

The Governance of Islamic Banks in Morocco: Meaning, Strategic Vision and Purposes Attributed to the Governance System

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Abstract : Due to the setbacks on the international scene and the wave of cacophonous financial scandals affecting large international groups, the new Islamic finance industry is not immune despite its initial resistance. The purpose of this paper is to understand and analyze the meaning of the Corporate Governance (CG) concept in Moroccan Islamic banking systems with specific reference to their institutions. The research objective is to identify also the path taken and adopted by these banks recently set up in Morocco. The foundation is rooted in shari'a, in particular, no stakeholder (the shareholding approach) must be harmed, and the ethical value is reflected into these parties' behavior. We chose a qualitative method, semi-structured interviews where six managers provided answers about their banking systems. Since these respondents held a senior position (directors) within their organizations, it is felt that they are well placed and have the necessary knowledge to provide us with information to answer the questions asked. The results identified the orientation of participating banks and assessing how governance works, while determining which party is favoured: shareholders, stakeholders or both. This study discusses the favorable condition to the harmonization of the regulations and therefore a better integration between Islamic finance and conventional ones in the economic context of Morocco.

Keywords : corporate governance, Islamic Banks, stakeholders, shareholders

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