

DS100: Top 100 Companies of the Muslim World & Global Impact

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The global population of the Muslims is estimated to be 1.65 billion out of which 1.2 billion Muslim live in the Muslim World or Organization of Islamic Conferences (OIC) region. The OIC represents 57 Muslim majority countries stretching from Morocco in the West to the Indonesia in the East. All the countries are blessed with boundless natural resources and manpower and they great potential to lead the world in terms of economy and politics in the long run as they have done for centuries in the past.

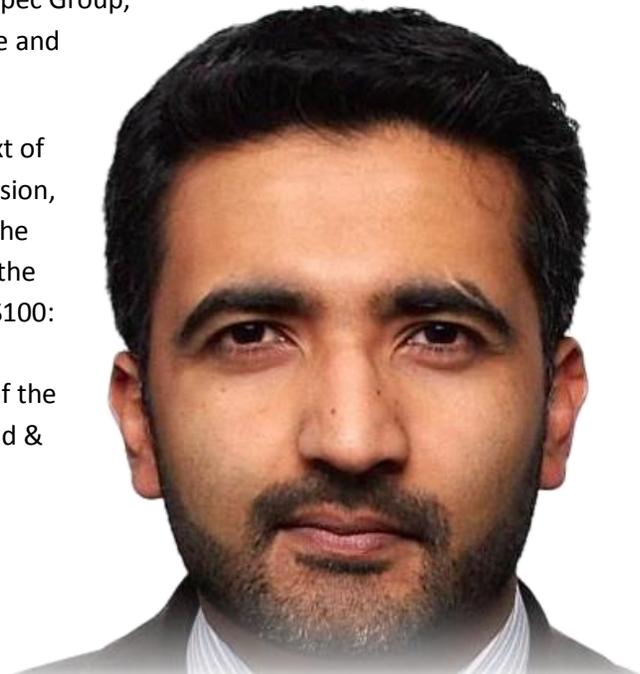
The majority of Muslim population living in the OIC countries is demographically very young. Some of these countries such as Malaysia,

Indonesia, Turkey, Morocco and United Arab Emirates are emerging as frontiers markets for rest of the world. Overall, the Muslim world contributes approximately 16% (\$9.9 trillion) to the global economic output. However, the annual revenue of some of the Muslims countries including major nations like Pakistan, Malaysia and Egypt is less than privately owned global companies such as Toyota Motors, Sinopec Group, Exxon Mobile and others.

In the context of above discussion, following is the summary of the webinar, “DS100: Top 100 Companies of the Muslim World &

Global Impact” by Rafi Uddin Sikoh, the CEO of Dinar Standards. The Dinar Standards is a research and advisory firm specializing in providing cold strategy and advisory services to the firms across the globe. DS100 is a ranking standard or list containing the top 100 companies from the Muslim world and the list is revised every year.

Why Care About Big Enterprises?



Role of economic enterprises globally

Out of top 20 OIC economies 11 global companies are larger



Top 54
Rev
\$9.4 trillion



OIC 54
GDP
\$6.1 trillion

Country/ Company	GDP/ Revenue (\$ billion/ 2012)
Indonesia	\$ 895
Turkey	\$ 783
Saudi Arabia	\$ 657
Royal Dutch Shell	\$ 484
Iran	\$ 484
Exxon Mobil	\$ 453
Wal-Mart Stores	\$ 447
BP	\$ 386
Sinopec Group	\$ 375
United Arab Emirates	\$ 362
China N.P	\$ 352
Malaysia	\$ 307
Nigeria	\$ 273
State Grid	\$ 259
Egypt	\$ 255
Chevron	\$ 246
ConocoPhillips	\$ 237
Toyota Motor	\$ 235
Total	\$ 232
Pakistan	\$ 231

Source: Fortune 500 Global 2012; IMF Outlook 2012

Some of you must be wondering why anyone should care about the big enterprises as they are mostly concerned about their own profits and do very little for the countries they belong to. However, it is an established fact that big enterprises like Microsoft, Dell, IBM, Gillette, CISCO and BMW represent the collective prosperity and the sustainable quality of life in their respective countries. This is evident from the fact that 11 global economies generate more revenue than top 20 OIC economies

including Malaysia, Egypt and Pakistan.

As a matter of fact, the top 54 companies included in Fortune 500 Organization generate approximately \$9 trillion in terms of revenue. On the other hand, the top 54 countries of OIC collectively generate \$6.1 trillion. The poor health of Muslim economies is also highlighted from the fact that there are only 3 OIC based companies in Fortune 500 whereas no OIC based companies is currently on the prestigious Best Global Brands or World's Most Ethical Companies prepared

annually by Interbrand and www.ethisphere.com respectively.

Big Enterprises Could Address Socio Economic Problems of OIC Member Countries:

Some of the member countries of OIC are the poorest in the world with earning per capita as low as \$1 for the day. Similarly, 15% of the overall population of the OIC is undernourished as compared to the global figure of 13%. The literacy rate in OIC countries is also the lowest in the world where millions of children



never even go to school. These figures are really alarming and most of the Muslim governments have failed to provide any solid or permanent solution to these problems and this is where the big enterprises can come to their rescue. These enterprises can help governments to improve the performance of many of their sectors and can also assist them in attaining following goals.

- They can help governments to eradicate extreme poverty and hunger.
- They can develop a global partnership for development and convince other firms to invest in OIC countries.
- They can help concerned

departments to achieve 100% primary education target.

- These organizations happen to be equal opportunity employer and therefore, can promote gender equality in addition with empowering women in all fields of life.
- Bigger enterprises can also aid governments in providing better medical facilities to the masses.
- Finally they contribute towards improving maternal health and reducing child mortality rate.

However, there are many challenges bigger organizations in Muslim world have to take to really thrive and prosper. Similarly, foreign companies hesitate

to invest in Muslim world mostly because of the transparency issues. For instance, 90% of enterprises in GCC countries are owned by the individuals or families. On the other hand, Governments enterprises seem to play no significant role in the development of the country discouraging foreign investment.

The Areas of Opportunities:

Despite all of the problems, challenges and shortcomings, the Muslim world offers plenty of areas of opportunities to both national and international investors. Mr. Rafi in this webinar has identified three areas of opportunity in particular and they are explained as under.

- **Global Leadership:**



The world is getting more and more crowded with every passing day and as a result, the global problems are also on the rise. The world needs innovative leaders who can provide sustainable solutions to its problems.

Therefore, if the Muslim enterprises want to lead the world by providing acceptable solutions to a large group of people, they need to address some chronic gaps in the OIC market's innovation culture. For instance, they need to establish a corporate culture that eliminates the fear of failure and promote "big and critical thinking." Similarly, they have to develop an authentic brand identity, benchmark market investment to global leaders as well as address other

branding and marketing problems.

- **Intra-OIC Investments:**

The Intra-OIC investment can also produce some great results for slightly undeveloped or underprivileged Muslim countries. By doing so, Muslim countries can greatly help each other to grow and develop and improve their socio economic condition.

- **Global Muslim Lifestyle Market:**

Almost all the Muslim countries have similar culture and traditions and this represent a great chance for them to convert their common customs and beliefs into something really productive and huge. Within OIC countries, there is a huge potential for different markets and industries to

flourish. For example, the Halal Food Industry or Muslim Lifestyle Market is a \$1.8 trillion market but currently, only fraction of this amount is being met. By paying little bit more attention on these industries, OIC countries can considerably increase their collective revenue.

Conclusion:

Coming back to the point, the big enterprises do have the positive impact on the overall financial condition of the country and Muslims nations need to work on this point sooner rather than later. Big companies will indeed ignite unmatched developmental process resulting in prosperity for Muslim communities as they have done in rest of the world.



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Below is the link of MILE blog where you can find Rafi-Uddin Shikoh's webinar video:

<http://blog.mile.org/ds100-top-100-companies-of-the-muslim-world-global-impact/>



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