



CHAT WITH MM

Mr. Daud Vicary Abdullah

MM: As the president and CEO of INCEIF, the Global University of Islamic Finance and a prominent leader in this industry, in your opinion what are the current key challenges for the global Islamic Finance industry? And what actions or steps to be taken to address these challenges?



Daud Vicary Abdullah:

i. Getting the right USP or VP to include the global financial industry:

Given the resilience and growth of Islamic Finance, it's necessary to identify the key value proposition of Islamic Finance that can be clearly articulated to all those who currently do not use Islamic finance.

ii. Education and financial standards:

For developing the required talent, a globally accepted set of educational standards need to be in place, standards that impact on the academic career delivered by various institutions. This would impact on the quality of education and impart much needed industry competencies to students keen on developing a career in this field.

At the same time,

iii. Liquidity:

Anyone who has ever run a business will know that Liquidity is the lifeblood of that business. The same is true of a Financial Institution, it is equally important in the world of Islamic Finance. Here is why:

The availability of liquidity in a market is vital, but, so too, is the ability to transfer excess liquidity to other markets to ensure that the excess is used effectively. I go back here to my *Eleventh Speech* on Islamic Finance. When asked what Islamic Finance is, I usually respond along the lines of "The effective and efficient mobilisation of capital for the benefit of the real economy and the community." Here, the key is distribution. If you are not able to move the surplus, cross border or access it when you are in deficit, there is a problem, and this has been a problem for Islamic Finance, which has, in all intents and purposes, been a consistent one of growth.

MM: INCEIF has laid down a very strong and robust foundation for Executive Education with compelling supports from all the stakeholders. Can you share with us on the current developments on this at INCEIF and how do you see this progress supporting INCEIF in achieving its vision?

Daud Vicary Abdullah:

i. INCEIF KRAs:

INCEIF has identified four Key Results Areas which are Academic Excellence, Reputation, Financial Sustainability and Operational Excellence. Anchoring on these KRAs are the Key Performance Indicators for each department at

INCEIF which support the KRAs and drive initiatives for the organisation as a whole. The ongoing initiatives focus on key impact driven outcomes which will assist INCEIF in achieving their mission of being a knowledge leader in Islamic Finance.

ii. AACSB initiative:

INCEIF has taken the first step towards getting the AACSB accreditation. The Association to Advance Collegiate Schools of Business has been accrediting business schools – the operations, faculty qualifications and contributions, programmes, and other critical areas, worldwide since 1916. For INCEIF being AACSB-accredited would enable us to attract higher quality students and faculty and build our global reputation as one of the best universities in the world when it comes to postgraduate study in Islamic Finance.

iii. Global reputation and global reach:

Establishing relationships with international industry players and world renowned institutions is integral for INCEIF as we aim to achieve global recognition in all aspects of our deliverables: be it programme content, teaching quality, advisory services or research. For example, our collaboration with The World Bank and our advisory role to the UK government.

MM: In your view, what are the critical issues and priorities concerning the Islamic Finance education sector right now and how do we bridge the gap between the education sector and the market requirements?

Daud Vicary Abdullah:

I. Development Of Professional Standards:

Having a global body that sets the quality standards for education content and being the yardstick for any institution coming into the education sector of Islamic Finance. Just like the Institute of Chartered Accountants of England & Wales, Accounting degrees are professional qualifications offered across the globe. But the quality of content is controlled by the Institute of Chartered Accountants of England & Wales.

II. Creating Depth And Breadth Of Education:

Current educational content needs more depth and breadth to encompass the developments, both in Islamic Finance as well as the global financial industry. To this end, joint research preferably funded by industry organisations with academia is a must. This will create the much required input for academic programmes.

III. Education Content Validity:

Another reason for industry and academia to come together is to ensure that the industry organisations input into the correct competencies and knowledge they need in talent. With such co-operation, it would aid the educational sector in preparing more industry applicable content that in turn would ensure the students are competent.

MM: Capacity building or talent requirement is one of the main issues facing by the Islamic Finance industry. In your own perspective, how do you see this issue impacting the industry globally and has INCEIF taken any steps or contribute in tackling this issue?

Daud Vicary Abdullah:

Education is the most powerful weapon that one can have. It is through education that we change perceptions and further develop human capital in the Islamic financial industry. Malaysia being the leading Islamic finance market has realised the need for human capital development very early on. Bank Negara Malaysia has set-up INCEIF to support the Islamic financial industry which continues to grow and expand. We need to have 'people' to grow. As the industry continues to grow and expand, INCEIF will continue to support the global Islamic finance through its programmes and teaching out to the world through collaborations.

MM: As one of the renowned speakers in multinational symposiums and forums, you had the opportunity to share your experience and wisdom. What are the most important lessons you have learnt by having met different Islamic Finance experts and visionaries, by delivering presentations and travelling around the world holding the torch of Islamic Finance?

Daud Vicary Abdullah:

There is much to do and not a moment to lose.

MM: As the author of 'Islamic Finance: Why it makes sense', what is the core message of the book and what inspired you to write this book?

Daud Vicary Abdullah:

Islamic Finance is for everyone as it encourages financial inclusion. Through this book, I wanted to share my experience with the 'man in the street' and to make the message of Islamic Finance more simply understood.

MM: In your view, what are the biggest challenges and opportunities of Halal economy in Malaysia and the World?

Daud Vicary Abdullah:

There needs to be clarity in the 'value proposition' of Halal economy. Once we are able to bring that out, we can then further promote this initiative and appeal to a more global audience.

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The effective and efficient mobilisation of capital for the benefit of the real economy and the community.
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MM: How do you see the receptiveness of Muslim minority countries towards Islamic Finance and what needs to be done to bring more understanding about the industry?

Daud Vicary Abdullah:

It really depends on the respective market that we are looking at. Different parts of the world will have diverse opinions of Islamic Finance and many factors can affect the receptiveness of this non-conventional model. In my opinion, if Islamic Finance can be equated for 'good for business', I am confident that we can get they buy-ins of money and progress further. It is all about demystifying Islamic finance and strengthening any negative perceptions.

MM: What would be your key message to the young generation, for those who will be entering the industry and also to the current industry captains and leaders?

Daud Vicary Abdullah:

- Know your facts!
- Use your knowledge to change perceptions
- There is much to do and not a moment to lose

MM: What are INCEIF's long-term plans?

Daud Vicary Abdullah:

To be the global knowledge leader in Islamic Finance.



SUMMARY PROFILE

Full Name:
Daud Vicary Abdullah

Nationality:
British

Qualifications:
Bsc (Econs) Hons, CFP

Professional Goal:
To contribute to the understanding on Islamic Finance

Favourite Shariah Scholar:
Daud Bakar

Inspiring Islamic Finance Book:
The Art of Islamic Finance - Yahia

One line advice:
We are all in this together