Sarif, 2013; Zenger, 2013; Wunder, 2016; Subirin et al., 2018; Abdul Wahid et al., 2022). Their journey involves a deep commitment to continuous learning, introspection, and a profound connection with the divine (Chandler, 1962; Newman & Logan, 1971; Glueck, 1976; Hambrick, 1980; Porter, 1996; Ross et al., 2006; Raynor, 2007; Walid, 2011; Khalifa, 2020; Abdul Wahid et al., 2022). This holistic integration of intellectual, emotional, and spiritual dimensions enables them to excel in their contemplative practices, *dhikr*, and, ultimately, in their understanding of the human experience and their relationship with the divine (Mhd. Sarif, 2013; Yaqin, 2015; Abdul Wahid et al., 2022).

### ***Attaining Ulūl Albāb***

Business owners with *ulūl albāb* approach their strategic challenges with a rational mindset, applying logic and reason to evaluate options, assess risks, and devise effective strategies (Walid, 2011; Baharuddin & Ismail, 2016; Abdul Wahid et al., 2022; Budiyaniti et al., 2022). They avoid hasty or impulsive decisions and instead prioritize careful deliberation and sound reasoning (Baharuddin & Ismail, 2016; Subirin et al., 2017; Sahlan et al., 2020; Abdul Wahid et al., 2022). The elements of *ulūl albāb* involve being an “intellectual thinker who is pious and *fāqih*, possesses a pure and healthy mind, a brilliantly sharp intellect, proficiency in *istinbāt*, a pure heart, openness to understanding the essence beyond superficial appearances, a noble

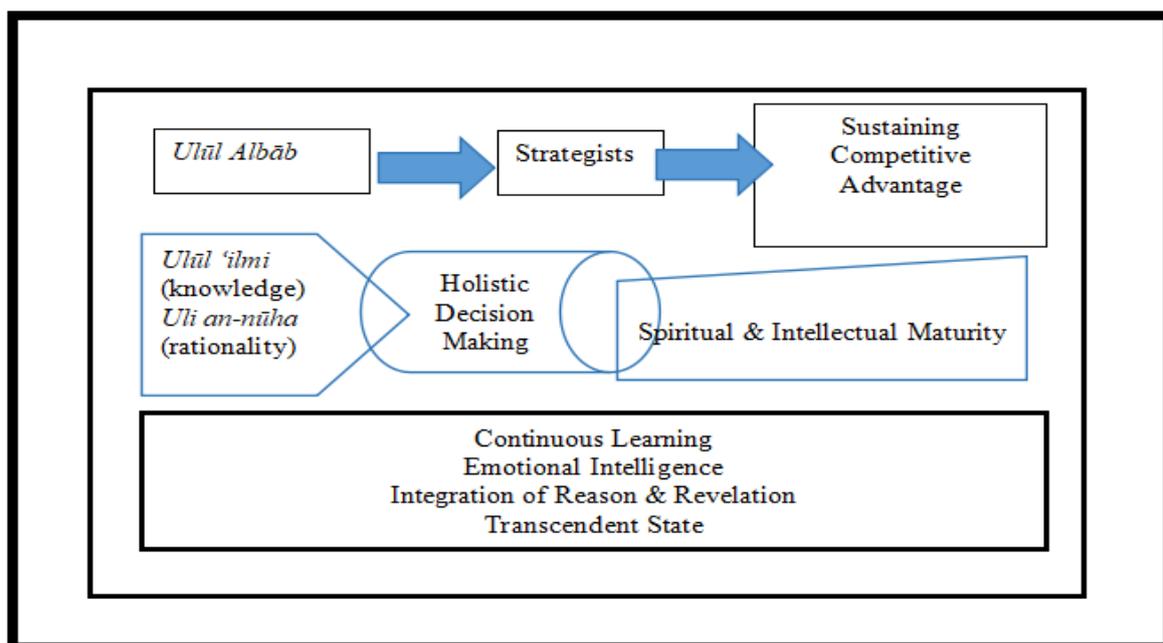
spirit, and refinement of the mind” (Basid, 2012; Mhd. Sarif, 2013; Baharuddin & Ismail, 2016; Subirin et al., 2018; ).

### Framework of the Study

Based on the above analysis, when business owners adhere to the attributes of *ulūl albāb*, they incorporate the following attributes:

- a) *Ulūl ‘ilmi* (knowledge)
- b) *Uli an-nūha* (rationality)
- c) Holistic Decision-Making
- d) Spiritual and Intellectual Maturity
- e) Continuous Learning
- f) Emotional Intelligence
- g) Integration of Reason and Revelation
- h) Transcendent State

This study developed a research framework that proposes the influence of *ulūl albāb* on the sustainability of competitive advantages for small enterprises in Malaysia. Figure 1 shows the research framework. The proposition posits that *ulūl albāb* possess the capacity to exert an impact on business owners operating within the realm of small firms, hence facilitating the acquisition and sustenance of a competitive advantage for these enterprises. The concept of *ulūl albāb* is thought to be supported by *ulūl ‘ilmi* (knowledge) and *uli an-nūha* (rationality), which promote comprehensive decision-making that encompasses both spiritual and intellectual development (Mhd. Sarif, 2013; Zenger, 2013; Wunder, 2016; Subirin et al., 2018; Abdul Wahid et al., 2022; Zahari et al., 2024). The successful execution of this all-encompassing procedure requires a perpetual commitment to acquiring knowledge, the cultivation of emotional intelligence, the harmonious fusion of rationality and spiritual insight, and the achievement of an elevated and transcendent state.



**Figure 1: Framework of the Research**

Source: Mhd. Sarif, 2013; Abdul Wahid et al., 2022

## Methodology

The main objective of this research is to investigate the influence of *ulūl albāb* on the development, execution, and assessment of strategies employed by small business owners in Malaysia. The ultimate purpose is to ensure the long-term viability of their competitive advantages within a dynamic market landscape (Mhd. Sarif, 2013; Zenger, 2013; Wunder, 2016; Subirin et al., 2018; Abdul Wahid et al., 2022; Zahari et al., 2024). This research employed a qualitative methodology, utilising personal interviews as the primary data collection method. The study involved five participants who were owners of small businesses.

The use of qualitative methodology aims to thoroughly investigate the impact of the intellectuals qualities or a mindset known as *ulūl albāb* on the strategic formulation, execution, and assessment of small business owners to sustain competitiveness. This investigation is carried out using qualitative methodologies, which enable a comprehensive and deep insight that quantitative methodologies may not offer (Mhd. Sarif, 2013; Merriam & Grenier, 2019; Abdul Wahid et al, 2022). The methodology employed in this study involved the use of personal interviews, which aligns with the qualitative research design (Merriam & Grenier, 2019). The interviews yielded useful insights on the participants' understanding and application of *ulūl albāb* attributes in the decision-making processes adopted by the business owners. The study developed its interview questions derived from the literature at hand. Before doing the actual study, other researchers were sought to verify its validity. Subsequently, the study conducted a preliminary investigation with two (2) proprietors of small businesses to ascertain the appropriateness of the interview questions (Mhd. Sarif, 2013; Merriam & Grenier, 2019; Abdul Wahid et al, 2022). Nevertheless, the actual interview did not encompass these small business owners.

Before the personal interviews, the researchers obtained informed consent from all informants. The researchers used manual note-taking for data collection, as it was approved and agreed upon by the informants (Byrne, 2001; Kyale & Brinkmann, 2009; Qu & Dumay, 2011; Mhd. Sarif, 2013; Abdul Wahid et al., 2022). The selection of informants was conducted via a pragmatic sampling methodology. The duration of each interview session ranged between around 40 to 50 minutes, taking place from 10 am to 11 a.m spanning from June to August 2023. These interviews were performed with the informants at their respective workplaces as a component of the data collection procedure.

Conducting personal interviews posed significant challenges attributable to the demand of adjusting into the busy schedules of small business owners. Although these business owners were responsible for managing smaller businesses, they were actively involved in daily management duties, which posed a challenge in finding mutually convenient interview dates. Furthermore, an important challenge emerged due to the respondents' first struggle in comprehending the interview questions. The researchers had to adeptly reword the questions to correspond with the participants' comprehension level, guaranteeing clarity and promoting meaningful responses.

The researchers diligently documented all pertinent data obtained from the interviews, encompassing significant topics, verbatim quotes, and noteworthy observations derived from the dialogues. After conducting the interviews, the researchers employed a thematic data analysis methodology (Qu & Dumay, 2011) to analyse the data that was obtained. The

initial step in this process involved the transcription of the interview notes (Byrne, 2001; Kvale & Brinkmann, 2009).

The researchers sought validation from the informants to ensure the precision and reliability of the transcribed notes. The aforementioned procedure held significant importance as its primary objective was to ensure the precision of data and mitigate the occurrence of misinterpretation (Franklin & Ballan, 2001; Flick, 2018). In order to achieve a comprehensive understanding of the data prior to commencing the study, the researchers engaged in a meticulous examination of the verified interview transcripts (Flick, 2018; Morgan, 2022). As a consequence of this process of familiarisation, the researchers were able to identify repeating themes, patterns, and novel concepts within the dataset. The researchers established a robust groundwork for subsequent investigation by acquiring a comprehensive understanding of the data, so ensuring that their analysis was well-informed and nuanced.

### Main Results

The informants were questioned by the researchers in accordance with the research purpose, which aims to investigate the influence of *ulūl albāb* on the formulation, implementation, and evaluation of strategies utilised by small business owners in Malaysia. The primary objective is to ensure the sustained sustainability of their competitive advantages within a dynamic market environment.

The researchers enquired the strategies and practises utilised by small business owners in Malaysia who are affected by *ulūl albāb* in the formulation, implementation, and evaluation of their business plans. How do these strategies enhance the long-term sustainability of their competitive advantages given the dynamic market environment in Malaysia?

The questions that the researchers asked were: "What specific strategies and practices do small business owners in Malaysia influenced by *ulūl albāb* employ in the development, execution, and assessment of their business strategies? How do these strategies contribute to the long-term viability of their competitive advantages within the ever-evolving market landscape in Malaysia?" The questions have been translated into Malay language: "*Bagaimanakah pemilik perniagaan kecil dan strategis di Malaysia yang terinspirasi oleh ulūl albāb melaksanakan strategi perniagaan mereka? Bagaimana pelaksanaan strategi ini membantu mereka untuk kekal bersaing dalam pasaran Malaysia yang berubah-ubah?*"

Informant 1 said:

*"Bagi saya sebagai peniaga kecil, lebih tepat sebagai peniaga pasar malam dan pasar tani menjual makanan panas lebih 20 tahun kerana ini merupakan pekerjaan saya menyara diri dan keluarga. Itulah asas bagaimana perniagaan saya masih kecil tapi berterusan. Memang ada banyak cabaran dari pihak penguatkuasa, pihak pelanggan, pihak pembekal. Saya hadapinya dengan bekerjasama dengan jawatankuasa penjaja. Memang kena bekerjasama berpasukan dan berpersatuan. Dari situ kita dapat kekuatan untuk bertahan."* (For me, as a small-scale vendor, specifically in the night market and farmers' market where I've been selling hot food for over 20 years, this has been my means of supporting myself and my family. This is the foundation of how my business, though small, has persisted. Undoubtedly, there have been numerous challenges from authorities, customers, and suppliers. I've tackled them by working closely with the vendors' committee. Indeed, teamwork and unity are essential. It's from there that we draw strength to endure.)

Informant 2 mentioned:

*“Ramai orang sangka berniaga ini mudah, ambik dari pasar borong, terus letak di pasar tani. Pelanggan datang, kami timbang, jual dan dapat duit. Bukan begitu, saudara. Siapa di pasar borong tu nak jual sayur secara borong kat awak? Siapa awak? Walaupun awak ada banyak duit, belum tentu dia nak jual. Saya kena tahu siapa "penjaga" pasar borong dan siapa pula "penjaga" pasar tani. Kedua-duanya mesti tahu saya dan boleh memberi jaminan mengenai saya. Bukanlah saya nak katakan bawah tanah atau tidak berperaturan. Tapi itukan satu cara bagi menjamin kelancaran perniagaan. Itu di peringkat cari barangan. Belum lagi di peringkat pasar tani. Nak tentukan lot mana. Kena ikut keputusan jawatankuasa. Tidak boleh menyalahi mereka. Saudara tidak dapat benda ni dalam buku teks. Itulah pengalaman saya sejak 1970an.”* (Many people assume that running a business is easy—you buy goods from the wholesale market, then set up shop at the farmers' market. Customers come, you weigh, sell, and make money. But it's not that simple, my friend. Who at the wholesale market wants to sell vegetables to you in bulk? Who are you, to them? Even if you have a lot of money, it doesn't guarantee they'll want to sell to you. I need to know who the "guardians" of the wholesale market are and who the "guardians" of the farmers' market are. Both of them must know me and vouch for me. I'm not saying it's underground or without rules, but it's a way to ensure the smoothness of the business. This applies at the procurement level. It's even more crucial at the farmers' market stage. To determine which lot to use, you have to follow the committee's decisions. You can't go against them. You won't find this stuff in textbooks. That's been my experience since the 1970s.)

Informant 3 pointed out:

*“Encik, berniaga ni bukan cukup setakat ada duit saja. Kena ada ilmu selok belok berniaga. Kalau tak cukup ilmu dan amalan yang menepati kehendak keadaan, tak lamalah berniaga. Itu sebab bungkus cepat. Orang seperti Encik senang-senang je melaporkan peniaga kecil macam kami tak tahan lama berniaga sebab tidak pandai urus tunai. Kami ni kononya membazirkan duit dan berfoya-foya. Ambil geran dan bantuan kewangan dari kerajaan hanya untuk berfoya-foya. Itu semua tidak benar, Encik. Kena tahu siapa dalam perniagaan. Lebih-lebih lagi yang ada "kuasa" dalam segenap ceruk. Memanglah sebagai orang Islam kita bertaqwa kepada Allah. Tapi Allah lantik manusia sebagai khalifah. Di sinilah kena tahu bagaimana berurusan dengan khalifah-khalifah ini.”*

*(Sir, running a business isn't just about having money. You need knowledge of the ins and outs of business. If you lack the right knowledge and practices that suit the circumstances, your business won't last long. That's why some businesses fail quickly. People like you might easily criticize small business owners like us, claiming we can't sustain our businesses because we don't handle finances well. We're accused of wasting money and living extravagantly, taking grants and financial aid from the government just for frivolous spending. None of that is true, sir. To succeed in business, you must understand the people involved, especially those with influence in various aspects. Yes, as Muslims, we are God-fearing, but God appoints humans as stewards. This is where you need to know how to deal with these stewards effectively.)*

Informant 4 uttered:

*“Kami orang berniaga ini tidak belajar tinggi pun. Orang kata boleh membaca, menulis dan mengira sudah cukup. Itu hanya asas. Banyaklah ilmu yang kena belajar dalam berniaga. Tak mau belajar, bungkuslah perniagaan. Tidak ada istilah kami peniaga ni tak tahan lama berniaga sebab ikut perasaan dan sentimen.”*

*(We business folks may not have high-level education, and some people say that being able to read, write, and do basic math is sufficient. That's just the foundation. There's a lot more*

*knowledge to acquire when it comes to running a business. If you're not willing to learn, then it's a wrap for your business. There's no such thing as us business folks not being able to sustain our businesses because we operate based on feelings and sentiments.)*

Informant 5 said:

*“Macam mana saya bertahan lama, lebih 30 tahun dalam perniagaan kecil ni, sebab ada ilmu dan keseniaannya. Tidak ada dalam buku teks. Bolehlah dengar dari penceramah perniagaan. Penceramah itu tidak masuk berniaga. Cakap senanglah. Keseniaan itu yang kami belajar dan manfaatkan dalam perniagaan.”*

*(How I've managed to sustain this small business for over 30 years is because I have knowledge and the knack for it. It's not something you find in textbooks. You can learn from business speakers or educators, but they might not have hands-on experience in running a business. Talking is easy. What we've learned and applied in our business is the practical know-how, and that's not something you'll typically find in textbooks or lectures.)*

There eight themes derived from these informants' feedbacks, namely longevity and persistence, challenges and hurdles, collaboration and unity, practical knowledge, understanding business ecosystem, financial responsibility, adaptability and learning, and relationships with influences. When strategists employ the *ulul albab* paradigm, the informants emphasised on individuals possessing profound understanding and insight significantly impacts how small business owners, who are also strategists, approach and navigate the eight key themes in their business operations. In terms of longevity and persistence, small business owners influenced by the *ulul albab* paradigm tend to regard their businesses as long-term endeavors (Khalifa, 2021; Abdul Wahid et al., 2022; Benedic, 2024; Gauttier et al., 2024; Love et al., 2024). They comprehend that building a sustainable business requires time and perseverance, aligning with the theme of longevity and persistence.

Regarding challenges and obstacles. Small business leaders that draw inspiration from the concept of "*Ulul albab*" demonstrate the ability to navigate challenges and obstacles with sagacity and a smart approach (Abdul Wahid et al., 2022; Love at al., 2024; Zahari et al., 2024). Individuals in this context demonstrate a proactive approach in aggressively pursuing innovative resolutions, leveraging their extensive comprehension of the industry, and displaying resilience in the face of challenges (Khalifa, 2021; Abdul Wahid et al., 2022; Zahari et al., 2024). The business owners prioritise collaboration and solidarity, acknowledging the importance of collaborative endeavours, and actively work towards fostering these values within their vendor networks.

The individuals involved recognise the value of collaborating as a means to enhance the performance of their respective enterprises and effectively address common obstacles. Regarding practical knowledge, the *ulul albab* paradigm emphasises the accumulation of practical knowledge and wisdom (Abdul Wahid et al, 2022; Love et al., 2024; Zahari et al., 2024). Small business owners are impacted by this paradigm as they place a high priority on experiential learning and acquiring hands-on experience (Mhd. Sarif, 2013; Abdul Wahid et al., 2022; Love et al., 2024). This aligns with the overarching topic of practical knowledge (Benedic, 2024; Gauttier et al., 2024; Love et al., 2024). When it comes to comprehending the business ecosystem, entrepreneurs that draw inspiration from *ulul albab* possess a keen awareness of the complexities inherent within this framework (Sahlan et al., 2020; Gauttier et al., 2024; Gupta et al., 2024; Thomas & Douglas, 2024).

The individuals demonstrate a comprehensive comprehension of the principal stakeholders, interconnections, and intricacies inherent in the market, hence aligning with the overarching objective of comprehending the business ecosystem (Abdul Wahid et al., 2022; Benedic, 2024; Love et al., 2024; Kurniawaty et al., 2024). Business owners demonstrate financial responsibility by exercising prudence in their financial decisions, which aligns with the responsible stewardship emphasised by the *ulul albab* paradigm (Mhd Sarif, 2013; Khalifa, 2021; Miklian & Hoelscher, 2022; Gupta et al., 2024). The individuals in question demonstrate a high level of attention to detail in the management of their financial resources, thereby assuring the long-term viability of their enterprises (Benedic, 2024; Gupta et al., 2024; Thomas & Douglas, 2024; Zahari et al., 2024). Moreover, their actions are in line with the overarching principle of financial accountability. Regarding the aspects of flexibility and learning, the *ulul albab* paradigm promotes a culture of ongoing learning and adaptability.

Business owners who are inspired by this paradigm demonstrate a propensity for embracing novel concepts and are expeditious in their capacity to adjust to evolving conditions, thereby aligning with the overarching principle of adaptation and continuous learning (Abdul Wahid et al., 2022; Gupta et al., 2024; Zahari et al., 2024). In the context of connections and influence, business owners demonstrate a strategic approach by actively recognising the importance of engaging with stakeholders, particularly those who possess significant influence (Mhd. Sarif, 2013; Sahlan et al., 2020; Khalifa, 2021; Kurniawaty et al., 2024; Thomas & Douglas, 2024).

Individuals establish trust and utilise their extensive comprehension to effectively manage interpersonal connections, thereby connecting with the overarching topic of relationships influenced by external factors (Miklian & Hoelscher, 2022; Gupta et al., 2024). Indeed, the *ulul albab* paradigm can function as a guiding ideology that increases the strategic approach of small business owners towards the diverse difficulties and themes encountered in their business operations (Abdul Wahid et al., 2022; Chaudhary et al., 2024; Kurniawaty et al., 2024). The cultivation of wisdom, strategic thinking, responsible stewardship, and a deep comprehension of the business environment is promoted, ultimately leading to the durability and triumph of their entrepreneurial endeavours (Sahlan et al., 2020; Abdul Wahid et al., 2022; Benedic, 2024; Thomas & Douglas, 2024).

In the context of small businesses in Malaysia, it is imperative for owners and strategists to place a high priority on the ongoing acquisition of knowledge as an integral component of their strategic approach (Mhd. Sarif, 2013; Abdul Wahid et al., 2022; Chaudhary et al., 2024; Kurniawaty et al., 2024; Zahari et al., 2024). This requires actively collecting relevant knowledge about their industry, market trends, and competitors to make well-informed judgements and sustain a competitive edge. Indeed, small business owners should be guided by the *ulul albab* paradigm's emphasis on practical knowledge and experience learning in their approach (Sahlan et al., 2020; Abdul Wahid et al., 2022; Benedic, 2024; Thomas & Douglas, 2024). It is imperative for individuals to place a high level of importance on acquiring practical experience and implementing pragmatic knowledge in their routine activities.

Moreover, fostering collaboration and promoting unity within vendor groups has the potential to enhance the resilience and competitiveness of small firms. Owners should proactively cultivate collaborative endeavours among their peers in order to effectively tackle shared obstacles and improve the overall performance of their firms (Mhd. Sarif, 2013; Miklian & Hoelscher, 2022; Gauttier et al., 2024; Love et al., 2024). Furthermore, the exhibition of prudence in financial affairs is of utmost importance in ensuring long-term viability

(Chaudhary et al., 2024; Kurniawaty et al., 2024; Zahari et al., 2024). It is imperative for small business owners to diligently oversee their financial affairs in order to guarantee the sustainability of their operations. Indeed, it is imperative for small business owners to foster a culture that prioritises constant learning and adaptation (Abdul Wahid et al., 2022; Chaudhary et al., 2024; Kurniawaty et al., 2024; Zahari et al., 2024). Organisations must demonstrate receptiveness towards novel concepts and exhibit adaptability in their ability to promptly react to evolving market dynamics.

Lastly, realising the value of relationships and influence, small business owners should intentionally engage with stakeholders who can impact their businesses favourably (Abdul Wahid et al., 2022; Chaudhary et al., 2024; Kurniawaty et al., 2024; Zahari et al., 2024). The establishment of trust and the proficient management of relationships have the potential to significantly enhance the achievement of corporate objectives.

One potential avenue for future research lies in exploring additional dimensions of the topic at hand. By delving further into various aspects, researchers can gain a more comprehensive understanding of the

### **Future Research**

Further investigation in this domain may delve into a more comprehensive examination of the precise tactics and methodologies implemented by small business proprietors who are affected by *ulul albab*. Furthermore, it would be beneficial to do research on the potential effects of tactics influenced by *ulul albab* on the financial performance and long-term viability of small firms in Malaysia. Moreover, it would be valuable for future studies to investigate the significance of mentorship and knowledge exchange within vendor communities and their impact on the attainment of corporate objectives.

### **Conclusion**

The research effectively achieved its objective of investigating the impact of *ulul albab* on the strategic processes of small business owners, specifically in terms of development, execution, and assessment, in order to sustain their competitive advantage. There are eight specific impact of *ulul albab* on the strategic processes of small business owner, namely longevity and persistence, challenges and obstacles, teamwork and unity, practical knowledge, understanding the company environment, financial responsibility, flexibility and learning, and interactions with influencers. These themes emphasise the crucial domains in which the implementation of the *ulul albab* mindset, characterised by profound comprehension and discernment, significantly impacts the strategic approaches of small business owners. The results highlight the substantial effect of implementing the *ulul albab* framework, as the participants, who are business owners themselves, emphasised the profound significance of having such comprehension and perception in managing these eight crucial aspects in their business operations.

The present study introduces a research approach that emphasises the possible impact of *ulul albab* on the long-term viability of competitive advantages for small firms operating in Malaysia. Small business owners and strategists ought to contemplate the adoption of a strategic framework that aligns with the principles of *ulul 'ilmi* (knowledge) and *uli an-nūha* (rationality) in order to augment their comprehension of their industry, market dynamics, and rivals. Consequently, this can enhance the enduring sustainability of their enterprises inside the ever-changing market environment in Malaysia. In Malaysia, the adoption of the *ulul albab*

paradigm has the potential to contribute to the sustainability and prosperity of small business enterprises.

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