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TABLE OF CONTENTS, VOLUME 18 NUMBER 2 (2024)

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PREFACE

The Labuan E-Journal of Muamalat and Society (LJMS), Volume 18, Issue 2, 2024, is pleased to publish the second issue of 2024. The Labuan Faculty of International Finance founded LJMS, published by UMS Press. It provides a forum for Islamic finance researchers to present their findings and discoveries in Islamic banking and finance. This journal's coverage encompasses all aspects of Islamic banking and finance, including but not limited to Islamic economics, Islamic banking, Islamic marketing, and Islamic accounting, among others. LJMS strives to deliver peer-reviewed research papers on a wide range of Islamic banking and finance issues to readers all over the world.

In this issue, there are eleven articles published. The first article by Gugkang *et al*. (2024) describes socially sustainable luxury supply chains, where a conceptual review is brought into play. The second article by Xiu Yun and Hock Tsen (2024) examines the asymmetric impact of real effective exchange rate, real oil price and real gold price on real stock prices in selected East Asian Economies. The third article is on understanding the efficiency of *sukuk* indices examined and studied by Abd Rahim and Putra Timur (2024). The fourth article is on managerial ownership and tax avoidance in Indonesia by Bernice *et al*. (2024). The fifth article by Abd Jalil *et al*. (2024) attempts to examine the feasibility of *waqf* based on aquaponic, which is innovative and unique to be departed. The sixth article by Azwar (2024) shared his view pertinent to the strategy for strengthening *Sharia* banking support for the *halal* industry in Indonesia from the lens of SWOT analysis.

An interesting work by Abdul Razak *et al.* (2024) examines factors influencing sustainability investment intentions. The study found that attitude, subjective norm, perceived behavioural control and financial knowledge are instrumental in determining the development of sustainability investment intentions. Furthermore, an article by Pitchay *et al.* (2024) examines historical facts about *waqf*, which are fascinating to learn to create awareness and therefore to inculcate engagement by individuals to donate in cash *waqf* accordingly. The ninth article by Ibrahim and Ali (2024) offers an idea of how micro financing can be possible to finance the *asnafs'* efforts in entrepreneurship to eradicate poverty. This work introduces the "model asnafprenuer" that links to Islamic microfinancing.

The next article by Jasni (2024) provides a new perspective pertinent to *qardhul hassan* financing-based *waqf* in Sabah, Malaysia. This study extends the Islamic Theory of Consumer Behaviour (ITCB) to examine *Sabahans'* acceptance of the facility suggested. All factors drawn from the theory are found to be significant predictors. The last one by Mohd Khalil and Mohamed Saniff (2024) examines capital based financing for entrepreneurs among *asnafs* in Malaysia. In fact, the financing facility offered can help to improve the sustainability of business ran by *asnafs* for poverty alleviation.

As the editor of this second issue, I would like to thank all contributors and reviewers as well as personnel at the Editorial Office of UMS Press.

Editor-in-Chief
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LJMS LABUAN E-JOURNAL OF MUAMALAT AND SOCIETY

SOCIALLY SUSTAINABLE LUXURY SUPPLY CHAINS: A CONCEPTUAL REVIEW

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ABSTRACT

The luxury supply chains are called to realign their focus from a sustainability point of view. Affluent consumers are called for product visibility to ensure transparency is mainly on social inclusion. However, on-going debates are known in sustainability initiatives due to the complexity and uncertainty of standard guidelines and what counts as a successful or excellent implementation. Since luxury is a much visible industry that attracts public attraction on their association with the increase of social inequality between the richest and the poorest in the country - hence, this paper offers both a conceptual review and a research agenda – towards advancing this field of study and bridging the gap between existing research and future research. In conclusion, we propose three areas of future research on: (i) enablers and challenges, (ii) the role of stakeholders and (iii) how luxury organisations cope with institutional complexities of implementing social sustainability.

KEYWORDS: SUSTAINABILITY, SUSTAINABLE SUPPLY CHAIN MANAGEMENT, LUXURY SUPPLY CHAINS

ABSTRAK

Rantaian bekalan mewah dipanggil untuk menyelaraskan semula fokus mereka dari sudut pandangan kemampanan. Pengguna mewah menyeru keterlihatan produk untuk memastikan ketelusan khusus pada kemasukan sosial. Walau bagaimanapun, perbahasan yang berterusan diiktiraf dalam inisiatif kemampanan disebabkan oleh kerumitan dan ketidakpastian garis panduan standard dan apa yang dikira sebagai pelaksanaan yang berjaya atau cemerlang. Memandangkan kemewahan adalah industri yang sangat ketara yang menarik tarikan orang ramai terhadap perkaitan mereka dengan peningkatan ketidaksamaan sosial antara yang terkaya dan termiskin di negara ini - oleh itu, kertas kerja ini menawarkan kajian semula konseptual dan agenda penyelidikan - ke arah memajukan bidang pengajian ini. dan merapatkan jurang antara penyelidikan sedia ada dan penyelidikan masa depan. Kesimpulannya, kami mencadangkan tiga bidang penyelidikan masa depan tentang: (i) pemboleh dan cabaran, (ii) peranan pihak berkepentingan dan (iii) bagaimana organisasi mewah menghadapi kerumitan institusi dalam melaksanakan kelestarian sosial.

KATA KUNCI: KEMAMPANAN, PENGURUSAN RANTAI BEKALAN MAPAN, RANTAI BEKALAN MEWAH

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1. INTRODUCTION

Luxury brands have long been linked with exclusivity, workmanship, and high-quality materials, but there is rising understanding that sustainability is also an important component of the luxury sector (Kapferer & Michaut-Denizeau, 2013). Luxury consumers are growing more environmentally conscious and interested in the sustainability practises of luxury firms (Kapferer & Michaut-Denizeau, 2013). This shift in consumer tastes has encouraged luxury businesses to implement sustainable supply chain practises (Yang *et al.*, 2017). Circular economy solutions are being pursued to manage sustainability in the luxury industry. By designing products for durability, repairability, and recyclability, circular economy principles strive to minimise waste and maximise resource efficiency (Shashi *et al.*, 2020).

Luxury brands are developing and managing circular supply chain practises, such as creating traceability systems and utilising recycled materials (Shashi *et al.*, 2020; Brando *et al.*, 2021). Logistics and supply chain management are critical to the sustainability efforts of the luxury business. By optimising transportation, decreasing waste, and boosting efficiency, effective supply chain management can help to achieve sustainability goals (Shen *et al.*, 2020). Collaboration and coordination across supply chain partners are critical for implementing sustainable practises and mainstreaming sustainability (Waller *et al.*, 2015).

Luxury brands must incorporate sustainability into their brand management strategies in addition to supply chain management. Sustainability is becoming increasingly significant in luxury brand management, with luxury brands including sustainability through ethos, commitment along the supply chain, and the development of eco-collections (Kale & Oztürk, 2016). However, there is a need to address the possibility that sustainable luxury brands are of poorer quality than traditional luxury brands (Kim & Park, 2022; Kim & Park, 2020). Overall, the luxury industry recognises the importance of sustainability and is working to integrate it into its supply chains. Adopting circular economy strategies, investigating blockchain technology for traceability, and collaborating with supply chain partners are all part of this. Luxury brands can meet the growing demand for sustainable luxury goods while maintaining their exclusivity and desirability by incorporating sustainability into their brand management strategies. Subsequently, this paper seeks to explore the extant literature of sustainable luxury supply chains, followed by future directions for this field of study.

2. LITERATURE REVIEW

Media Attention on Socially Sustainable Issues

Media attention plays a crucial role in shaping public awareness and concern for socially sustainable issues. The use of social media platforms such as Facebook, Twitter, and YouTube has been identified as an effective mechanism for engaging stakeholders in sustainability reporting (Manetti & Bellucci, 2016). As media attention increases, organizations may perceive their legitimacy to be threatened, leading them to implement remedial strategies to address social and environmental issues (Coetzee & Staden, 2011). Furthermore, there is a need to reconnect research on the production, content, and social implications of environmental communication, emphasizing the impact of media and public communication on public understanding and action regarding the environment (Hansen, 2011).

Sustainable supply chain management (SSCM) research has gained interest from both scholars and practitioners as a way forward in addressing significant sustainability issues in the supply chain. In comparison to economic and environmental sustainability issues, social sustainability issues are only beginning to gain more attention. Yet, there is a clear need to address this key aspect of the triple bottom line, with social sustainability issues such as Modern Slavery currently receiving much media attention (See The Guardian, 2019). The luxury industry and its distinguished supply chains has not been an industry traditionally associated with sustainable impacts, however, are now required to improve their social initiatives (Winston, 2016). In their editorial notes, sustainability in 2020 is predicted to focus more on the cost of luxury specifically on poorly paid labours, realigning the values of organisations to provide an ethically safe supply chains which produces products for affluent consumers today (Gagan, 2019; Beauloye, 2020).

Environmental media portrayal has been studied, with findings showing a focus on environmental crises such as floods, whereas environmental organisations prioritise sustainable living efforts (Saleh & Heinrichs, 2020). Furthermore, past research has focused on identifying hot topics and contentious issues, emphasising the need of paying attention to social sustainability (Huang *et al.*, 2020). According to the agenda-setting theory, the media can prioritise and bring attention to social problems, hence affecting public opinion formation and consequences (Lee, 2016). Social media has been identified as a legitimation tool for sustainability reporting, with a focus on positive social problems such as community support, gender equality, and diversity (Lodhia *et al.*, 2020). The issue-attention cycle, which characterises the fluctuation of media attention on social problems, has been investigated using theoretical models, with a focus on the impact of media coverage and external events on public interest in issues (Boykoff, 2009; Henry & Gordon, 2001).

Furthermore, consumer awareness of the possible detrimental impact of social and environmental crises has been related to the impact of business strategies on online sustainability disclosures, pushing firms to focus attention on sustainability disclosure (Amran *et al.*, 2013). The issue-attention cycle has been noted in relation to social media, where false material regarding treatments and preventative measures was widely disseminated throughout the COVID-19 pandemic (Leng *et al.*, 2021). It has been observed that activists still struggle to draw public attention to structural problems and issues, even with social media's participatory affordances (Poell, 2019). Finally, media attention, particularly social media attention, has a substantial impact on stakeholder participation, public awareness, and the prioritisation of socially sustainable issues. Understanding the dynamics of media coverage and its impact on public attention is critical for dealing with social and environmental issues.

Sustainable Luxury

Sustainable luxury is a complicated and growing notion that has gained popularity in recent years. For organisations and customers alike, the convergence of sustainability and luxury brings both problems and opportunity. While scholarly work on sustainable luxury is rising, it is clear that luxury firms have been sluggish to embrace sustainability, with only a handful taking a proactive stance in sustainable development (Olšanová *et al.*, 2018). This reluctance may stem from a perceived conceptual incompatibility between luxury and sustainability, as luxury is frequently associated with exclusivity, conformity, and hedonism, which can make generating favourable consumer responses towards sustainable luxury products difficult (Park *et al.*, 2022; Wang *et al.*, 2021). Furthermore, luxury brands are frequently cautious to communicate their commitment to sustainability. The connection between luxury attitudes and sustainability is also of importance. Studies on the impact of value-expressive and socially adaptive luxury attitudes on sustainable behaviours have revealed that luxury attitudes can influence environmentally conscientious and socially responsible consumer behaviour (Eastman *et al.*, 2021).

Furthermore, customer expectations for the manufacturing and quality of luxury goods have risen, with sustainability viewed as a requirement for luxury products (Henninger *et al.*, 2017; Colella *et al.*, 2022). According to Csaba and Skjold (2018), the concept of "deeper luxury" highlights the significance of sustainable methods in the creation and use of luxury products, implying that genuine luxury ought to be in harmony with sustainability. The luxury sector, however, encounters resistance and difficulties when attempting to incorporate sustainability, suggesting that there are complications in the relationship between luxury and sustainability (Ertekin, 2019). However, there are instances of effective integration, including the creation of luxury textiles from repurposed materials that are sustainable and serve as a paradigm for sustainable practises in the luxury sector (Keith & Silies, 2015). Kapferer (2010) categorises three types of luxury namely: (i) irrational luxury, (ii) excessive luxury and (iii) inequality luxury. These associations are known to historically with luxury which serves the rich and able – which makes purchasing luxury products seem irrational, excessive and unfair for poor families or countries.

Hence, because it leads to the increase of gap and coexistence between the extremely poor (peasants) and extremely rich (urbans) makes the nature luxury purchasing appears to be the opposite of the aims of SD. On the other hand, activists of SD seek to promote the possibility of sustainable luxury. In the example presented by Kapferer (2010), Tiffany promotes SD through their moral obligation views of protecting both places and communities. Instead, other efforts such as promoting to engage in more society development, labour empowerment, health and safety of labours are encouraged. In the end, luxury will have to be sustainable in all three forms of the triple bottom line (i.e. environmental, social and economic). To reduce social tension, the luxury industry should take up the challenge to strategize on capitalising on closing the gap between economic focus and social equity. In conclusion, a wide range of subjects are covered in the discussion of sustainable luxury, such as the creation of luxury items, brand attitudes, and consumer behaviour. Although it can be difficult to balance luxury and sustainability, there are signs of development and hope that the luxury sector would adopt sustainable practises.

Socially Sustainable Luxury Supply Chains

Sustainable supply chain management is a critical aspect of modern business operations, particularly in industries such as luxury fashion. The integration of sustainable practices in supply chains has become increasingly prevalent, with luxury groups adopting sustainable approaches in various supply chain activities, including sourcing, manufacturing, logistics, distribution, and waste management (Yang *et al.*, 2017). The concept of sustainable supply chain management involves the integration of triple bottom line objectives (environmental, social, and economic) to enhance the long-term economic performance of individual enterprises and chains for sustainable development (Mursidah & Fauzi, 2022). Furthermore, the importance of sustainability in luxury fashion supply chains has been emphasized, highlighting the need for traceability to ensure environmental and legal conformity, thereby supporting efforts to make supply chains more sustainable (Brandão *et al.*, 2021).

Supply chains' adaptability and resilience are essential elements of sustainable supply chain management, especially when dealing with risks and unforeseen disruptions (Mari *et al.*, 2014). Furthermore, supply chain collaborative innovation has been shown to have an impact on sustainable development; in fact, sustainable supply chain development is thought to provide sustainable supply chain performance (Shan *et al.*, 2020). However, there are still gaps in our knowledge of how luxury companies create and oversee circular economy-based sustainable supply chains, which highlights the need for more study in this field (Shashi *et al.*, 2020). Assuring the provenance and traceability of luxury goods through the use of blockchain technology has been shown to improve supply chain management in the luxury market and support sustainability initiatives (Boissieu *et al.*, 2021). Additionally, the necessity of incorporating a value chain perspective to obtain competitive advantage while keeping brand exclusivity has been emphasised, underscoring the significance of a focused supply chain strategy for luxury fashion management (Brun *et al.*, 2017).

The buzzword of the twenty-first century is "sustainable luxury" (Kapferer, 2020). Internal and external stakeholders are urging luxury firms who are lagging in their sustainable development strategies to catch up. Global supply chains and CSR can be defined as "business's ongoing commitment to act ethically and contribute to economic development while improving the quality of life of the workforce and their families, as well as the local community and society at large" (WBCSD, 1999, p.3). Given the ongoing attempts to address climate change and/or environmental issues, social inclusion is on the rise. Calls for social fairness compel luxury companies to address current inequity, discrimination, and other oppressive social concerns in their supply chains. Beauloye (2020) predicted scrutiny will come upon luxury organisations – this will begin from their social inclusion right up to their transparent supply chains.

Sustainability, circular economy concepts, and responsible management practises are becoming increasingly important in luxury supply chains. The luxury business is addressing sustainability issues and attempting to take responsibility for its actions, notably in the context of European brand strategy and French consumer expectations (Jaegler & Goessling, 2020). Designing circular business models and solutions to address environmental, financial, and social concerns is part of this (Shashi *et al.*, 2020). Furthermore, the application of blockchain technology to improve traceability and transparency in luxury supply chains is being investigated, which will contribute to sustainability initiatives (Oguntegbe *et al.*, 2022; Boissieu *et al.*, 2021). The process of sustainable value generation in the luxury fashion sector has been studied, with rising adoption of sustainable supply chain practises (Yang *et al.*, 2017).

Furthermore, there is proof that high-end companies are putting China-specific programmes into place to address the problem of an integrated and sustainable global supply chain (Galli & Bassanini, 2020). The luxury sector presents logistics and supply chain management with difficulties because of supply chain complexity, consumer aspirations for sustainability, and global compliance (Shen *et al.*, 2020). Furthermore, the effects of the luxury market on society and the environment have an impact on how well operations function, highlighting how important sustainability is to the luxury supply chain (Karaosman *et al.*, 2017). In general, new theories and frameworks for sustainable supply chain management that integrate dynamic capabilities for innovation and competitive advantages are being adopted by the luxury industry (Carter & Rogers, 2008; Caniato *et al.*, 2013).

The complexity, uncertainty, and lead time in the supply chain have all hampered or impeded the implementation of sustainability. Because of the industry's historical nature, luxury products were exclusively available to wealthy cultures. Luxury items, the excellence in their quality, and the scarcity of their raw materials make sustainability difficult and complex, leading to the industry's early resistance. According to Kapferer (2010), some of the causes are a lack of communication and a lack of enforcement for public policies, laws, rules, and law related. Zhang *et al.* (2017) accept the limitations of expanding their CSR practises due to the expenses of time, education, and suppliers are only taking measures to meet the fundamental criteria of their codes of conduct, which impedes long-term development of their sustainable practises (Huq *et al.* 2016). Winston (2016) said that slavery is a continuing challenge because organisations are unsure of the actions of their supply chains higher upstream. According to a recent study by Karaosman *et al.* (2017), SMEs as supply chain providers face insecurity due to the bargaining power of their consumers in the luxury business. Due to the ambiguity and complexity of sustainability rules and frameworks, bold efforts must be done to eradicate the repercussions of unsustainable values or activities in the supply chain (Stindt, 2017; Yang *et al.* 2017). As a result, luxury brands can no longer disregard sustainability and must act (Winston, 2016).

The luxury business is only now starting to venture into "green pastures," and they should delve deeper and begin delivering their messages to their clients. Customers are also expressing themselves and wishing to be represented by the things they buy (Beauloye, 2020; Yang, Han, and Lee, 2017; Towers *et al*., 2013). Auditing bodies increasingly need traceability and visibility, and further development is essential to improve transparency and involvement with supply chain vendors (Karaosman *et al.* 2018). Customers want visibility of management commitment and aggressive leadership abilities as part of their sustainable projects. Continuous efforts to strengthen supplier involvement and partnerships are required across the supply chain's different layers (Karaosman *et al.* 2018; Liu *et al.* 2016). Furthermore, luxury businesses are expected to engage in unexpected supply chain collaboration to meet their sustainability aims (Beauloye, 2020). Governments, non-governmental organisations (NGOs), and consumers are urged to collaborate and inform essential demands for sustainable imperatives, while supply chain actors are encouraged to participate in producing sustainability knowledge and sharing value throughout the supply chain. Labour difficulties are now starting to emerge, with working conditions and employee well-being becoming audit requirements (Towers *et al.* 2013).

Empowerment is required for both suppliers and consumers, which might be carried out through various sustainability projects to boost affluence on responsible consumptions. Supplier connections are equally important, and organisations rely on one another because of the long-term trust built over time. Current CSR accreditation focuses on or promotes free association, anti-discrimination, the environment, health and safety, working hours, and company integrity (Towers *et al.* 2013). Furthermore, blockchains would be expected to improve the traceability of their products in terms of visibility. Now is the time for luxury businesses to realign and refocus in order to ensure that their products remain timeless and outstanding value (Beauloye, 2020). The creation of value in the supply chain has also become significant for luxury brands in engaging and communicating with their stakeholders about sustainable efforts that should be undertaken (Yang *et al.* 2017). These references emphasise the growing focus on sustainability in luxury supply chains, with a particular emphasis on circular economy methods, responsible management, and the adoption of sustainable practises. To address environmental and social impact, improve traceability, and respond to consumer expectations, the luxury industry is rapidly recognising the significance of integrating sustainability into supply chain management.

This study seeks to fill a research gap by investigating the facilitators and obstacles, stakeholder demands, and institutional complexity related with implementing socially SSCM. Using a multi-case study approach, this study aims to focus on the many layers of the premium brand supply chain, as well as the stakeholders involved. As a result, the following section proposes future directions for the study.

3. FUTURE DIRECTIONS

Integrating responsible management practises, sustainability, and ethics throughout the supply chain strata is central to the concept of socially sustainable luxury supply chains (Oguntegbe *et al.*, 2022). Traceability is critical to establishing sustainability in the luxury supply chain since it provides information on environmental and legal compliance (Brando *et al.*, 2021). However, more research is needed to determine how luxury companies may develop and manage sustainable supply chain practises based on circular economy ideas (Shashi *et al.*, 2020). Luxury organisations must incorporate sustainability principles into their supply chain strategy in order to develop truly sustainable supply chains (Kunz *et al.*, 2020). To address the difficulty of an integrated and sustainable global supply chain, some prominent luxury corporations have already undertaken China-specific efforts (Galli & Bassanini, 2020). Vertical integration upstream can also help with environmental sustainability in the luxury apparel business (Arcuri & Giolli, 2022).

Sustainable value generation is a major mechanism in the luxury apparel business, and many luxury organisations have implemented sustainable supply chain practises (Yang *et al.*, 2017). Luxury brands are progressively connecting themselves with sustainability through a variety of measures, including eco-brands, supply chain commitment, and the development of eco-collections (Kale & Oztürk, 2016). The adoption of blockchain technology in the luxury business can improve supply chain transparency and traceability while addressing counterfeit, grey market, and imitation items (Boissieu *et al.*, 2021). Systems thinking and supply chain collaboration are critical for mainstreaming sustainability in the luxury industry (Waller *et al.*, 2015). Finally, socially sustainable luxury supply chains necessitate the integration of responsible management practises, sustainability concepts, and ethics across the supply chain. Traceability, upstream vertical integration, and the usage of blockchain technology can all help the luxury supply chain achieve sustainability. Furthermore, the adoption of circular economy ideas, as well as collaboration between luxury brands and supply chain partners, are critical for producing long-term value and mainstreaming sustainability in the luxury business.

Hence, future studies for social sustainability in luxury supply chains should concentrate on a few critical issues.

i. For starters, theoretical and cross-cultural thoughts on broader structural and institutional concerns in the field of sustainable luxury marketing are required (Athwal *et al.*, 2019). By building a holistic framework for circular supply chains and providing a complete review of the problem, this research can contribute to the continued growth of sustainability in luxury (Shashi *et al.*, 2020);
ii. The role of blockchain technology in the luxury fashion supply chain can also be investigated. By offering transparency and traceability, blockchain can enable responsible management practises and improve sustainability (Oguntegbe *et al.*, 2022). It can also help to accelerate the transition to a circular economy by restructuring supply networks and improving supply chain digitization and agility (Nandi *et al.*, 2021). The adoption and impact of blockchain technology in luxury supply chains, including disintermediation, traceability, and transparency, can be studied (Boissieu *et al.*, 2021);
iii. The reporting of sustainability practises in the luxury industry is another key topic of inquiry. Investigating luxury firms' sustainability reporting practises can provide insights into their commitment to sustainability and corporate social responsibility (Galli & Bassanini, 2020). Furthermore, the influence of corporate social responsibility in the luxury environment can be investigated to better understand its relevance and efficacy (Broccardo *et al.*, 2022); and
iv. Finally, study can look into the mechanism of long-term wealth development in the luxury clothes business. This includes investigating sustainable supply chain practises such sourcing, manufacturing, shipping, distribution, servicing, and waste management (Yang *et al.*, 2017). Understanding how sustainable value is formed might reveal solutions and practises that contribute to social sustainability in luxury supply chains.

4. CONCLUSION

In conclusion, future research for social sustainability in luxury supply chains should focus on theoretical reflections, cross-cultural comparisons, the role of blockchain technology, sustainability reporting, corporate social responsibility, and the mechanism of sustainable value creation. By addressing these areas, researchers can contribute to the development of sustainable practices in the luxury industry and provide insights for companies to enhance their social sustainability efforts. Given the nature of this topic, an exploratory strategy is suggested. Qualitative research is an appropriate strategy for investigating new and complex phenomena that are difficult to explain using existing ideas (Cresswell, 2018). The case study approach will be utilised to investigate the various organisations in the supply chain (Voss, 2016), and given the circumstances, future studies should aim to investigate a global supply chain, providing both views of a developed country buyer and a developing country supplier. Every year, the Global Slavery Index spotlights slaves in emerging economies, which are frequently contributors to the global supply chain. As a result, the inclusion of a global supply chain perspective is important for understanding and studying the techniques utilised by luxury supply chains to conduct socially sustainable initiatives with these questions in mind:

a. How can a better understanding of the enablers and challenges from the perspective of global supply chains aid in the implementation of social sustainability?
b. How do the stakeholders seek to influence the implementation of social sustainability and aid in improving social inclusion in their organisational strategy?
c. How do organisations cope with institutional complexity and improve the implementation of social sustainability?

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THE ASYMMETRIC IMPACT OF REAL EFFECTIVE EXCHANGE RATE, REAL OIL PRICE AND REAL GOLD PRICE ON REAL STOCK PRICES IN SELECTED EAST ASIAN ECONOMIES

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ABSTRACT

This study examines the impact of the real effective exchange rate, the real oil price and the real gold price on the real stock prices in selected economies, namely Hong Kong, Taiwan and Japan, using a nonlinear autoregressive distributed lag (NARDL) model. This study uses quarterly data from 2003 quarter 1 to 2023 quarter 4. The NARDL results indicate that the positive and negative shocks to the real effective exchange rate, the real oil price and the real gold price have different effects on the real stock prices in the long-run and short-run. Additionally, other factors such as real money supply, real gross domestic product and the Shanghai Stock Exchange significantly influence stock prices in the short-run. Moreover, this study found that major events, including the global financial crisis of 2007-2009 and the coronavirus disease of 2020-2023, can impact stock prices in the short-run. The analysis employing the cumulative dynamic multiplier reveals distinctive trends in the responses of the real effective exchange rate, real oil price and real gold price on real stock prices, providing valuable insights for risk management strategies, particularly in hedging against market fluctuations. This study contributes to a deeper understanding of macroeconomic influences on stock prices and offers practical implications for investors and policymakers navigating the complexities of financial markets in evolving economic landscapes.

KEYWORDS: REAL EFFECTIVE EXCHANGE RATE, REAL OIL PRICE, REAL GOLD PRICE, NON-LINEAR AUTOREGRESSIVE DISTRIBUTED LAG, CUMULATIVE DYNAMIC MULTIPLIER

ABSTRAK

Kajian ini mengkaji kesan kadar pertukaran berkesan sebenar, harga minyak sebenar, dan harga emas sebenar ke atas harga saham sebenar dalam ekonomi terpilih iaitu Hong Kong, Taiwan dan Jepun menggunakan model lag teragih autoregresif bukan linear (NARDL). Kajian ini menggunakan data suku tahunan dari 2003 suku 1 hingga 2023 suku 4. Keputusan NARDL menunjukkan bahawa kejutan positif dan negatif terhadap kadar pertukaran berkesan sebenar, harga minyak sebenar dan harga emas sebenar mempunyai kesan yang berbeza terhadap harga saham sebenar dalam jangka panjang dan jangka pendek. Selain itu, faktor lain seperti bekalan wang sebenar, keluaran dalam negara kasar benar dan Bursa Saham Shanghai mempengaruhi harga saham dengan ketara dalam jangka pendek. Selain itu, kajian ini mendapati bahawa peristiwa besar termasuk krisis kewangan global 2007-2009 dan penyakit koronavirus, 2020-2023 boleh memberi

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kesan kepada harga saham dalam jangka pendek. Analisis yang menggunakan ‘cumulative dynamic multiplier’ mendedahkan arah aliran tersendiri dalam tindak balas kadar pertukaran berkesan sebenar, harga minyak sebenar dan harga emas sebenar pada harga saham sebenar, memberikan pandangan berharga untuk strategi pengurusan risiko, terutamanya dalam melindung nilai terhadap turun naik pasaran. Kajian ini menyumbang kepada pemahaman yang lebih mendalam tentang pengaruh makroekonomi ke atas harga saham dan menawarkan implikasi praktikal untuk pelabur dan penggubal dasar yang mengemudi kerumitan pasaran kewangan dalam landskap ekonomi yang berkembang.

KATA KUNCI: KADAR PERTUKARAN BERKESAN SEBENAR, HARGA MINYAK SEBENAR, HARGA EMAS SEBENAR, KETINGGALAN TERAGIH AUTOREGRESIF BUKAN LINEAR, ‘CUMULATIVE DYNAMIC MULTIPLIER

1. INTRODUCTION

In globalisation and financial market integration, the impacts of the real effective exchange rate, oil price and gold price and factors such as the Shanghai stock price, real money supply and real gross domestic product have become increasingly significant on real stock prices. Exchange rate fluctuations affect a country's stock price (Wong, 2022). The impact of currency depreciation on share prices is multifaceted. Companies involved in international trade may experience enhanced competitiveness, translating into higher profits and share values. Conversely, domestic firms relying on imported inputs may encounter heightened costs and diminished profit margins, leading to lower share prices. Changes in macroeconomic factors like exchange rates, oil prices and gold prices can impact firms that invest in stock. In response, retail investors may consider using financial instruments like futures and options to manage the risks associated with currency fluctuations and commodity price changes.

Consequently, the overall trajectory of the stock prices or market index may exhibit positive or negative fluctuations, mirroring the varied effects on different businesses (Adeniyi & Kumeka, 2020). Fluctuations in oil prices may profoundly impact consumer confidence (Li *et al*., 2021). Gold has long been acknowledged as a safe haven asset, particularly in inflationary environments, where individuals seek to safeguard their wealth against rising inflation rates. Investors often turn to gold as a means of preserving the value of their money amidst inflationary pressures. Additionally, oil and gold prices are considered significant commodities that can influence investment decisions in the stock price (Zeinedini *et al*., 2022).

The United States and China rank among the top 10 largest economies globally (Smart, 2024). Decisions made by the US Federal Reserve and the People's Bank of China regarding interest rates and monetary policy can influence global financial markets. Changes in interest rates can affect borrowing costs, currency values and investor sentiment. The performance of the Shanghai stock price can reflect broader market sentiment and investor confidence in the Chinese economy. Positive trends in Shanghai stocks may boost investor optimism across Asia, potentially benefiting stock prices in Hong Kong, Taiwan and Japan due to regional economic ties and trade relationships.

In particular, stock prices in Hong Kong and Taiwan have close financial ties with mainland China. Changes in Shanghai stock prices can influence cross-border investment flows and trading activity in related sectors. Changes in the real money supply (adjusted for inflation) can impact interest rates and liquidity conditions in financial markets. Increasing the money supply might lower interest rates, making borrowing cheaper and stimulating economic activity and stock price investment. An expansionary monetary policy (increasing money supply) could affect inflation expectations. Inflationary pressures can influence stock price performance as investors assess the future purchasing power of stocks. Strong gross domestic product can indicate a robust economy, leading to higher corporate earnings and potentially boosting stock price performance. For Hong Kong, Taiwan and Japan, which are highly export-oriented economies, global and regional Gross

Domestic Product trends can significantly impact export demand and corporate profitability, thus affecting stock prices.

The tumultuous events of the global financial crisis of 2007-2009 and the coronavirus disease of 2020-2023 have underscored the vulnerability of stock prices to external shocks. Reverberations of these crises have precipitated substantial volatility within domestic markets and accentuated the interconnectedness of global financial systems. The coronavirus pandemic has caused unprecedented disruption to global economic activities, akin to the impact witnessed during the 1918 influenza outbreak (Razzaq *et al*., 2020). The shockwaves of the coronavirus outbreak have reverberated through financial and economic systems, potentially leading to significant instability (Narayan *et al*., 2020). The global financial crisis impacted stock prices worldwide (Kang & Yoon, 2019).

This study examines the selected East Asian economies, namely Hong Kong, Taiwan and Japan, employing the nonlinear autoregressive distributed lag (NARDL) model. This study contributes by estimating the impact of macroeconomic variables, including the effects of the coronavirus disease of 2020-2023 and the global financial crisis of 2007-2009 on real stock prices. Additionally, this study examines the influence of the real effective exchange rate, real oil price and real stock prices over time through a cumulative dynamic multiplier (CDM).

2. LITERATURE REVIEW

Exchange rate, oil price, gold price, gross domestic product, money supply and the Shanghai stock exchange have a significant impact on stock prices (Chang *et al*., 2024; He *et al*., 2020; Javangwe & Takawira, 2022; Kassouri & Altıntaş, 2020; Kelikume & Muritala, 2019; Kushwah & Siddiqui, 2023; Narayan *et al*., 2020; Parvin, 2022; Sinlapates & Chancharat, 2024; Sreenu, 2023; Tweneboah *et al*., 2020; Verma & Bansal, 2021; Zhong & Liu, 2021). Parvin (2022) utilised a Nonlinear Autoregressive Distributed Lag (NARDL) model to demonstrate the significant impact of exchange rates on stock prices. Chang *et al*. (2024) employed a cross-quantilogram analysis from January 30, 2020, to December 30, 2022, revealing a significant influence of exchange rate fluctuations on stock prices. Javangwe and Takawira (2022) applied the autoregressive distributed lag (ARDL) model and emphasised the significant impact of exchange rates on stock prices, suggesting implications for policy interventions. Narayan *et al*. (2020) utilised various GARCH models alongside vector autoregression (VAR), addressing endogeneity concerns and consistently identifying a significant influence of exchange rate fluctuations on stock prices. Sreenu (2023) employed autoregressive distributed lag (ARDL), GARCH and error correction model (ECM) analyses to confirm the significant impact of exchange rates on stock prices.

Kelikume and Muritala (2019) observed that the increase in crude oil prices positively affects national income and government expenditure, fostering conducive economic and investment environments. Tweneboah *et al*. (2020) employed quantile regressions to demonstrate the impact of gold prices on stock prices. He *et al*. (2020) utilised VAR to demonstrate the substantial effects of oil and gold prices on stock prices. Kushwah and Siddiqui (2023) conducted cointegration tests, highlighting the impact of oil prices on stock prices. Sinlapates and Chancharat (2024) employed quantile regression models to study the effects of oil and gold prices on Southeast Asian stock prices.

Verma and Bansal (2021) examined the impact of macroeconomic variables—Gross Domestic Product (GDP), Foreign Direct Investment (FDI), Foreign Institutional Investment (FII), among others—on stock prices, revealing sector-specific effects and the differing impacts of gold and oil prices on economies based on import and export dynamics. Gross domestic product, money supply and China's stock price significantly impact stock prices. Kassouri and Altıntaş (2020); Verma and Bansal (2021); Zhong and Liu (2021) found a significant positive impact of money supply on stock prices. Zhong and Liu (2021) highlighted that the China stock market had a positive impact on Southeast Asian stock markets during the financial crisis.

The impact of the coronavirus pandemic and significant economic events has led to increased volatility and fluctuations in stock prices as investors assess and respond to changing economic conditions and market dynamics. The coronavirus disease and significant economic events have significantly impacted stock prices (Bessler *et al*., 2021; Ji *et al*., 2024).

In general, previous studies have made attempts to study the relationships between macroeconomic variables and stock prices. However, there has been a notable absence of research employing the cumulative dynamic multiplier to capture impacts over time. Understanding these impacts is crucial and can benefit key stakeholders, such as investors, in making informed decisions regarding future hedging and options strategies.

3. METHODOLOGY

This study employs the non-linear autoregressive distributed lag (NARDL) model. The long-run equation and the short-run equation are adopted from Shin *et al*. (2011, 2012, 2014); Ibrahim (2015); Liang *et al*. (2020); Omoregie *et al*. (2020); Wong (2022).

The equation for the long-run NARDL is as follows:

$$\log RSP_t = \beta_1 \log REER^+_{t-i} + \beta_2 \log REER^-_{t-i} + \beta_3 \log ROIL^+_{t-i} + \beta_4 \log ROIL^-_{t-i} + \beta_5 \log RGOLD^+_{t-i} + \beta_6 \log RGOLD^-_{t-i} + \mathcal{U}_t \tag{1}$$

where RSP is the real stock price. The Hong Kong stock price is represented by Hang Seng Index (HSI), the Taiwan stock price is represented by Taiwan Stock Exchange (TWSE) and the Japan stock price is represented by Nikkei 225 (NIKKEI). REER is the real effective exchange rate, ROIL is the real oil price and RGOLD is the real gold price. $\mathcal{U}_t$ is the error term.
The equation for the short-run NARDL is as follows:

$$\Delta logRSP_t = \sum_{i=1}^{q} \beta_{1i} \Delta \log RSP_{t-i} + \sum_{i=0}^{q} \beta_{2i} \Delta \log REER^+_{t-i} + \sum_{i=0}^{q} \beta_{3i} \Delta \log REER^-_{t-i} + \sum_{i=0}^{q} \beta_{4i} \Delta \log ROIL^+_{t-i} + \sum_{i=0}^{q} \beta_{5i} \Delta \log ROIL^-_{t-i} + \sum_{i=0}^{q} \beta_{6i} \Delta \log RGOLD^+_{t-i} + \sum_{i=0}^{q} \beta_{7i} \Delta \log RGOLD^-_{t-i} + \sum_{i=0}^{q} \beta_8 \Delta \log CONTROL_{t-i} + \beta_9 D + \beta_{10} ECT_{t-1} + \mathcal{U}_t \tag{2}$$

where CONTROL, representing control variables, includes the real gross domestic product index (RGDP), the real money supply (RM2) and the Shanghai Stock Exchange index (SSE). D is a dummy variable representing the global financial crisis (2007-2009) and the coronavirus disease pandemic (2020-2023). ECT is the error correction term, log is the logarithm and $\mathcal{U}_t$ is the disturbance term. Only the Taiwan stock price uses a constant term. An asymmetric effect is evident when the coefficient of $\sum_{i=0}^{q} \beta_{2i} \neq \sum_{i=0}^{q} \beta_{3i}$ or $\sum_{i=0}^{q} \beta_{4i} \neq \sum_{i=0}^{q} \beta_{5i}$ or $\sum_{i=0}^{q} \beta_{6i} \neq \sum_{i=0}^{q} \beta_{7i}$.
The equation for the cumulative dynamic multipliers (CDM) is as follows:

$$CDM^+_{r,t}(h) = \sum_{o=0}^{h} \frac{\partial \log RSP_{t+o}}{\partial \log Y^+_{r,t}}, CDM^-_{r,t}(h) = \sum_{o=0}^{h} \frac{\partial \log RSP_{t+o}}{\partial \log Y^-_{r,t}} \tag{3}$$

where $Y^+_{r,t}$ and $Y^-_{r,t}$ denotes positive or negative real effective exchange rate, real gold price or real oil price, respectively. h denotes time horizon. If the time lag h approaches infinity ($h \to \infty$), the CDM, denoted as CDM^+_h, CDM^-_h stabilises toward specific values represented by $\frac{Y^+_r}{\emptyset}, \frac{Y^-_r}{\emptyset}$. The absolute difference between $\left|CDM^+_{r,t}(h) - CDM^-_{r,t}(h)\right|$ measures the distance between the impacts of $Y^+_{r,t}$ and $Y^-_{r,t}$ on the response real stock prices over time (Shin, Yu & Greenwood-Nimmo, 2014).

In this study, a comprehensive evaluation of the model's performance and reliability was conducted using various diagnostic tests to ensure the robustness of the findings. In order to assess the stability of the coefficients over time, the cumulative sum (CUSUM) and cumulative sum of squares (CUSUMSQ) tests were employed, confirming coefficient stability and validating the consistency of the estimated parameters. Heteroskedasticity, which refers to the presence of varying levels of dispersion in the error terms, was examined using the Breusch–Pagan–Godfrey test to detect potential violations of homoskedasticity assumptions. Furthermore, the normality of residuals was assessed to check the distributional assumptions underlying the model. Serial correlation, a potential issue where error terms exhibit correlation with each other over time, was evaluated using the Breusch–Godfrey serial correlation LM test. In order to address the heteroskedasticity concerns, the Ordinary Least Squares (OLS) estimator with Huber-White (or robust) standard errors was employed, providing robust estimates of the model parameters even in the presence of heteroskedasticity.

The control variables used in this study are the real gross domestic product, the M2 money supply and the Shanghai stock exchange, as well as the dummy variables: the global financial crisis of 2007-2009 (Weinberg, 2012) and the coronavirus disease of 2020-2023 (World Health Organization, 2020, 2023). All data, except the dummy variables, were obtained from Bloomberg Terminal.

4. FINDINGS

Table 1 presents the results from the long-run NARDL. The results show that a negative real effective exchange rate leads to a decrease in the Hang Seng Index (HSI) and an increase in the NIKKEI, which is consistent with the observations made by Parvin (2022). Additionally, a positive real oil price is associated with a decrease in the HSI, corroborating the findings of Kelikume and Muritala (2019), while a negative real oil price is linked to an increase in the Taiwan Stock Exchange (TWSE) and the NIKKEI. Furthermore, a positive real gold price is found to decrease the HSI, which aligns with the results of Tweneboah *et al*. (2020) while simultaneously increasing the NIKKEI, as observed by He *et al*. (2020). Conversely, a negative real gold price is associated with a decrease in the NIKKEI, consistent with the findings of Jain and Biswal (2016). Gold is a "safe-haven" asset. When investors move their investments from gold to more risk-sensitive assets like stocks, gold prices tend to fall (Drake, 2022).

TABLE 1: LONG-RUN NONLINEAR AUTOREGRESSIVE DISTRIBUTED LAG RESULTS

RSP	Hong Kong (HIS)	Taiwan (TWSE)	Japan (NIKKEI)
$logREER_t^+$	-5.955034	-0.869527	-0.349839
	(0.5063)	(0.7153)	(0.4708)
$logREER_t^-$	-29.93931	3.118569	2.915997
	(0.0102)**	(0.3777)	(0.0000)***
$logROIL_t^+$	-2.759287	0.087321	-0.024992
	(0.0741)*	(0.5738)	(0.8487)
$logROIL_t^-$	-1.667263	0.250771	0.349374
	(0.2707)	(0.0301)**	(0.0128)**
$logRGOLD_t^+$	-6.273419	1.224865	1.392768
	(0.0443)**	(0.3100)	(0.0006)***
$logRGOLD_t^-$	-1.960338	-0.486979	-2.513785
	(0.4055)	(0.2842)	(0.0000)***

Notes: Values in parentheses indicate p-values. *, **, *** denotes significant level at 10%, 5% and 1%, respectively.
Source: Table by Authors

In general, there is evidence of cointegration across all countries. The stability of coefficients in the models over time is confirmed by CUSUM and CUSUMSQ, with the exception of Taiwan in the CUSUMSQ. The diagnostic tests confirm that the estimated models meet specific conditions.

TABLE 2: DIAGNOSTIC TEST RESULTS

RSP	Hong Kong (HIS)	Taiwan (TWSE)	Japan (NIKKEI)
Bound Test	2.363959 **	2.235739 *	4.417941***
HETERO	0.687351	1.630635	0.709299
	(0.8818)	(0.0593)**	(0.8532)
LM Test	0.308444	10.76717	3.882151
	(0.7362)	(0.0002)***	(0.0368)**
RESET Test	2.314284	0.058096	5.529313
	(0.1353)	(0.8107)	(0.0281)**
CUSUM	STABLE	STABLE	STABLE
CUSUMSQ	STABLE	UNSTABLE	STABLE

Notes: F-statistic from Pesaran *et al*. (2001) bounds testing for cointegration 'HETERO' is the heteroscedasticity test using the White test. LM is the Lagrange multiplier test for disturbance serial correlation. The RESET Test indicates the functional form test and the CUSUM and CUSUMSQ are employed for cumulative sum and cumulative sum of squares test.
Source: Table by Authors

Table 3 presents the results from the short-run NARDL. The negative real effective exchange rate is associated with a decrease in the HSI, which is consistent with the findings of Sreenu (2023). Moreover, positive and negative real oil price shocks have a positive impact on the HSI. Specifically, a positive real oil price shock and a negative real oil price shock are linked to an increase in the HSI. Furthermore, the analysis indicates that a positive real gold price, lagged by two periods, has a positive impact on the HSI. This finding is supported by Verma and Bansal (2021). Conversely, a negative real gold price, lagged by two periods, leads to a decrease in the HSI, which is also consistent with the observations of Verma and Bansal (2021).

Lagged positive real effective exchange rates by five periods exhibit a decrease in TWSE, corroborating the findings of Chang *et al*. (2024), while negative real effective exchange rates lagged by five periods significantly boost TWSE, consistent with Javangwe and Takawira (2022). Furthermore, positive and negative real effective exchange rates lagged by four periods have a negative impact on NIKKEI, aligning with Sreenu (2023). Additionally, positive and negative real oil prices significantly influence TWSE positively, as indicated by Kushwah and Siddiqui (2023). Conversely, when lagged by three periods, positive and negative real oil prices have a notable negative impact on NIKKEI, as evidenced by Kelikume and Muritala (2019). Moreover, positive lagged real gold price by one period decreases TWSE and NIKKEI, aligning with Zeinedini *et al*. (2022), whereas negative lagged real gold price by one period correspond to a significant increase in TWSE and NIKKEI, in line with Narayan *et al*. (2020).

Verma and Bansal (2021) underscore that an increase in real gross domestic product (GDP) has a positive impact on the HSI, indicating that a growing economy correlates with heightened stock prices. This impact reflects the fundamental principle that a robust economy tends to stimulate investor confidence and drive equity market gains. Similarly, Zhong and Liu (2021) reveal that an increase in the Shanghai Stock Exchange (SSE) exerts a substantial positive influence on HSI, highlighting the interconnectedness of regional stock prices within the broader economic landscape. Furthermore, Kassouri and Altıntaş (2020) demonstrate that expansions in real money supply positively impact both HSI and the Taiwan Stock Exchange (TWSE). This finding underscores the role of monetary policy in bolstering liquidity and fostering favourable conditions for stock prices. Conversely, a study conducted by Ji *et al*. (2024) unveils the adverse impact of the coronavirus disease of 2020-2023 on TWSE. The negative effect of the coronavirus disease can be attributed to economic disruptions, market uncertainties and business slowdowns associated with the global health crisis, which eroded investor sentiment and suppressed stock prices during this period. Moreover, the global financial crisis of 2007 to 2009 significantly and negatively impacted TWSE and the NIKKEI. These results are aligned with Bessler *et al*. (2021). The constant term has a significant positive impact on TWSE. Additionally, the coefficients of the error correction models are negative and statistically significant.

TABLE 3: SHORT-RUN NONLINEAR AUTOREGRESSIVE DISTRIBUTED LAG RESULTS

RSP	Hong Kong (HIS)	Taiwan (TWSE)	Japan (NIKKEI)
ECT_{t-1}	-0.057106	-0.379786	-1.118732
	(0.0001)***	(0.0001)***	(0.0000)***
$\Delta logSM_{t-1}$	-0.210585	0.152294	0.336647
	(0.0124)**	(0.0882)*	(0.0191)**
$\Delta logSM_{t-2}$	0.072099	0.195685	0.457147
	(0.3318)	(0.0429)**	(0.0032)***
$\Delta logSM_{t-3}$	0.055261	0.120355	0.326008
	(0.4802)	(0.2240)	(0.0217)**
$\Delta logREER_t^+$	0.785150	-1.141386	-0.919515
	(0.1611)	(0.2173)	(0.1127)
$\Delta logREER_t^-$	-2.181676	1.479105	-0.788807
	(0.0003)***	(0.1082)	(0.1465)
$\Delta logREER_{t-1}^+$	1.311931	-0.185871	-0.207621
	(0.0224)**	(0.8429)	(0.6120)
$\Delta logREER_{t-1}^-$	-0.809311	-0.447176	-3.094715
	(0.1239)	(0.6395)	(0.0000)***
$\Delta logREER_{t-2}^+$	1.780962	0.228641	0.216576
	(0.0023)**	(0.8013)	(0.6233)
$\Delta logREER_{t-2}^-$	-0.546747	-1.702440	-2.018394
	(0.2629)	(0.0481)**	(0.0003)***
$\Delta logREER_{t-3}^+$	0.239532	-0.797216	-0.328494
	(0.6613)	(0.3842)	(0.3791)
$\Delta logREER_{t-3}^-$	0.059129	-0.744628	-0.914202
	(0.8863)	(0.3967)	(0.0585)*
$\Delta logREER_{t-4}^+$	-	-1.942329	-0.726405
		(0.0370)**	(0.0973)*
$\Delta logREER_{t-4}^-$	-	0.016731	-1.557254
		(0.9857)	(0.0013)***
$\Delta logREER_{t-5}^+$	-	-1.503746	0.083999
		(0.0926)*	(0.8205)
$\Delta logREER_{t-5}^-$	-	2.148890	-0.869613
		(0.0064)***	(0.0833)*
$\Delta logREER_{t-6}^+$	-	-	0.139438
			(0.6994)
$\Delta logREER_{t-6}^-$	-	-	-1.364784
			(0.0025)***
$\Delta logREER_{t-7}^+$	-	-	-0.067600
			(0.8506)
$\Delta logREER_{t-7}^-$	-	-	-0.424441
			(0.3357)
$\Delta logROIL_t^+$	0.166271	0.168820	-0.006084
	(0.0152)**	(0.0380)**	(0.9543)
$\Delta logROIL_t^-$	0.108707	0.283214	0.304830
	(0.0162)**	(0.0000)***	(0.0000)***
$\Delta logROIL_{t-1}^+$	0.065916	-	0.018465
	(0.3765)		(0.8679)

$\Delta logROIL^{-}_{t-1}$	0.272053	-	-0.070046
	(0.0000)***		(0.3557)
$\Delta logROIL^{+}_{t-2}$	-0.169271	-	-0.058117
	(0.0167)**		(0.6053)
$\Delta logROIL^{-}_{t-2}$	0.186528	-	-0.028449
	(0.0016)***		(0.6996)
$\Delta logROIL^{+}_{t-3}$	-0.053417	-	-0.324895
	(0.3940)		(0.0047)***
$\Delta logROIL^{-}_{t-3}$	-0.066566	-	-0.170175
	(0.2008)		(0.0165)**
$\Delta logROIL^{+}_{t-4}$	-	-	-0.261171
			(0.0219)**
$\Delta logROIL^{-}_{t-4}$	-	-	-0.257034
			(0.0019)***
$\Delta logROIL^{+}_{t-5}$	-	-	0.008641
			(0.9343)
$\Delta logROIL^{-}_{t-5}$	-	-	-0.175999
			(0.0376)**
$\Delta logROIL^{+}_{t-6}$	-	-	0.136931
			(0.1728)
$\Delta logROIL^{-}_{t-6}$	-	-	-0.076463
			(0.3379)
$\Delta logROIL^{+}_{t-7}$	-	-	0.209896
			(0.0329)**
$\Delta logROIL^{-}_{t-7}$	-	-	-0.147316
			(0.0372)**
$\Delta logRGOLD^{+}_{t}$	0.381169	-0.047435	0.601470
	(0.0253)**	(0.8311)	(0.0302)**
$\Delta logRGOLD^{-}_{t}$	0.139942	0.256611	-0.472545
	(0.4318)	(0.2522)	(0.1523)
$\Delta logRGOLD^{+}_{t-}$	-0.304274	-0.560336	-1.448827
	(0.1166)	(0.0170)**	(0.0001)***
$\Delta logRGOLD^{-}_{t-}$	0.170965	0.547724	2.415258
	(0.3351)	(0.0129)**	(0.0000)***
$\Delta logRGOLD^{+}_{t-}$	0.608262	-0.359918	-0.929941
	(0.0021)***	(0.1142)	(0.0038)***
$\Delta logRGOLD^{-}_{t-}$	-0.452560	0.193978	1.224869
	(0.0098)***	(0.3674)	(0.0040)***
$\Delta logRGOLD^{+}_{t-}$	0.277992	0.128597	-0.744701
	(0.1902)	(0.5867)	(0.0211)**
$\Delta logRGOLD^{-}_{t-}$	0.024860	0.033892	1.485694
	(0.8797)	(0.8718)	(0.0003)***
$\Delta logRGOLD^{+}_{t-}$	-	-0.312529	-0.114807
		(0.1863)	(0.6409)
$\Delta logRGOLD^{-}_{t-}$	-	0.204582	1.380636
		(0.3450)	(0.0006)***
$\Delta logRGOLD^{+}_{t-}$	-	-0.002813	0.038420
		(0.9910)	(0.8964)
$\Delta logRGOLD^{-}_{t-}$	-	0.487358	1.537951
		(0.0285)**	(0.0003)***
$\Delta logRGOLD^{+}_{t-}$	-	-	-0.102122
			(0.6997)
$\Delta logRGOLD^{-}_{t-}$	-	-	0.759303
			(0.0307)**
$\Delta logGDP_{t}$	1.464518	0.898560	0.638888

	(0.0100)**	(0.2651)	(0.2014)
$\Delta logSSE_t$	0.387894	0.162573	0.323901
	(0.0000)***	(0.0052)***	(0.4362)
$\Delta logM2_t$	1.185295	1.887113	0.059431
	(0.0000)***	(0.0000)***	(0.4483)
$COVID_t$	-0.013049	-0.037462	-0.005718
	(0.2092)	(0.0046)***	(0.7717)
GFC_t	-0.003255	-0.024642	-0.048596
	(0.7672)	(0.0733)***	(0.0043)***
C	-	0.121072	-
		(0.0001)***	

Notes: Values in parentheses indicate p-values. *, **, *** denotes significant level at 10%, 5% and 1%, respectively. ECT_{t-1} denotes error correction term and c denotes constant term.
Source: Table by Author

Figure 1 illustrated the impact of positive and negative real effective exchange rate, real oil price and real gold price on the Hang Seng Index (HSI), Taiwan Stock Exchange (TWSE) and NIKKEI Index over time. It revealed a notable trend where positive and negative real effective exchange rate, real oil price and real gold price corresponded to declines in the HSI, TWSE and NIKKEI. Moreover, dynamic patterns emerged in the positive and negative real effective exchange rate and real oil price, characterised by periods of fluctuating increases, decreases and eventual stabilisation in the HSI, TWSE and NIKKEI.

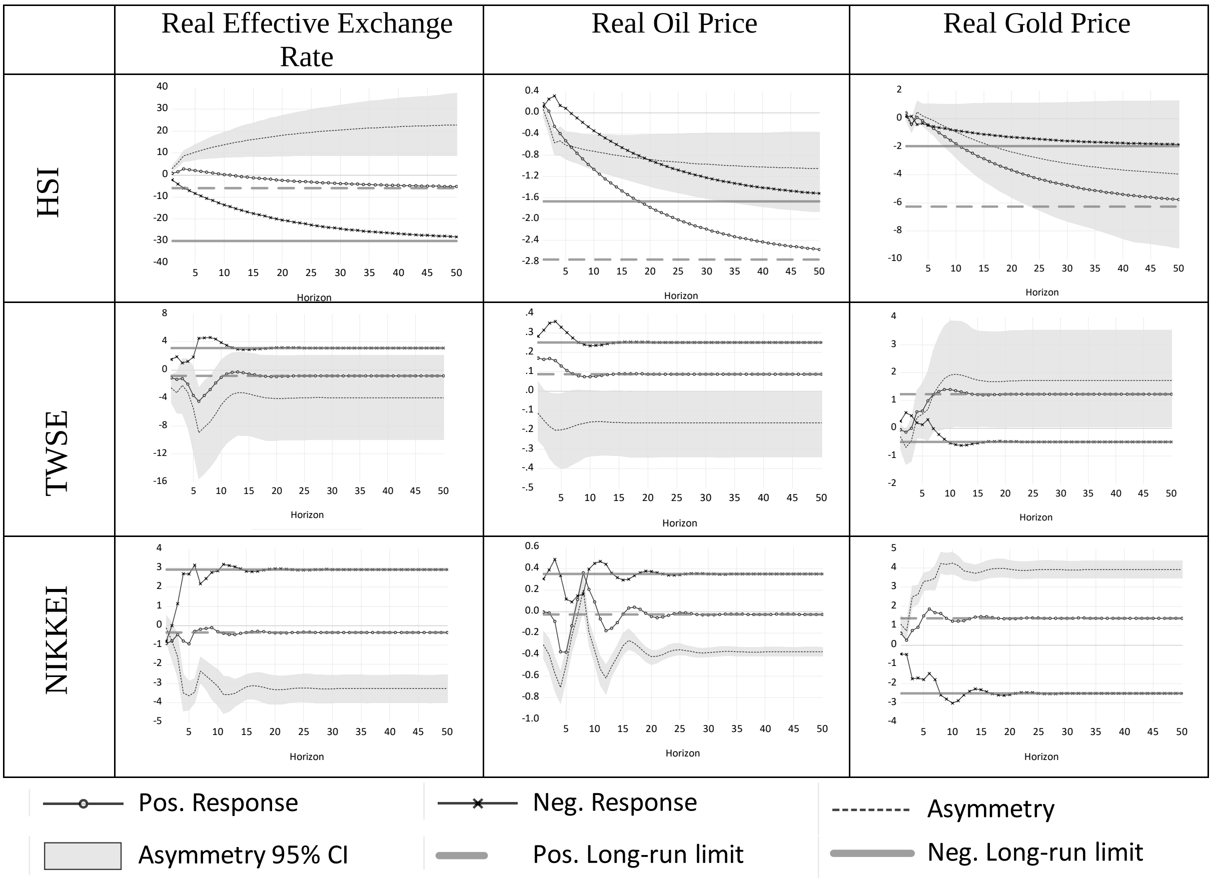

FIGURE 1: CUMULATIVE DYNAMIC MULTIPLIER
Source: Authors' Calculation

5. IMPLICATION

The results from this study offer valuable insights for investors navigating the stock markets of Hong Kong, Taiwan and Japan. This study provides some ideas for hedging strategies. Investors or international traders can use forward market or futures and options to mitigate risks associated with price fluctuation due to exchange rate, oil price or gold price fluctuations.

6. CONCLUSION

In this study, the application of the nonlinear autoregressive distributed lag (NARDL) model revealed findings regarding the differential impacts of positive and negative shocks in real effective exchange rate, real oil price and real gold price on stock prices across Hong Kong, Taiwan and Japan, both in the short-run and long-run. The analysis elucidated that real gross domestic product (GDP) exerts a notable impact on stock prices in Hong Kong, underscoring the significance of economic growth as a key determinant of stock price performance in this region. Furthermore, the study identified additional influential variables, such as the Shanghai Stock Exchange performance and M2 money supply, which exhibit short-run effects on stock prices in Hong Kong and Taiwan.

Moreover, the short-run impacts of significant external events, including the global financial crisis of 2007-2009 and the coronavirus disease spanning from 2020 to 2023, were observed to significantly affect Taiwan and Japan stock prices. These findings highlight the sensitivity of stock prices to macroeconomic shocks and global events, underscoring the importance of understanding and analysing these dynamics for effective investment strategies. The cumulative dynamic multiplier analysis further revealed distinct fluctuating trends in the responses of real effective exchange rate, real oil price and real gold price on stock prices across the studied economies, indicating varying degrees of sensitivity and adaptability within each market.

Despite the valuable insights gained from this study, several limitations should be acknowledged to interpret the findings appropriately and guide future research endeavours. First, the study's scope was constrained to a selected set of variables, focusing primarily on gross domestic product, commodity prices and specific stock price indices. This limited scope may overlook other relevant factors that could potentially influence stock prices, such as interest rates, geopolitical events, or sector-specific dynamics. Additionally, while the study identified short-run impacts of major economic events like the global financial crisis and the coronavirus disease, further investigation is needed to explore the long-term implications and interactions of these events with economic variables.

Furthermore, the generalisability of the findings may be restricted by the specific characteristics and market structures of the studied economies, highlighting the need for caution in applying these results to broader regional or global contexts. Addressing these limitations opens up avenues for future research to expand the scope by incorporating additional variables and exploring broader implications for financial markets. By integrating a more comprehensive set of factors and examining longer-term dynamics, future studies can enhance the robustness and applicability of results, providing deeper insights into the impact of macroeconomic variables on stock prices.

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UNDERSTANDING THE EFFICIENCY OF *SUKUK* INDICES: THE ROLE OF THE GARCH-IN-MEAN MODEL IN DIFFERENT *SUKUK* RATINGS

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ABSTRACT

Significant developments have occurred in the *sukuk* market in the Islamic capital markets. The deterioration of the economic situation during the 2008 global financial crisis affected the value of *sukuk* investment, particularly in the world's largest *sukuk* market, Malaysia. Following the 2008 crisis, the global decline in the issuance of *sukuk* has resulted in a 33 per cent decline in the total number of *sukuk*, creating a complex situation for *sukuk* investors, as *sukuk* are classified as risks and ultimately increase the number of *sukuk* that fail. The importance of the *sukuk* as the key capital market instrument of the Islamic Capital Market can be ascertained from this IIFM *Sukuk* report, where the global outstanding *Sukuk* in 2022 were USD 0.794 trillion or 24.43% of the total net worth of the industry. High volatility affects long-term effectiveness. The higher the volatility during the crisis (as a risk estimate), the greater is the likelihood of *Sukuk*'s default. This study examined the efficiency of the Ukrainian market using daily historical price data from 2006 to 2015 and extracted some of the UK indices of different ratings DJSUK3AT, DJSUK2AT, DJSUK1AT, and DJSUK3BT from the Bloomberg database (excluding Saturdays and Sundays). The research uses the GARCH-in-Mean (GARCH-M) model to identify the types of efficiency of the *sukuk* market. The highest quality and excellence ratings (AAAs) for DJSUK3AT and DJSUK2AT have been recognised as the best market indicators based on market efficiency analysis. Generally, the *sukuk* market is considered inefficient, which should raise concerns among investors and issuers. Therefore, the efficiency of the *sukuk* market research is essential, as it can serve as an indicator for determining the best situation for investing and issuing *sukuk*. The empirical contribution of the study highlights the importance of *sukuk* for encouraging investors to invest in *sukuk*, which ultimately leads to economic growth and investment.

KEYWORDS: SUKUK, EFFICIENCY, GARCH-IN-MEAN, SUKUK RATINGS, CRISIS

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ABSTRAK

Pasaran *sukuk* dalam pasaran modal Islam telah mengalami evolusi dan pembangunan yang ketara. Keadaan ekonomi yang merosot semasa krisis kewangan global 2008 telah menjejaskan nilai pelaburan *sukuk*, khususnya Malaysia sebagai pasaran *sukuk* terbesar dunia. Penurunan 33 peratus dalam jumlah terbitan *sukuk* global selepas krisis 2008 mendorong situasi yang rumit di kalangan pelabur *sukuk* kerana *sukuk* diklasifikasikan sebagai pelaburan berisiko dan akhirnya meningkatkan bilangan keingkaran *sukuk*. Kepentingan *sukuk* sebagai instrumen pasaran modal utama Pasaran Modal Islam boleh dipastikan daripada laporan *Sukuk* IIFM ini, yakni *Sukuk* terkumpul global pada 2022 ialah USD 0.794 trilion atau 24.43% daripada jumlah nilai bersih industri. Sememangnya, turun naik yang tinggi menjejaskan kecekapan jangka panjang. Semakin tinggi turun naik (sebagai proksi risiko) semasa krisis, semakin tinggi kebarangkalian *sukuk* mungkir. Kajian ini menilai kecekapan pasaran *sukuk* dalam tempoh sampel kajian adalah penting kerana turun naik akan memberi kesan kepada kecekapan pasaran jangka panjang. Menggunakan data sejarah harga Daily dari 2006 hingga 2015 untuk semua beberapa indeks *sukuk* mengikut penilaian berbeza iaitu (DJSUK3AT, DJSUK2AT, DJSUK1AT dan DJSUK3BT) yang telah dikumpulkan daripada pangkalan data Bloomberg (tidak termasuk Sabtu dan Ahad dikecualikan). Penyelidikan ini menggunakan model GARCH-in-Mean (GARCH-M) telah dilaksanakan untuk mengenal pasti jenis kecekapan dalam pasaran *sukuk*. Penarafan kualiti tertinggi (AAA) dan penarafan cemerlang (AA) *sukuk* (DJSUK3AT dan DJSUK2AT) direkodkan sebagai penunjuk pasaran utama terbaik berdasarkan analisis kecekapan pasaran. Secara keseluruhannya, pasaran *sukuk* dianggap sebagai pasaran yang tidak cekap. Oleh itu, kajian tentang kecekapan pasaran *sukuk* adalah penting kepada pelabur dan penerbit, kerana hasilnya boleh digunakan sebagai penunjuk untuk mengenal pasti situasi terbaik untuk melabur dan menerbitkan *sukuk*. Sumbangan empirikal kajian ini menonjolkan kepentingan *sukuk* untuk menggalakkan pelabur melabur dalam *sukuk* dan akhirnya meningkatkan pertumbuhan ekonomi dan pelaburan.

KATA KUNCI: SUKUK, KECEKAPAN, GARCH-IN-MEAN, PENARAFAN, KRISIS

1. INTRODUCTION

The 2008 global financial crisis was the first real test of *sukuk*. The crisis caused damage to the new *sukuk* market, and some problems fell to the lowest level during the crisis. Since 2009, however, the universe of *sukuk* investments has recovered strongly and fully. This shows the strength of the *sukuk* market performance. The Dow Jones *Sukuk* Index (DJSI) has recovered fully from its poor performance and crisis. As a result, volatility has declined considerably due to the higher creditworthiness of the investment universe. The quality of the performance of the *Sukk* index considers both the yield and the risk. The score's low volatility and high sharpness further increased high performance (Islamic Finance News, 2013; CIMB-Principal Islamic Asset Management Sdn Bhd., 2013). Volatility and price uncertainty, particularly regarding the returns on *sukuk*, significantly impact the financial sector's performance. During the 2007/08 global economic crisis, the return of the *sukuk* market fell from USD 46.65 billion in 2007 to USD 15.58 billion in 2008 (Muhammad *et al*., 2011). Following the global financial crisis of 2008, the total number of *sukuk* projects worldwide remained low, and the situation of *sukuk* investors became difficult (Rahim & Ahmad, 2016).

Sukuk defaults occur when *Sukuk* investors make poor investments. The study concerns the growing number of *sukuk* without insurance. The greater the crisis's volatility (risk estimation), the greater is the likelihood of a *sukuk* failure. In recent years, especially since the financial crisis affecting the world economy, the issue of *sukuk* default has attracted considerable attention. The study, which differs from previous research, focuses on the efficiency of different *sukuk* rating *sukuk* indices and uses the GARCH-in-mean method to measure the efficiency of the global financial crisis before, during and after 2007/2008.

This document is divided into seven sections. The first section is the introduction. The second section describes the literature review. The third section describes this theory. Section 4 deals with the data collection used in this study. Section 5 describes the methodology. Section 6 presents the results and empirical analysis. The results of this study are in section 7.

2. LITERATURE REVIEW

Origins of Sukuk

The word "*sukuk*" is a classic Arabic word, and the plural form of the word is "sakk". *Sakk* is a legal document or instrument representing obligations under Islamic law or "Sharia". A *sakk* (single to *sukuk* and means "deed" or "instrument") was used to describe any document representing financial liability. Hilda & Azhar, 2010 From the Islamic point of view, the emergence of *Sukuk* is based appropriately on Hadith to explain the facts of this historical concept. Imam Malik's Al-Muwatta records a reference to the word *Sukuk*: "Yahya told me that Malik learned that *Sukuk* had been given to people during the time of Marwan ibn al-Hakam for the goods of the market of Al-Jar. People had bought and sold *Sukuk*s between them before the goods were delivered. Zayd bin Thabit and one of his companions, Rasulullah (saw), went to Marwan and said, "Marwan! What's the right amount of currency? He said, "I am seeking refuge in Allah! What is that? He said, "It's a *sukuk* that people buy and sell until they deliver the goods." Consequently, Marwan sent guards to chase them, keep them away from the people, and return them to the owner (Bank Islam Malaysia Berhad, 2012; Shahida & Sapiyi, 2013).

Definitions of Sukuk

The Securities Commission of Malaysia (2019) defines *sukuk* as "an equal-value certificate that proves exclusive ownership or investment of property using *Shariah* principles and concepts approved by the *Shariah* Advisory Committee (SAC)." In addition, AAOIFI (2008) defines *sukuk* as "equal-value certificates representing unaffected interests in the ownership of the underlying assets (whether or not applicable), raw materials, services or investment, in particular, enterprises or certain special investments" (AAOIFI, 2008). According to IFSB, the *sukuk* refers to "a certificate that represents the proportional ownership of the holder on the entire portion of the underlying asset, in which the holder takes all rights and obligations to such asset".

Consequently, *sukuk* (sometimes called 'Islamic bonds' because they are shares, mainly available for trading with easily rated securities) can be defined more specifically as 'Islamic investment trust certificates'. While bonds prove that the borrower has debts to the bondholders, *sukuk* certificates prove that the investor's share of a *sukuk* property, company, enterprise, or project gives them the right to share its profits.

Overview of the Sukuk Market

Short-term *Sukuk* issuance by jurisdictions in the Far East, the GCC, Africa, Asia, the IILM, Turkey, Bangladesh, etc., led to the growth of the short-term *Sukuk* market by 2022. Short-term issuance increased by 62.695 billion US dollars compared to 54.172 billion US dollars issued in 2021, resulting in an increase of 15.73 % in 2022. In the case of financial institutions and specific companies, the issuances were intended to support their liquidity management or financing requirements. In the first half of 2023, the *Sukuk* market seems stable or indicates moderate growth. However, global inflation pressure and rising benchmark interest rates will likely keep equities unchanged to moderate growth. Furthermore, the 2023 *Sukuk* issuance pipeline indicates a stable year for the *Sukuk* market (IIFM *Sukuk* Report, 2023).

The total global issuance (long-term and short-term) was USD 142,715 billion, confirming *Sukuk*'s dominant position as a critical financing instrument. As indicated in Figure 1 below, global *sukuk* issuance declined slightly in 2021 to about 2,96 % per year or 188.121 billion US dollars, compared to 18,715 billion US dollars in 2022. The volume of issuance in 2022 is mainly due to the sovereign issuance of *Sukuk* from Asia, the Group of Central Asian Countries, Africa and some other jurisdictions, while Malaysia continues to dominate the whole *Sukuk* market, while the issuance of

Saudi Arabia and Indonesia continues to increase and increase with good volumes. The *Sukuk* issued by other countries such as Bahrain and Turkey are also regularly issued.

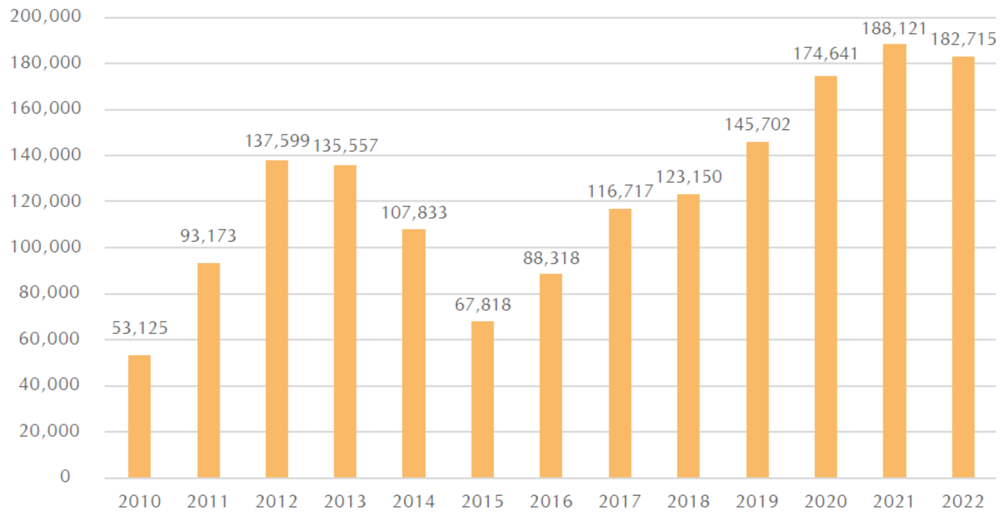


FIGURE 1: TOTAL GLOBAL *SUKUK* ISSUANCE USD 1.79 TRILLION (JAN 2001 - DEC 2022)
Source: IIFM *Sukuk* Database

According to the IIFM *Sukuk* Report (2023), the Malaysian Ringgit is the dominant currency as Malaysia has a deep local currency domestic market with the issuance of 47.00% (MYR 847.526 billion) since its inception. *Sukuk* issuance denominated in USD is 22.00% (USD 401.948 Billion) of the global *sukuk* market. It is promising to see that the *sukuk* have been issued in 27 different currencies, including USD, Malaysian Ringgit, Indonesian Rupiah, Saudi Rial, Turkish Lira, and Bahraini Dinar. Table 1 shows the regional break-up of global *sukuk* issuances for 2022 for all tenures and all currencies.

TABLE 1: REGIONAL BREAK-UP OF GLOBAL *SUKUK* ISSUANCES FOR THE YEAR 2022, ALL TENURES, ALL CURRENCIES

ASIA & FAR EAST	Number of Issues	Amount USD Millions	% of Total Value
Bangladesh	179	2,499	1.368%
Brunei Darussalam	59	1,544	0.845%
Indonesia	135	21,612	11.83%
Malaysia	775	67,264	36.81%
Pakistan	43	6,034	3.30%
Total	1,191	98,954	54.16%
GCC & MIDDLE EAST	Number of Issues	Amount USD Millions	% of Total Value
Bahrain	24	3,025	1.66%
Kuwait	1	500	0.27%
Qatar	6	6,318	3.46%
Saudi Arabia	48	42,643	23.34%
United Arab Emirates	6	3,500	1.92%
Total	85	55,986	30.64%
ASIA & FAR EAST	Number of Issues	Amount USD Millions	% of Total Value
Egypt	2	278	0.15%
Gambia	118	16	0.01%
Nigeria	4	369	0.20%
South Africa	2	35.34	0.21%
Senegal	3	561	0.31%
Tanzania	2	5	0.003%

Total	131	1,264	0.73%
EUROPE & OTHERS	Number of Issues	Amount USD Millions	% of Total Value
Turkiye	34	10,011	5.48%
Total	34	10,011	5.48%
SUPRANATIONAL	Number of Issues	Amount USD Millions	% of Total Value
Supranational	39	16,500	9.03%
Total	39	16,500	9.03%
GRAND TOTAL	1,480	182,715	100%

Source: IIFM *Sukuk* Database

Previous Studies on Market Efficiency

Numerous studies have focused on market efficiency. This researcher also studied other types of markets in countries without *sukuk*. These include foreign exchange market studies, exchange rates and stock markets. Market efficiency refers to how prices reflect all available and relevant information. If the market price of an investment represents its actual value, it is efficient. Evidence suggests that bonds and *sukuk* markets are more efficient than stock markets (Hossain *et al*., 2018). Kim and Lee (2008) investigated the one-month return of the United States Treasury Bill, NYSE, AMEX and NASDAQ with the asymmetric GARCH-M and Markov switching models. They found an increase in the surplus stock's value, and asymmetric volatility movements were weakened during the boom period. They also suggested that investors become more risk-averse during the growth period. Rahman, Omar, and Kassim (2013) explored the influential factors of *sukuk* spreads using the GARCH family. They found a negative correlation between changes in the *sukuk* spreads for long-term and short-term *sukuk* and interest rate variables. The factor representing the presence of the 2007/2008 crisis is insignificant in all cases, while stock market volatility is only significant on the lower grade of *sukuk* spreads.

Konak and Seker (2014) examined the evolution of the FTSE 100 and whether it maintained an efficient market hypothesis. According to their analysis, the FTSE 100 index followed random walking theories between 2001 and 2009 and maintained the weak form of EMH. Cicek (2014) tested the efficiency of weak and medium-sized Turkish exchange rates. The study tested weak form efficiency using unit root tests, which found that Turkish foreign exchange markets had weak form efficiency. However, the research found that the Turkish foreign exchange market did not confirm semi-strong efficiency. Using three bilateral exchange rates, Mabakeng and Sheefeni (2014) tested the weak efficiency of Namibia's foreign exchange markets. Their research uses ADF, PP, and KPSS unit root tests. They found that the past cannot be used to predict the current value, which made it effective in a weak form.

Hasan (2015) stated that the stock exchange in Dhaka is weak and inefficient, as historical stock prices cannot achieve superior gains. In addition, if there is a link between stock prices and economic variables, Bangladesh's stock market will lose its semi-powerful information efficiency and become more volatile. Charfeddine and Khediri (2016) also used the GARCH-M model and the Kalman filter, showing that the GCC market's efficiency rate varies over time. Furthermore, it demonstrates structural changes in all GCC markets. Meanwhile, they pointed out that recent financial investments, such as the Arab Spring and the low-quality loan crisis, have significantly impacted market efficiency evolution over time. Tuyon and Ahmad (2016) used Bursa Malaysia stock market data from 1977 to 2014 and used various stages and market countries. Efficiency tests show trends in the adaptive patterns of weak market efficiency at various economic stages and market conditions. Andrianto and Mirza (2016) pointed out that the Indonesian stock market could be classified as low efficiency. Statistics tests showed that daily stock prices are random, and no correlation exists between today's and the previous day's movements. However, Putra *et al.* (2016) found that the five foreign exchange markets within the country are efficient but inefficient. They concluded that investors in the five Asian markets could not make abnormal profits with the help of information from the foreign exchange market. The GARCH-M model and the Kalman filtering method used in the study of the Gulf Cooperation Council (GCC) markets show a different degree of efficiency in time. All GCC markets also have evidence of structural breakdowns. For these markets, the financial shocks of the Arab Spring and the subprime crisis have changed the path to market efficiency (Charfeddin & Khediri, 2016).

Putra *et al.* (2016) found that the foreign exchange markets of five Asian countries were efficient within the country but inefficient between the countries. They concluded that investors in Asian markets five could not make abnormal returns using information in the foreign exchange markets of the countries. Afterwards, Ayodele and Maxwell (2017) studied semi-strong efficiency theory on Nigeria's stock markets. They used daily returns from the Nigerian stock market from 2005 to 2013. The sample consisted of 80 companies that maintained their quota status. The study found that the input index coefficient significantly differed from zero, indicating that investors based on published information outperform the market and render the market semi-strong inefficient.

Bhuiyan *et al.* (2018) examined whether the *sukuk* can benefit from global diversification. They used wave coherence and multivariate GARCH analysis to investigate the volatility and correlations of the indices of bond funds in emerging economies such as South Korea, Singapore, China, India, Indonesia and Malaysia with the Thomson Reuters BPA Malaysia *Sukuk* index. The *sukuk* market offers opportunities for portfolio diversification for fixed-income investors, as shown in the above examples. Investors worldwide can benefit from portfolio diversification by investing in *sukuk* markets, but international portfolio diversification is impossible. Bala and Takimoto (2017) used the multivariate GARCH model (MGARCH) and its variations to analyze stock volatility in emerging markets and developing markets (DMs), which influenced the volatility experience of stock markets during the 2007-2009 global financial crisis. The correlation of emerging markets (EMs) is lower than that of DMs and increases enormously during economic crises.

Sheikh *et al.* (2020) explored the possibility of volatile transmission between conventional and *Shariah* indices. They use the ARDL Co-Integration Model and the MGARCH Family Model, especially DCC and BEKK. The results clearly distinguish *Shariah* from traditional indices and provide opportunities for portfolio diversification. In addition, the ARDL model advocates weak index integration, particularly in the context of the financial crisis. Furthermore, the BEKK model predicts that volatility may spread relatively little during this period. Based on the present study, AIBIM's index operates in an inefficient market, while EX-MYR's and MFC*SUKUK*'s indices operate in an inefficient market after the 2008 financial crisis. Investors and speculators participate in high-value, high-risk ventures in an inefficient environment, leading to speculative bubbles. Speculators and traders tend to believe that they can accurately predict price fluctuations. However, speculators lose more often than gain (Ahmad *et al.*, 2020). Alam *et al.* (2021) justified the volatility of all business *sukuk* returns of different maturity. Smaller *sukuk* are found to have higher volatility than larger *sukuk*. Furthermore, negative news and events have a more significant impact on the volatility of the return of the *sukuk* than positive news. Abd Rahim and Ahmad (2023) reported that the GARCH-in-Mean (GARCH-M) model has been implemented to identify *sukuk* market efficiency types. Based on the market efficiency analysis, the highest quality rating (AAA) and excellent rating (AA) of *sukuk* (DJSUK3AT and DJSUK2AT) were recorded as the best leading market indicators.

3. THEORY

Efficient Market Hypothesis (EMH)

Market efficiency is the coherence of market prices, containing all available information. Therefore, arbitration is not necessary. In other words, the market is essential; there is no correlation between price gains, and investors cannot precisely determine how to sell and buy financial assets. Investors and decision-makers can change their predictions and quote anytime using the available information (so no decision is made). EMH helps solve the issue of individual price returns and simplifies financial mathematics. However, doctors know EMH is unrealistic (Amy-Drissa & Garcin, 2021). As proposed in the EMH hypothesis, current stock prices fully reflect information on company values. Information cannot be used for profit. Fama (1965) argued that competitiveness in an efficient market would result in a complete and rapid effect of the latest information on essential and fundamental values in actual prices. Most investors are interested in detecting low-value securities with rising future value, which may outperform other securities. Most investors, including investment managers, believe they can choose products relevant to the market. Various forecasting and valuation techniques guide individual investment strategy decision-making. In the case of efficient markets, the efficient market hypothesis (EMH) says prices always entirely reflect the information available for their evaluation. Furthermore, the ability of a particular stock exchange to incorporate information into the price demonstrates its competence. EMH can be defined more accurately in information articles. From price information, Fama (1965) divided information elements into three levels based on their speed: weak EMH, semi-strong EMH, and strong EMH.

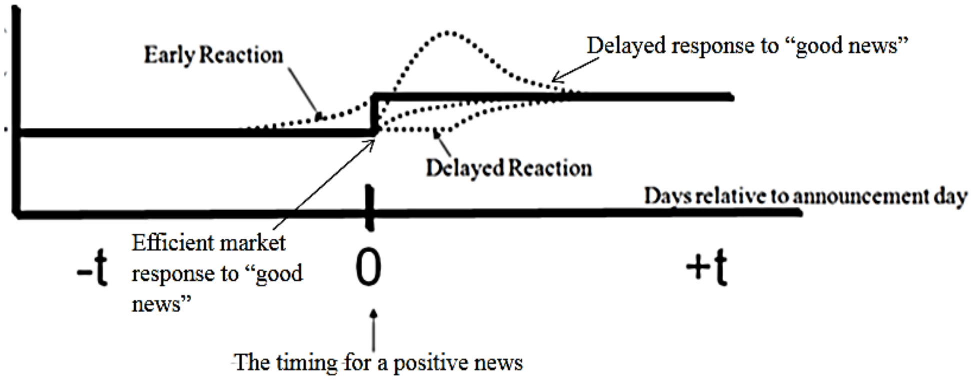


FIGURE 2: EFFICIENT MARKET HYPOTHESIS (EMH)
Source: Fama (1965)

i. *Weak-Form Market Efficiency*
Security prices represent all knowledge of the changes in the past market in a weak form. Therefore, investors cannot forecast the value of potential securities by assessing historical values and obtaining better results (returns) than stock market indices. This is because the capital market does not have a memory. After all, stock market indices have already absorbed historical information on the current stock price value. Stock markets are practised in their poor nature, but they sense the correlation between security prices over time. In the productive capital market, there is no significant correlation between security prices over time (Fama, 1965, 1970).

ii. *Semi-Strong-Form Market Efficiency*
The market is semi-significant if the defence price represents information found in the past price series and all information available to the public. This ensures the product is easily and unbiasedly applied to all public announcements in newspapers, business forecasters and annual accounts. Current security rates already limit some public-access information. For example, if a company raises its dividends, it can investigate how to adjust the share price of the company. Semi-strong efficient market theory suggests that share prices represent events and information quickly. Investors cannot overcome markets using such information (Fama 1965, 1970).

iii. *Strong-Form Market Efficiency*
Public and private knowledge is expressed in shares, and there is a powerful form of market efficiency. This methodology is the most detailed case, as private knowledge cannot be analyzed due to the difficulty of rigorous testing of the theory of valuable markets (Fama 1965, 1970). According to Fama (1998), market efficiency contributes to the persistence of long-term returns of the problem literature. In line with market efficiency theory, deviations are the product of chance, and an obvious overreaction to knowledge is the same as a reaction. The continuity of irregular return before the event is the same as the reversal after. Especially after market efficiency predictions, it is likely that apparent variations may be due to methods because most long-term return irregularities disappear with rational technological changes.

Capital Market Theory

Capital Market theory implies that security risks are the basis for expected returns. The current value of future cash flows, which include many elements such as volatility, liquidity and risk of bankruptcy, is indicated in the cost of security. The irregularity of new information is shared, assuming prices are changing. The cost is based on reasonable assumptions and is random and unpredictable. Dickman and Morse (1986) described the ideal capital market as an effective market where the prices of securities sold on the market fully reflect the currently available information and respond immediately in an impartial manner to new information. Such a definition includes vague, uncertain definitions such as "complete reflection", "available information", and "unbiased fashion". One solution to this uncertainty is associating the actual price behaviour with the price changes. The theory of capital markets is based on several hypotheses. It includes the fact that all investors are Markowitz's efficient investors, who prefer investments based on expected returns and risks. Perfect competition explains that all economic agents operate without market power over prices. Investors can borrow or lend any value at risk-free interest rates. All investors have similar expectations for returns. All investments are infinitely divisible. Finally, there are no transaction costs or taxes, no inflation, no changes in interest rates, and the capital markets are balanced.

4. DATA COLLECTION

The study used four *sukuk* indices to analyse four elements of the Dow Jones *Sukuk* Index. The Bloomberg database collects daily data on historical prices from 2005 to 2015 for all indices (excluding Saturdays and Sundays). Therefore, the four indices included in the sample have different start dates and many daily observations, as shown in Table 2.

TABLE 2: *SUKUK* INDICES

	List of *Sukuk* Indices	**Launch date**	**N**
1.	Dow Jones *Sukuk* AAA-rated total return index	28 April 2006	2,424
2.	Dow Jones *Sukuk* AA Rated Total Return Index	28 Feb. 2007	2,236
3.	Dow Jones *Sukuk* A Rated Total Return Index	28 April 2006	2,424
4.	Dow Jones *Sukuk* BBB Rated Total Return Index	31 Aug. 2007	2,104

Source: Authors' Collection

i. *Dow Jones Sukuk AAA Rated Total Return Index (DJSUK3AT)*

The Dow Jones *Sukuk* AAA Rated Total Return is designed to track the performance of global Islamic fixed income securities, also known as *sukuk*. The index includes AAA-rated US dollar-denominated *sukuk* screened for *Shariah* compliance (Bloomberg, 2018).

ii. *Dow Jones Sukuk AA Rated Total Return Index (DJSUK2AT)*

The Dow Jones *Sukuk* AA-rated total return is designed to track the performance of global Islamic fixed-income securities, also known as *sukuk*. The index includes AA-rated, US dollar-denominated *sukuk* screened for *Shariah* compliance (Bloomberg, 2018).

iii. *Dow Jones Sukuk A Rated Total Return Index (DJSUK1AT)*

The Dow Jones *Sukuk* A Rated Total Return is designed to track the performance of global Islamic fixed-income securities, also known as *sukuk*. The index includes *sukuk* in the US dollar, A-rated, which has been screened for *Shariah* compliance (Bloomberg, 2018).

iv. Dow Jones Sukuk BBB Rated Total Return Index (DJSUK3BT)

The BBB-rated Dow Jones *Sukuk* Total Return is designed to track the performance of global Islamic fixed-income securities, also known as *sukuk*. The index includes *sukuk* rated in US dollars, BBB-rated, and screened for *Shariah* compliance (Bloomberg, 2018).

5. METHODOLOGY

Based on selected *sukuk* indices, this study explores the types of *sukuk* market efficiency before, during and after the 2008 global financial crisis. The GARCH-in-Mean (GARCH-M) model is used to identify the types of market efficiency of *sukuk*. The Bloomberg database collects daily historical prices of the four *sukuk* indices above from 2005 to 2015. Generalised regressive conditional heteroscedasticity in the average model (GARCH-M (1,1) model) allows error term variation to vary over time, contrary to classical regression, which assumes constant variation. In addition, the GARCH-M model allows a market risk premium to be tested. The GARCH-M (1,1) model is described as follows:

$$r_t = \beta_0 + \beta_1 r_{t-1} + \delta h_t + e_t$$
$$e_t \sim N(0, h_t)$$
$$h_t = \alpha_0 + \alpha_1 h_{t-1} + \alpha_2 e_{t-1}^2$$

The β_0 is the intercept, and the β_1 is the slope. Both β_0 and β_1 represent an AR (1) model. The δ represents the risk premium parameter in the conditional model when the trade-off between volatility and return prevails. Volatility is measured by conditional variance h_t, which is described as a function of a squared value of past residuals (e_{t-1}^2), presenting the ARCH factor and an autoregressive term (h_{t-1}) reflecting the GARCH character of the model. The sum of $\alpha_0 + \alpha_1$ represents the degree of volatility persistence in the model. If the sum of $\alpha_0 + \alpha_1$ is very close to 1, it suggests a volatility cluster, and the impact of volatility clustering will become more relevant (Eagle, Ito, and Lin, 1990).

Bollerslev, Chou and Kroner (1992) found that the volatility cluster indicates that the market has been volatile for one week or two before gradually calming down for several weeks. The estimation process is essential to identify the selected *sukuk* indices as a proxy for analysing the efficiency of the *sukuk* market. Overshooting can be interpreted as an abnormally high level of volatility. Table 3 shows the efficiency classification of the *sukuk* market:

TABLE 3: CLASSIFICATION OF *SUKUK* MARKET EFFICIENCY

	ARCH term (α) + GARCH term (β)	Types of *Sukuk* Market Efficiency
1.	$\alpha + \beta < 0.5$	Strong form efficiency
2.	$0.5 \leq \alpha + \beta < 0.75$	Semi-strong form efficiency
3.	$0.75 \geq \alpha + \beta < 1$	Weak form efficiency
4.	$\alpha + \beta > 1$	No efficiency or inefficient market

Sources: Ojo and Azeez (2012) and Sheefeni (2015)

Hypothesis:
Efficient market hypotheses (EMH) categorise market efficiency into three types: weak, semi-strong, or strong form efficiency. *Sukuk* data are analysed before, during, and after the 2007/2008 global financial crisis to test the second hypothesis.

i. Null Hypothesis (H_0):
The *sukuk* market is inefficient based on EMH classification, and it did not follow a random walk theory before, during and after the 2007/2008 global financial crisis.

ii. Alternative Hypothesis (H_1):
The efficient market hypothesis (EMH) categorises different types of *Sukuk* market efficiency (inefficient, weak form, semi-strong form, and strong form). The market followed random walk theory before, during, and after the 2007/2008 global financial crisis.

H_{1a}: *Sukuk* indices show a weak-form efficient market before the crisis.
H_{1b}: The *Sukuk* indices show an inefficient market during the crisis.
H_{1c}: The *Sukuk* indices show a weak-form efficient market after the crisis.

6. RESULTS AND DISCUSSION

Descriptive Statistics

Table 4 shows basic descriptive statistics of the daily return of the four *sukuk* indices selected differently according to the rating. The highest of these four *sukuk* indices is DJSUK1AT,0.0843. All maximum returns are positive, and all minimum returns are negative. The statistics show that the average value of the sample is positive and active. Data are collected daily except Saturday and Sunday. Between 2005 and 2015, DJSUK1AT and DJSUK3AT collected the most significant observations, with 2,489 observations. The lowest number of observations was 1,993 (2007-2015).

TABLE 4: DESCRIPTIVE STATISTICS

Descriptive Statistics for Daily Market Returns of the 4 Selected *Sukuk* Indices

Variables	Mean	Median	Max	Min	Std. Dev	Skewness	Kurtosis	Jacque Berra	Probability	Observation
DJSUK1AT (9/30/2005-5/12/2015)	0.0002	0.0002	0.0843	-0.1694	0.0053	-12.8879	523.6297	28,179,591	0.0000	2,489
DJSUK2AT (2/28/2007-5/12/2015)	0.0002	0.0001	0.0289	-0.0253	0.0019	-0.6689	62.6646	315,354.4	0.0000	2,125
DJSUK3AT (9/30/2005 -5/12/2015)	0.0001	0.0001	0.0377	-0.0485	0.0019	-2.9005	246.6739	6,161,376	0.0000	2,489
DJSUK3BT (8/31/2007-5/12/2015)	-0.0000	0.0001	0.0786	-0.1007	0.0048	-7.1683	231.9902	4,371,484	0.0000	1,993

Source: Authors' Calculation

Results and Discussion

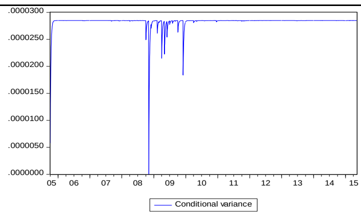
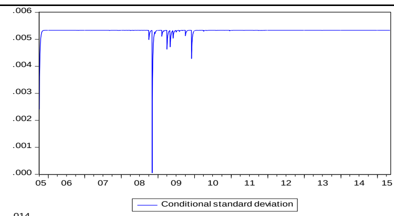
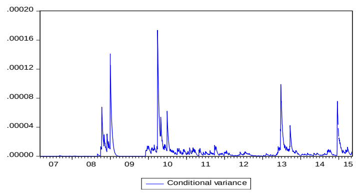
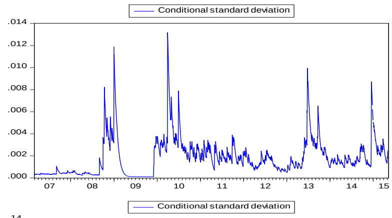
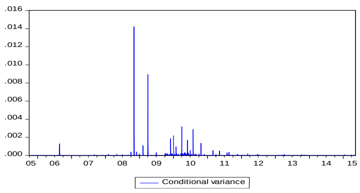
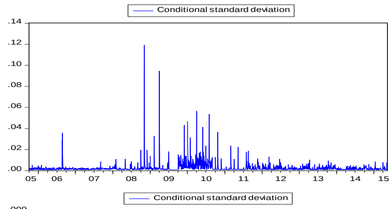
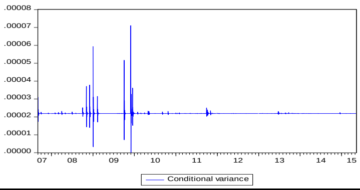
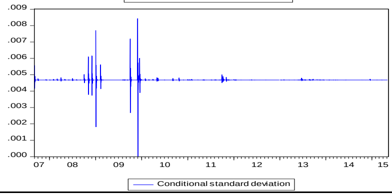
The study uses the *sukuk* index and the GARCH-M (1,1) model to study the efficiency of the *sukuk* market before, during and after the 2007/2008 global financial crisis. Market efficiency is classified according to the ARCH term (α) and the GARCH term (β). The market categorisation follows the definition of a strong, semi-strong, weak, and inefficient market by EMH.

The differences between the GARCH-M model and the other GARCH family are the risk premium parameter, λ, and the standard deviation coefficient. A positive risk premium indicates that the return is proportional to its volatility. In other words, increased conditional variation as a proxy for higher risk causes an increase in average return or performance. In addition, the higher the conditional variation of the returns, the greater the compensation needed to persuade the agent to retain the long-term assets. Based on this theoretical assumption, it is crucial to identify two clear common risks that determine *sukuk* risk premiums in markets and information asymmetries. Furthermore, identifying risk premiums for *sukuk* will enable the further development of Islamic *sukuk* price criteria.

When establishing the relationship between risk and return for the GARCH-M model, λ was used as the coefficient to estimate this relationship. The risk-return coefficient of the GARCH-M (1,1) model was positive and significant in most models (positive risk premium). If λ is positive or negative and statistically significant, an increased risk of an increase in conditional variance will increase or fall in mean return. In this sense, λ can be said to be a time-varying risk premium. The statistically positive relationship shows that investors are compensated for more risk. However, negative relationships mean investors' reactions to factors other than the difference in stock prices from their historical average.

Figure 3 shows the graphs of the GARCH-M (1,1) model for Dow Jones *Sukuk* indices by different ratings (*Sukuk* ratings: AAA, AA, A, and BBB). These graphs show similar trends with high volatility during the 2008 global financial crisis.

FIGURE 3: GARCH-M(1,1) MODEL OF DOW JONES *SUKUK* INDICES BY DIFFERENT RATINGS

	Conditional Variance	Conditional Standard Deviation
DJSUK1AT (Dow Jones *Sukuk* A Rated Total Return)		
DJSUK2AT (Dow Jones *Sukuk* AA Rated Total Return)		
DJSUK3AT (Dow Jones *Sukuk* AAA Rated Total Return)		
DJSUK3BT (Dow Jones *Sukuk* BBB Rated Total Return)		

Source: Authors' Calculation

TABLE 5: SUMMARY OF RESULTS FOR GARCH-M (1,1) MODEL (PRE-CRISIS)

GARCH-M (1,1) Model of the Pre-Crisis (2005-2006)							
Parameter	**∅ (Constant)**	**λ (Risk premium)**	**ω (Constant)**	**α (ARCH effect)**	**β (GARCH effect)**	**$\alpha + \beta$**	**Types of *Sukuk* Market Efficiency**
DJSUK1AT	0.0002 (2.6078)***	-57.4564 (-0.2951)	-0.0000 (1.1593)	-0.0091 (-5.0549) ***	0.5621 (1.4742)	0.5530	Semi-strong form
DJSUK3AT	-0.0001 (-12.7458) ***	**410.0453 (20.0577)*** **	-0.0000 (39.7866)***	**0.2385 (20.6013) *** **	**-0.9639 (-76.4111) *** **	-0.7254	**Inefficient Market**

Note: ***, **, and *, respectively, represent significant at 1%, 5%, and 10%
Note: DJSUK2AT and DJSUK3BT have yet to be launched before the crisis.
Source: Authors' Calculation

Table 5 summarises the results for the GARCH-M model of the pre-crisis, 2005 until 2006. The results in Table 5 recorded that the DJSUK3AT shows an inefficient market during the pre-crisis, with the α+β>1. The efficient market hypothesis (EMH) explains that an inefficient market means a market in which prices inadequately reflect the available information (Fama, 1965, 1970). The sum of α + β for DJSUK3AT is negative, indicating an inefficient market. The risk-return coefficient in the GARCH-M (1, 1) model shows that only one of the two models has a positive and significant risk premium (λ), which is DJSUK3AT, 410.0453, significant at the 0.01 level. This result supports the positive relationship between risk and return. The result also supports the principle in a financial market, where high risk suggests higher returns. A positive relationship between risk and return means investors require higher returns for holding risky assets.

TABLE 6: SUMMARY OF RESULTS FOR THE GARCH M (1, 1) MODEL (DURING THE CRISIS)

GARCH-M(1,1) Model for the During-Crisis (2007-2008)							
Parameter	**∅ (Constant)**	**λ (Risk premium)**	**ω (Constant)**	**α (ARCH effect)**	**β (GARCH effect)**	**$\alpha + \beta$**	**Types of *Sukuk* Market Efficiency**
DJSUK1AT	-0.0004 (-0.0314)	-0.4102 (-0.0020)	-0.0000 (0.6846)	-0.0023 (-3.0957) ***	0.6266 (1.1492)	0.6243	Semi-strong form
DJSUK2AT	0.0002 (8.9071)***	-8.6875 (-0.5294)	-0.0000 (0.5610)	**0.0481 (29.2736) *** **	**0.9892 (1,492.9400) *** **	1.0373	**Inefficient Market**
DJSUK3AT	0.0006	-107.5094	-0.0000	0.1500	0.6000	0.75	Weak Form
DJSUK3BT	-0.000296 (-0.0919)	-10.9967 (-0.1696)	-0.0000 (1.1958)	-0.0186 (-13.5949) ***	0.5807 (1.6565)	0.5621	Semi-strong form

Note: ***, **, and *, respectively, represent significant at 1%, 5%, and 10%
Source: Authors' Calculation

Table 6 shows that there is only DJSUK2AT with significance α and β, which explains the inefficient markets during the crisis that follows α+β>1. DJSUK2AT shows α+β = 1.0373. Meanwhile, DJSUK3AT shows a weak form of efficiency during the crisis. DJSUK3AT records positive value of α and β, but insignificant results. These results indicate that these *sukuk* indices were affected by the 2008 global financial crisis since market efficiency changed when the crisis occurred. In contrast to DJSUK3AT, it is changed from an inefficient market before the crisis to weak-form efficiency during the crisis. DJSUK1AT and DJSUK3BT show semi-strong form efficiency during the crisis. DJSUK1AT remained stable with semi-strong form efficiency and did not change during the crisis. However, only DJSUK2AT recorded significant results during the crisis.

TABLE 7: SUMMARY OF RESULTS FOR GARCH-M (1, 1) MODEL (POST-CRISIS)

GARCH-M(1,1) Model for Post-Crisis (2009-2015)							
Parameter	∅ (Constant)	λ (Risk premium)	ω (Constant)	α (ARCH effect)	β (GARCH effect)	$\alpha + \beta$	Types of *Sukuk* Market Efficiency
DJSUK1AT	-0.0269 (-120.9437) ***	-0.0024 (-122.2579) ***	-0.0000 (70.2917) ***	2.4204 (59.8136) ***	-0.0331 (-79.31379) ***	2.3873	Inefficient Market
DJSUK2AT	0.0000 (-0.6240)	**0.1859 (6.0950) *** **	-0.0000 (5.4551) ***	**0.1501 (43.7538) *** **	**0.8997 (806.2441) *** **	1.0500	**Inefficient Market**
DJSUK3AT	0.0000 (-1.2053)	-0.1476 (-5.1435) ***	-0.0000 (15.2189) ***	3.5206 (26.5068) ***	0.1561 (6.8462) ***	3.6768	Inefficient Market
DJSUK3BT	0.0013 (4.0014) ***	-0.3514 (-5.8096) ***	-0.0000 (28.6493) ***	0.0453 (8.1933) ***	0.9458 (340.2659) ***	0.9911	Weak Form

Note: ***, **, and *, respectively, represent significant at 1%, 5%, and 10%
*α and β are significant for DJSUK1AT, DJSUK2AT, DJSUK3AT and DJSUK3BT.
Source: Authors' Calculation

Table 7 shows the results of the 2008 global crisis and the results of the GARCH-M (1,1) model. These results show differences and changes in the *sukuk* index after the crisis. There are three *sukuk* indices that are inefficient in the market, and only DJSUK3BT shows a weak form of market efficiency. Therefore, the table only records DJSUK2AT and shows the positive value and significance of the risk premium. It supports the positive relationship between risk and return. In other words, DJSUK1AT, DJSUK3AT, and DJSUK3BT show significant negative results, indicating that they disagree with the risk theory, which states that the higher the risk, the higher the return.

Higher volatility leads to significant variations in return, hence higher risk. In a positive risk-return relationship, if an investor is a risk lover, an increase in risk will increase the return and demand for *sukuk*. In summary, only *sukuk* indices with significant α, β and λ coefficients are considered. The positive results of the essential risk premium results (λ coefficient) indicate a positive relationship between risk and returns. In short, the higher the risk, the higher the return. An inefficient market occurs when investors lack sufficient information on the securities in these markets to decide what to buy or how much to pay. For example, developing market economies may be inefficient because providing the appropriate details to the issuing company under securities law is unnecessary.

7. CONCLUSION

Before the 2008 crisis, only the DJSUK3AT index has a positive and significant risk premium (λ), thus supporting the conjecture of high-risk-high-return. DJSUK3AT records the significance of α, β and λ coefficients. This index shows an inefficient market before the 2007/2008 global financial crisis. DJSUK3AT is a *sukuk* index with AAA ratings, the best *sukuk* rating compared to AA, A and BBB *sukuk* ratings. However, the best rating of the *sukuk* index shows an inefficient market and does not reflect any public or private information.

Due to surprising news, market efficiency means prices vary between t and t+1. This means today’s prices are almost as likely to rise or fall as yesterday’s. It is difficult for traders or investors to use past price information to predict future prices. However, in this case, DJSUK3AT records inefficient markets and does not reflect any information. After yesterday's price rise, investors do not need to watch price rises or declines today. In other words, previous data cannot be used to predict future prices. If markets are inefficient, investors will try to identify winners and losers in markets and correct the assessment of assets at high prices, improving portfolio performance. Capital markets will be inefficient if investor trading strategies can beat the market. DJSUK3AT's emerging markets are intuitively the most inefficient in the history of high transaction costs and economic turmoil.

In the crisis periods of the 2007-2008 records, only DJSUK2AT reported significant (α+β) coefficients. It is inefficient but does not show a substantial risk premium (λ) result. This implies that higher risk will not promise higher returns during the crisis. As a result, many risk-averse investors avoid investing their money in a high-risk investment during the crisis. For the post-2008 crisis period, all four *sukuk* indices were analysed. Further inspection of the positive and significant risk premium (λ) results narrows the selection to only the DJSUK2AT index. A statistically positive risk premium (λ) indicates that investors are compensated for taking on more risk and supports the positive risk-return relationship. The findings support the Efficient Market Hypothesis' classification of different types of *sukuk* market efficiency. During the sample period, the markets followed the Random Walk theory. Furthermore, identifying the *sukuk* risk premium will allow further development of the Islamic *sukuk* pricing criteria.

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MANAGERIAL OWNERSHIP AND TAX AVOIDANCE IN INDONESIA

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ABSTRACT

Tax avoidance is a scheme designed to reduce the tax liability of an individual or entity by avoiding the payment of taxes. Tax avoidance, in contrast, involves the transfer of transactions that are not subject to taxation. This study intends to investigate the impact of debt policy, audit committee, and company size on tax avoidance, and to investigate whether managerial ownership exerts a moderating influence on the relationship between these three variables. This study implemented quantitative data with a purposive sampling technique, and obtained 32 observation data from 8 companies of information between 2019 and 2022 Indonesia Stock Exchange financial statements of real estate and property enterprises. A methodology for analysing data is Structural Equation Modelling (SEM), which uses the SmartPLS application. The novelty of this study is to add managerial ownership as a moderating variable on tax avoidance and test the data using regression analysis with the PLS approach. The percentage of a company's shares that the management owns is known as managerial ownership. Ownership by managers pushes them to exercise greater caution when making choices that may directly affect the business and their interests as shareholders. Lowering the amount of tax evasion is important for reduced personal interests. This study's findings show that managerial ownership can moderate the effect of debt policy on tax avoidance. At the same time, Debt Policy, Audit Committee, and Company Size do not affect Tax Avoidance, and Managerial Ownership is unable to moderate the effect of Audit Committee and Company Size on Tax Avoidance.

KEYWORDS: TAX AVOIDANCE, DEBT POLICY, COMMITTEE AUDIT, FIRM SIZE, MANAGERIAL OWNERSHIP

ABSTRAK

Pencegahan cukai adalah skim yang direka untuk mengurangkan kewajipan cukai individu atau entiti dengan mengelakkan bayaran cukai. Elakkan cukai, sebaliknya, melibatkan pemindahan transaksi yang tidak tertakluk kepada cukai. Tujuan kajian ini ialah untuk menyiasat kesan dasar hutang, jawatankuasa audit, dan saiz syarikat pada penghindaran cukai, dan untuk menyelidiki sama ada kepemilikan pengurusan memainkan pengaruh yang mengawal hubungan antara ketiga-tiga variabel ini. Kajian ini mengimplementasikan data kuantitatif dengan kaedah pengambilan sampel yang bertujuan, memperoleh 32 data pengamatan daripada 8 syarikat maklumat antara tahun 2019 dan 2022 laporan kewangan Bursa Saham Indonesia syarikat-syarikat hartanah dan perusahaan

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hartanah. Satu kaedah untuk menganalisis data ialah Struktural Equation Modelling (SEM) menggunakan aplikasi SmartPLS. Perkara baharu dalam kajian ini ialah menambah kepemilikan pengurusan sebagai variabel moderasi pada penghindaran cukai dan menguji data menggunakan analisis regresi dengan pendekatan PLS. Peratusan saham syarikat yang dimiliki oleh pengurusan dikenali sebagai kepemilikan pengurusan. Pemilikan oleh pengurus mendorong mereka untuk lebih berhati-hati apabila membuat pilihan yang boleh memberi kesan langsung kepada perniagaan dan kepentingan peribadi mereka sebagai pemegang saham. Mengurangkan jumlah penghindaran cukai adalah penting untuk mengawal kepentingan peribadi. Temuan kajian ini menunjukkan bahawa kepemilikan pengurusan mampu memoderasi kesan dasar hutang pada penghindaran cukai, manakala Dasar Hutang, Jawatankuasa Audit, dan Saiz Syarikat tidak mempunyai kesan pada Penghindaran Cukai, dan Pemilikan Pengurusan tidak dapat menyederhanakan kesan Jawatankuasa Audit dan saiz Syarikat pada Pencegahan Cukai.

KATA KUNCI: PENCEGAHAN CUKAI, DASAR HUTANG, JAWATANKUASA AUDIT, SAIZ SYARIKAT, PENGURUSAN PEMILIKAN

1. INTRODUCTION

Taxation represents a source of revenue for the government, whereas, from the taxpayer's perspective, taxation is a burden that can reduce company profits (Jaka Pamungkas & Fachrurrozie, 2021). This results in taxpayers to minimize tax payments, one of which is by avoiding taxes (Sarasmita & Ratnadi, 2021). Tax avoidance is a strategy to avoid taxes by using a strategy that meets the requirements and is not harmful to taxpayers because it does not oppose the applicable tax regulations (Pohan, 2014, p. 14). The effective tax rate is a comparison of the tax rate paid by the company with the applicable tax rate in Indonesia. In 2019, the tax rate was 25%, and since 2022, it has been 22%. A reduced Effective Tax Rate suggests that the business is evading taxes (Suranta *et al*., 2020).

Property and real estate companies are businesses that facilitate the buying and selling of land and buildings, as well as leasing land or similar properties. Additionally, property and real estate companies represent a significant economic sector, capable of employing a large number of workers. Consequently, their activities have a ripple effect on other economic sectors. Thus, using management ownership as a moderating variable, this study looks at the impact of debt policy, audit committee, and firm size on tax avoidance through the use of information between 2019 and 2022 Indonesia Stock Exchange financial statements of real estate and property enterprises.

Several factors influence tax avoidance, including debt policy, audit committee, and company size. In this study, the company's debt policy is analysed using the Debt to Equity Ratio (DER). DER indicates the company's activity in obtaining financing. A higher DER value indicates a greater reliance on loans, which can result in higher interest costs. Consequently, it is utilised for tax avoidance. Considering earlier studies, the findings on the connection between debt policy and tax avoidance are not consistently consistent. Previous researchers explained that debt policies work to prevent tax avoidance (Jaka Pamungkas & Fachrurrozie, 2021; Paramita *et al*., 2023; Sumartono & Wahyu Tri Puspitasari, 2021) while other studies provide a statement that debt policy is unaffected by tax avoidance (Emanuel *et al*., 2023; Soelistiono & Adi, 2022; Subadriyah *et al*., 2022).

Ensuring accountability in financial reporting is the responsibility of a committee of audit. This effectiveness is important given the audit committee's role as an influence on financial reporting. The goal is to increase the committee of audit to efficacy in lowering the incidence of corporate tax avoidance (Suyanto *et al*., 2021). The committee of audit findings on tax avoidance are contradictory, according to earlier studies. Previous research declares that tax avoidance is negatively impacted by the committee of audit (Chandra & Cintya, 2021; Karuniasari & Noviari, 2022) while other studies it is asserted that the committee of audit has no bearing on the avoidance of taxation (Nailufaroh *et al*., 2022; Pratomo & Rana, 2021; Srimindarti *et al*., 2022).

Firm size can be used to describe the total asset value of a company. The more assets a corporation has overall, the heightened company's level of production. This will increase profits and affect the level of tax payments. Based on previous research, there are inconsistent results regarding firm size and tax avoidance. Previous research explains that firm size has a positive effect on tax avoidance (Srimindarti *et al*., 2022; Wulandari & Purnomo, 2021) while other studies have indicated that firm size does not influence the prevalence of tax avoidance (Jaka Pamungkas & Fachrurrozie, 2021; Stawati, 2020; Subadriyah *et al*., 2022; Sumartono & Wahyu Tri Puspitasari, 2021).

In this study, management ownership has been included as a moderating variable. The percentage of a company's shares that the management owns is known as managerial ownership. Ownership by managers pushes them to exercise greater caution when making choices that may directly affect the business and their interests as shareholders. Management to lower the amount of tax evasion due to the propensity to lower personal interests (Ridhawati & Mulyani, 2022).

2. LITERATURE REVIEW

This research employs the theoretical framework of agency theory. Agency theory elucidates the legal arrangement between the principal, or business owner, and the agent, or business manager, which serves as the main actor in this situation. The manager (agent) is obliged to act by the principal's instructions (Jensen & Meckling, 1976). The issues that arise are a consequence of the difficulty of the owner (principal) in supervising and controlling the manager. To balance and control agency conflicts, the agent must be subject to control. With the proportion of managerial ownership that is only part of the company, Managers frequently operate in their self-interest rather than to maximise the interests of the company (Jatiningrum & Marantika, 2021). To minimise conflicts, managers need to be given the option of owning company shares. This is expected to align the interests of the manager (agent) with the principal.

Effect of Debt Policy on Tax Avoidance

A company's debt policy is defined as the extent to which the company utilises borrowed funds. A company with a higher debt policy will increase the effective tax rate value, which indicates that the corporation might be more inclined to avoid taxation. The more debt financing the company uses, the higher the interest expenditure generated by the debt. Interest expenses resulting from the use of debt are included in costs that can reduce taxable income (deductible expense) (Sidik & Suhono, 2020). Research from (Jaka Pamungkas & Fachrurrozie, 2021; Paramita *et al*., 2023; Sumartono & Wahyu Tri Puspitasari, 2021) proves the positive effect of debt policy on tax avoidance. Agency theory has the involvement of a company, where management prefers to use debt in the company's operational activities, debt will grow interest costs that can be used to minimise corporate tax costs. Thus, debt policy shows a positive influence on tax avoidance. Thus:

H_1: Debt Policy has a positive effect on tax avoidance.

Effect of Audit Committee on Tax Avoidance

The audit committee holds the responsibility of scrutinizing the financial statements that management plans to publish before their utilization by other entities, including investors (Martha & Jati, 2021). A crucial duty for the audit committee is to monitor the accounting rules applied in the company and ensure that each report is by accounting standards so that the company can avoid fraudulent treatment that may be practised by managers to effectively reduce tax avoidance (Chandra & Cintya, 2021). Studies by (Chandra & Cintya, 2021; Karuniasari & Noviari, 2022; Sopiyana, 2022; Sulaeman, 2021) pointed out a negative relationship that exists between the committee of audit and tax avoidance. The company needs the existence of an audit committee that can help the Board of Independent Commissioners to improve the ability to control the management of the company related to management procedures, financial information and corporate taxes (Karuniasari & Noviari, 2022). Hence, the audit committee hurts tax avoidance. Any two studies that could be added here? Hence:

H_2: Audit Committee hurts tax avoidance.

Effect of Firm Size on Tax Avoidance

Companies are divided into big and small categories by looking at one of them depending on the overall assets of the business. The entire assets of a firm could be an indicator of its wealth or profit of the existing business. Tax avoidance is a strategy employed by companies when they earn large and fixed profits. This is because the profits generated by the company result in a high tax expense. Meanwhile, small-scale companies have not been able to optimise the existing tax burden, because small companies do not have many experts in the field of taxation (Jaka Pamungkas & Fachrurrozie, 2021). In agency theory, large corporations typically have more skilled and qualified human resources to carry out the management of taxation. In this way, large corporations will have more opportunities to get involved in tax avoidance (Ulfa *et al*., 2021). Research by Srimindarti *et al*. (2022) and Wulandari and Purnomo (2021) proved the positive effect of firm size on tax avoidance.

H_3: Firm Size has a positive effect on tax avoidance.

Managerial Ownership in Moderating the Effect of Debt Policy on Tax Avoidance

Managerial ownership will make management prefer to obtain profits at the expense of other parties, namely by encouraging corporate funding through debt. So with the debt used by the company in a large amount and continues to increase, the company's potential for tax avoidance increases to avoid losses for the company through optimal debt utilisation (Sumartono & Wahyu Tri Puspitasari, 2021). This will increase the debt policy and cause interest expense which is used as a tax deduction to be paid, thus encouraging tax avoidance (Jaka Pamungkas & Fachrurrozie, 2021). Consequently, managerial ownership has the potential to moderate the impact of debt policy on tax avoidance. For other studies, give me two at least.

H_4: Managerial Ownership can moderate the effect of debt policy on tax avoidance.

Managerial Ownership in Moderating the Effect of Audit Committee on Tax Avoidance

The prevalence of managerial ownership in the company exerts a substantial influence on the level of managerial engagement in decision-making processes. The establishment of a committee of audit is essential for the effective evaluation of financial statements, thereby facilitating the formulation of informed decisions. The proliferation of audit committees has the potential to enhance economic policy oversight, which in turn can reduce managerial behaviour related to tax avoidance (Yuliani & Prastiwi, 2021). Consequently, managerial ownership can serve to moderate the impact of the audit committee on tax avoidance.

H_5: Managerial Ownership can moderate the effect of the audit committee on tax avoidance.

Managerial Ownership in Moderating the Effect of Firm Size on Tax Avoidance

A high managerial share ownership will encourage managers to strive for optimal personal performance, to achieve greater profits. This, in turn, will facilitate the company's rapid growth and expansion. According to (Stawati *et al*., 2022), It has been observed firms with higher overall assets are more likely to get involved in legitimate tax avoidance. This is because large companies usually have greater space and the ability to do better tax planning, which allows them to ensure optimal tax savings. So that the corporation will pay smaller taxes in reducing the effective tax rate (Sumartono & Wahyu Tri Puspitasari, 2021). Therefore, managerial ownership can moderate the effect of firm size on tax avoidance. Hence, this study was conducted to see that the existence of managerial ownership can encourage companies to develop quickly which in turn can make optimal tax savings. Hence:

H_6: Managerial Ownership can moderate the effect of firm size on tax avoidance.

3. METHODOLOGY

The research type is quantitative descriptive. The quantitative method is a method for researching specific populations or samples, through the use of research tools for data acquisition, and statistical/quantitative data analysis to test the hypothesis set. The present study employs secondary data derived from annual reports. Purposive sampling was the sampling strategy used in this study.

TABLE 1. SAMPLE CRITERIA

No.	Description	Total
Total Population		**86**
1.	Companies that are not listed and do not publish financial reports during the observation period	(34)
2.	Companies that incurred losses during the observation period	(33)
3.	Companies that have no tax expense during the observation period	(5)
4.	Companies that were observed and did not have managerial ownership during the observation period	(6)
Number of Property and Real Estate companies sampled		**8**
Total Sample x 4 Years		**32**

Source: Data Processed (2024)

Table 1 describes this study implemented quantitative data with a purposive sampling technique, obtained 32 observation data from 8 companies of information between 2019 and 2022 Indonesia Stock Exchange financial statements of real estate and property enterprises.

In this study, the variables of debt policy, audit committee and company size are independent, while tax avoidance is the dependent variable and managerial ownership is a moderating variable. Based on the previous explanation, a conceptual framework can be prepared as follows:

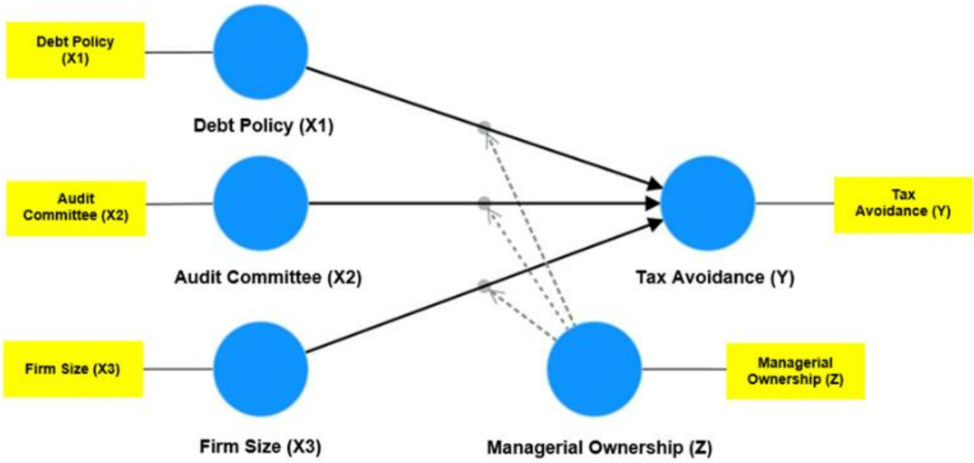

FIGURE 1: CONCEPTUAL FRAMEWORK

Source: Data Processed (2024)

Operational Definition

Tax Avoidance

Tax avoidance is defined as an arrangement designed to lower tax payments by avoiding the imposition of taxes (Pohan, 2014). Effective Tax Rate (ETR) is a genuine tax percentage that must be paid by the taxpayer by comparing the taxpayer's income. The ETR for each company is relative due to the difference between commercial records and tax records (fiscally) (Septiawan *et al*., 2021):

$$\text{Effective Tax Rate (ETR)} = \frac{\text{Tax Expense}}{\text{Net Income before Tax}}$$

Debt Policy

Debt policy is a policy set by the company regarding the extent to which the company utilises funding using debt (Hertina *et al*., 2019). In this study, the Debt to Equity Ratio indicator was used to measure debt policy. The ratio of debt to equity represents the balance between debt and own capital (Muslichah & Bahri, 2021, p. 277):

$$\text{Debt to Equity Ratio} = \frac{\text{Total Debt}}{\text{Total Equity}}$$

Audit Committee

The Board of Commissioners forms an audit committee to oversee management activities within the company (Pratomo & Rana, 2021). By agency theory, the committee of audit helps supervise the compilation of the business's financial statements and thwart management fraud. The more audit committees, the more difficult it is for companies to avoid tax (Wijayanti & Ayem, 2022). The following are the measurements used to calculate the audit committee (Effendi, 2021, p. 29):

$$\text{Audit Committee} = \frac{\text{Total Audit Committee Members}}{\text{Total Directors Members}}$$

Firm Size

Firm size reflects the large or small scale of a company by looking at total assets. The following are the measurements used to calculate the firm size (Effendi, 2021, p. 29):

$$\text{Firm Size} = \text{Ln Total Asset}$$

Managerial Ownership

Stock held by managers or the company's management is known as managerial ownership. This ownership demonstrates the dual role of the manager, who simultaneously acts as a shareholder. The following are the measurements used to calculate the managerial ownership (Rusdiyanto *et al*., 2019, p. 81):

$$\text{Managerial Ownership} = \frac{\text{Total Shares owned by Management}}{\text{Total Shares Outstanding}}$$

Data Analysis Technique

The following methods were used to analyse the data is two-stage approach test using the SmartPLS application. The two-stage approach test is a method used to test moderation effects using formative constructs. At least explain the procedures for how the moderation is done using PLS. The PLS evaluation model is carried out by assessing the outer model and inner model.

a. Outer Model Evaluation

The outer model is carried out to assess the validity and reliability of the model. When using the SmartPLS program for path analysis with observed variables, there is no need to measure the model (measurement model) to test validity and reliability.

b. Inner Model Evaluation

The inner model or structural model can be evaluated by looking at the stability of the estimates assessed using the t-statistic test seen through the bootstrapping procedure. The Structural Model in PLS is evaluated using R-Square (R^2).

TABLE 2. R-SQUARE CRITERIA

R-Square	Category
≤ 0,19	Weak
≥ 0,33	Moderate
≥ 0,67	Strong

Source: SmartPLS (2021)

c. Hypothesis Testing
Hypothesis testing is done with the t-test. If in this test the p-value < 0.05 (α = 5%) it means that the test is significant.

4. FINDINGS

Descriptive Statistics Analysis
Descriptive statistics provide a brief of the amount of data used in the study, which also displays the standard deviation, minimum, maximum, and average values. The SmartPLS software was used to analyse the data. The following is a statistical data display:

TABLE 3. DESCRIPTIVE STATISTICS

Indicators	N	Mean	Min	Max	Std. Dev
Tax Avoidance (Y)	32	0,036	0,000	0,402	0,075
Debt Policy (X_1)	32	0,806	0,143	2,313	0,573
Audit Committee (X_2)	32	0,637	0,250	1,000	0,242
Firm Size (X_3)	32	30,260	29,411	31,366	0,663
Managerial Ownership (Z)	32	0,016	0,000	0,057	0,018

Source: Data Processed (2024)

Table 3 shows the mean of tax avoidance is 0.036 or 3.6%, meaning that of the 32 samples of analysis and observation data during the 2019-2022 periods, the average tax avoidance is 3.6%. The mean of debt policy is 0.806 or 80.6%, meaning that of the 32 samples of analysis and observation data during the 2019-2022 periods, the average debt policy is 80.6%. The mean of the audit committee is 0.637 or 63.7%, meaning that of the 32 samples of analysis and observation data during the 2019-2022 periods, the average audit committee is 63.7%. The mean firm size is 30.260, meaning that of the 32 samples of analysis data and observations during the 2019-2022 periods; the average firm size is large. The mean of managerial ownership is 0.016 or 1.6%, meaning that of the 32 samples of analysis and observation data during the 2019-2022 periods, the average managerial ownership is 1.6%.

Inner Model Evaluation (Structural Model)

The results of testing the inner model:

TABLE 4. TABLE R-SQUARE (R^2)

	R-Square	R-Square Adj.
Tax Avoidance (Y)	0.522	0.382

Source: Data Processed (2024)

Table 4 shows that Debt Policy, Audit Committee, Company Size, and Managerial Ownership can explain Tax Avoidance by 38.2%. The remaining 61.8% is explained by factors that are beyond the scope of this study.

Hypothesis Test Results
The bootstrapping results are shown in Table 5.

TABLE 5. HYPOTHESIS TEST

	β	***t*-value**	***p*-value**
Debt Policy (X1) -> Tax Avoidance (Y)	0.505	1.013	0.311
Audit Committee (X2) -> Tax Avoidance (Y)	-0.017	0.073	0.941
Firm Size (X3) -> Tax Avoidance (Y)	-0.154	0.263	0.793
Managerial Ownership (Z) x Debt Policy (X1) -> Tax Avoidance (Y)	1.669	1.988	0.047
Managerial Ownership (Z) x Audit Committee (X2) -> Tax Avoidance (Y)	0.213	0.648	0.517
Managerial Ownership (Z) x Company Size (X3) -> Tax Avoidance (Y)	-0.832	0.995	0.320

Source: Data Processed (2024)

5. DISCUSSION

Effect of Debt Policy on Tax Avoidance

The findings revealed that debt policy does not affect tax avoidance. This means that in this study, although the average company has a high level of debt, which is 0.806, the implementation of a debt policy does not appear to have any impact on the phenomenon of tax avoidance. The more debt financing the company uses, the higher the interest expenditure generated by the debt. Interest expenses arising from the use of debt are included in costs that can reduce taxable income (deductible expense). The utilisation of a substantial quantity of debt can potentially elevate the probability of the company bearing a greater degree of risk. So the management will try to be careful in taking risks to increase the debt used in tax avoidance.

The present research's findings are consistent with earlier examinations carried out by (Dianawati & Agustina, 2020; Sidik & Suhono, 2020) which prove that debt policy does not affect tax avoidance. Companies that have a high level of debt will be supervised by the lender, so companies tend to be more obedient to the awareness of their tax obligations by applicable laws. Nevertheless, this research is not by the findings of the aforementioned research (Jaka Pamungkas & Fachrurrozie, 2021) which states that debt policy influences tax avoidance. The management prefers to use debt for company operations because debt will incur interest costs which can help to ease the company's tax payments.

Effect of Audit Committee on Tax Avoidance

The findings revealed that tax avoidance was unaffected by the committee of audit. The existence of a committee of audit is considered an important element because it has a function to monitor the accounting rules applied in the company and ensure that each report is by accounting standards. This also shows that the committee does not have the authority to interfere in the company's tax rate policy. So the audit committee is less effective in reducing tax avoidance.

The present research's findings are consistent with earlier examinations carried out by (Nailufaroh *et al*., 2022; Stawati *et al*., 2022) which state that the committee of audit has no bearing on tax evasion. The presence of an audit committee in the company does not increase the level of supervision and this is related to the limitation of the authority of the committee of audit by the board of commissioners. The lack of supervision enables management to engage in tax avoidance activities. That being said, this research differs from that of (Chandra & Cintya, 2021) it claims that tax avoidance is influenced by the audit committee. The audit committee functions as a supervisor of financial reports to avoid fraudulent treatment that may be carried out by management also an important task for the audit committee is to monitor the accounting rules applied in the company, and ensure that each report is by the rules of accounting standards can effectively reduce the occurrence of tax avoidance.

The Effect of Firm Size on Tax Avoidance

The findings revealed that tax avoidance cannot be influenced by a firm size. The firm does not carry out tax planning because it has large enough assets so that there is a possibility of becoming the government's attention and target. In this case, paying taxes is an obligation of the company as a corporate taxpayer. It is therefore, the size of the company becomes the focus of government attention, and generally companies with a large scale will receive greater attention from the government because they have the potential to be taxed more.

The present research's results match with the findings of previous research undertaken by (Rahayu & Suryarini, 2021) which claims that company size does not influence tax avoidance. When the firm's size increases, the firm will improve its good name and avoid various things that can worsen the company's good name. The bigger a company is, of course, the company is not only concerned with profits but also considers its business continuity (going concern). One of the efforts that companies can make to maintain their good name is to minimise tax avoidance because tax avoidance is despicable behaviour in the eyes of stakeholders and this may seriously damage the company's good name. However, this research does not support the findings of the study undertaken by (Stawati *et al*., 2022), which states that firm size influences tax avoidance. Companies with higher total assets are observed to have a higher tendency to perform legal tax avoidance due to their ability to manage taxation through plans made to ensure optimal tax savings. They usually pay less tax to get a smaller effective tax rate.

Managerial Ownership in Moderating the Effect of Debt Policy on Tax Avoidance

The findings revealed that managerial ownership can moderate the effect of Debt Policy on Tax Avoidance. This implies that managerial ownership exerts an influence on the impact of debt policy on tax avoidance. In other words, managerial ownership can either reinforce or mitigate the effect of debt policy on tax avoidance. This is because, by raising the number of outstanding shares of the corporation, the company will get an injection of fresh funds that do not come from loans or debt but from investors. These funds can be used to pay off the company's debt so that the interest expense of the company's debt can be reduced. This of course can have an impact on tax payments.

Managerial Ownership in Moderating the Effect of the Audit Committee on Tax Avoidance

The findings revealed that managerial ownership was unable to moderate the effect of the audit committee on tax avoidance. This implies that managerial ownership is unable to either enhance or diminish the impact of the audit committee on tax avoidance. This is due to the following reasons, the presence or absence of managerial ownership in a company does not affect the ability of a committee of audit to enhance the level of supervision. This is due to the limitations on authority imposed by the board of commissioners. This also shows that the audit committee does not have the authority to interfere in the company's tax rate policy. So the audit committee cannot carry out the function of controlling company management related to management procedures, financial information and corporate taxes which in turn can effectively reduce managerial behaviour related to tax avoidance.

Managerial Ownership in Moderating the Effect of Firm Size on Tax Avoidance

The findings revealed that managerial ownership is unable to moderate the effect of company size on tax avoidance. This implies that having managerial ownership does not increase or decrease the effect of firm size on tax avoidance. The reason is due corporations with large total assets can increase the amount of company productivity, thereby generating large and fixed profits. Large companies are unlikely to engage in tax avoidance, as this would negatively impact the company's reputation and attract the attention of the government. Managerial ownership is unable to influence the company's decision to implement more effective tax planning strategies to ensure optimal tax savings. It is worth noting that the small percentage of managerial ownership can limit management's authority in decision-making.

6. CONCLUSION AND FUTURE RESEARCH

This implies that managerial ownership exerts an influence on the impact of debt policy on tax avoidance. This is because, by increasing the number of company shares outstanding, the company will get an injection of fresh funds that do not come from loans or debt but from investors. These funds can be used to pay off the company's debt so that the interest expense of the company's debt can be reduced. This of course can have an impact on tax payments. At least explain the novelty of this work here. The novelty of this study is to use managerial ownership as a moderating variable on tax avoidance and tests the data using regression analysis with the PLS approach.

The limitation of this study is that it only uses data available in the sub-sector of property and real estate listed on the Indonesia Stock Exchange. Therefore, the implications of the results of this study for further research can re-test this research by expanding the object of research by using the service company sector and can add several other variables such as earnings management, fixed asset intensity and others. Implications for management who also acts as a shareholder, should consider the risk in making decisions to increase debt even though it can affect the level of tax payments. Importantly, it can cause the company to experience financial difficulties which also endangers the position of management who have a dual role as shareholders.

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EMPOWERING URBAN AGRICULTURE: A SUSTAINABLE MODEL OF AQUAPONIC *WAQF*

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ABSTRACT

This conceptual paper introduces a *waqf* model for an aquaponic system aimed at enhancing food security for urban residents, particularly those in flats or apartment housing in Malaysia, which still relies on foreign countries for key food commodities like rice, fruits, dairy, and beef. The proposed model, designed to be simple and adaptable, is in its initial stages and requires validation by experts in Islamic finance and food security. The study outlines the purpose of creating a base model that can be improved and customized to meet various needs, with the hope that it will significantly impact food security practices through *waqf*. However, the model's current limitation is its conceptual nature, necessitating further development and validation. The novelty of this approach lies in its integration of aquaponics and *waqf* to address urban food security challenges.

KEYWORDS: WAQF, FOOD SECURITY, URBAN, AGRICULTURE, AQUAPONIC, SOCIAL FINANCE

ABSTRAK

Kertas konsep ini memperkenalkan model wakaf untuk sistem akuaponik yang bertujuan meningkatkan keselamatan makanan bagi penduduk bandar, terutamanya mereka yang tinggal di flat atau pangsapuri di Malaysia, yang masih bergantung kepada negara asing untuk komoditi makanan utama seperti beras, buah-buahan, tenusu, dan daging lembu. Model yang dicadangkan ini direka untuk menjadi mudah dan boleh disesuaikan, berada di peringkat awal dan memerlukan pengesahan oleh pakar dalam kewangan Islam dan keselamatan makanan. Kajian ini menggariskan tujuan mewujudkan model asas yang boleh diperbaiki dan disesuaikan untuk memenuhi pelbagai keperluan, dengan harapan ia akan memberi kesan yang ketara terhadap amalan keselamatan makanan melalui wakaf. Walau bagaimanapun, limitasi model ini adalah sifat konsepnya, yang memerlukan pembangunan dan pengesahan lanjut. Keunikan pendekatan ini terletak pada pengintegrasian akuaponik dan wakaf untuk menangani cabaran keterjaminan makanan bandar.

KATA KUNCI: WAKAF, KETERJAMINAN MAKANAN, PERTANIAN, AKUAPONIK, KEWANGAN SOSIAL

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1. INTRODUCTION

Urban agriculture has become an increasingly important strategy for addressing the multifaceted challenges posed by rapid urbanization, food insecurity, and environmental degradation. As cities expand and arable land becomes scarce, innovative agricultural practices are needed to ensure sustainable food production within urban settings. Among these practices, aquaponics has garnered significant attention for its efficient use of resources and its ability to produce both fish and plants in a symbiotic, closed-loop system.

In 2007, a significant milestone in world history was reached as more than half of the global population began living in cities (Orsini *et al*., 2013). This rapid urbanisation, particularly in developing countries, has been accompanied by increased urban poverty, environmental pollution, food insecurity, and malnutrition, especially among vulnerable groups like children, pregnant women, and lactating mothers. Unemployment rates have also surged (Feng *et al*., 2024). Urban agriculture emerges as a promising solution to these challenges, offering improvements in food supply, health conditions, local economies, social integration, and environmental sustainability. Across the globe, urban agriculture manifests in diverse farming systems, with 25–30% of urban residents engaged in the agro-food sector. As urban populations grow and rural-to-urban migration continues, the recognition of urban agriculture’s benefits is expected to rise (Kanosvamhira, 2024), despite the current lack of widespread knowledge about this practice.

Urban agriculture positively impacts food security, according to Orsini *et al*. (2013) with 100–200 million urban farmers worldwide supplying fresh horticultural products to city markets. This practice significantly benefits the poor, who often spend up to 85% of their income on food (Redwood, 2012), as many urban farmers are among the poorest populations. Socially, urban farming enhances social inclusion and reduces gender inequalities, with women constituting 65% of urban farmers (Van Veenhuizen, 2006). Ecologically, it helps reduce city waste, boost urban biodiversity, and improve air quality, while also decreasing the environmental impact associated with food transportation and storage. The cultivation of fruits and vegetables, in particular, offers high yields, efficient use of inputs, and high market value, making urban horticulture a competitive branch of urban farming (Van Veenhuizen, 2006). Traditional urban horticulture systems include allotment and family gardens, simplified extensive systems, shifting cultivation, and intensive systems, with innovative approaches like organoponics and simplified soilless cultures also gaining traction.

The food price crisis of 2007-2008 had significant implications for food security, particularly in countries that import rice. Malaysia, which imports over a quarter of its rice needs (Tey & Radam, 2011), has seen rice prices remain higher post-crisis compared to pre-crisis levels. According to Demeke *et al*. (2009), many Southeast Asian countries have shifted their rice policies towards increased production. Rice is vital to the Malaysian diet, even though it contributes less than one percent to the country's GDP (Vengedasalam *et al*., 2011). As noted by (Omar *et al*., 2019), Malaysia's rice consumption has steadily increased from 1.585 million metric tons in 1990 to 2.819 million metric tons in 2018, with projections exceeding 3 million metric tons by 2026. Figure 1 also highlights a growing gap between rice consumption and production in Malaysia, signaling the need for a plan to ensure future food supply stability in light of a growing population.

Waqf, a form of endowment, has historically been linked with agriculture. For instance, Egypt's al-Azhar University holds 15,000 acres of *waqf* farmland valued at billions of Egyptian pounds (Ahmad & Hassan, 2015). In the 18th century, the Ottoman Sultanate's Haseki Sultan established a *waqf* "soup kitchen" program in Jerusalem to prevent hunger (Peri, 1992). Early *waqf* examples include the endowment of the Ruma Well, purchased by Uthman al Affan and designated as *waqf* property to provide water for Madinah's residents (Pitchay *et al*., 2014). Due to its permanent nature, *waqf* can provide long-term food security and support food safety programs.

In Malaysia, *waqf* has been practiced since the introduction of Islamic law and has been integral to the Malay Archipelago since the 13th century. Evidence includes a rock inscription from 1302 AD in Jawi script found in Kampung Buluh, Sungai Teresat, Terengganu (Md. Dahlan, 2003). Historically, various classes managed *waqf* administration in Malaysia, but over time, responsibilities were centralized under the State Islamic Religious Councils (SIRCs) in each state. Post-independence, the administration of *waqf* was fully entrusted to SIRCs, which were appointed as the sole trustees following the declaration of Islamic administration laws in each state (Pitchay, 2015).

Wealth circulation through social support mechanisms such as Sadaqah (charity), Zakat (compulsory alms), and *waqf* ensures equitable distribution between the rich and poor, preventing wealth from being confined to the rich alone (Al-Qur’an 59:7). Islam condemns hoarding (Al-Qur’an 9:35-36). *Waqf* has a rich history of enhancing welfare and aiding the poor, making it a significant practice for humanitarian causes in the Muslim world. It represents continuous charitable acts for God, driven by altruism, an integral part of Islamic life. However, there is limited empirical research on *waqf*-based food security, particularly in Malaysia. Understanding how *waqf* contributes to food security and sustainability remains unclear.

Addressing these gaps by developing a *waqf* aquaponic model for urban use will significantly contribute to the literature on *waqf* and food production. Theoretically, this research is significant as it adds momentum to creating a *waqf*-based food security paradigm. Practically, the proposed model can serve as a reference for *waqf* mutawallis in implementing *waqf*-based agricultural or livestock projects.

2. LITERATURE REVIEW

A lot of research has been done on food safety by both academics and people who work in the business. This research looks at food security from different angles, such as food science, agriculture, and economics. A lot of different things have been studied, like how climate change affects food supply. People are ready to pay 25% more for rice to make up for lower subsidies, according to a study that shows how important climate change programmes are (Chen Khee *et al*., 2011). Changes in the climate are bad for welfare and consumption, especially in rural places (Solaymani, 2018). The food industry in Malaysia isn't very developed because the country doesn't invest much in agriculture and focuses on export crops (Arshad & Hameed, 2010). Climate change is a big problem for growing rice, which puts food security at risk (Alam *et al*., 2011; Firdaus *et al*., 2020).

Food spending is going down, which is linked to slower manufacturing in developing countries like Malaysia. Because the food industry is so important to global growth and security, more money and resources should be put into it (Siwar *et al*., 2014). Malaysia may not be able to meet its self-sufficiency goals if it doesn't do enough research and development to deal with industry problems and the dangers of climate change (Arshad *et al*., 2015). Razak *et al*. (2013) look at the Malaysian Federal Agricultural Marketing Authority's (FAMA) current extension programmes. These programmes have helped local farmers and agribusinesses make more food to meet demand in Malaysia and around the world by improving marketing and supply chain management.

Even so, many people still don't know how important it is to use new techniques in livestock farming to make food security better. According to Abdullah *et al*. (2021a), most families were able to keep food on hand during the Movement Control Order (MCO) by switching food sources, shopping online, and giving up favourite foods. Up to 21.5% of monthly cash income in Johor comes from forests, which help keep people fed and lower poverty in rural areas. Without forests, 13.7% more people would be living in poverty (Abdullah *et al*., 2021b). Kedah's paddy farmers, on the other hand, eat less food and depend on cheaper protein sources like chub mackerel and freshwater fish (Ibrahim, 2021).

Food security and sustainability strategies around the world have to deal with tough problems that are affected by political, economic, and moral factors. As a result of low agricultural output and food insecurity, there are food shortages, higher prices, and fewer ways to get food (FAO *et al*., 2018). Taking on problems with food security needs serious and multifaceted work (Abdelhady, 2012). To understand food security, we need to look at how global changes affect threats and weaknesses in food security and understand that food problems are at the heart of global governance, prosperity, and security (McDonald, 2015). Food security has gotten more attention in the classroom and in real life since the global food price disasters of 2007–2008 and 2010 (Candel, 2014). This has helped people in politics and academia have a better understanding of food security (Abdelhady, 2012; Candel, 2014; Moh'd *et al*., 2017).

This is not the first piece to suggest a *waqf* model to help make food from *waqf* model. Shafiai *et al*. (2015) came up with one of the first known examples of people working together in *waqf* to improve agricultural land. They focused on two main points: setting up a *waqf* to deal with the problem of empty land and handling the *waqf* to help agriculture grow. Another idea from Babatunde *et al*. (2015) is to use cash *waqf* to start a chicken business that Baitul-Mal will pay for. Based on a Mudarabah contract, this plan would create jobs in a number of areas, including the feed mill, grinding, crate-making, transportation, management, and security. A good use of this plan would not only give unemployed people jobs, but it would also make everyone healthier.

Moh'd *et al*. (2017) suggested a *Waqf*-*Muzara'ah*-Supply Chain Model in which commercial organisations, like banks, play a big part by working together with farmers. This model aims to make customers happy and make sure they can get help with the goods right away. In 2018, Allah Pitchay *et al*. (2018a) suggested a hybrid cooperative-*waqf* plan as a way to finance Malaysian *waqf* lands that aren't being used and bring in agricultural investment. This model imagines a *waqf* organisation that is linked to the central government but separate in how it gets money, runs, and does other things. The suggested structure is meant to improve Indonesia's food security by keeping prices, production, and stock of rice stable.

Hossain *et al*. (2019) came up with a way to help poor smallholder farmers in Bangladesh get more money by using *zakat* and *salam* contracts. Mar Iman and Muhammad (2020) looked into a livestock *waqf* system that uses common grazing animals and could help Malaysian farmers. Bilal Khan *et al*. (2021) looked into the money problems Indonesian farmers were having and suggested an Islamic fintech model based on *waqf* to help fund both long-term and short-term farming projects. There is a lot of knowledge and desire among experts to use the *waqf* system to meet their food needs. Researchers in the past have mostly looked at cash *waqf* (Allah Pitchay *et al*., 2018b; Babatunde *et al*., 2015) and land *waqf* (Sanusi & Shafiai, 2015). Some have even combined the two in one model (Mar Iman & Muhammad, 2020). But it's still possible to suggest new forms of *waqf* for food security, especially if the ones that have already been suggested aren't widely used yet.

The studies highlight three key lessons relevant to my work on developing a *waqf*-based aquaponic model for urban food security in Malaysia. First, integrating *waqf* with agricultural initiatives, as demonstrated by Shafiai *et al*. (2015) and Babatunde *et al*. (2015), shows the potential of using *waqf* to mobilize resources for sustainable food production. Second, the importance of innovative financing models, such as the *waqf*-Muzara'ah-Supply Chain Model (Moh'd *et al*., 2017) and hybrid cooperative-*waqf* plans (Allah Pitchay *et al*., 2018a), underscores the need for robust financial frameworks that leverage Islamic principles to support aquaponic systems. Third, the necessity of adapting *waqf* models to local contexts, as seen in the works of Hossain *et al*. (2019) and Mar Iman & Muhammad (2020), highlights the importance of tailoring solutions to fit the unique urban environment and socio-economic conditions of Malaysian cities, ensuring their relevance and effectiveness in improving food security.

3. METHODS

The development of the Aquaponic *Waqf* model employed a literature review-based model development approach, integrating principles of *Shariah* law, previous *waqf* models, and contemporary literature on aquaponics. Initially, a comprehensive literature review was conducted, focusing on *Shariah* law to ensure compliance with Islamic legal principles, existing *waqf* models to understand their structure and implementation strategies, and scientific research on aquaponics to grasp technical aspects and sustainability benefits. Insights from this review informed the design of a preliminary model that incorporated essential elements such as perpetuity and public welfare, adapted successful components from previous *waqf* models, and tailored aquaponic systems for urban settings.

To validate and refine the preliminary model, consultations were held with *Shariah* scholars, *waqf* practitioners, and aquaponics experts. Feedback from these consultations was systematically analysed and incorporated, identifying gaps and making necessary modifications to enhance feasibility and effectiveness. The iterative process culminated in a final round of expert consultations to ensure alignment with *Shariah* law, practical *waqf* management, and aquaponic best practices. The refined Aquaponic *Waqf* model was then comprehensively documented, detailing its components, implementation strategy, and expected outcomes. This structured approach aims to provide a sustainable solution for urban agriculture, enhancing food security through the innovative integration of aquaponics within the framework of Islamic *waqf*.

This model is still an idea stage and needs to go through a very important process which is the validity process from panels that are experts in Islamic finance and food security. The model is purposefully built using a simple model. This allows any party to use FSWM and improve the model to meet their needs. We hope that this study work will have a good and significant impact on the development of food security and practice through *waqf*.

4. CONCEPTUAL FRAMEWORK

Waqf Aquaponic Model

The model in Figure 1 below illustrates the conceptual framework of our *waqf* aquaponic model. Primary funding for the aquaponic *waqf* is sourced from crowd *infaq* and cash *waqf*. Infaq encompasses all types of spending by a Muslim for the benefit of themselves, their family, and society. It is used to cover non-permanent expenditures such as management, research and development, and the purchase of freshwater fish. Cash *waqf*, on the other hand, is intended for financing and purchasing permanent assets like tanks, water pipes, water pumps, and aquaponic equipment.

In addition to crowd funding, the urban *waqf* aquaponic project welcomes government support. Government involvement is crucial as it provides essential funding, training, and regulatory approvals, which facilitate smoother implementation and long-term sustainability. Furthermore, government endorsement enhances the project's credibility and encourages community participation. Once we have acquired the necessary materials to establish the urban aquaponic system, we proceed to the food production phase using aquaponic techniques, detailed in the aquaponic model section. The food produced will primarily be for personal consumption, and any surplus can be sold by project participants. Profits from these sales can be reinvested into the aquaponic system, such as purchasing additional tools or vegetable seeds.

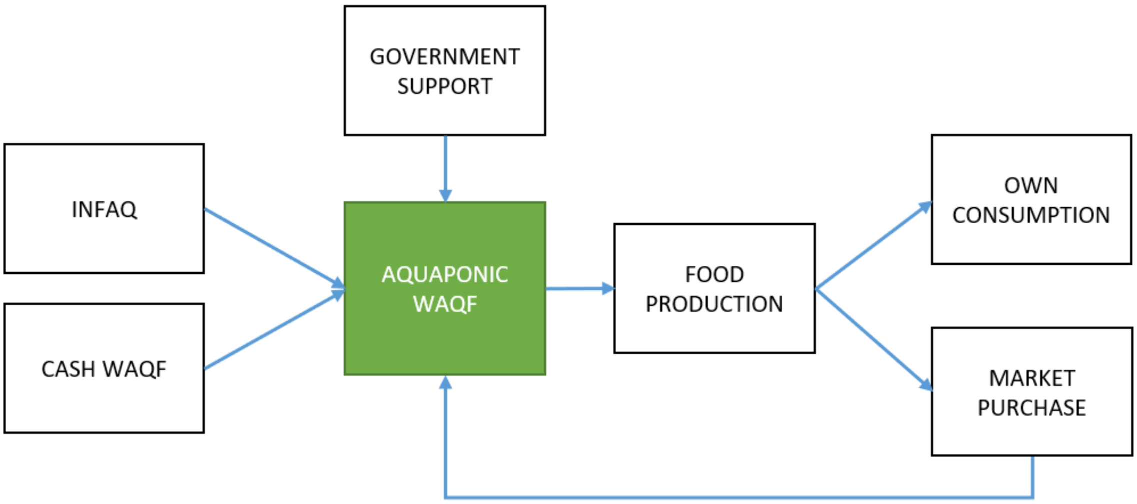

FIGURE 1: *WAQF* AQUAPONIC MODEL
Source: Figure by Authors

Urban Aquaponic Waqf Model
Aquaponics is a method of farming that combines aquaculture (raising fish) and hydroponics (growing plants in water without soil). In an aquaponic system, fish produce waste that is converted by beneficial bacteria into nutrients for the plants. The plants, in turn, help filter and clean the water, which is then recirculated back to the fish tanks. This creates a sustainable, closed-loop ecosystem where both fish and plants can grow efficiently.

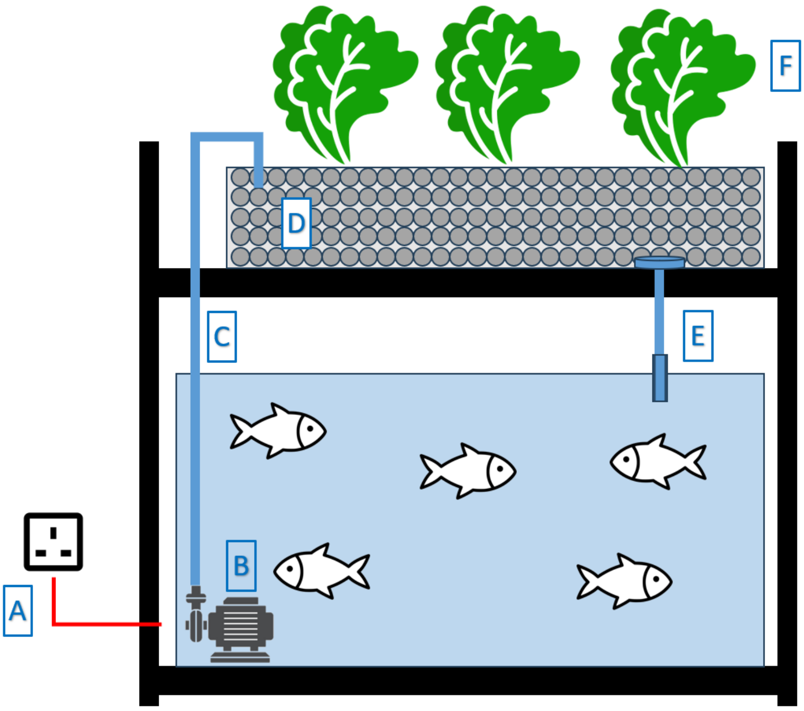

FIGURE 2: URBAN AQUAPONIC *WAQF* MODEL
Source: Figure by Authors

Figure 2 illustrates an aquaponic *waqf* model suitable for urban environments. We propose placing this setup in apartment corridors where plants can receive sunlight. The aquaponic system operates as follows: Initially, at point A, low voltage electricity is required to power the water pump at point B.

The water pump at point C draws water from the fish tank, along with fish waste, and sends it to point D, known as the grow bed. At point D, the fish waste acts as a nutrient-rich fertilizer for the vegetables. The water then flows back from the grow bed to the fish tank at point E. This cycle enables the vegetables to grow using the water and nutrients from the fish waste, while the fish benefit from the clean water filtered by the plants. Participants need to feed the fish daily to ensure their health and growth.

FIGURE 3: EXAMPLE REAL AQUAPONIC SET
Source: www.inhabitat.com

Figure 3 demonstrates that others have already implemented urban aquaponic systems, similar to our proposed model. However, our suggested aquaponic setup aims to utilize more cost-effective materials. For instance, instead of using glass for the fish tank, we recommend using a poly tank, which is more affordable. Additionally, the stand for the system can be constructed from aluminium steel, commonly used in roofing, to further reduce costs.

5. DISCUSSION

The suggested *waqf* aquaponic plan aims to improve food security in cities by using how aquaponics and the Islamic *waqf* system work well together. Not only does this integration make it possible to grow food in a sustainable way, it also fits with Islamic values of charity and social care. The design of the model, which gets money from crowd *infaq* and cash *waqf*, makes sure that the aquatic system can be maintained and grown without ever running out of money. In cities, where land and resources are limited and new ways to meet the growing food demand are needed, this is especially important.

The fact that the aquaponic system can grow both fish and veggies in a closed loop is helpful in many ways. Recirculating water and nutrients cuts down on waste and makes the best use of resources, making it an effective and eco-friendly way to farm. This system can be especially helpful in cities where fresh produce is hard to come by because it offers a local source of healthy food, lowering the need to import food and the pollution that comes with it.

Support from the government is seen as a key factor in the success of this plan. By giving money, training, and legal approvals, the government can help get things started and make sure they will last for a long time. Also, getting support from the government can boost the project's reputation, which can bring in more money and community involvement.

In cities, one important thing to think about is how practical it is to put the aquaponic system in hallways between apartments so that the plants can get sunshine. This design makes the best use of room so that food production can happen in residential areas. This helps people in cities become more self-sufficient. Using inexpensive materials like poly tanks and aluminium steel stands also makes the model easier to get and more flexible, which could lead to more people from all walks of life using it. Even though this model has a lot of promise, there are some problems that need to be fixed. Regular upkeep is needed for the system, which includes feeding the fish every day and checking the water quality. It is important for the success of the model to teach participants about these duties and offer ongoing help. Not only that, but the plan is still just an idea and needs to be checked out by experts in Islamic finance and food security to make sure it can work.

Future Research

In the future, researchers should focus on doing pilot studies to see how well the *waqf* aquaponic model works in real life in different urban areas. These studies would give us useful information about how well the system works, how often it needs to be maintained, and how long it will last generally. Also, more study should be done on the model's social and economic effects on urban communities, especially on food security, economic empowerment, and social cohesion. It would also be helpful to look into how the model could be expanded and changed to work in different social and economic settings.

More research should be done on how to make the technical parts of the aquaponic system work better. For example, the nutrient cycles should be improved, water quality should be better managed, and the system should be powered by green energy sources. To make sure that the aquaponic systems work well and are maintained, researchers need to work on creating training programmes and educational tools for participants. This last point can help you figure out the best ways to make this new model easier to use by looking closely at the laws and rules that guide *waqf* and urban farming in various parts of the world.

Research Constraint

It's important to recognise the limitations of this work. Right now, the plan is just an idea; it hasn't been tested or proven to work in the real world yet. We can't correctly predict problems and outcomes in the real world because of this. That being said, the plan may or may not work depending on how willing people in cities are to take part and commit to daily maintenance of the aquaponic systems.

The original setup costs and ongoing maintenance costs might be too high for some communities to handle without enough funding and support. It's not always clear if the project will be able to continue if the government changes its policies or goals. To make sure that religious and legal rules are followed, combining Islamic *waqf* principles with modern farming methods needs to be carefully thought out. To do this, a lot of time and resources need to be spent talking to Islamic banking and farming experts. The suggested *waqf* aquaculture model seems like a good way to improve food security in cities. However, these research limitations need to be fixed and more studies need to be done to make it work perfectly.

6. CONCLUSION

The proposed *waqf* aquaponic model represents a promising solution to address urban food security in Malaysia, leveraging the principles of Islamic endowment and the sustainable practices of aquaponics. This model combines crowd *infaq* and cash *waqf* to create a continuous funding mechanism that supports the establishment and maintenance of aquaponic systems in urban settings. By producing both fish and vegetables in a closed-loop environment, the model offers an efficient and environmentally friendly approach to urban agriculture.

Government support plays a crucial role in the success of this initiative, providing necessary funding, training, and regulatory approvals, and enhancing the project's credibility. The practical design of the aquaponic setup, suitable for placement in apartment corridors, ensures efficient use of space and resources, making fresh produce accessible to urban residents and reducing reliance on external food supplies.

However, the model faces several challenges, including the need for regular maintenance, participant education, and validation from experts in Islamic finance and food security. Future research should focus on pilot studies, socio-economic impact analysis, technical optimization, and the development of training programs to address these challenges and ensure the model's feasibility and effectiveness. Overall, the integration of *waqf* principles with modern aquaponics presents a unique opportunity to enhance food security, promote social welfare, and foster community participation in urban agriculture. Addressing the identified constraints and conducting further studies will be crucial in realizing the full potential of this innovative model and ensuring its successful implementation across diverse urban contexts.

The proposed *waqf* aquaponic model, while promising, is still in its conceptual stages and requires significant validation and refinement. Initial setup and ongoing maintenance costs could be prohibitive without adequate funding and sustained financial support. The model's success hinges on the active participation of urban residents, who must commit to daily maintenance tasks such as feeding fish and monitoring water quality. Additionally, the support of government agencies is crucial, as funding, training, and regulatory approvals are necessary for implementation. However, changes in government policies or priorities could impact the project's sustainability. Technical challenges such as nutrient cycling, water quality management, and system integration also necessitate continuous monitoring and expertise.

The placement of aquaponic systems in apartment corridors may face spatial limitations and regulatory restrictions, and ensuring adequate sunlight and ventilation could be challenging. Cultural and social acceptance of the model may vary, requiring community engagement and education to overcome resistance and ensure widespread adoption. Integrating Islamic *waqf* principles with modern aquaponics demands careful consideration of legal and religious guidelines, necessitating collaboration with experts in Islamic finance and law. Furthermore, the scalability of the model to different urban contexts and varying socio-economic conditions remains to be determined. Environmental impacts, such as energy consumption and waste management, need careful evaluation and mitigation. Addressing these limitations through pilot studies, community engagement, and further research will be essential for the model's successful implementation and broader application.

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STRATEGY FOR STRENGTHENING *SHARIA* BANKING SUPPORT FOR THE *HALAL* INDUSTRY IN INDONESIA: SWOT ANALYSIS

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ABSTRACT

Islamic banking is part of the *Sharia* financial industry sector, which has the potential to support the *halal* industry. To strengthen *Sharia* banking's support for developing the *halal* industry in Indonesia, we need to create the necessary ecosystem and implement strategic policies. This study aims to analyze the strengths, weaknesses, opportunities, and threats, as well as strategies for Islamic banking support for the development of the *halal* industry in Indonesia. This study uses a mixed-methods approach in the form of a sequential exploratory design with a SWOT analysis technique. The study's findings show that Indonesian Islamic banking's strength lies in relatively good asset growth and performance from year to year, while its main weakness lies in the quality of human resources, which is not as expected. This includes having an adequate number of well-educated, experienced, and ethically sound professionals proficient in essential banking operations and committed to upholding *Sharia* principles. Meanwhile, Indonesia's *halal* industry and MSMEs present a significant opportunity for *Sharia* banking as they continue to grow. However, it also faces a significant challenge in the form of conventional banks' strong presence, which hinders its ability to attract large-scale customers. As a result, it is necessary to strengthen *Sharia* banking funding and management processes, as well as establish a National *Halal* Fund.

KEYWORDS: HALAL, INDUSTRY, ISLAMIC BANKING, SWOT, INDONESIA

ABSTRAK

Perbankan Islam adalah sebahagian daripada sektor industri kewangan syariah, yang berpotensi untuk menyokong industri *halal*. Untuk mengukuhkan sokongan perbankan Syariah dalam membangunkan industri *halal* di Indonesia, kita perlu mewujudkan ekosistem yang diperlukan dan melaksanakan dasar-dasar strategik. Kajian ini bertujuan untuk menganalisis kekuatan, kelemahan, peluang, dan ancaman, serta strategi untuk sokongan perbankan syariah bagi pembangunan industri *halal* di Indonesia. Kajian ini menggunakan pendekatan kaedah campuran dalam bentuk reka bentuk penerokaan berurutan dengan teknik analisis SWOT. Penemuan kajian menunjukkan bahawa kekuatan perbankan Islam Indonesia terletak pada pertumbuhan aset dan prestasi yang agak baik dari tahun ke tahun, manakala kelemahan utamanya terletak pada kualiti sumber daya manusia yang tidak memadai. Ini termasuk memiliki jumlah profesional yang mencukupi, berpendidikan tinggi, berpengalaman, dan beretika, yang mahir dalam operasi perbankan asas dan komited untuk menegakkan prinsip-prinsip Syariah. Sementara itu, industri *halal* dan PKS di Indonesia memberi

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peluang besar kepada perbankan syariah kerana mereka terus berkembang. Walau bagaimanapun, ia juga menghadapi cabaran besar dalam bentuk kehadiran kuat bank konvensional, yang menghalang keupayaannya untuk menarik pelanggan berskala besar. Oleh itu, adalah perlu untuk mengukuhkan pembiayaan dan proses pengurusan perbankan syariah, serta menubuhkan Dana *Halal* Nasional.

KATA KUNCI: HALAL, INDUSTRI, PERBANKAN ISLAM, SWOT, INDONESIA

1. INTRODUCTION

Sharia banking is part of the *Sharia* financial industry sector, in addition to the *Sharia* Non-Bank Financial Industry (IKNB) (such as Insurance, Finance Companies, and other *Sharia* Non-Bank Institutions) and the *Sharia* Capital Market (including State *Sukuk*, Corporate *Sukuk*, and Mutual Funds *Sharia*) (Otoritas Jasa Keuangan (OJK), 2023b; Robbani, 2022; Supriyatni, 2021). The main objective is to collect funds, disburse funds, and provide banking services to the public/customers (Dakhoir *et al*., 2014; Hardianto & Wulandari, 2016; Noman, 2002). In practice, Islamic banking adheres to *Sharia* principles (Ahmed *et al*., 2018; Basiruddin & Ahmed, 2020; Islam & Rahman, 2017; Kasim *et al*., 2013; Safieddine, 2009) which are supervised by agencies or institutions, such as The National *Sharia* Council of the Indonesian Ulema Council (*Dewan Syariah Nasional Majelis Ulama Indonesia, DSN-MUI*), the Financial Services Authority (*Otoritas Jasa Keuangan*, OJK), and the company's internal *Sharia* Supervisory Board).

According to the State of the Global Islamic Economy in 2022, global revenue from Islamic finance will reach USD 49 billion in 2020 and is expected to increase to USD 128 billion in 2025. Assets in the Islamic finance sector will reach USD 3.6 trillion in 2021 and are predicted to be growing to USD 4.9 trillion in 2025, with a Cumulative Annual Growth Rate (CAGR) of around 7.9%. Furthermore, spending by Muslims around the world is expected to reach USD 2.8 trillion in 2025 with a CAGR of around 7.5% in the food, pharmaceutical, cosmetic, fashion, travel and media/entertainment sectors (DinarStandard, 2022).

The 2022 Islamic Finance Development Indicator report shows that Indonesia is in third place in world *Sharia* financial development, behind Malaysia and Saudi Arabia (Refinitiv, 2022). In December 2022, Indonesia's total *Sharia* financial assets (excluding *Sharia* Shares) reached IDR 2,375.84 trillion or around USD 151.03 billion, growing by 15.87% (yoy) from the previous year. The Islamic Capital Market is the largest sector with a portion of 60.08% of Islamic financial assets, growing by 15.51% (yoy). *Sharia* Banking has a market share of 33.77% of *Sharia* finance and grew by 15.63% (yoy), while *Sharia* IKNB has a share of 6.15% and growth is around 20.88% (yoy) (Otoritas Jasa Keuangan (OJK), 2023a).

In 2022, Islamic banking will show its resilience and experience positive growth, with total assets reaching IDR 802.26 trillion or growing by around 15.63% (yoy). Positive growth was also seen in Financing and Third Party Funds (*Dana Pihak Ketiga*, DPK), each growing by 20.44% (yoy) and 12.93% (yoy). The CAR capital indicator for *Sharia* Commercial Banks (BUS) rose to 28.09%. The quality of financing distribution is getting better with the BUS-*Sharia* Business Unit (UUS) NPF being low at 2.31%. The profitability indicator is also positive with BUS-UUS ROA growth of around 1.90%. BUS-UUS FDR rose to 81.10%, indicating an improvement in the *Sharia* banking intermediation process in the domestic recovery. The BUS-UUS BOPO ratio which fell to 77.48% also supports this development (Otoritas Jasa Keuangan (OJK), 2023a). All of this shows that Islamic banking carries out the intermediary function by taking into account the principles of prudence and efficiency.

However, Indonesia's *Sharia* banking market share is currently still limited to around 7% after more than 20 years of its journey (Otoritas Jasa Keuangan (OJK), 2023a). This figure is much lower than the conventional financial market share (Syarvina *et al*., 2023). This low market share indicates that public interest in *Sharia* finance, including *Sharia* banking, is still less than in conventional finance. This is in line with the results of the National Survey of Financial Literacy and Inclusion (SNLIK) in

2022, which shows that *Sharia* financial inclusion has only reached 12.12%, much lower than financial inclusion in general which reached 85.10% (Otoritas Jasa Keuangan, 2022). The fact that Indonesia has a large Muslim population, namely more than 867% of the total population (Rizaty, 2022; Susilawati, 2020; Yazid *et al*., 2020) with low market share and *Sharia* financial inclusion is a paradox that must be observed.

Several factors that may contribute to the lack of public interest in *Sharia* financial products and services include the following: first, the level of *Sharia* financial literacy is still low, only reaching 9.14% in 2022 (Otoritas Jasa Keuangan (OJK), 2023b, 2023a; Otoritas Jasa Keuangan, 2022). Financial literacy has an important role in motivating people to seek information and take action based on their knowledge (Anam & Setyawan, 2023; Jamil *et al*., 2023). Therefore, increasing *Sharia* financial literacy can indirectly increase *Sharia* financial inclusion, because better knowledge of financial products and services will encourage community participation. The second factor is the lack of innovation and competitiveness in the Islamic finance industry compared to conventional finance (Meilani & Sugianto, 2023). This is reflected in limited innovation in *Sharia* financial products, higher costs for products and services, as well as office networks that do not yet cover remote areas (Otoritas Jasa Keuangan (OJK), 2023a).

The Islamic banking value chain includes the process of raising funds, banking management, and financing (Nurani *et al*., 2023). In general, this value chain involves third-party funds and financing as input, followed by *Sharia* banking instruments, policies, and services as a management process, and ends with financing and commercialization to *muḍārib* or other parties following *Sharia* principles. Islamic banking has the potential to support the *halal* industry and economy through inclusive economic growth and better financial stability (Fadillah *et al*., 2023; Rosayid, 2023; Sari *et al*., 2023; Utomo *et al*., 2021). The principles of profit sharing and risk in Islamic finance are compatible with real-sector financing, especially for MSMEs. Therefore, Islamic banking has an important role in supporting the *halal* industry and overall economic growth (Abduh & Omar, 2012; Achsani & Kassim, 2021; Ali *et al*., 2020; Hassan *et al*., 2021; Karim *et al*., 2022).

As one of the leading sectors in the *Sharia* financial industry, *Sharia* banking has various opportunities and challenges in its implementation (Abduh, 2011; Nurdin & Yusuf, 2020; Riza & Hafizi, 2019). These opportunities and challenges are seen from the perspective of human resources, regulations, and governance, research and development (R&D), literacy, data, and technology. The 2019-2024 Indonesian *Sharia* Economic Masterplan document notes several existing opportunities, including: (1) the population and growth of the Indonesian Muslim community; (2) the existence of *Sharia* economics study programs at various state or private universities that can provide qualified human resources for *Sharia* banks; (3) regulatory and master plan support from regulators such as OJK, Bank Indonesia, Bappenas, Ministry of Finance, Ministry of Religion, and others; (4) the vision of the government and regulators regarding the development of the *Sharia* economy; (5) opportunities in regulations related to the *halal* industry and Islamic social finance which can strengthen funding and expand financing segmentation/allocation by *Sharia* banks; (6) the existence of research and training institutions that focus on *Sharia* economic development; and (7) financial literacy which has begun to be disseminated to various levels of society (Bappenas, 2018).

Meanwhile, challenges that need to be addressed include (1) suboptimal integration and synergy of various main policies and plans of the government and related authorities; (2) inconsistency in the vision and mission in the regulations contained in each master plan or blueprint made by different departments or regulators; (3) lack of academics who have knowledge related to the *Sharia* banking industry; (4) penetration is still low in the *Sharia* banking sector; (5) the level of public awareness regarding using products from *Sharia* banks is still lacking; and (6) the lack of workers with special expertise in the Islamic banking industry (Bappenas, 2018).

The multitude of opportunities and challenges mentioned before can be maximized through the implementation of a robust ecosystem and effective policies. In order to develop strategic policies and foster the creation of a conducive environment, it is important to thoroughly analyze the strengths, weaknesses, opportunities, and challenges, as well as the strategies for supporting *Sharia* banking in the development of the *halal* industry and *Sharia* economy in Indonesia.

While several previous studies have explored the role and growth of Islamic banking in Indonesia from different perspectives (Husain, 2021; Mahargiyantie, 2020; Novitasari, 2019; Rahmayati, 2018; Sari, 2020), there is a lack of comprehensive research that examines the strategic factors, both internal and external, that impact the support of Islamic banking in the development of the *halal* industry and the Islamic economy in Indonesia. Hence, this study was carried out to examine the advantages, disadvantages, potential advantages, and potential disadvantages, as well as tactics for supporting Islamic capital banking in promoting the growth of the *halal* business in Indonesia.

2. LITERATURE REVIEW

Several prior studies have investigated the function and growth of *Sharia* banking in Indonesia from different perspectives. Rahmayati (2018) investigates the impact of Islamic banking on enhancing the *halal* business by analyzing the allocation of financing towards clients in need of financial support. This research employs both qualitative and quantitative research methodologies. Qualitative data processing approaches are based on the study of interviews performed by Islamic banks and financing clients. On the other hand, quantitative analysis involves using secondary time series data obtained from published reports by OJK and BPS from 2005 to 2017, using the Eviews software tool. The findings of this study demonstrate that Islamic banking can effectively stimulate the advancement and growth of the *halal* industrial sector by providing financial support to clients at Islamic banks. The econometric findings demonstrate that there is a positive correlation between the number of *halal* industrial sectors and the growth of customer enterprises that acquire *halal* certification. Despite the presence of inflation, the expansion of the *halal* industrial sector remained unaffected.

Novitasari (2019) assessed the role and potential of Islamic banking in supporting *halal* MSMEs. By using descriptive qualitative research based on the results of interviews and documentation, the results of the research show that the condition of Islamic banks in supporting *halal* MSMEs has not carried out effective socialization to *halal* MSME entrepreneurs, office access and ATM networks are still difficult to find and lack of promotion by Islamic banking, while the potential of Islamic banks themselves can innovate products by providing specific financing products for tourism industry players as well as holding interesting events to change the mind-set of the people that Islamic banks are inclusive and not exclusive banks.

Mahargiyantie (2020) undertook a study to ascertain the strategic significance of Bank *Syariah* Indonesia (BSI) in the *Sharia* economy of Indonesia. This study employs a qualitative methodology with a research design based on a literature review. The findings of this study indicate that the consolidation of Bank Syariah Mandiri, Bank BRI *Syariah*, and Bank BNI *Syariah* into Bank *Syariah* Indonesia (BSI) plays a crucial role in advancing the *Sharia* economy in Indonesia. This strategic role can be observed from two different viewpoints. The first strategic function is enhancing the implementation of *Sharia muamalah* in Indonesia, which promotes the growth of the market and facilitates more access to *Sharia* economics and finance. This, in turn, helps to mitigate the risks of usury, *gharar*, and injustice in *muamalah* transactions in Indonesia. The second strategic role involves enhancing the national economy through the infusion of money and funds from the National *Sharia* Bank, so facilitating increased funding for corporate ventures and national growth.

Sari (2020) conducted a study to explore various contract and financing models that can facilitate *Sharia* bank financing in the *halal* food industry. The goal is to increase *Sharia* banks' involvement in promoting Indonesia's *halal* food industry growth. This study employs a qualitative descriptive approach with content analysis techniques to conduct literature research. The research findings indicate that *Sharia* banking currently has a limited role in providing financial support to the *halal* food business in Indonesia. Partnership, synergy, and community finance models can serve as viable alternatives in the agricultural sector when considering different financing strategies. Linkage and ecosystem-based financing approaches are appropriate for the food and beverage processing industrial sector.

Husain (2021) explores the significant contribution of Islamic banks in fostering the growth of the *halal* business. The study aimed to optimize the role of *Sharia* banks in developing the *halal* industry in Indonesia, revealing that they must enhance their functions through institutional synergy to maximize their impact. Initially, they must forge a robust cooperative partnership with the government. The government Islamic banks engage in two forms of institutional synergy: (1) identifying and mapping the areas related to the *halal* tourist sector, and (2) providing assistance to improve regulations, standards, and supervision processes for *halal* products. Furthermore, the collaboration between Islamic banks and *halal* business participants is a key factor. Islamic banks and the *halal* industry can collaborate through several means: (1) identifying and establishing industrial models; (2) enhancing support and facilitating market access; (3) providing financial resources; and (4) offering education and guidance. The third aspect involves the integration of Islamic banks with educational institutions, with a focus on promoting knowledge of the *halal* industry within these educational establishments.

3. METHODOLOGY

Research Design

This study employs a mixed-methods approach, incorporating both qualitative and quantitative methodologies, specifically employing a sequential exploration design as proposed by Saifuddin (2013). The study also applies the SWOT analysis technique. This study uses a qualitative approach method to draw conclusions through both deductive and inductive reasoning. It also employs scientific logic to analyse the dynamic interactions of observed events. In this context, we employ qualitative approaches to identify strengths, weaknesses, opportunities, and threats through a SWOT analysis. On the other hand, SWOT analysis employs quantitative approaches to compute weights, determine matrix positions, and develop program strategy phases.

Data Collection

The research employs the data gathering technique of observation and documentation. We observed the development and movement of *Sharia* banking in Indonesia by directly monitoring official government and private websites, as well as other media sources. Documentation entails gathering and examining papers, literature, and other pertinent materials related to the research subject, specifically the Indonesian *Sharia* Economic Master Plan document (Bappenas, 2018). We processed the acquired data by generating descriptions using words, images, and symbols associated with the research subject (Creswell & Creswell, 2017).

Technique of Data Analysis

This study also employs the SWOT analysis technique to enhance and intensify the analysis. The SWOT analysis methodically uncovers pertinent aspects for strategy development. This method is based on the simultaneous maximization of strengths and opportunities while reducing weaknesses and threats (Rangkuti, 2015). The utilization of SWOT analysis enables firms to effectively address and overcome new difficulties, thereby enhancing stability and productivity (Ifediora & Nzekwe, 2014). SWOT analysis enables the comparison of external elements, such as opportunities and threats, with internal factors, such as strengths and weaknesses, in order to develop alternative strategic choices.

SWOT analysis is a powerful method for doing strategic analysis, particularly in leveraging strengths and opportunities while also addressing weaknesses and potential threats (Rangkuti, 2015). The data analysis methodologies employed in this study encompass internal factor analysis summaries (IFAS) and external factor analysis summaries (EFAS), culminating in a final value derived through the process of weighting and scoring. Moreover, Rangkuti (2015) uses the placement of the digital economy in the internal-external SWOT matrix (IE SWOT matrix) to provide alternative strategic choices.

GRAPHIC 1: IE SWOT MATRIX

External Factors	Internal Factors: High (3,0-4,0)	Internal Factors: Medium (2,0-2,99)	Internal Factors: Low (1,0-1,99)
High (3,0-4,0)	*I Growth: Concentration through Vertical Integration*	*II Growth: Concentration through Horizontal Integration*	*III Retrechment: Turn-round Strategy*
Medium (2,0-2,99)	*IV Stability*	*V Growth: Concentration through Horizontal Integration or Stability Profit Strategy*	*VI Retrechment: Divestment Strategy*
Low (1,0-1,99)	*VII Growth Concentric Diversification*	*VIII Growth: Conglomerate Diversification*	*IX Liquidation*

Sources: David (2006); Pratiwi & Sudiarta (2019)

4. FINDINGS AND DISCUSSIONS

Strengths and Weaknesses

The development of the *Sharia* banking sector in Indonesia brings several potential strengths that can encourage the growth of the *halal* industry and *Sharia* economy. From an internal perspective, several weaknesses could slow the *halal* industry and *Sharia* economy in this country.

TABLE 1. IDENTIFICATION OF INTERNAL FACTORS

Internal: Strengths	Internal: Weaknesses
1. Asset growth and performance exhibit a consistent positive trend from year to year. 2. There are various sources of funding available for *Sharia*-based initiatives, including sponsorship from Muslim communities, non-Muslims who endorse the *Sharia* system, and business entities that adhere to *Sharia* operational standards. 3. Functions in accordance with stringent norms and standards, thereby enhancing financial stability and mitigating the likelihood of financial catastrophes. 4. UUS has the ability to improve the efficiency of facilities provided by the parent bank to reduce operational expenses and potentially increase earnings. 5. The performance of UUS, as measured by metrics such as return on assets, operational	1. Short-term and high-interest deposits provide the majority of the cash, making them unsuitable for long-term financing. 2. The quantity and quality of human resources (HR) still fail to meet expectations. 3. Some businesses still encounter challenges in raising finance and expanding their operations due to spin-off policies that necessitate substantial investments. 4. The BUS performance, as measured by Return on Assets, Operational Costs to Operating Income, Non-Performing Financing, and Net Operating Margin, is lower than the UUS benchmark. 5. There is still a restricted number of professionals that possess adequate

costs to operating income, non-performing financing, and net operating margin, is better than that of BUS.	experience.
6. UUS can leverage the expertise of the parent bank's professionals.	6. HR's competence and expertise in finance risk management and financing analysis are now inferior to those of traditional banks.
7. The primary proponents of *Sharia* funding are individuals who adhere to *Sharia* rules.	7. Insufficient capital limitations and regulatory capital adequacy requirements prevent optimum utilization of financing.
8. In their operations, companies adhere to *Sharia* standards.	8. Compared to traditional institutions, banks still possess less complex information technology.

Source: Data Processed Results (2023)

Internally, the robustness of Islamic banking in Indonesia is evident in its consistent increase in assets and strong performance throughout the years, as indicated in Table 1. Both *Sharia*-compliant Muslim groups and non-Muslim individuals provide funding for this initiative. The *Sharia* system, in conjunction with corporate entities and banks that fully adhere to its norms and principles, enhances financial stability and reduces the likelihood of financial catastrophes. Furthermore, UUS (*Sharia* Business Unit) benefits from the full range of resources provided by its parent bank, resulting in reduced operational expenses and the potential for increased profits. UUS outperforms BUS (*Sharia* Public Bank) in terms of performance indicators such as ROA, BOPO, NPF, and NOM. *Sharia* financing adheres to its principles and relies on loyalists to uphold them. Additionally, *Sharia*'s operational principles serve as the foundation for companies to conduct their activities, and it is imperative to uphold these principles.

Although Islamic banking in Indonesia possesses much strength, it also exhibits various faults when seen from an internal standpoint, particularly in its contribution to the growth of the *halal* industry and the Islamic economy. Table 1 indicates that the shortcomings of Islamic banking in Indonesia stem from the prevalence of funding obtained through expensive deposits, such as time and short deposits. Consequently, this funding structure is not suitable for long-term financing purposes. The Human Resources (HR) department, in terms of both quantity and quality, has not yet met the desired requirements. In Indonesia, the expected standard of human resources in Islamic banking comprises both quantitative and qualitative dimensions. Islamic banks must guarantee they have a sufficient number of workers to manage the growing demand and complexity of their services from a quantitative standpoint. This entails recruiting an adequate number of experts in critical domains like risk management, compliance, *Sharia* compliance, and customer service. Human resources should have educational credentials that are directly applicable to the field, such as degrees in finance, economics, Islamic banking, or *Sharia* law. Advanced certifications and ongoing professional development are essential for ensuring that employees maintain up-to-date knowledge and abilities.

In addition, it is crucial for the staff to possess expertise in fundamental banking activities such as financial analysis, risk management, and customer relationship management. In addition, it is imperative for them to possess a comprehensive understanding of the distinct prerequisites associated with Islamic banking, including adherence to *Sharia* principles and compliance with *halal* industry standards. We strongly prefer candidates who have practical expertise in both conventional and Islamic banking. Employees must possess knowledge of the most recent developments and advancements in the banking industry and demonstrate a history of effectively adopting them. Proficiency in communication, problem-solving, and decision-making is crucial, since personnel need to adeptly convey intricate financial ideas to clients and engage in cooperative teamwork. Adhering to strong ethical ideals and possessing a comprehensive knowledge of Islamic teachings are also essential. We expect employees to demonstrate integrity and a strong dedication to upholding *Sharia* principles in all banking operations. By prioritizing these factors, Islamic banks in

Indonesia may guarantee that their personnel adhere to the desired criteria, thereby fostering the development and durability of the Islamic banking sector and the wider *halal* business. This explanation provides reviewers with a comprehensive understanding of the anticipated standard for human resources in the specific context of Islamic banking in Indonesia.

Many businesses encountered difficulties in expanding their operations due to insufficient funds and the spin-off strategy, which required significant financial commitments. Furthermore, there is a shortage of professionals with limited experience, and the HR department's ability to finance risk management and financial analysis is still not as good as that of traditional banks. Furthermore, their information technology systems lack the level of sophistication found in traditional banks, which presents additional obstacles to overcome.

Opportunities and Threats

Apart from strengths and weaknesses, externally, Islamic banking support also has opportunities and various challenges in the development of the *halal* industry and the Islamic economy in Indonesia.

TABLE 2. IDENTIFICATION OF EXTERNAL FACTORS

External	
Opportunities	**Threats**
1. Advancement of the *halal* industry and the micro, small, and medium enterprise (MSME) sector.	1. Conventional banks have a significant advantage in capturing widespread consumer attention.
2. The population of individuals without an Islamic bank account is substantial, presenting excellent prospects for new clients.	2. The quantity and caliber of human resources (HR) with expertise in both *Sharia* and economics remain limited.
3. The market share has not yet reached its optimal level, indicating significant untapped financial possibilities.	3. The digital economy's growth poses a potential risk to Islamic banks' efforts to expand their retail finance sector.
4. Government assistance in fostering the growth of the *Sharia* economy.	4. There is a lack of appropriate coordination between different government policies, master plans, and their respective authorities.
5. Advancements in the administration of *Zakat*, Infaq, Alms, and Waqf (ZISWAF) monies and sukuk instruments.	5. One issue is the absence of alignment between the goal and mission of the ministry, institution, or regulator and the regulations outlined in the master plan or blueprint.
6. Islamic banks can employ several liquidity tools to effectively manage liquidity while adhering to the principle of making profits. One such product is *Sharia*-compliant short-term securities.	6. The lack of academic personnel with profound expertise in the field of *Sharia* banking is a significant concern.
7. Digital banking technology can serve as a mechanism for Islamic banks to streamline services to customers and the general public.	7. The level of public awareness regarding the use of *Sharia* banking products remains very limited.
8. Islamic banks have not effectively administered additional social resources.	8. There is a shortage of workers with specialized *Sharia* banking skills.

Source: Data Processed Results (2023)

Table 2 demonstrates that there are several opportunities for Islamic banking in Indonesia. These include the *halal* industry's presence and the growing MSME sector. Additionally, there are a significant number of individuals who do not currently have Islamic bank accounts, making them potential consumers or new customers. Furthermore, significant financial potential remains untapped due to the limited market share. The government's assistance in fostering the Islamic economy presents a positive outlook, along with advancements in the administration of ZISWAF funds and sukuk instruments. Furthermore, Islamic banks have the ability to employ current liquidity instruments to manage liquidity levels while also capitalizing on advancements in digital banking to streamline services for customers and the general public. Additionally, there are prospects for overseeing underutilized societal money via *Sharia* banks.

However, we also need to address a multitude of issues and potential risks. Traditional banks' formidable presence in enticing consumers on a large scale poses a significant obstacle. The presence of sufficient and competent personnel with expertise in both *Sharia* and economics remains a hindrance. The advancements in the digital economy may pose a risk to Islamic banks' efforts to expand their presence in the retail financing sector. Furthermore, the lack of proper integration and coordination of government policies and plans, along with the absence of alignment between the vision and mission stated in regulations found in the master plan or blueprint of ministries, agencies, or regulators, poses a significant challenge. The level of public awareness regarding the use of Islamic bank products remains insufficient, posing a hindrance to fully capitalizing on the available opportunities.

Positioning Strategy

After identifying internal and external factors in the analysis of the Islamic banking environment in Indonesia, including strengths, weaknesses, opportunities, and threats in the context of developing the *halal* industry and *Sharia* economy, a quantitative analysis was conducted to assign weights and ratings to these factors. This analysis aimed to determine the positioning and strategic choices that could be pursued.

TABLE 3. STRENGTHS AND WEAKNESSES ANALYSIS

No	***Internal Factor Analysis Summary* (IFAS)**	**Weight**	**Rating**	**Score**
	***Strengths* (S)**			
1	Asset growth and performance exhibit a consistent positive trend from year to year.	0,06	4	0,24
2	There are various sources of funding available for *Sharia*-based initiatives, including sponsorship from Muslim communities, non-Muslims who endorse the *Sharia* system, and business entities that adhere to *Sharia* operational standards.	0,07	5	0,37
3	Functions in accordance with stringent norms and standards, thereby enhancing financial stability and mitigating the likelihood of financial catastrophes.	0,06	4	0,24
4	UUS has the ability to improve the efficiency of facilities provided by the parent bank to reduce operational expenses and potentially increase earnings.	0,06	4	0,24
5	The performance of UUS, as measured by metrics such as return on assets, operational costs to operating income, non-performing financing, and net operating margin, is better than that of BUS.	0,06	4	0,24
6	UUS can leverage the expertise of the parent bank's professionals.	0,06	4	0,24
7	The primary proponents of *Sharia* funding are individuals who adhere to *Sharia* rules.	0,06	4	0,24
8	In their operations, companies adhere to *Sharia* standards.	0,06	4	0,24
	Total of Score (S)	**0,49**		**2,01**
	***Weaknesses* (W)**			
1	Short-term and high-interest deposits provide the majority of the cash, making them unsuitable for long-term financing.	0,06	2	0,12

2	The quantity and quality of human resources (HR) still fail to meet expectations.	0,06	1	0,06
3	Some businesses still encounter challenges in raising finance and expanding their operations due to spin-off policies that necessitate substantial investments.	0,06	2	0,12
4	The BUS performance, as measured by Return on Assets, Operational Costs to Operating Income, Non-Performing Financing, and Net Operating Margin, is lower than the UUS benchmark.	0,06	2	0,12
5	There is still a restricted number of professionals that possess adequate experience.	0,07	2	0,15
6	HR's competence and expertise in finance risk management and financing analysis are now inferior to those of traditional banks.	0,07	1	0,07
7	Insufficient capital limitations and regulatory capital adequacy requirements prevent optimum utilization of financing.	0,06	2	0,12
8	Compared to traditional institutions, banks still possess less complex information technology.	0,07	2	0,15
	Total of Score (W)	**0,51**		**0,90**
	Total (S+W)	**1,00**		**2,91**

Source: Data Processed Results (2023)

Information about the results of the analysis of internal environmental factors can be found in Table 3 above. According to the IFAS Matrix listed in the table, it can be seen that the role of Islamic banking support in encouraging the growth of the *halal* industry and the Islamic economy is at a level that is not optimal in dealing with its internal conditions, with a total value of 2.91 (medium). This shows that the strategy for developing Islamic banking in Indonesia has not been fully optimal in utilizing potential strengths to overcome weaknesses.

TABLE 4. ANALYSIS OF OPPORTUNITIES AND THREATS

No.	***External Factor Analysis Summary*** **(EFAS)**	Weight	Rating	Score
	Opportunities **(O)**			
1	Advancement of the *halal* industry and the micro, small, and medium enterprise (MSME) sector.	0,07	5	0,34
2	The population of individuals without an Islamic bank account is substantial, presenting excellent prospects for new clients.	0,07	5	0,34
3	The market share has not yet reached its optimal level, indicating significant untapped financial possibilities.	0,05	4	0,22
4	Government assistance in fostering the growth of the *Sharia* economy.	0,07	4	0,27
5	Advancements in the administration of *Zakat*, Infaq, Alms, and Waqf (ZISWAF) monies and sukuk instruments.	0,05	4	0,22
6	Islamic banks can employ several liquidity tools to effectively manage liquidity while adhering to the principle of making profits. One such product is *Sharia*-compliant short-term securities.	0,05	4	0,22
7	Digital banking technology can serve as a mechanism for Islamic banks to streamline services to customers and the general public.	0,07	5	0,34
8	Islamic banks have not effectively administered additional social resources.	0,05	4	0,22
	Total of Score (O)	**0,49**		**2,18**

	Threats **(T)**			
1	Short-term and high-interest deposits provide the majority of the cash, making them unsuitable for long-term financing.	0,05	2	0,11
2	The quantity and quality of human resources (HR) still fail to meet expectations.	0,07	1	0,07
3	Some businesses still encounter challenges in raising finance and expanding their operations due to spin-off policies that necessitate substantial investments.	0,07	2	0,14
4	The BUS performance, as measured by Return on Assets, Operational Costs to Operating Income, Non-Performing Financing, and Net Operating Margin, is lower than the UUS benchmark.	0,07	2	0,14
5	There is still a restricted number of professionals that possess adequate experience.	0,05	2	0,11
6	HR's competence and expertise in finance risk management and financing analysis are now inferior to those of traditional banks.	0,05	2	0,11
7	Insufficient capital limitations and regulatory capital adequacy requirements prevent optimum utilization of financing.	0,07	1	0,07
8	Compared to traditional institutions, banks still possess less complex information technology.	0,07	2	0,14
	Total of Score (T)	**0,51**	2	**0,88**
	Total (O+T)	**1,00**		**3,05**

Source: Data Processed Results (2023)

Table 4 displays the results of the investigation of external environmental elements. The EFAS matrix table reveals that Islamic banking support plays a significantly advantageous role in stimulating the expansion of the *halal* industry and the Islamic economy. With a commendable total score of 3.05 (high), it positions itself favorably in terms of its ability to navigate external environmental factors. This indicates that Indonesia has effectively implemented the plan for growing Islamic banking, leveraging available opportunities to overcome obstacles.

Additionally, by referring to the analysis table of internal factors (strengths and weaknesses) and external elements (opportunities and threats) in Tables 3 and 4, we can determine the position coordinates in the IE SWOT Matrix as shown in Graph 2 below.

GRAPHIC 2: COORDINATE OF IE SWOT MATRIX POSITION

		Internal Factors		
		High (3,0-4,0)	**Medium (2,0-2,99)**	**Low (1,0-1,99)**
External Factors	**High (3,0-4,0)**	I Vertical Growth Integration	II Horizontal Growth Integration	III Retrechment: Turn-round Strategy
	Medium (2,0-2,99)	IV Stability	V Growth: Concentration through Horizontal Integration or Stability Profit Strategy	VI Retrechment: Divestment Strategy
	Low (1,0-1,99)	VII Growth Concentric	VIII Growth: Conglomerate	IX Liquidation

	Diversification	Diversification

Source: Data Processed Results (2023)

Environmental analysis of the role of *Sharia* banking in Indonesia in developing the *halal* industry and *Sharia* economy indicates a balanced position between aspects of strengths, weaknesses, opportunities, and challenges, located in the Medium–High range (2.91:3.05), precisely in cell II in coordinates. In this position, support for *Sharia* banking in Indonesia to advance the *halal* industry and *Sharia* economy is recommended to implement a horizontal integration growth strategy. This strategy directs *Sharia* banking to integrate with other entities to strengthen the position of the *Sharia* capital market both nationally and globally. Horizontal integration aims to stimulate the development of Islamic banking by expanding its size, increasing product variety, achieving optimal economies of scale, reducing competition, and opening up new market opportunities (Badowi, 2023).

As previously explained, the result of positioning and possible choice of strategy is a horizontal integration growth strategy. Therefore, several strategic options and programs that can be implemented are as follows:

First, it is strengthening *Sharia* banking funding. This strategy is realized through the diversification of *Sharia* banking products and services to increase the variety of products and services offered. The steps that can be taken in this strategy are:

- Conduct market research related to the needs of *Sharia* banking financial products and services that are in accordance with societal trends and the development of the *halal* industry;
- Introducing new *Sharia* banking products and services that are in line with market demand to the public and *halal* industry players;
- Develop investment products according to customer conditions; and
- Improving the funding structure to support the expansion of the financing sector.

In this case, there is an expectation that enhancing the role of *Sharia* banking in Indonesia, particularly in providing financing to the *halal* industry, will be a successful development strategy. This strategy aims to focus on supporting *halal* micro, small, and medium enterprises (MSMEs) by providing them with the necessary financial resources. This aligns with Rahmayati's (2018) research findings, which demonstrate that *Sharia* banking can stimulate the growth and advancement of the *halal* industrial sector by providing client financing through *Sharia* banks. In a similar vein, Mahargiyantie's (2020) research revealed that *Sharia* banking plays a crucial role in bolstering the national economy by focusing on capital growth and facilitating the flow of funds from domestic *Sharia* banks to the commercial sector and national development initiatives.

Second, it is integration between sectors. This strategy involves increasing cooperation between Islamic banks and various institutions and institutions, both government and private. The steps that can be taken in this strategy are:

- Integrate with other financial sectors such as capital markets, microfinance, *takaful*, and *Sharia* pension funds;
- Utilizing financial technology to build a platform that supports funding and financing; and
- Increasing the utilization of ZISWAF funds and integrating the social functions of *Sharia* banks through a fair system.

This strategy is in line with the results of research conducted by Husain (2021) which states that *Sharia* banks must optimize their functions through institutional synergy to maximize their role in developing the *halal* industry in Indonesia. First, institutional synergy with the government. The form of institutional synergy carried out by government *Sharia* banks is (1) identification and mapping of *halal* tourism sector areas; (2) support for strengthening regulations, standardization and monitoring processes for *halal* products. Second, the institutional synergy of Islamic banks with *halal* industry players. Forms of institutional synergy between Islamic banks and the *halal* industry can be done by (1) identifying and developing an industrial model; (2) support for strengthening and providing outlets and market access; (3) provision of financing funds; (4) education and assistance. Third is the synergy of Islamic banks with educational institutions by including awareness of the *halal* industry in educational institutions.

Third, it is increasing incentives for Islamic banks. This strategy involves increasing the value of assets and third party funds managed by Islamic banks through the activities carried out. The steps that can be taken in this strategy are:

- Separating Islamic banks from conventional banks (spin-off);
- Established a *Sharia* Investment Bank;
- Developing a *Sharia* bank leverage model to maximize the facilities owned by the parent bank; and
- Become an intermediary for domestic and foreign investment entering Indonesia to support industry, especially the *halal* sector.

In this context, the existence of *Sharia* investment banks is important because until now there has been no special commercial financial institution that focuses on developing *Sharia* capital markets and facilitating funding needs for development, including *halal* MSMEs, originating from *Sharia* finance both at home and abroad. In general, this *Sharia* investment bank model can take the form of: *Sharia* Business Unit in an existing securities company, *Sharia* subsidiary in an existing securities company, investment directorate in an existing *Sharia* bank, subsidiary of a securities company in existing *Sharia* banks, and new *Sharia* banks that focus on investment and digitalization functions (Komite Nasional Ekonomi Keuangan Syariah (KNEKS), 2019b).

To establish a *Sharia* investment bank, things that need to be prepared include human resources equipped with *Sharia* capital market expertise, information technology infrastructure needed to carry out the functions of an investment bank, suitable projects to serve as underlying assets for *Sharia* investment products, and incentives. as well as encouragement from the government for issuers to issue *Sharia* financing instruments. Apart from that, *Sharia* investment literacy also needs to continue to be improved so that the investor base can be expanded. If these conditions can be met, it is hoped that a *Sharia* investment bank will be created that can increase the contribution of the *Sharia* financial sector to national development (Komite Nasional Ekonomi Keuangan Syariah (KNEKS), 2019b).

Fourth, the establishment and consolidation of the National *Halal* Fund (NHF) is another important development. The National *Halal* Fund (NHF) is a financial initiative that aims to promote the growth of the *halal* sector in Indonesia. Non-profit hedge funds (NHFs) can exist in various structures, either as a component of a financial institution (such as a bank, private equity firm, venture capital, etc.) or as an independent entity like an endowment. This funding technique can also implement a subsidy scheme at the financial level, replicating the KUR program's methodology. Customers of *Sharia* banks who engage in the development of the *halal* sector and meet the required financing criteria receive the subsidy. This strategy includes steps such as:

- Plan and consolidate the formation of NHF with collaboration between *Sharia* banks and other financial institutions;
- Formulate the necessary policies for the establishment of the NHF;
- Strengthen NHF operations; and
- Develop infrastructure for NHF operational mechanisms.

Sources of funding for the NHF can come from various sources, namely from the APBN (in the form of capital injection, subsidy programs), *Sharia* banking, *Sharia* insurance and other *Sharia* finance, Islamic Development Bank in the form of loans or equity participation, equity crowdfunding, grants, waqf, *zakat*, infaq and alms. The source of these funds will depend on the organizational form of the NHF.

As a case study, Malaysia has successfully established a *halal* ecosystem by effectively coordinating the efforts of the government and the *Sharia* financial sector. This collaboration has led to the development of the *halal* industry and the growth of micro, small, and medium enterprises (MSMEs). *Sharia* banking, especially banks with specific mandates like SME Bank or other commercial banks, primarily facilitates funding for the *halal* business in Malaysia. SME Bank, Malaysia Debt Ventures, Malaysia Technology Corp, Cradle Fund, Malaysia Biotechnology, Uni KL, and Technology Park Malaysia form a consortium that offers financial support and business assistance services, as well as *halal* certification and standardization of *halal* business processes to MSMEs, particularly those focused on exports (Komite Nasional Ekonomi Keuangan Syariah (KNEKS), 2019a).

Fifth, it is increasing the value of Islamic banking. This strategy focuses on increasing customer satisfaction and the number of customers at *Sharia* banks. Steps that can be taken in this strategy include:

- Improve customer experience;
- Improving service quality by utilizing existing regulations, evaluating applicable regulations, and providing input to regulators regarding regulations that do not yet exist; and
- Socialization, education, and increasing public literacy regarding *Sharia* banking, especially for MSME players and the *halal* industry.

Sixth, it is strengthening *Sharia* banking management. This strategy includes steps to strengthen financial networks and service quality, with a focus on improving the operational performance of Islamic banks. The actions that can be taken in this strategy are:

- Optimize existing resources to keep up with changing consumer preferences and needs regularly;
- Develop relevant sector indexes;
- Adapting services to these changes;
- Create contingency plans, recovery plans and resolution plans for *Sharia* banks;
- Building a standardized stress test platform for Islamic banks;
- Assessing the application of IFSB standards in the Islamic banking industry; and
- Improving the quantity and quality of Human Resources and improving Information Technology infrastructure.

5. IMPLICATIONS/CONTRIBUTIONS

This study reveals that Islamic banking in Indonesia has a primary strength in asset growth and fairly excellent performance over time. However, the quality of human resources remains a major weakness. The main implication of this research is that improving the quality of human resources in the Islamic banking industry is important. Training programs, professional development, and collaboration with educational institutions can achieve this. Additionally, the study shows that Islamic banking has significant opportunities from the growing *halal* industry and MSMEs but faces challenges from strong conventional banks. Therefore, another implication is the necessity for Islamic banking to enhance its competitiveness through the identified strategies, such as strengthening funding, increasing incentives to attract more assets and third-party funds, establishing the National *Halal* Fund, etc.

This research contributes to the literature on Islamic banking in Indonesia by identifying the strengths, weaknesses, opportunities, and threats faced by this industry, particularly in its support of the *halal* industry. The study also offers strategies for enhancing the market position of Islamic banking. Furthermore, it lays the foundation for further research that can employ a more empirical and objective approach to explore the role of Islamic banking in the development of the Islamic economy and the *halal* industry in Indonesia.

6. CONCLUSION, LIMITATIONS AND FUTURE RESEARCH

Consistent asset development and commendable long-term performance are the main strengths of Indonesian Islamic banking. However, the primary drawback resides in the subpar quality of human resources, which do not meet expectations. *Sharia* banking in Indonesia is currently experiencing a significant opportunity, thanks to the growing *halal* industry and the development of micro, small, and medium enterprises (MSMEs). However, it also faces an important challenge in the form of severe competition from conventional banks, which are able to attract a huge number of users. We can implement several strategic initiatives to address this situation. These include enhancing the funding of *Sharia* banking, fostering collaboration between different sectors, providing more incentives to attract additional assets and third-party funds, establishing the National *Halal* Fund to consolidate and support the *halal* sector, improving the quality of services and increasing public awareness to enhance the value of Islamic banking, and reinforcing the management process of Islamic banking with a specific emphasis on service quality and risk management.

The use of the SWOT analysis technique, which only addresses a single phase of policymaking, limits this study. Therefore, conducting extensive research is crucial to make informed decisions and formulate effective policies in the face of increasingly complex circumstances. This research exclusively focuses on the subjective elements of strengths, weaknesses, opportunities, and dangers. Nevertheless, additional considerations such as macroeconomic conditions, heightened levels of uncertainty in global markets, and other variables are also crucial in developing comprehensive strategies and programs. As a follow-up measure, the research agenda may include a systematic and unbiased examination of the influence, impact, or role of Islamic banking in the advancement of the Islamic economy and the *halal* industry in Indonesia. We can employ statistical or econometric methodologies to further investigate the data and quantify the correlation between different interconnected variables.

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FACTORS INFLUENCING SUSTAINABILITY INVESTMENT INTENTIONS: AN EMPIRICAL INVESTIGATION

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ABSTRACT

This study delves into the determinants of intention for sustainability investment in Malaysia, examining the factors that drive such intentions among 278 Malaysians through a quantitative survey. The research reveals that attitude, subjective norms, perceived behavioural control and financial knowledge have a positive influence on sustainability investment. The findings underscore the pivotal role of attitudes in shaping investment decisions, indicating that a positive attitude toward sustainability correlates with a greater willingness to allocate resources toward sustainable initiatives. Moreover, subjective norms, encompassing social influences and perceived norms, emerged as key drivers, suggesting that when individuals perceive support for sustainability investment from peers and industry leaders, they are more inclined to engage in such activities themselves. Perceived behavioural control, reflecting confidence in one's ability to invest sustainably, is also highlighted as a significant determinant. Individuals and organizations are more likely to invest in sustainability when they feel equipped with the necessary resources, knowledge, skills, and access to opportunities. Furthermore, the study emphasizes the importance of financial knowledge, indicating that individuals and organizations with greater financial literacy are more inclined to engage in sustainable investment practices. Understanding financial concepts enables investors to make informed decisions that align with sustainability goals, contributing to both financial returns and environmental/social objectives. Overall, the study suggests that by fostering positive attitudes, addressing subjective norms, enhancing perceived behavioural control, and promoting financial literacy, Malaysia can create a conducive environment for sustainable investment, nurturing progress toward a more environmentally and socially responsible economy.

KEYWORDS: SUSTAINABILITY INVESTMENT, MALAYSIA, ATTITUDE, SUBJECTIVE NORMS, PERCEIVED BEHAVIOURAL CONTROL AND FINANCIAL KNOWLEDGE

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ABSTRAK

Kajian ini menyelidik penentu hasrat untuk pelaburan kemampanan di Malaysia, mengkaji faktor-faktor yang mendorong hasrat tersebut dalam kalangan 278 rakyat Malaysia melalui tinjauan kuantitatif. Penyelidikan mendedahkan bahawa sikap, norma subjektif, kawalan tingkah laku dan pengetahuan kewangan mempunyai pengaruh positif terhadap pelaburan kemampanan. Penemuan ini menekankan peranan penting sikap dalam membentuk keputusan pelaburan, menunjukkan bahawa sikap positif terhadap kemampanan berkorelasi dengan kesediaan yang lebih besar untuk memperuntukkan sumber ke arah inisiatif yang mampan. Selain itu, norma subjektif, merangkumi pengaruh sosial dan norma yang dilihat, muncul sebagai pemacu utama, menunjukkan bahawa apabila individu melihat sokongan untuk pelaburan kemampanan daripada rakan sebaya dan pemimpin industri, mereka lebih cenderung untuk terlibat dalam aktiviti sedemikian sendiri. Kawalan tingkah laku yang dirasakan, mencerminkan keyakinan terhadap keupayaan seseorang untuk melabur secara mampan, juga diserlahkan sebagai penentu penting. Individu dan organisasi lebih cenderung untuk melabur dalam kemampanan apabila mereka berasa dilengkapi dengan sumber, pengetahuan, kemahiran dan akses kepada peluang yang diperlukan. Tambahan pula, kajian itu menekankan kepentingan pengetahuan kewangan, menunjukkan bahawa individu dan organisasi yang lebih celik kewangan lebih cenderung untuk melibatkan diri dalam amalan pelaburan yang mampan. Memahami konsep kewangan membolehkan pelabur membuat keputusan termaklum yang selaras dengan matlamat kemampanan, menyumbang kepada kedua-dua pulangan kewangan dan objektif alam sekitar/sosial. Secara keseluruhannya, kajian itu mencadangkan bahawa dengan memupuk sikap positif, menangani norma subjektif, meningkatkan kawalan tingkah laku yang dirasakan, dan menggalakkan celik kewangan, Malaysia boleh mewujudkan persekitaran yang kondusif untuk pelaburan yang mampan, memupuk kemajuan ke arah ekonomi yang lebih bertanggungjawab terhadap alam sekitar dan sosial.

KATA KUNCI: PELABURAN KEMAMPANAN, MALAYSIA, SIKAP, NORMA SUBJEKTIF, KAWALAN TINGKAH LAKU YANG DIPERCEIFKAN DAN PENGETAHUAN KEWANGAN

1. INTRODUCTION

The emergence of investing in sustainable business has provided an alternative to the sole profit-based investment that has caused harm, particularly to the environment and society (Epstein & Yuthas, 2017). This is because sustainable development has a wider scope as it takes into consideration climate, ecological and social issues by offering the financial market a more diverse investment and accountability (Richardson, 2013). Previously, the sustainable investment only attracted wealthy investors who would channel a mix of their philanthropic and investment budgets (MIDA, 2022). Currently, sustainable investments have attracted a broad spectrum of investors with their reason and motivation to place their funds' investments (Maiti, 2021; MIDA, 2022). Various types of sustainable investments link to the environment, society and governance. With the increase in information, greater concern has been placed on the catastrophic effects of the climate such as carbon dioxide, green gases, pollution, waste and water poisoning among others. Some investors may invest in sustainable investments because of political reasons and reputations and others might invest because they presume the investment would yield a higher return (Maiti, 2021). The sustainable investment refers to the integration of environment, social and governance (ESG) as one of the factors that influence investors' decision-making (Busch *et al*., 2016; Ortas *et al*., 2013; Talan & Sharma, 2019; Tseng *et al*., 2019). It is also known as socially responsible investment (SRI), which is an ethical investment, as well as a green investment (Busch *et al*., 2016).

ESG is a set of indicators that allows evaluating companies to decide whether these companies are sustainable enough to operate in the long run and to create value for both shareholders and society (Varvara & Victoria, 2022). The integration of ESG factors into investment has been the most popular and fastest-growing approach to sustainable investment (Galbreath, 2013; Talan & Sharma, 2019). Meanwhile, socially responsible investment (SRI) also has been introduced in Malaysia by the sixth prime minister in 2014. It was due to maintain Malaysia's position as a leader in the

Islamic capital market as well as to improve competitiveness in the global ranking (Wahab & Mohamed Naim, 2019).

However, there are barriers among the investors to channel their funds into the SRI, for instance, they are still cautious about the short-term volatility of sustainable investment assets in terms of financial and performance risks. Apart from that, the investors presumed that it is difficult to access sustainable investment because they are available through technological platforms, and the inability to compare sustainable investment opportunities within the same asset class (MIDA, 2022). However, if these barriers could be resolved, Malaysia could have a retail sustainable investment potential of US$355 billion by 2030 (MIDA, 2022).

Nonetheless, investors would today opt to select the company or sectors because of their impact on the environment and stakeholders (Junkus & Berry, 2015; Qoyum *et al*., 2022). Besides, the Malaysian government has put effort into encouraging the SRI some of which include tax deductions, tax initiatives, and the Green Technology Financing Scheme (Wahab & Mohamed Naim, 2019). In another research, it was reported that firms with Islamic labels exhibit better environmental and social performance (Qoyum *et al*., 2022). Therefore, this study investigates the factors that influence the investors' intentions to channel their funds into sustainable investment. The organization of the paper begin with the introduction in section one. This is followed by a literature review in section two. Section three discusses the research methodology. This is followed by section four on findings. Section five is on discussion and section six conclusion and recommendations.

2. LITERATURE REVIEW

SRI is an investment approach that considers financial goals and nonfinancial goals such as social, ethical, and environmental factors (Camilleri & Camilleri, 2017). SRI represents an investment philosophy that seeks to align financial objectives with broader environmental and societal concerns. It emphasizes a dual focus on achieving competitive financial returns while taking into account the social, ethical, and environmental impact of investments. Sustainable investment, also known as socially responsible investing (SRI) or ethical investing, has gained significant attention in recent years as investors increasingly recognize the importance of aligning financial goals with environmental, social, and governance (ESG) considerations. This literature review aims to explore the factors that influence the intention for sustainability investment of millennials with a specific focus on attitude, subjective norm, perceived behavioural control and financial knowledge as independent variables, and sustainable investment as the dependent variable.

Several studies have reported that the millennial investors group plays an important role in contributing to the huge demand for sustainable investment (Morgan Stanley, 2019; Uzsoki, 2020). Millennials are also known as Generation Y who were born within the year 1980 and 1996 (Uzsoki, 2020). It was said that this group prioritise their values and chooses to channel their wealth into investments that are in line with their values, which is social responsibility (Formánková *et al*., 2019; Uzsoki, 2020). Several factors influence millennials to invest in sustainable investment but, the most significant influence is their attitude (Kolek *et al*., 2022). It was explained that the attitude might lead to the behaviour that encourages an individual to deepen his knowledge of sustainable investment (Kolek *et al*., 2022).

Millennials and adults in Generation Z stand out in a new Pew Research Centre survey, particularly for their high levels of engagement with the issue of climate change. Compared with older adults, Gen Z and millennials are talking more about the need for action on climate change; among social media users, they are seeing more climates change content online (Tyson *et al*., 2021). In another study, Xu *et al*. (2022) used Extended Theory Planned Behaviour (ETPB) on the effects of subjective norms and environmental mechanisms on green purchase behaviour, and it was found that there was a positive significant relationship between them. Similarly, there is also a positive significant relationship between perceived behavioural control with green purchase behaviour. Another factor which affects sustainable investment is financial knowledge for instance, (Formánková *et al*., 2019) explained in their study that bachelor's degree students have a higher awareness of social investment compared to master's degree students. It was because the bachelor's degree students were exposed to the corporate social responsibility courses, which have been incorporated into the course program (Formánková *et al*., 2019). Nevertheless, the millennials are willing to sacrifice their return in the case of an investment in social responsibility instruments (Formánková *et al*., 2019; Schmid *et al*., 2021).

Theory Planned Behaviour (TPB)

The Theory of Planned Behavior (TPB) is a widely used psychological theory that aims to predict and understand human behaviour in various contexts. Various theoretical developments and approaches describe different human behaviours. Fishbein and Ajzen (1975) proposed a framework for overcoming the issue of attitude-behavioral relationships, known as the Theory of Reasoned Action (TRA), which was further developed into TPB by Ajzen (1985) (Ajzen, 1985). The Theory of Reasoned Action initially focused on the relationship between attitudes and behaviour, and the subsequent Theory of Planned Behavior expanded this framework to include perceived behavioural control. This progression allowed for a more comprehensive understanding of the factors influencing behavioural intentions.

Attitude and Sustainability Investment

Attitude, a key psychological construct, is defined as an individual's positive or negative response to an object, significantly shaping their behaviour toward that object (Hogg & Smith, 2007; Wahono & Pertiwi, 2020). This subjective evaluation stems from the anticipated impact that a behaviour associated with the object will have, subsequently influencing the intention to engage in that behaviour (Fishbein & Ajzen, 1975). In the realm of sustainable investment, positive attitudes may arise from the belief that such investments contribute to environmental protection, social justice, and ethical business practices. Literature supports the notion that a favourable attitude toward sustainable investment positively influences individuals' intentions to incorporate sustainability criteria into their investment decisions. Geraldine and Ottemoesoe (2022) examined the factors that influence the SRI intentions of 113 investors in Surabaya using the theory of reasoned action (TRA). The results show that attitude and subjective norms had a significant positive effect on SRI intentions. This empirical evidence contributes to the growing body of research supporting the influence of attitude and subjective norms on investors' intentions to engage in sustainable investment practices.

According to Adam and Shauki (2014), attitude and subjective norms are influencing factors in the decision to invest in SRI. By research conducted by Nilsson (2007), William (2007), and Wins and Zwergel (2016), a positive relationship has been identified between individuals' attitudes and Socially Responsible Investing (SRI). Their findings collectively illuminate a connection where a favourable attitude towards SRI significantly influences investors' intentions to actively participate in socially responsible investment practices. This body of research underscores the pivotal role of attitude in shaping investors' decisions, highlighting the compelling impact it holds on their inclination to engage in SRI.

A study done by Gopi and Ramayah (2007) demonstrated that attitude, subjective norm, and perceived behavioural control exerted positive influences on investors, collectively shaping their inclination and intention to actively participate in online stock trading. Following Malzara *et al*. (2023), attitudes toward green investment had a significant effect on green investment intentions. Hence:

> H_1: There is a significant relationship between attitude and sustainability investment intentions

Subjective Norm and Sustainability Investment

Subjective norms are perceptions of other individuals that can influence a person's behaviour (Ham *et al*., 2015). Within the framework of the Theory of Planned Behavior, subjective norm specifically denotes the perceived social pressure urging or discouraging the performance of a particular behaviour. When applied to the context of sustainable investment, the attitudes and behaviours exhibited by one's social network, encompassing family, friends, and colleagues, play a pivotal role in shaping an individual's decisions. Research suggests that a positive subjective norm toward sustainable investment increases the likelihood that individuals will consider and engage in such investments. According to Gopi and Ramayah (2007), attitude, subjective norms and perceived behavioural control has a positive influence on investors in their intention to trade stocks online (Gopi & Ramayah, 2007). Similarly, Geraldine and Ottemoesoe (2022) examined the factors that influence SRI intentions on 113 investors in Surabaya using the theory of reasoned action (TRA) (Geraldine & Ottemoesoe, 2022). The results show that attitude and subjective norms had a significant positive effect on SRI intentions. This empirical evidence contributes to the growing body of research supporting the influence of attitude and subjective norms on investors' intentions to engage in sustainable investment practices. Hence:

> H_2: There is a significant relationship between subjective norms and sustainability investment intentions

Perceived Behavioural Control (PBC) and Sustainability Investment

Perceived behavioural control reflects an individual's perception of the ease or difficulty in performing a particular behaviour. In the context of sustainable investment, factors such as financial literacy, access to information, and the perceived complexity of sustainable investment options can influence perceived behavioural control. Studies indicate that individuals with higher perceived control over sustainable investment decisions are more likely to express intention and follow through with sustainable investment choices.

According to Malzara *et al*. (2023), perceived behavioural control emerged as a significant factor influencing green investment intentions (Malzara *et al*., 2023). The study suggests that individuals' perceived ability to control and execute specific behaviours related to green investment plays a pivotal role in shaping their intentions to engage in environmentally conscious investment practices. Similarly, Warsame and Ireri's (2016) study further contributes to the understanding of the Theory of Planned Behavior (TPB) by revealing a positive and significant influence on behavioural intention specifically within the context of *sukuk* investment. Their findings underscore the applicability and efficacy of TPB in predicting behavioural intentions related to *sukuk* investment, emphasizing the theory's versatility in diverse financial domains. This research enhances the growing body of evidence supporting TPB as a valuable framework for comprehending and predicting individuals' intentions and behaviours in the realm of investment decisions, particularly within the unique context of *sukuk* investments. Therefore:

> H_3: There is a significant relationship between perceived behavioural control and sustainability investment intentions

Financial Knowledge and Sustainability Investment

Financial literacy encompasses a diverse range of financial knowledge, spanning a fundamental understanding of personal finance, savings, loans, insurance, and investment (Wahono & Pertiwi, 2020). Wahono & Pertiwi (2020) emphasize the comprehensive nature of financial literacy, which is crucial for individuals to navigate and make informed decisions in various aspects of their financial lives. This broad spectrum of knowledge equips individuals to manage their finances effectively and make sound choices in areas such as savings, borrowing, insurance coverage, and investment strategies. The literature suggests a positive correlation between financial knowledge and the intention to engage in sustainable investment, emphasizing the importance of educational initiatives to enhance investors' awareness of sustainable finance. The research conducted by Lusardi *et al*. (2008) underscores the critical impact of low financial knowledge on future financial planning (Lusardi, 2008). It highlights that a lack of awareness of basic financial concepts can be linked to suboptimal investment planning. Aligning with this perspective, Hilgert *et al*. (2003) posit that proficiency in utilizing credit, savings, and investments is indicative of possessing financial knowledge and experience (Hilgert *et al*., 2003). Reinforcing these findings, Amhalmad and Irianto (2019) emphasize the pivotal role of knowledge in cultivating investment interest. Their findings suggest that a well-informed understanding of financial matters plays a significant part in fostering an individual's interest and engagement in investment activities. This collective body of research accentuates the importance of financial literacy in shaping individuals' financial behaviours, particularly in the realms of investment planning and decision-making (Amhalmad & Irianto, 2019). In a study done by Thapa (2015), while many students possess a foundational level of financial knowledge, there is a notable lag in their comprehension of advanced financial concepts. The study suggests that concepts such as credit, tax, stock markets, financial statements, and insurance pose challenges for students, indicating a potential gap in their understanding of more complex aspects of financial literacy (Thapa & Nepal, 2015). Hence:

> H_4: There is a significant relationship between financial knowledge and sustainability investment intentions

Figure 1 provides a graphic of this study's conceptual framework drawn from the hypotheses development, captured via synthesis of past studies related.

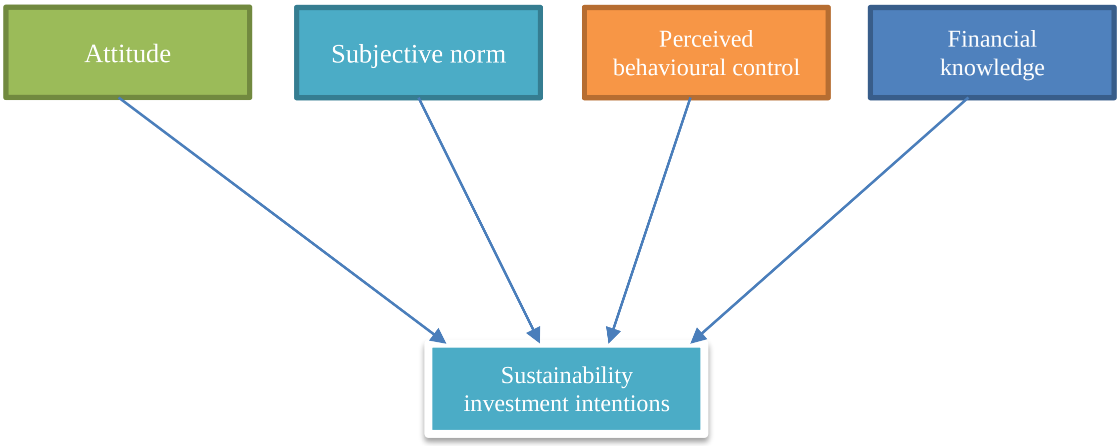

FIGURE 1: RESEARCH MODEL
Source: Figure by Authors

3. RESEARCH METHODOLOGY

Materials and Methods
This research utilized a quantitative research approach employing a descriptive research design. Here, the quantitative approach was chosen as it allows for the statistical and numerical analysis of the impact of independent variables (Attitude, Subjective Norm, Perceived Behavioural Control (PBC) and financial knowledge) on the dependent variable (sustainability investment). The study focused on individuals in Malaysia. Our focus on demographic segments involved participants from various backgrounds, including different age groups, genders, educational levels, and socioeconomic statuses. This approach was adopted to obtain a comprehensive understanding of the factors influencing the intention to use mobile banking across different contexts within the Malaysian population. In this study, data collection was carried out using both face-to-face and online self-administered questionnaires, allowing respondents from diverse backgrounds to participate. The sampling design employed was purposive sampling - a non-probability sampling method where participants are deliberately selected based on their relevance to the research objectives. This means respondents were chosen based on their likelihood of understanding the specific goals of the research, ensuring that their insights would be most relevant and valuable for the study. The criteria for selecting respondents included individuals with knowledge or experience related to sustainability investment. This could involve investors, business professionals, or individuals involved in environmental and social responsibility efforts, as well as those with

varying levels of financial literacy. By focusing on this group, the researchers aimed to capture a targeted and insightful perspective on the factors influencing sustainability investment intentions.

For the data analysis aspect, as many as 278 respondents answered the questionnaire. The quantitative results have been processed by SPSS, followed by pieces of analysis to interpret those findings. We used descriptive statistics to summarize and describe the main features of the data. To explore the relationships between variables, we also conducted correlation analyses. Exploratory Factor Analysis (EFA) was employed to classify the data based on their corresponding variables. These kinds of analyses helped us learn more about the connection between the variables under investigation.

Model Specification

This study utilizes cross-sectional data collected at a single point in time. Regression analysis was employed to assess the impact of independent variables on the dependent variable. Regression analysis is a powerful statistical tool used to understand the relationship between a dependent variable and one or more independent variables. Multiple regression models were constructed, allowing us to understand the unique contribution of each variable while controlling for others. The linear regression method, specifically Ordinary Least Squares (OLS), is employed to define the model in this study. OLS is considered one of the most robust methods in regression analysis, and it depends on certain assumptions. The regression model employed in this research is as follows:

$Y= \alpha +\beta 1X1 +\beta 2X2+\beta 3X3+\beta 4X4+\beta 5X5+e$

Where,

Y= sustainability investment.

α = constant term

X1- Attitude

X2- Subjective Norm

X3- Perceived Behavioural Control (PBC)

X4- Financial knowledge

B1, $\beta 2$, $\beta 3$, $\beta 4$, $\beta 5$ = Beta coefficients that indicate the weight of every factor

4. EMPIRICAL RESULTS

A total of 278 respondents were obtained for analysis.

TABLE 1: DEMOGRAPHIC CHARACTERISTICS OF THE RESPONDENTS

Factors	Frequency	Percentage
Gender		
Male	133	47.8
Female	145	52.2
Total	278	100.0
Age		
Single	135	48.6
Married	138	49.6
Divorced	5	1.8
Total	278	100.0
Marital status		
19 - 25 years old	94	33.8
26 - 33 years old	43	15.5
34 - 41 years old	36	12.9
42 - 49 years old	51	18.3
50 years and above	54	19.4
Total	278	100.0

Race		
Malay	246	88.5
Chinese	5	1.8
Indian	7	2.5
Others	20	7.2
Total	278	100.0
Education		
Secondary	109	39.2
Diploma	15	5.4
Degree	146	52.5
Master	6	2.2
PHD	2	0.7
Total	278	100.0
Monthly income		
Less than RM5000	181	65.1
Rm5,001 - RM15,000	78	28.1
RM15,001 - RM30,000	15	5.4
RM30,000 and above	4	1.4
Total	278	100.0
Employment status		
Student	109	39.2
Self-employed	15	5.4
Employed	146	52.5
Retired	6	2.2
Not employed	2	0.7
Total	278	100.0
Investment experience		
No investment experiences	152	54.7
Less than 5 years	57	20.5
More than 5 years	69	24.8
Total	278	100.0

Source: Table by Authors

The demographic profile of respondents as depicted in Table 1, reveals several key insights into the composition of the sample population. Examining gender distribution, males constitute 47.8% of the respondents, while females represent 52.2%, indicating a slight majority of female participants in the sample. Regarding marital status, the majority of respondents are either single (48.6%) or married (49.6%), with only a small percentage being divorced (1.8%). When considering age groups, the largest proportion of respondents falls within the 50 years and above category, comprising 19.4% of the total sample. This is followed by the 19 - 25 years old category (33.8%), indicating a diverse age distribution. The racial composition of the respondents is predominantly Malay, accounting for 88.5% of the sample. Chinese, Indian, and other ethnicities make up smaller proportions at 1.8%, 2.5%, and 7.2% respectively. Regarding education levels, the majority of respondents hold degrees (52.5%), followed by secondary qualifications (39.2%). Diplomas, masters, and PhDs are held by smaller percentages of the sample. Concerning monthly income, the majority of respondents earn less than RM5000 (65.1%), while smaller percentages fall into higher income brackets. In terms of employment status, the majority of respondents are employed (52.5%), followed by students (39.2%), and a smaller proportion are self-employed, retired, or not employed. Lastly, in terms of investment experience, a significant portion of respondents have no investment experience (54.7%), while others have either less than 5 years (20.5%) or more than 5 years (24.8%) of investment experience.

Reliability Test

In this study, we used Cronbach's alpha which is the reliability of any given measurement. Based on Table 2, the variable subjective norm perceived behavioural control, financial knowledge and sustainable investment was 0.832, 0.855, 0.911 and 0.896 respectively. These results mean that the reliability measurements have high internal consistency as they exceeded 0.7 (Nunnally, 1978).

TABLE 2: RELIABILITY

Variable	Result
Attitude	0.921
Subjective norm	0.832
Perceived behavioural control	0.855
Financial knowledge	0.911
Sustainable investment (SI)	0.896

Source: Table by Authors

Correlation Test

Correlation between variables shows that when the value of one variable changes, the value of the other variable tends to change in a specific direction. As we can see from Table 3, Pearson's correlation coefficients of the four constructs vary from 0.519 to 0.795 with all variables showing positive correlation. Financial knowledge had the highest correlation coefficient towards Sustainable investment which is 0.795, while Subjective norm had the lowest correlation coefficient towards financial knowledge which was 0.519.

TABLE 3: CORRELATION

	Attitude	Subjective norm	Perceived behavioural control	Financial knowledge	Sustainable investment
Attitude	1	.521**	.740**	.671**	.763**
Subjective norm	.521**	1	.617**	.519**	.597**
Perceived behavioural control	.740**	.617**	1	.722**	.769**
Financial knowledge	.671**	.519**	.722**	1	.795**
Sustainable investment	.763**	.597**	.769**	.795**	1

Source: Table by Authors

Estimation of Model Parameters

This study used ordinary least squares (OLS) to show the relationship between our variables. The model is specified in the methodology section and the result of the model parameters is presented in Table 4 below.

TABLE 4: UNSTANDARDIZED COEFFICIENTS

Variable	Beta	Std. robust Error	t-Statistic	Prob.
(Constant)	0.673	0.712	0.945	0.346
Attitude	0.280	0.045	6.232	0.000
SN	0.113	0.036	3.145	0.002
PBC	0.192	0.053	3.648	0.000
Financial knowledge	0.400	0.045	8.841	0.000

Source: Table by Authors

Table 4 presents the outcomes of a regression analysis investigating the determinants of intention for sustainability investment in Malaysia. In this study, a total of four hypotheses were formulated to investigate the relationships among the variables under scrutiny. Of the predictors examined, attitude emerges as a significant driver of intention for sustainability investment ($\beta = 0.280$, SE = 0.045, t = 6.232, $p < 0.001$). This suggests that a one-unit increase in attitude corresponds to a 0.280-unit increase in the intention for sustainability investment. Additionally, subjective norms ($\beta = 0.113$, SE = 0.036, t = 3.145, $p = 0.002$) and perceived behavioral control ($\beta = 0.192$, SE = 0.053, t = 3.648, $p < 0.001$) were found to positively influence intention.

One of notable significance was the influence of financial knowledge, with a substantial positive coefficient ($\beta = 0.400$, SE = 0.045, t = 8.841, $p < 0.001$), indicating that an increase in financial knowledge by one unit corresponded to a 0.400 unit increase in the dependent variable. These findings underscore the importance of attitude, subjective norms, perceived behavioural control, and financial knowledge in shaping the dependent variable, offering valuable insights into the dynamics of the examined relationship. This analysis sheds light on the factors driving the intention for sustainability investment in Malaysia, offering valuable insights for policymakers, businesses, and investors aiming to foster sustainable investment practices in the region.

5. DISCUSSION

This study investigates the determinants of intention for sustainability investment in Malaysia. The research found that Attitude significantly and positively influences sustainability investment. This finding indicates that the attitudes of individuals and organizations in Malaysia have a notable impact on their decisions to invest in sustainability. A positive attitude toward sustainability appears to correlate with a greater willingness to allocate resources toward sustainable initiatives. This suggests that efforts to promote positive attitudes toward sustainability could be effective in encouraging more significant investment in sustainable practices and projects within Malaysia. By implementing these recommendations, Malaysia can create a conducive environment for sustainable investment and accelerate progress towards a more environmentally and socially responsible economy.

Furthermore, Subjective norms significantly and positively influence sustainability investment. The finding that subjective norms significantly and positively influence sustainability investment implies that social influences and perceived norms play a crucial role in shaping investment decisions related to sustainability. When individuals or organizations perceive that important others (such as peers, colleagues, or industry leaders) expect or support sustainability investment, they are more likely to engage in such activities themselves. By addressing subjective norms and leveraging social influences, policymakers, businesses, and other stakeholders can create an environment where sustainability investment is not only supported but also widely embraced within Malaysia.

Perceived behavioural control significantly and positively influences sustainability investment. The finding that perceived behavioural control significantly and positively influences sustainability investment indicates that individuals and organizations in Malaysia are more likely to invest in sustainability when they feel confident in their ability to do so. Perceived behavioural control encompasses factors such as resources, knowledge, skills, and access to opportunities, all of which can influence one's confidence in engaging in sustainable investment practices. Sustainability investment is not only supported but also widely embraced within Malaysia.

Financial knowledge significantly and positively influences sustainability investment. The finding that financial knowledge significantly and positively influences sustainability investment suggests that individuals and organizations in Malaysia who possess greater financial knowledge are more likely to engage in sustainable investment practices. This indicates that understanding financial concepts, such as risk assessment, return on investment, and financial analysis, can empower investors to make informed decisions that align with sustainability goals. By promoting financial knowledge and literacy within the context of sustainable investment, stakeholders in Malaysia can empower investors to make informed decisions that not only generate financial returns but also contribute to environmental and social objectives.

6. CONCLUSION AND RECOMMENDATIONS

This study investigates the determinants of intention for sustainability investment in Malaysia. The research found that Attitude significantly and positively influences sustainability investment. This finding indicates that the attitudes of individuals and organizations in Malaysia have a notable impact on their decisions to invest in sustainability. A positive attitude toward sustainability appears to correlate with a greater willingness to allocate resources toward sustainable initiatives. This suggests that efforts to promote positive attitudes toward sustainability could be effective in encouraging more significant investment in sustainable practices and projects within Malaysia. By implementing these recommendations, Malaysia can create a conducive environment for sustainable investment and accelerate progress towards a more environmentally and socially responsible economy.

Furthermore, subjective norms significantly and positively influence sustainability investment. The finding that subjective norms significantly and positively influence sustainability investment implies that social influences and perceived norms play a crucial role in shaping investment decisions related to sustainability. When individuals or organizations perceive that important others (such as peers, colleagues, or industry leaders) expect or support sustainability investment, they are more likely to engage in such activities themselves. By addressing subjective norms and leveraging social influences, policymakers, businesses, and other stakeholders can create an environment where sustainability investment is not only supported but also widely embraced within Malaysia.

Perceived behavioural control significantly and positively influences sustainability investment. The finding that perceived behavioural control significantly and positively influences sustainability investment indicates that individuals and organizations in Malaysia are more likely to invest in sustainability when they feel confident in their ability to do so. Perceived behavioural control encompasses factors such as resources, knowledge, skills, and access to opportunities, all of which can influence one's confidence in engaging in sustainable investment practices. Here sustainability investment is not only supported but also widely embraced within Malaysia.

Financial knowledge significantly and positively influences sustainability investment. The finding that financial knowledge significantly and positively influences sustainability investment suggests that individuals and organizations in Malaysia who possess greater financial knowledge are more likely to engage in sustainable investment practices. This indicates that understanding financial concepts, such as risk assessment, return on investment, and financial analysis, can empower investors to make informed decisions that align with sustainability goals. By promoting financial knowledge and literacy within the context of sustainable investment, stakeholders in Malaysia can empower investors to make informed decisions that not only generate financial returns but also contribute to environmental and social objectives.

Based on the research findings, it is recommended to prioritize the implementation of educational campaigns that underscore the advantages of sustainability investment while showcasing successful instances within Malaysia. These campaigns have the potential to significantly influence societal norms by illustrating that sustainability investment not only yields benefits but is also widely embraced within our community.

Furthermore, there is a pressing need to provide comprehensive training, education, and resources to augment the knowledge and skills requisite for sustainable investment. This can be achieved through a variety of mediums such as workshops, seminars, online courses, and easy access to pertinent information and research materials. Additionally, the study suggests the implementation of specialized educational programs and workshops centred on sustainable finance and investment to bolster financial literacy among individuals and organizations. Equipping stakeholders with the requisite expertise empowers them to assess and pursue sustainable investment opportunities with confidence and efficacy.

Moreover, it is imperative to launch educational and awareness initiatives aimed at underscoring the significance of sustainability and its positive ramifications on society and the environment. These campaigns should be tailored to engage diverse stakeholders including investors, businesses, policymakers, and the general public, fostering a collective appreciation and enthusiasm for sustainable practices.

While this study provides valuable insights into the determinants of sustainability investment intention in Malaysia, it has notable limitations. Specifically, it focuses on only four variables: attitude, subjective norms, perceived behavioural control, and financial knowledge. Other potentially significant factors, such as ethical considerations, government policies, market conditions, and psychological factors (e.g., risk tolerance), were not explored. Future studies could expand the scope to include these additional variables to offer a more comprehensive understanding of sustainability investment intention.

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REVITALIZING *WAQF*: A JOURNEY THROUGH ITS RISE, COLLAPSE, AND REFORM

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ABSTRACT

This manuscript delves into the historical evolution, decline, and potential reform of the *waqf* system, a pivotal institution in Islamic civilization. *waqf*, an Islamic endowment of property to be held in trust and used for charitable or religious purposes, has significantly influenced socio-economic and cultural landscapes in Muslim societies. Beginning with its establishment by Prophet Muhammad (PBUH) and its flourishing during the Umayyad and Abbasid periods, the *waqf* system facilitated the development of essential public infrastructure, including mosques, schools, and hospitals. However, the system faced challenges and decline, particularly during colonial rule, which disrupted its management and reduced its effectiveness. This study examines the foundational principles of *waqf*, its historical significance, the reasons for its decline, and contemporary efforts to revive and reform *waqf* institutions. Through a comprehensive analysis, this manuscript aims to highlight the enduring relevance of *waqf* and propose strategies for its revitalization to address modern socio-economic needs.

KEYWORDS: WAQF, ISLAMIC CIVILIZATION, HISTORY OF WAQF, FINANCIAL ENDOWMENTS, SOCIO-ECONOMIC DEVELOPMENT

ABSTRAK

Manuskrip ini menyelidiki evolusi sejarah, kemerosotan, dan potensi pembaharuan sistem wakaf, sebuah institusi penting dalam tamadun Islam. Wakaf, suatu wakaf harta Islam yang akan dipegang secara amanah dan digunakan untuk tujuan amal atau keagamaan, telah mempengaruhi landskap sosio-ekonomi dan budaya dengan ketara dalam masyarakat Islam. Bermula dengan penubuhannya oleh Nabi Muhammad (SAW) dan berkembang pesat pada zaman Umayyah dan Abbasiyah, sistem wakaf memudahkan pembangunan infrastruktur awam yang penting, termasuk masjid, sekolah, dan hospital. Walau bagaimanapun, sistem ini menghadapi cabaran dan kemerosotan, terutamanya semasa pemerintahan kolonial, yang mengganggu pengurusannya dan mengurangkan keberkesanannya. Kajian ini mengkaji prinsip asas wakaf, kepentingan sejarahnya, sebab kemerosotannya, dan usaha kontemporari untuk menghidupkan dan memperbaharui institusi wakaf. Melalui analisis yang komprehensif, manuskrip ini bertujuan untuk menonjolkan kerelevanan

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berterusan wakaf dan mencadangkan strategi untuk menggiatkan semulanya bagi menangani keperluan sosio-ekonomi moden.

KATA KUNCI: WAKAF, TAMADUN ISLAM, SEJARAH WAKAF, WAKAF KEWANGAN, PEMBANGUNAN SOSIO-EKONOMI

1. INTRODUCTION

Waqf is an Islamic charity system established by Prophet Muhammad (peace be upon him- hereinafter pbuh)[1] at the early age of Islam. Word *waqf* is an Arabic term literally means "restraining" and "prevention" which is recognized by the Islamic law as one of the voluntary charitable acts that becomes a source of financing for the development of social and economic of society. *Waqf*, in Arabic, is hold, confinement or prohibition. In North and West Africa *waqf* (pl. *Awqaf*) is also called Habs (plural is known as Ahbas or Hubus). The word *waqf* is used in the Islamic Law in the meaning of holing certain property and preserving it for the confined benefit of certain philanthropy and prohibiting any use or disposition of it outside its specific objective. This definition accords perpetuity to *waqf*, i.e., it applies to non-perishable properties whose benefit and usufruct can be extracted without consuming the property itself. Therefore, *waqf* widely relates to land and buildings. Muslim scholars believe that the first *waqf* ever established was the Ka'bah in Makkah, as it is mentioned in the Qur'an (3:96) as the first place of worship to be established for mankind. Masjid al-Quba in Madinah was the first *waqf* in Islam, followed by Masjid al Nabawi, which was constructed by the Prophet (pbuh). Such *waqf* can fall under the category of religious *waqf*, though *waqf* can also serve other purposes, including family *waqf* and philanthropic *waqf*. Muslims all over the world are familiar with the *waqf* practise as an investment for promoting social goodwill, and throughout history, Muslims have donated their properties to *Awqaf* for the benefit of mosques, hospitals, educational institutions, social and charitable organisations, and other good causes. The word habs was used for *waqf* by the Prophet Muhammad (pbuh) and became commonly known as such in the Maliki School. Today, the concept of *waqf* exists in the West and other countries under the name's foundations, endowments, and trusts. The following section provides the underlying pillars of *waqf*.

Nature of Waqf *Assets*

The nature of *waqf* is refers to the types of development which has been practised at the beginning of the *waqf* development. The history evidenced THREE (3) categories of the *waqf* development; (1) Religious *waqf*; (2) Philanthropy *waqf* and (3) Family *waqf*.

Religious *Waqf*

In Islamic history, the first known *waqf* is the mosque of Quba in Madinah, a city 400 kilometers north of Makkah, built upon the Prophet Muhammad's arrival in 622 C.E. Today, it stands on the same site with a new and enlarged structure. Six months later, the mosque of the Prophet (pbuh) in the center of Madinah followed. Mosques and real estates designated to provide revenue for mosque maintenance and operating expenses fall under the category of religious *waqf*. Religious *waqf*, in any society and religion, contributes to social welfare by fulfilling people's religious needs and reducing the direct cost of providing religious services for future generations. Interestingly, in Islamic religious *waqf*, Shariah does not grant religious bodies, individuals, or leaders' managerial privileges or beneficiary rights on religious grounds. An Imam or preacher may be entitled to benefits from the revenues of a religious *waqf* only if the *waqf* founder specifically assigns such benefits to the name or position.

[1] It is highly encouraged in Islam that, when any prophet's name is mentioned, we have to say "peace be upon him" after mentioning any of the prophets' name.

Philanthropic *Waqf*

Philanthropic *waqf* constitutes the largest proportion of *waqf* contributions, with the primary aim of providing basic necessities to society. These activities focus on benefiting the broader community, including non-Muslims. This type of development encompasses education, healthcare services, infrastructure like roads, bridges, and dams, as well as animal and environmental protection (Kahf , 1999). The first philanthropic *waqf* was initiated by Prophet Muhammad (pbuh). For instance, a man wrote to Prophet Muhammad (pbuh), expressing his wish to donate his seven orchards to him after his death. Four years later, the man passed away, and Prophet Muhammad (pbuh) took possession of the orchards, declaring them as *waqf* to benefit the poor and needy. Another example is Caliph Umar, who dedicated his palm orchard as *waqf* to support the needy, travellers, and for the sake of Allah (SWT).

Family *Waqf*

Family *waqf* has its own unique characteristics compared to other types. It focuses on the usufructs of the *waqf* assets, with benefits designated exclusively for the founder's family members, such as children and descendants. There are several examples of family *waqf* practices by the companions of Prophet Muhammad (pbuh). For instance, Abu Bakr Al-Siddiq made his house a family *waqf* to benefit his children and descendants. A large number of family awqf were created by the companions of the Prophet (S.A.W.). It is reported in Fath al-Qadir, Vol.2, p.844 (Lucknow, 1875) on the authority of Ibn al-Humam that Abu Bakr Siddiq made *waqf* of his house for his children. Sa'ad bin Abi Wiqas made *waqf* of his house in Medina and Egypt for the benefit of his children.

The Pillars of Waqf

The *waqf* instrument is categorized as a voluntary donation, similar to other forms of donations in Islam such as *Sadaqah* and is based on a unilateral contract rather than bilateral or quasi contracts. A unilateral contract means that the donor who donates an asset does not need to obtain mutual acceptance from the recipient. This means the contract is established solely on the donor's willingness to give their assets, which then belong to the recipients. However, in the context of *waqf*, there are distinct and unique pillars that set it apart from other voluntary donations. The following are the three (3) pillars of *waqf*.

Perpetuity of *Waqf* Asset

Perpetuity is one of the main characteristics of *waqf*. This refers to fixed assets declared for *waqf* purposes, which must be perpetual in nature. The declaration of a *waqf* asset is considered legally binding, ensuring that the properties will benefit society and exist until the Day of Judgment. For the donor, the perpetual characteristic allows them to continuously receive rewards from Allah (SWT) as long as the properties are used and benefiting the beneficiaries and the public. Kuran (2001) states that for Muslims, *waqf* is an act that enables someone to contribute their good deeds to people continuously, even after their death. Abu Hurayrah (ra) narrated that Prophet Muhammad (pbuh) said:

"When a man dies, his acts come to an end, except in three cases: an on-going charity, knowledge from which people continue to benefit, and a righteous child who prays for him."

(Sahih Muslim, vol. 3)

Waqf enables a person to receive accumulating rewards from Allah SWT as long as the property benefits the beneficiaries and the public. For example, if someone declares their building to be used for academic purposes, such as a library or an Islamic school, the donor will continuously earn rewards from Allah SWT as long as the building serves its purpose. The perpetual nature of *waqf* property ensures that the beneficiaries and the public receive tangible benefits from the *waqf* property indefinitely. Laldin *et al.* (2006) noted that *waqf* properties were historically used for schools and educational centers. For instance, Al-Azhar University in Cairo, Egypt, established over 1,000 years ago, is based on *waqf*. The perpetuity characteristic of *waqf* has been debated by some scholars, who argue that the donor has the right to revoke the *waqf* (see Bradley, 2006). However, the majority of scholars agree that perpetuity is an essential characteristic of *waqf* properties (Sadeq, 2002; Mashitoh, 2006).

Irrevocability of *Waqf* Asset

Second main characteristic of *waqf* is irrevocability. This mean the donor who declared his/her assets for *waqf* purpose is permanent and the owner does not have any right to revert and declared the donated assets for his private use. The definition of *waqf* clearly stated that *waqf* indicates the owner has no right to use the *waqf* assets for his private purposes and the assets are belonging to Allah SWT which to benefit the society continuously. Powers (1999) says that *waqf* assets has an immediate effect on the property which the donor do not has right to revoke. This mean the ownership of the *waqf* property is basically transferred to Allah SWT even though, what is belonging on this earth and outside of the earth are belonging to Allah SWT. Laldin *et al* (2006) also agree that Allah SWT is the owner of a property which has been declared as *waqf* and the donor does have any right to revoke his agreement of *waqf*. Irrevocable characteristic also become an issue for some cases where the property allocated is not suitable for any development and use. In this special case, the *waqf* contract or agreement can be revoked, and certain requirements have to be fulfilled before the revocation. Kahf (2007) says that the requirement that need for revocation is replacement of another property which can benefit the beneficiaries and public. He stated that, the identified *waqf* property is only revoking once the similar replacement is supplied. The objective of the original *waqf* contract is still same with the replaced property where the benefit of the property must be same with the donor wish, which to benefit the beneficiaries and public. Basically, this decision is made by Muslim Jurist with the assistance of expert such as economics and land experts (Gerber, 2002).

Inalienability of *Waqf* Asset

Inalienability is the third main characteristic of *waqf* contribution. The concept of inalienability is embedded in one of the hadith of Prophet Muhammad (pbuh).[2]Gaudiosi (1988) stated that any property that attached with inalienability characteristic is prohibited to involve with sale, mortgage, gift, collateral, inheritance, and any transaction of inalienability. Mashitoh (2006) says that *waqf* property cannot use for sale, gift or inheritance and she provided an example, an enactment of a states in Malaysia, which stated that "any *waqf* that already been enforced, cannot be sold or given as a gift by the Waqif (donor) or inherited by any person". This shows that the responsible authorities have to ensure that the *waqf* property is used based on the donor objectives and benefits the beneficiaries. Kahf (2007) says that this characteristic enable the *waqf* property is used effectively and also to mitigate mishandling of the *waqf* income. Hence, this characteristic helps to protect the *waqf* property and maintain its purpose to serve and benefit the beneficiaries and public. The above three main characteristics of *waqf* are basically closely intertwine. For example, *waqf* properties have to maintain its perpetual in order to ensure inalienability and irrevocability characteristics exist. Fundamentally, these three main characteristics are attached to *waqf* assets with the purpose to guarantee the assets are continuously benefited the beneficiaries and public.

Participants of Waqf

Basically, in any transaction or exchange, at least two parties will involve, i.e. buyer and seller, and donor and beneficiary. For *waqf* or any act of donation we called the parties involved are donor and beneficiary. Furthermore, in *waqf* donation is required another party called Mutawalli or manager that exists between donor and beneficiary. Mutawalli is responsible to manage the *waqf* assets according to donor objectives and benefit the beneficiaries. The following sections explain in detail on the parties in involve in *waqf* contribution.

[2]See an example of Umar (ra) where the prophet (pbuh) asked Umar (ra) not to sell the Khaybar property and give the property as a gift and inherited.

The Founder of *Waqf*

The founder (some studies used the term donor or *Waqif*) is referring to the person who declares his/her assets for *waqf* purpose. There are some conditions that a donor has to fulfil, such as the donor must be in full possession of his physically and mentally when he/she declares, be of age and not a slave (free man). Then, the person also has unrestricted ownership for the particular assets which donate for *waqf* (Gaudiosi, 1988). Furthermore, the donor has to specify his intention or his/her objective, whether the donated assets is for specific or general *waqf* and normally agreement is made in writing (orally declaration also allowed) but writing is to avoid conflict or misunderstanding in the future and also for documentation purposes. The role of donor toward his/her assets is no longer active, the manager or trustee of the *waqf* property will take in charge to utilise the property according to the donor objectives. This practised is opposite to corporate and private company where the donor or usually called as shareholders basically are the resources provider and play significant role to ensure their capitals are used effectively and efficiently. In *waqf* practice, the donor has no longer power and says on his/her *waqf* assets, and the selected trustee has the responsibilities to develop the *waqf* assets. Mashitoh (2006) says that the donor believes that his/her responsible toward the assets is no longer active and ownership of the assets is transferred to Allah SWT.

Beneficiaries of *Waqf*

The beneficiaries of the *waqf* are another important party who are stated in *waqf* agreement which can be general public or specific group of recipients such as family. The founder of the *waqf* contribution will determine the beneficiaries. The trustee is responsible to channel the contribution of *waqf* to the specify beneficiaries that declare by the founder. The beneficiaries will continuously be receiving the benefit as long as he/she is still qualified to receive the benefit as per stated in *waqf* agreement (Gaudiosi, 1988). Beneficiaries also has passive role like the donor and fundamentally the trustee will govern the assets of the donor and will channel the assign assets to the beneficiaries. The right of the beneficiaries possess is the detail information of the *waqf* assets which the trustee has to consult and advise to the beneficiaries, i.e. beneficiaries have to aware of the information that stated in *waqf* agreement, including the action and decision of the trustee.

Trustee of *Waqf*

The third participant in *waqf* agreement is Mutawalli or trustee. The trustee is a person who appointed by the donor to manage the assigned assets for the benefit of the beneficiaries. The managers are given sole authority to manage the administration of *waqf* assets and any decision taken by the manager must be within the Islamic law and made for common good. Furthermore, the manager also has to ensure the beneficiaries are continuously receiving benefit from the *waqf* assets (McChesney, 1991). In current situation, the task of trustee is passed to group of people such as entities rather than an individual. The duties that hold by the managers are safeguarding the assets, collection of *waqf* income and channel the income to beneficiaries (Gaudiosi, 1988). In this section, the discussion is focusing on the fundamental information of *waqf* instrument which highlights based on the theoretical and practical perspective of *waqf* since the execution of the *waqf* assets during the Prophet Muhammad pbuh.

2. THE RISE OF *WAQF* SYSTEM

The *waqf* system is a unique institution of Islamic civilization that has played a significant role in shaping the socio-economic landscape of the Muslim world. The term *waqf* is derived from the Arabic root word "waqafa," which means to hold, detain, or stop. In the Islamic context, *waqf* refers to a legal instrument that enables the endowment of a property, its income, or its benefits for charitable, religious, or philanthropic purposes. The *waqf* system has a long and rich history, dating back to the early days of Islam, and has been instrumental in the rise and development of Islamic civilization. The origins of the *waqf* system can be traced back to the time of the Prophet Muhammad (peace be upon him) who encouraged the act of charitable endowment. This practice gained popularity during the Umayyad and Abbasid periods of Islamic history, with the construction of numerous *waqf* institutions for the advancement of religious, educational, and social causes. The *waqf* system was not only limited to the Muslim world but also spread to other parts of the world through the influence of Islamic civilization. In India, for example, the *waqf* system was introduced by the Mughal rulers, and it became an integral part of the Indian social fabric.

The *waqf* system provided a means for the accumulation and distribution of wealth within the Muslim community, which led to the creation of a robust socio-economic infrastructure. This infrastructure consisted of institutions such as mosques, schools, hospitals, and orphanages, which provided essential services to the public. The *waqf* system also facilitated the development of commercial and agricultural enterprises, which led to the growth of trade and commerce within the Muslim world. The rise of the *waqf* system had a significant impact on the development of Islamic civilization. It provided a means for the accumulation and distribution of wealth, which led to the creation of a robust socio-economic infrastructure. The *waqf* system also played a vital role in the advancement of education and knowledge, which led to the establishment of numerous centers of learning and the flourishing of Islamic scholarship. The *waqf* system also contributed to the development of art, architecture, and culture, which are still visible in the monuments and buildings, that dot the Islamic world. For examples, *waqf* development throughout history demonstrates the significant impact that *waqf* endowments have had on the development of various institutions and landmarks. One such example is the Al-Azhar University in Cairo, Egypt, which was founded in 970 CE and has been supported by *waqf* endowments throughout its history. Another example is the Grand Bazaar in Istanbul, Turkey, which was built with *waqf* endowments in the 15th century and has become one of the world's oldest and largest covered markets. The Qutb Minar in Delhi, India, is another example of *waqf* development, built in the 13th century with *waqf* endowments, and the Sultan Hassan Mosque in Cairo, Egypt, was also built with *waqf* endowments in the 14th century. These examples illustrate the continued importance of *waqf* endowments in supporting charitable, religious, and philanthropic causes in the Muslim world (Kuran, 2001).

In all, the *waqf* system has been an integral part of Islamic civilization and has played a vital role in the development of the Muslim world. It has provided a means for the accumulation and distribution of wealth, the advancement of education and knowledge, and the development of art, architecture, and culture. The *waqf* system has left an indelible mark on the world, and its legacy continues to inspire new generations of Muslims to contribute to the betterment of society.

3. THE COLLAPSED OF *WAQF* SYSTEM

The *waqf* system becomes an important tool for the development of social and economic of Muslim society since the early period of Islam until it reached its peak during the Ottoman Empire. On the other hand, we cannot be denied that *waqf* system also faces many constraints especially of its administration within the period. The issue of mismanagement of the administrative started in the Mamalik's time (Mohsin, 2009). However, the Muslim jurists play an important role to prevent any act that could be done by sultan or any ruler in harming the *waqf* property and protect the institution of *waqf*. Before the Mamalik's period there was no agricultural lands were created as *waqf* and all the lands were belonging to the state. For example, the state is the ownership of the land and what it handed over the people and farmers are just to benefit the usufruct of the land (Mohsin, 2009). Nevertheless, during the Mamalik's time, it was permissible to create *waqf* land for agricultural. This has encouraged the many Muslim people to contribute land for *waqf* purposes.

The creations of many *waqf* lands have urged the Mamalik's ruler to establish three departments in order to supervise the *waqf* lands. The three departments are comprised of *Diwan al-Ahbas Wa al Masjid, Diwan al-Harmin al-Sharifin and Diwan al-Awqaf al-Ahliah* (Mohsin, 2009). After many years, the numbers of *waqf* lands increased significantly and issue of mismanagement of *waqf* lands by trustees occurred. The ethical problem becomes the main issue when the trusted trustee tried to confiscate some *waqf* properties through *istibdal*. This action was taken by trustee was to get money from the selling of the *waqf* properties. This act has forced the Muslim jurist to issue rules and regulation related to *waqf* property in order to protect the *waqf* property from being sold and misconduct by *Mutawalli.* Toward the end of the Ottoman Empire in 19th century, under the rule of Sultan Mahmud II, a reform was made in which to separate between the state and religion took place. This change has affected the *waqf* system especially the institution that responsible to monitor *waqf* property. The purpose of this reformation is to incorporate the existing *waqf* administration to be centralized in Istanbul (Schoem, 1986). However, this change on the structure of governance cause the Muslim jurist lost their control over because the current supervision is under the control of State. The centralization of *waqf* system has open a door to the widening of mismanagement within the *waqf* institution and abuses of the *waqf* system itself as many of appointed administrators were not aware of *waqf*. The centralization *waqf* system has created many problems. For example, the trustee that appointed only benefiting the monthly salaries without executing his duty to monitor and maintain the *waqf* property. Furthermore, mismanagement took place within the institution where the income generated from *waqf* property did not used to develop other *waqf* land and this lead toward the land become idle and even in some cases, where the Mutawalli can make the *waqf* land become collateral for his borrowings.

Waqf becomes worse especially during the period of colonization and most of the *waqf* properties no longer serve to benefit the society. As the destruction of *waqf* system in most Muslim countries, people were discouraged to contribute their assets for *waqf* purposes. This is because the Muslim society feared that the government would confiscate their *waqf* property. From that time of deterioration of the public services could be traced in almost all the Muslim countries. This made the responsibility of the government to fund and develop all the public services such as education, health care, infrastructure as well as the security of the country which has drained the budget of each government. In order to provide these facilities to the public, some governments have to borrow external funds due to shortage of funds to cover the development. Most of the countries depend on the external funds that funded by Western countries that charge interest rate as the requirement to get funding. This type of method has caused some countries have huge external debt and not able to pay back the loan.

4. THE REFORMED OF *WAQF* SYSTEM

The *waqf* system has a long and rich history, dating back to the early days of Islam, and it has played an important role in supporting charitable, religious, and philanthropic causes in the Muslim world. However, in recent times, there have been concerns about the effectiveness and efficiency of the *waqf* system, leading to efforts at reform in various parts of the world. One of the main concerns with the *waqf* system is the lack of transparency and accountability in its administration. Many *waqf* endowments are managed by private individuals or organizations, and there is often a lack of oversight and regulation to ensure that the endowments are being used in the most effective and efficient way possible. In response to this concern, some countries have established regulatory bodies to oversee the management of *waqf* endowments, with the aim of promoting greater transparency and accountability. Another issue with the *waqf* system is the lack of standardization in its administration. There are significant variations in the rules and regulations governing *waqf* endowments in different countries and regions, and this can create confusion and inefficiencies in the management of endowments. To address this issue, some countries have sought to establish standardized rules and regulations for the management of *waqf* endowments, with the aim of promoting greater efficiency and effectiveness. There are concerns about the limited investment opportunities for *waqf* endowments, which can limit their ability to generate income and grow over time. In response to this concern, some countries have explored innovative investment models that allow *waqf* endowments to invest in a wider range of asset classes, with the aim of generating greater returns and ensuring the long-term sustainability of the endowments.

In addition to regulatory reforms, there have also been efforts to explore innovative investment models for *waqf* endowments in order to generate greater returns and ensure their long-term sustainability. One example of this is the *waqf* fund established by the Islamic Development Bank (IDB), which invests in a range of asset classes including real estate, private equity, and infrastructure.

The *waqf* fund has been successful in generating significant returns for its investors and has been cited as an example of how innovative investment models can be used to promote the sustainability of *waqf* endowments. The reforms implemented in countries such as Turkey and Malaysia demonstrate the potential for regulatory and investment reforms to promote greater transparency, efficiency, and effectiveness in the management of *waqf* endowments. By addressing the challenges associated with the administration of *waqf* endowments, these reforms have the potential to ensure the continued success of the *waqf* system in supporting charitable, religious, and philanthropic causes in the Muslim world. There have been various examples of countries that have implemented reforms to the *waqf* system in order to address the challenges associated with its administration. One example is Turkey, where the government has established the General Directorate of Foundations (GDF) to oversee the management of *waqf* endowments. The GDF is responsible for regulating the formation, administration, and liquidation of *waqf* endowments, with the aim of promoting greater transparency and accountability in the management of endowments. Another example is Malaysia, where the government has established the Federal Territory Islamic Religious Council (MAIWP) to manage the *waqf* endowments in the country's capital, Kuala Lumpur. The MAIWP is responsible for regulating the formation and management of *waqf* endowments, as well as overseeing the distribution of funds to charitable and philanthropic causes. The establishment of the MAIWP has been credited with promoting greater transparency and efficiency in the management of *waqf* endowments in Malaysia. In addition to regulatory reforms, there have also been efforts to explore innovative investment models for *waqf* endowments in order to generate greater returns and ensure their long-term sustainability. One example of this is the *waqf* Fund established by the Islamic Development Bank (IDB), which invests in a range of asset classes including real estate, private equity, and infrastructure. The *waqf* Fund has been successful in generating significant returns for its investors and has been cited as an example of how innovative investment models can be used to promote the sustainability of *waqf* endowments. Overall, the reforms implemented in countries such as Turkey and Malaysia demonstrate the potential for regulatory and investment reforms to promote greater transparency, efficiency, and effectiveness in the management of *waqf* endowments. By addressing the challenges associated with the administration of *waqf* endowments, these reforms have the potential to ensure the continued success of the *waqf* system in supporting charitable, religious, and philanthropic causes in the Muslim world.

5. EMPIRICAL RESEARCH

Waqf Origins and Development among Muslims

The original religious *waqf* in the annals of Islam is the mosque of Quba' in Madinah, which was constructed during the sojourn of the Prophet Muhammad, peace be upon him. It currently occupies the same location but has been expanded and reconstructed. The Quba' was succeeded by the Prophet's (peace be upon him) mosque in the heart of Madinah six months later. Real estate and mosques that are exclusively utilized to generate funds for the upkeep and operational costs of mosques are classified as religious *waqf* (Kahf, 1999). Reportedly, a grove of 600 date palms became the first *waqf* during Muhammad's time, after the Hijrah. Feeding the impoverished of Medina was the intended purpose of this *waqf* (Khan, 2020).

According to Baqutayan *et al.* (2018), in ancient times, countries would dedicate their assets as *waqf*, transforming them into sanctuaries of worship. In those times, the concept of *waqf* extended beyond just religious sites. Ramessesmple, one of the rulers of Nubia, under the fourth Ramesses, designated a piece of his land as a *waqf*. According to his Will, the income generated from this land was to be used annually to purchase a calf, which would then be sacrificed for the benefit of his soul after his death. The Prophet (Pbuh) established *waqf* during his lifetime. In response to whatever social need that the Prophet (Pbuh) saw, he would either establish a *waqf* to meet that need himself or would urge his followers to do the same. Since the Prophet (Pbuh) established several *waqf*, Muslims were aware of it and even worshipped it during his lifetime. In the early period of Islamic history, when the Islamic state was still in its infancy, the need for Muslims to be financially and socially united arose.

To meet these demands, the prophet and his associates toiled tirelessly to discover a means of obtaining funds The Quran contains several passages that emphasize the need of collaboration and mutual reliance among Muslims.

From what we can gather from one narrative, Umar Ibn Al-Khattab reportedly came to Muhammad seeking his counsel after acquiring property in Khaybar. 'If you want, make the property inalienable and donate the earnings from it to charity.' Muhammad offered this advice. It continues by saying that Umar distributed it as an act of charity, promising that the land would not be sold, bequeathed, or given. The destitute, his family, the slaves, the jihadists, the tourists, and the visitors were all recipients of his generous gift. It will not be considered a crime if the person in charge of it eats part of the harvest in a responsible way or gives it to a friend who doesn't make money off of it (Cairo n.d., no. 784.)

Cash Waqf

The act of giving an amount of money from one's own possessions for the purpose of contributing to the general welfare of society or to particular causes is referred to as cash *waqf*. In a similar vein, it is a term that describes the allocation of money to profitable sectors of the economy in proportions that are predetermined for the aim of promoting social welfare. The act of entrusting cash to a *waqf* trustee who is permitted to do so is referred to as cash *waqf*. The primary goal of cash *waqf* is to ensure that the primary amount is preserved for the benefit of the beneficiaries. It is also known that cash *waqf* is one of the financial strategies that were created by Muslim jurists for the growth of *waqf* holdings all over the globe because of its widespread use (Iman & Mohammad, 2014). Cash *waqf* refers to charitable endowments that are created with monetary wealth. What sets them apart from typical real estate endowments is the specific kind of capital they own, known as corpus, which consists of cash. In contrast, the inventory of the property *waqf*s consists of real estate properties (Ab. Aziz, 2013).

Implementing cash *waqf* can contribute to the reform of the existing institutional setup and their networking relationship across the country (Chowdhury *et al.* 2011). This would enhance their performance in efficiently and effectively managing *waqf* affairs and systems, aligning with Shariah guidelines. The policy dimensions at both micro and macro levels would be integrated with the diverse objectives of innovation and development in *waqf* management systems. The importance of *waqf* for socioeconomic development lies in its ability to establish and cultivate a distinct third sector that is separate from the profit-driven private sector and the authority-driven public sector (Kahf, 1999). This third sector is responsible for carrying out a set of tasks that are better accomplished due to their inherent nature. The third sector is dedicated to education, health, and social and environmental welfare. Moreover, it has the capability to provide defence services and public utilities in several cases.

Waqf *Management*

According to Islamic law, the property that is given as a donation must be overseen and controlled by the authorised authorities who are responsible for managing the benefits of the *waqf* property. This ensures that the benefits are directed to the legitimate beneficiaries. In Islam, an individual who is designated to oversee and administer a *waqf* property in the capacity of a trustee is referred to as a "al-Mutawalli". The primary responsibilities of a trustee include the stewardship, conservation, and enhancement of the given property, as well as the collection and equitable distribution of *waqf* revenue to deserving beneficiaries. Additionally, trustees are entrusted with safeguarding the land from any potential loss or damage, in accordance with the donor's intentions. Iman and Mohammad (2014) stated that the administration of *waqf* necessitates three essential resources: people, finances, and property or assets. The *waqf* institutions need individuals with a suitable educational background who has professional training and certification programmes. Appropriate funds are required in a timely manner. The property or asset in this context refers to both the actual and intangible assets of *waqf* institutions. Effective and efficient administration is essential for the success of cash *waqf*. An important aspect that should be highlighted in this study is the comprehensive overhaul of *waqf* management, particularly in regard to investments, with the aim of improving efficiency and reducing corruption among the Nadzir (Khamis & Salleh, 2018).

In Malaysia, the *waqf* property is an important part of trust property that is included under Schedule Nine, List II, in the State List. This relevant point is included in the corresponding state legislation. The State Religious Council or Majlis Agama Islam Negeri (MAIN) is responsible for the management and administration of all *waqf* land, regardless of whether it is moveable or immovable property (Baharuddin, 1998, pp.94-98). Although the state law includes a *waqf* allocation, it does not account for everything. It focuses mainly on the administrative aspects of *waqf* donation, and the straightforward processes involved in doing so. In order to guarantee that *waqf* institutions in Malaysia can provide the best possible service to stakeholders and achieve successful management, it is essential for its leaders to implement appropriate procedures and adhere to ethical standards (Mohd Sharip & Awang, 2022). Therefore, professional and efficient administration is essential for the good functioning of *waqf* (Siti & Marhanum, 2018). The State Islamic Religious Council (MAIN) is the exclusive trustee of all *waqf*s in certain states in Malaysia, including general *waqf*s, special *waqf*s, general nazr, and all types of charitable trusts aimed at supporting and advancing the religion of Islam or benefiting Muslims. These trusts must adhere to *Sharīʻah* law (Aimi *et al.*, 2019). In addition to this, MAIN is also a casting in the commercial development of the money that Muslims have. The management, collecting, and pay-out modules are the three components that make up the *waqf* management system that has been submitted for consideration.

While SIRCs have the legal authority to manage *waqf* in every region in Malaysia, they also delegate this responsibility to other recognized organizations that function as mutawalli (*waqf* managers) for handling *waqf* on behalf of SIRCs. This involves the creation of subsidiary organizations of SIRCs, such as the Perbadanan Wakaf Selangor (PWS) under the State Islamic Religious Council of Selangor (MAIS) and the Pusat Wakaf MAIWP Sdn Bhd under the State Islamic Religious Council of Federal Territory (MAIWP). (Kamaruddin *et al.,* 2018.) In addition, there are additional institutions that SIRCs have granted authorization to oversee *waqf* despite the fact that they are outside the supervision of the SIRCs. The entities included in this category are Waqaf An-Nur Corporation Berhad (WANCorp), Awqaf Holding Berhad (AWQAF), public universities, and certain Islamic charitable organizations in Malaysia (Kamaruddin *et al.,* 2018).

Waqf *Institutions in Malaysia*

Malaysian policymakers have acknowledged *waqf*'s economic significance. The government's specific allocations in the 9th and 10th Malaysia Plans demonstrate this (Kamarubahrin *et al.*, 2019). Majlis Agama Islam, often known as the State Islamic Religious Council (SIRC), is entrusted with the responsibility of overseeing Islamic religious issues in Malaysia such as zakat and *waqf* funds. Currently, there are a total of 14 SIRCs in Malaysia (Kamaruddin, 2024). With the exception of *Shariah* law and the administration of justice, which are the purview of the muftis and *Shariah* courts, the SIRC is tasked with advising the Head of Islamic Religion on all topics pertaining to Islam. Additionally, SIRCs oversee Islamic wealth, including zakat, *waqf*, *baitulmal*, and other similar assets. At present, fourteen SIRCs can be found in Malaysia. According to Schedule 9, List 2, List of specifies, which specifies that states are authorized to oversee the collection of *zakat fitrah*, *baitulmal*, or comparable Islamic monies, each SIRC is constituted based on this provision of the Federal Constitution (Mahadi *et al*., 2018).

Furthermore, according to Kamaruddin *et al.* (2018) in Section 25 of the Civil Law Act 1956, the management of a Muslim's assets must adhere to Islamic law, making *Shariah* the ruling legal framework for Muslim property, including *waqf*. Despite variations in administration and management, the organizational chart structure is essentially identical across all states (Norzilan, 2018). The monitoring and reporting practices of these *waqf* institutions have also been impacted (Kamaruddin, 2024). Each state is governed by a state monarch or Sultan, and the *waqf* institution is managed by Majlis Agama Islam Negeri (MAIN) (Norzilan, 2018). Figure 1 below shows the details of *waqf* governance structure in Malaysia. There isn't yet a national standard for *waqf* governance procedures in Malaysia. Nevertheless, Association of Islamic Banking and Financial Institutions Malaysia (AIBIM) has announced related to the *waqf* governance in 2017 and it is called as Code of Governance and Transparency for *waqf* Fund (Kamaruddin, 2021).

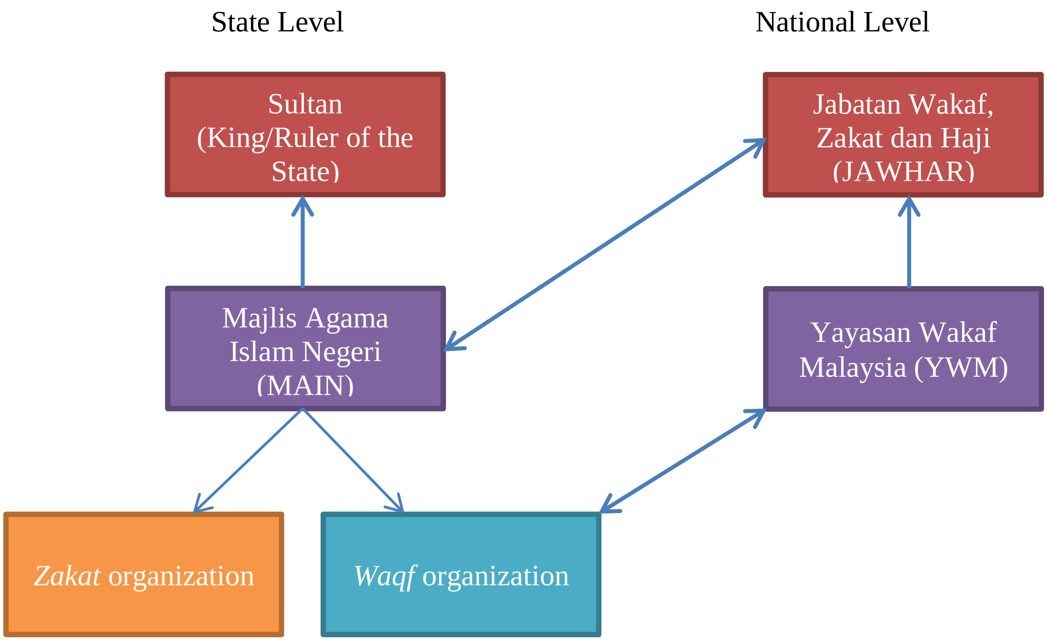

FIGURE 1: THE *WAQF* GOVERNANCE STRUCTURE IN MALAYSIA
Sources: Norzilan, 2018

Challenges Waqf

The formation of *waqf* is entirely discretionary with the intention of serving a specific purpose. The execution of the intended programme mostly relies on volunteer participation to reduce poverty. The administration of *waqf* in Malaysia is confronted with many issues regarding inefficiencies in the management of *waqf* assets. The bulk of these assets need to be properly exploited, which ultimately hinders the achievement of intended outcomes. This has the potential to be one of the issues (Mohd Ali *et al*. 2014). The current state of *waqf* institutions is, without a doubt, below acceptable levels. One may say with some degree of accuracy that there has been a catastrophic collapse of *waqf* in many different regions. Firstly, a significant obstacle is the need for more availability of financial resources. Financial considerations are crucial when it comes to developing assets and *waqf* assets. The insufficient financial resources have resulted in the cancellation of several proposed development initiatives. JAWHAR received several proposals for a high intensity *waqf* development to be constructed from the MAIN (Abd. Jalil, 2020). The scarcity of finances is a longstanding problem for the estate of *waqf* assets. Furthermore, the administration of *waqf* institutions lacks any kind of reporting or transparency to the public (Kamaruddin, 2024**)**. This demonstrates that the administration of *waqf* institutions believed that by discussing and submitting all financial data to their relevant authorities, they fulfilled their obligation to be accountable. This explains why the *waqf* organizations in Malaysia have inadequate *waqf* reporting and transparency policies. Lastly is management efficiency. According to Abd. Jalil (2020), the *waqf* funds were not handled appropriately, and the project design needed to be established with sufficient care. In addition, they discovered that there is a lack of effective coordination between the board of trustees within the *waqf* and the individual trustees of the *waqf*. As a result, there are a number of ramifications, and proposals are being suggested in order to address the issues.

Waqf *Reformation*

Over the course of this age, the *waqf* has seen a considerable fall. The jobless are no longer able to find employment in Muslim nations, and there is no longer a place for someone to seek sanctuary. Those who make decisions or those in positions of authority need to take certain steps in order for the *waqf* to regain an appeal it once had. An important issue related to *waqf* is the lack of effectiveness and improper handling of its assets. A substantial number of *waqf* properties are currently not being fully utilized or have been abandoned, resulting in considerable economic losses. Corruption and lack of accountability can worsen the issue, leading to the improper distribution of resources. According to Baqutayan, (2018), it is essential to examine the regulations governing the administration of *waqf*, as well as the investment of its assets. Efforts to reinvigorate the *waqf* investment procedures enhance bank funding via growth, development, recovery, and augmentation. The secrecy of *waqf* money must be guaranteed.

6. DISCUSSION

Waqf has faced widespread efforts to eliminate it - regrettably, the adversaries of *waqf* have managed to convince the authorities to revoke *waqf* and its authority over many philanthropic assets in several Muslim nations. To get a comprehensive understanding of *waqf* and its significance in Islam, we will explore the historical background of *waqf* in the Islamic world, the factors contributing to its decline, the endorsement of *waqf*, and the need for its reform.

Establishing a *waqf* is considered a virtuous act of spending in the way of Allah, which is highly rewarded. As a result, *waqf* has had a significant presence in Islamic history and in all regions inhabited by Muslims. There is a *waqf* institution present in every nation within the Islamic world, spanning from West Africa to the Philippines, wherever there is a well-established Muslim community. *waqf* saw a rapid and significant growth in the years that followed the Prophet. The *waqf* endowment rapidly became a prominent feature in several facets of Islamic communal life, including the religious, social, cultural, scientific, economic, and political domains. The *waqf* system held immense significance in Ottoman society, to the extent that the following statement accurately reflects its vital importance: "As a result of the flourishing *waqf*s during the Ottoman Empire, an individual would have been born into a *waqf* household, slept in a *waqf* cradle, consumed food and drink from *waqf* properties, studied *waqf* books, received education in a *waqf* school, earned a salary from a *waqf* administration, and upon death, been laid to rest in a *waqf* cemetery." Furthermore, during the Roman era, the government designated a civil official to supervise the implementation of the *waqf*. Similarly, in the *Jahiliya* period, the Arabs had designated places of worship and temples where they deposited the gifts presented to them, which were later used as *waqf*. *waqf* was established during the Prophet's lifetime. Whenever the Prophet saw a need in his community, he would either address it by establishing a *waqf* or motivate his followers to address it by the establishment of a *waqf*. Therefore, Muslims were aware of *waqf* and held it in high regard throughout the Prophet's lifetime, since the Prophet himself established several *waqf*.

The philanthropic *waqf* originated with the Prophet Muhammad. In his testament, Mukhairiq, a Jewish man, specified that upon his death, Muhammad would inherit his seven orchards in Madinah. In the fourth year of the Hijrah calendar, the man died, and the Prophet took control of the orchards and designated them as a charitable endowment (*waqf*). Since the Prophet's first instruction on *waqf* and its advantages, his followers have consistently devoted their attention and resources to it. Islamic history and the Muslim-inhabited globe demonstrate the longstanding significance of *waqf* as an integral aspect of the Islamic way of life and a commendable virtue to be imitated. This is 'Umar when he acquired property in Khaybar. He approached the Prophet and inquired about what he should do with it. The Prophet recommended him to designate it as a "*waqf*", meaning that he could either preserve it in its original state or use the income generated from it for charitable purposes. Indeed, almost all of the prophet's associates have established *waqf*. All the companions of the Messenger of Allah, including those from the people of Badr, immigrants, and supporters, have dedicated a portion of their earnings as *waqf*. This *waqf* cannot be sold or inherited and will remain in place until Allah inherits the earth and everything on it. Islamic culture has been significantly influenced by several Islamic *waqf*s throughout diverse domains.

In order to make a *waqf*, it is necessary to comprehend the dual advantage it offers in both the present life and the eternal hereafter. *waqf* is based on the concept of continually growing and enhancing one's recompense in the Hereafter. Therefore, as the level of belief and desire diminishes among the population, the motivation for *waqf* likewise diminishes. In the later centuries, there was a general decrease in the inclination to donate *waqf* from a spiritual standpoint. Therefore, *waqf* decreased in popularity, along with other forms of charity contributions and acts. The principles of supply and demand are applicable to the concept of *waqf*. During the early centuries, there was a significant need for investment in the advancement of knowledge and exploration. A multitude of academics, entrepreneurs, and intellectuals offered exceptional investment ideas. These needs stimulated the production side, leading to the establishment of Awqaf to provide support for such causes. As innovation, creativity, and intellectual inquiry declined and fell, the demand and attractiveness of allocating cash to these causes decreased.

The sector suffered from a lack of efficient administrative processes for managing *waqf* and providing services, resulting in inadequate sector administration. During the 19th Century, several authorities insisted on conducting a comprehensive examination of every *waqf* papers. *waqf* boards and trustees were often provided with a maximum of 40 days to adhere to the directive and provide the authentic *waqf* papers, or else risk the confiscation of *waqf* assets, revocation of *waqf* status, and entrusting the property to state control. Although the existence of *waqf* was well known among the community, many of the related records have been destroyed over the ages. As a result, the ownership of *waqf* properties typically depended on witness testimony rather than written evidence. This lack of proof is not unexpected considering the long duration of these Awqaf. Furthermore, a significant portion of the court decisions in this particular field of law remained unrecorded, resulting in a scarcity of written proof. Consequently, in one decisive action, several *waqf* funds, which had been managed for generations, were abolished. *Waqf* resources were not effectively handled, and the project's preparation was not meticulously executed in previous research. Additionally, they discovered that the coordination between a single *waqf* trustee and the other administrators of the *waqf* is weak.

During its peak, *waqf* played an integral role in the structure of Muslim society. There was a *waqf* to meet every conceivable need, and they were vital in supporting entrepreneurial and scientific endeavours. There was no need to provide education to Muslims on the role and advantages of *waqf*, since they already saw *waqf* as a tangible and practical concept. Nevertheless, since the notion of *waqf* ceased to be actively practiced by the early to mid-twentieth century, Muslims lost a concrete illustration of the essence of *waqf* and its potential to bring about societal transformation. Consequently, this resulted in a detrimental loop of increased apathy and ignorance about the notion. In order to restore the notion of *waqf* in their everyday lives, Muslims must once again experience and perceive it, therefore reversing the current trend.

Although the current study provides valuable insights and recommendations, especially on the practical implications for *waqf* institutions and related authorities, it also has certain limitations. This refers to the main area of research, which is focused on the *waqf* institutions that operate under SIRCs. Hence, it is recommended that future study include a broader range of *waqf* institutions, including private *waqf* institutions, university-affiliated *waqf* institutions, and other organisations involved in *waqf* operations. Furthermore, while the sample size encompasses all pertinent stakeholders engaged in the formulation of *waqf* reporting standards, it would be advantageous for future research to use methodologies such as focus group discussions. These discussions may include various experts, academics, and those involved with *waqf* to discuss issues that affect these Islamic organisations.

Based on the data, there are several potential implications and suggestions. It is crucial for the authority to implement well-established standard *waqf* reporting standards in order to improve *waqf* reporting processes. Furthermore, it is vital for *waqf* administration to possess an elevated comprehension of the significance of *waqf* reporting and disclosure to augment standards of accountability and transparency. For example, the operation of cash *waqf* requires a skilled and knowledgeable fund manager to supervise the administration of the *waqf* fund. Moreover, it is essential to recognise and provide federal authority, particularly in relation to *waqf* affairs such as JAWHAR, the responsibility of supervising and controlling the operational procedures of *waqf* institutions. This is crucial for establishing a system that maintains checks and balances. It is crucial for each state authority to cooperate with the federal authority and jointly promote and facilitate the execution of *waqf* reporting processes in Malaysia. In addition, it is essential for *waqf* institutions to hire skilled professionals, namely those with proficiency in report compilation, in order to guarantee the successful execution of efficient *waqf* reporting procedures. Addressing the issues of transparency and accountability may be achieved by swiftly providing public access to *waqf* financial data. *waqf* institutions are urged to fulfil their responsibilities towards their *waqf* stakeholders by providing crucial information on the impact and effectiveness of their *waqf* initiatives.

The materials offered emphasise the need of reforming *waqf*. The following are the essential aspects about the need for *waqf* reform. First are regulatory constraints. The legislative limitations impede the development of *waqf*-based products in the field of Islamic finance, specifically in Malaysia. The intricacy stems from the disparity between the profit-oriented character of Islamic banking and the enduring gift principle of *waqf*. This emphasises the need of achieving a harmonious equilibrium between the profit-oriented Islamic banking sector and the charitable essence of *waqf*. Next, it is reconceptualization. Some people want to change the way we think about *waqf* to meet modern needs by adding more assets to what are already known as *waqf* assets. For this, *waqf* needs to be seen as a separate offering with its own character, rather than something that fits into larger ideas like CSR, SDGs, and SRI models for socially responsible investment. The goal is to make *waqf* work better for society as a whole and make the government less reliant on its budget. Lastly is innovative development. The challenge is the feasibility of the Islamic capital market to grow *waqf* assets in a new manner. This includes looking into whether *Sukuk* models can help *waqf* grow, investing in Islamic financial goods, using middle-level institutions, and encouraging *waqf* institutions to follow the best governance practices. The goal of these changes is to make *waqf* management more successful and open to public scrutiny, which should help reduce poverty in Muslim communities.

The necessity for *waqf* reform is emphasised by the difficulties presented by regulatory limitations, the changing requirements of modern finance, and the possibility for inventive growth through the Islamic capital market to guarantee the longevity and efficiency of *waqf* in meeting societal needs. The core principle of the *waqf* philosophy is centred on the development of an individual who has undergone personal transformation in their character, interpersonal connections, associations, and actions. Therefore, its function extends beyond just providing essential services to individuals. It also involves forming their respective affiliations, appraising their relationships, and rationalising their interactions with others. Furthermore, *waqf* provides a sustainable framework for ongoing philanthropy, through the maintenance of *waqf* institutions, safeguarding of *waqf* funds and beneficiaries, investment of its assets, allocation of profits based on endowment conditions and community needs, and the promotion of professional conduct and ethical principles.

7. CONCLUSION

Waqf is a distinctive practice that was established by Islam and has had a notable impact on the social, cultural, and religious progress of Islamic culture throughout history. Historically, the accumulation of a significant number of Awqaf generated substantial wealth for the Muslim community. However, owing to various historical factors, the potential of *waqf* as a valuable instrument for socioeconomic development has largely been disregarded or overlooked. Undoubtedly, as shown in this document, scholars may see the significant impact of *waqf* on the welfare of individuals in several domains of progress, including education, healthcare, and other essential services. However, in contemporary times, the function of *waqf* has seen a substantial reduction. This study delineates the trajectory of *waqf*. The fluctuation of the *waqf*'s fortunes. The structure of *waqf* in Muslim majority nations was profoundly impacted by European colonisation. Muslim governments and leaders who misappropriated *waqf* holdings, together with the poor administration of *waqf*, contributed to its downfall. Therefore, the rebirth of *waqf* necessitates administrations that are capable of effectively managing the finances and restructuring the rules that control *waqf*, while also closely monitoring any challenges and problems that may arise. The primary theoretical consequence of this work is to have a comprehensive understanding of the concept of *waqf*. This work also makes significant contributions to the field of *waqf* research by elucidating the historical development and evolution of *waqf*. Future study should undertake a thorough analysis to provide complete solutions for resolving the challenges encountered by *waqf* organisations.

Good *waqf* governance procedures are seen to improve the accountability and openness of *waqf* institutions, which has societal repercussions. By examining the existing methods of managing *waqf* and identifying the individuals involved in *waqf* institutions, particularly the *waqif*, it becomes possible to assess the overall efficacy and efficiency of these organisations. For example, the code of conduct, standard procedure, and other relevant *waqf* governance reports ensure that *waqf* institutions do not take advantage of the *waqif's* intentions. In addition, robust *waqf* governance systems also guarantee that the misappropriation or exploitation of *waqf* monies provided by the waqif is unlikely to happen. Ultimately, *waqf* has once again assumed a significant position in the Islamic world. Several nations are increasingly considering *waqf* as a means of promoting economic growth by using untapped *waqf* assets for development and generating money. *Waqf* has a direct role in stimulating the economic development of Muslim communities.

Limitation of the Study

One of the primary limitations of this study is the scope of the data collection, which was confined to a specific region and demographic. This geographical limitation may affect the generalizability of the findings to other regions or populations. Additionally, the study relies heavily on self-reported data, which can introduce biases such as social desirability bias and recall bias. The sample size, while adequate for preliminary analysis, may not be sufficient for more complex statistical techniques that could provide deeper insights into the factors influencing *waqf* practices and donor motivations.

Future Research

Future research should aim to expand the geographical scope of data collection to include diverse regions and a broader range of demographics to enhance the generalizability of the findings. Employing mixed methods approaches, including qualitative interviews and focus groups, could provide richer, more nuanced data and help mitigate some of the biases associated with self-reported data. Additionally, increasing the sample size and utilizing more sophisticated statistical analyses could offer more robust insights into the determinants of donor behavior and the effectiveness of various *waqf* models. Exploring longitudinal data could also provide valuable information on trends and changes over time in *waqf* practices and donor motivations.

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KERANGKA MODEL ASNAFPRENUER MELALUI DANA ZAKAT DALAM BENTUK PEMBIAYAAN MIKRO DI INSTITUSI ZAKAT KORPORAT

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ABSTRACT

The corporatisation of *zakat* institutions in Malaysia has caused a change in the *zakat* management system. This change can be seen through the method of *zakat* collection, the total amount of *zakat* collection and the method of *zakat* distribution to the asnaf itself. To help the poor groups and get out of poverty group, *zakat* institutions that have been corporatized step forward by introducing micro-credit *zakat* distribution to the asnaf group. This is the innovation of the distribution in the age of Fintech (financial technology) to ensure that *zakat* distribution is always relevant to the development of the times. This study examines the implementation of microcredit financing by *zakat* institutions that have been corporatized to *asnaf* entrepreneurs involving the Lembaga Zakat Selangor (LZS) and Baitulmal of the Federal Territory Islamic Religious Council (MAIWP). The results of the study show that there is a difference in the allocation of *zakat* distribution through microcredit financing to eligible *asnaf*. In addition, this study also suggests the development of a microcredit financing model for this *asnaf*. This study uses field and library research. The innovation of *zakat* distribution in Malaysia can contribute to improving the small-scale economy in the Muslim community by stimulating a business culture among *asnaf*.

KEYWORDS: CORPORATIZATION, ZAKAT DISTRIBUTION, ISLAMIC MICROCREDIT, LZS, BAITULMAL MAIWP

ABSTRAK

Perkorporatan beberapa institusi zakat di Malaysia telah menyebabkan sistem pengurusan zakat mengalami perubahan. Perubahan ini bukan sahaja dapat dilihat melalui kaedah kutipan dan jumlah kutipan tetapi juga kaedah pengagihan zakat kepada asnaf itu sendiri. Bagi membantu golongan fakir dan miskin keluar daripada kelompok kemiskinan, institusi zakat yang telah dikorporatkan melangkah kehadapan dengan memperkenalkan pengagihan zakat secara mikro kredit kepada golongan asnaf. Ini merupakan inovasi dalam agihan di zaman Fintech (teknologi kewangan) untuk memastikan pengagihan zakat sentiasa relevan dengan perkembangan zaman. Jesteru itu, kajian ini akan mengkaji pelaksanaan pembiayaan mikro kredit oleh institusi zakat yang telah dikorporatkan kepada usahawan asnaf yang melibatkan Lembaga Zakat Selangor (LZS) dan Baitulmal Majlis Agama Islam Wilayah Persekutuan (MAIWP). Hasil kajian menunjukkan terdapat perbezaan peruntukan agihan zakat melalui pembiayaan mikro kredit kepada asnaf yang layak. Selain itu, kajian ini juga mencadangkan

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pembangunan model pembiayaan mikro kredit kepada asnaf ini. Kajian ini menggunakan kajian lapangan dan perpustakaan. Inovasi pengagihan zakat di Malaysia mampu menyumbang kepada peningkatan ekonomi berskala kecil dalam masyarakat Islam dengan meransangkan budaya berniaga di kalangan asnaf-asnaf yang berminat.

KATA KUNCI: PENGKORPORATAN, AGIHAN ZAKAT, PEMBIAYAAN MIKRO ISLAM, LZS, BAITULMAL MAIWP

1. PENGENALAN

Terdapat pelbagai jenis bentuk agihan zakat kepada asnaf di Malaysia. Di Wilayah Persekutuan sahaja terdapat 29 jenis skim bantuan agihan zakat kepada asnaf dan skim agihan zakat ini pula dipecahkan kepada enam jenis kategori iaitu pembangunan asnaf, tempat tinggal, pendidikan, berdikari dan pembangunan ummah. Di Selangor pula pengagihan zakat dilakukan mengikut kategori lapan asnaf yang merangkumi 56 skim agihan. Tujuan agihan zakat ini dilakukan adalah untuk menolong asnaf-asnaf yang terlibat agar mampu meneruskan kehidupan mereka di samping cuba mengeluarkan asnaf daripada kesusahan dan memenuhi tujuan Maqasid Syariah. Terdapat dalam kalangan asnaf-asnaf yang menerima bantuan zakat dan berusaha memulakan perniagaan secara kecil-kecilan sebagai sumber yang mampu menjana pendapatan mereka di masa hadapan. Mereka ini dipanggil usahawan asnaf. Menurut Mahmood Zuhdi (2003) objektif zakat adalah mewujudkan sebuah masyarakat yang adil dan saksama, menjamin agihan pendapatan yang seimbang, membasmi kemiskinan, menikmati kemakmuran ekonomi secara kolektif dan seterusnya membawa bekalan kehidupan pada hari akhirat kelak. Menurut Rosbi *et al.* (2008) agihan zakat ini yang berbentuk produktif yang bermaksud untuk menjanakan pendapatan secara berterusan.

Aspek agihan zakat merupakan aspek kritikal yang akan menyumbang secara langsung kepada Maqasid Shariah dan *Sustainable Development Goals* (SDGs) itu sendiri. Ini kerana objektif agihan zakat itu sendiri adalah untuk memelihara Maqasid Syariah agar dapat dicapai seterusnya mampu melahirkan masyarakat sejahtera melalui pembangunan mampan dan lestari. Sebagai institusi kewangan sosial Islam utama, institusi berkaitan zakat perlu bertindak pantas dengan menghulurkan bantuan agihan zakat kepada asnaf yang memerlukan bantuan (Mohd Faisol, 2021b) khususnya mereka yang ingin keluar daripada kepompong kemiskinan melalui bidang keusahawanan dan menjadi usahawan asnaf.

Usahawan asnaf merupakan suatu bidang baharu yang sedang diterokai oleh institusi zakat di Malaysia. Usahawan asnaf ialah mereka yang terdiri daripada salah satu daripada lapan kelompok asnaf yang ingin menceburi perniagaan secara bersungguh-sungguh bagi mengeluarkan diri mereka daripada status penerima zakat. Dengan erti kata lain, usahawan asnaf ialah mereka yang berasal daripada penerima zakat mentranformasi diri mereka menjadi pemberi zakat di masa hadapan.

Ada usahawan asnaf yang berjaya menguruskan perniagaan mereka dengan betul dan berjaya. Namun ada juga usahawan yang tidak berjaya dalam perniagaan yang diceburi kerana beberapa factor seperti tiada ilmu perniagaan, tidak bijak menguruskan kewangan, tidak berminat, cepat putus asa, tiada *Business Model Canvas* (BMC), tiada bantuan modal yang mencukupi, tiada dorongan berterusan, tiada ikon atau model usahawan asnaf yang hebat di media sosial dan beberapa lagi. Oleh itu menurut Mohamad Sabri dan Riki (2016) mencadangan agar dikelaskan penerimaan bentuk agihan berdasarkan dua kategori mengikut sejauh mana keperluan asnaf iaitu bagi penerima agihan yang mampu berusaha membaiki taraf hidup dikategorikan sebagai produktif, manakala bagi yang tidak upaya disebabkan lanjut usia, masalah kesihatan, kecacatan dan sebagainya dikategorikan sebagai golongan tidak produktif.

Pembiayaan mikro merupakan pembiayaan untuk perniagaan kecil-kecilan dan jumlah pembiayaan yang ditawarkan adalah antara RM1,000 hingga RM50,000 bagi membiayai sesuatu perniagaan. Ia diberikan bagi tujuan modal pusingan dan pembelian aset untuk perniagaan bukanlah sebagai pembiayaan peribadi.

Jesteru itu, usaha-usaha telah dilakukan oleh institusi zakat khususnya institusi zakat yang telah dikorporatkan seperti LZS dan Baitulmal MAIWP supaya bantuan agihan zakat ini mampu memberi sinar harapan yang sentiasa wujud kepada usahawan asnaf yang serius untuk keluar daripada status golongan penerima zakat sebaliknya ingin menjadi usahawan berjaya supaya mampu menjadi pembayar zakat di masa hadapan.

Selain itu, dengan kewujudan internet telah menjadikan aktiviti pengurusan perniagaan termasuk pengurusan zakat di Malaysia semakin rancak. Kebanyakan organisasi yang terdiri daripada syarikat korporat, kecil dan sederhana mahupun institusi zakat itu sendiri telah melalui proses ledakan teknologi maklumat yang akhirnya telah mempengaruhi pengurusan organisasi mereka (Mohd Faisol, 2014).

2. SOROTAN KAJIAN LEPAS

Golongan asnaf zakat terdiri lapan golongan yang wajib mendapat bantuan zakat seperti yang dijelaskan dalam al-Qur'an iaitu fakir, miskin, 'amil zakat, orang yang cenderung kepada Islam, hamba, orang yang berhutang, orang yang berjihad fisabillah dan ibn sabil (Mohd Faisol, 2021a). Terdapat di kalangan asnaf ini yang berusaha upaya keluar dari kelompok penerima zakat melalui kaedah menceburkan diri dengan menjadi usahawan asnaf. Menurut Ahmad (1976), usahawan dapat dibahagikan kepada dua golongan iaitu usahawan operan dan usahawan responden. Usahawan Operan merupakan usahawan yang dilahirkan melalui dorongan, kemahuan dan kesanggupan untuk menceburi diri dalam sesuatu bidang perniagaan atau perusahaan. Manakala, usahawan responden adalah usahawan yang dilahirkan melalui latihan atau rancangan keusahawanan melalui modal dan ilmu pengurusan. Usahawan Islam pula ditakrifkan sebagai seseorang yang berusaha untuk mencapai keperluan diri dan keluarganya di samping turut berperanan untuk merealisasikan kesejahteraan masyarakat dan dengan usaha ini beliau dapat menafkahkan hartanya ke jalan Allah SWT serta meninggikan agamanya (Yusuf, 2001).

Menurut Mohd Abd Wahab dan Adibah (2008) usahawan asnaf merupakan golongan asnaf dibentuk untuk menjadi seorang usahawan. Golongan ini akan diberi bantuan dan perhatian sepenuhnya oleh pihak-pihak tertentu bagi tujuan tersebut sehingga mampu mengubah taraf hidup asnaf (Maheran & Norhayati, 2019). Majlis Agama Islam Wilayah Persekutuan (MAIWP) di bawah selian Baitulmal MAIWP merupakan salah satu institusi zakat yang menyediakan bantuan modal perniagaan. Baitulmal memainkan peranan yang penting dalam pelaksanaan proses agihan kepada asnaf yang layak berdasarkan kepada jumlah kutipan zakat oleh pihak Pusat Pungutan Zakat (PPZ).

Sehubungan dengan itu, institusi zakat cuba mengtranformasikan golongan asnaf yang produktif supaya menjadi usahawan asnaf dengan memperkenalkan bantuan modal. Menurut Dayang Shobihah *et al*. (2020), Majlis Agama Islam Negeri Sembilan merupakan institusi zakat pertama yang memperkenalkan bantuan modal ini di Malaysia iaitu pada tahun 2004 diikuti oleh institusi zakat lain seperti di Selangor, Wilayah Persekutuan dan Terengganu serta yang terkini adalah Lembaga Zakat Negeri Kedah (LZNK, 2022).

Menurut Farah dan Foyasal (2019), Qard al-Hasan terdiri daripada dua perkataan iaitu Qard iaitu membawa maksud hutang dan al-Hasan iaitu membawa maksud yang baik. Jadi Qard al-Hasan ini merupakan satu kontrak pemberian hutang yang baik. Jesteru itu Mustafa al-Zarqa (1987) dan Yusuf (1984) menyatakan agihan zakat melalui mikro kredit dalam bentuk akad *qard al-hassan* adalah dibenarkan. Pandangan tersebut disokong oleh kajian Habib Ahmad (2004) yang menyatakan skim pembiayaan mikro secara *qardul hasan* telah berjaya membantu golongan petani-petani dan peniaga kecil di Iran. Maka Qard al-Hasan dianggap instrumen yang paling sesuai untuk digunakan bagi pembiayaan mikro kredit (Farah & Foyasal, 2019). Di samping itu, Qard al-Hasan dan Murabahah dianggap kontrak yang boleh digunakan untuk pembiayaan bagi golongan yang mempunyai lebihan wang kepada golongan yang memerlukan modal (Abdulmajeed & Muhammad Shahrul, 2020).

Kajian Nurul Ilyana (2015) pula mendapati beberapa sektor berpotensi dalam pembiayaan ini di Malaysia seperti perniagaan, pertanian, agro, industri, perlautan, pembuatan, kemahiran dan pelajaran. Walaupun begitu, kebanyakan pembiayaan perniagaan tanpa bayaran semula seringkali berlaku kegagalan berbanding pembiayaan mikro (Rosbi Ab.Rahman *et al*., 2008). Kajian oleh Noor Syafinas (2014) mendapati 23% asnaf yang menyertai program Bantuan Jaya Diri di bawah pemantauan Lembaga Zakat Negeri Kedah berjaya keluar daripada kelompok kemiskinan. Ini menunjukan kejayaan yang dicapai oleh asnaf usahawan tidak mencapai suku peratus. Jesteru itu menurut Muhammad Ali (2003), asnaf yang ingin maju dan tidak terus ketinggalan tidak dapat lari daripada kewajipan memperbaharui sikap, minda dan jiwa raga serta menanam semangat keusahawanan.

3. METODOLOGI

Kajian ini menggunakan pendekatan deskriptif kualitatif dan jenis kajian yang digunakan adalah kajian perpustakaan iaitu mengumpul data yang bersesuaian dengan objek penelitian atau pengumpulan data yang bersifat keperpustakaan. Antara bahan yang terlibat dalam pencarian maklumat adalah buku, akhbar, jurnal, majalah asnaf, majalah dewan ekonomi, laporan tahunan institusi zakat negeri dan juga laman sesawang setiap institusi zakat negeri (LZNK, 2024). Kaedah penyelidikan ini memerlukan pengumpulan data berkaitan daripada dokumen tertentu dan menyusun data untuk menganalisis bahan dan memberi kefahaman yang lebih mendalam berkaitan dengan kutipan dan bayaran zakat di Malaysia. Kajian ini juga menggunakan kaedah temu bual ringkas yang dilakukan melalui telefon terhadap wakil daripada institusi zakat negeri tertentu. Kajian ini hanya memfokuskan Lembaga Zakat Selangor (LZS) dan Baitulmal MAIWP.

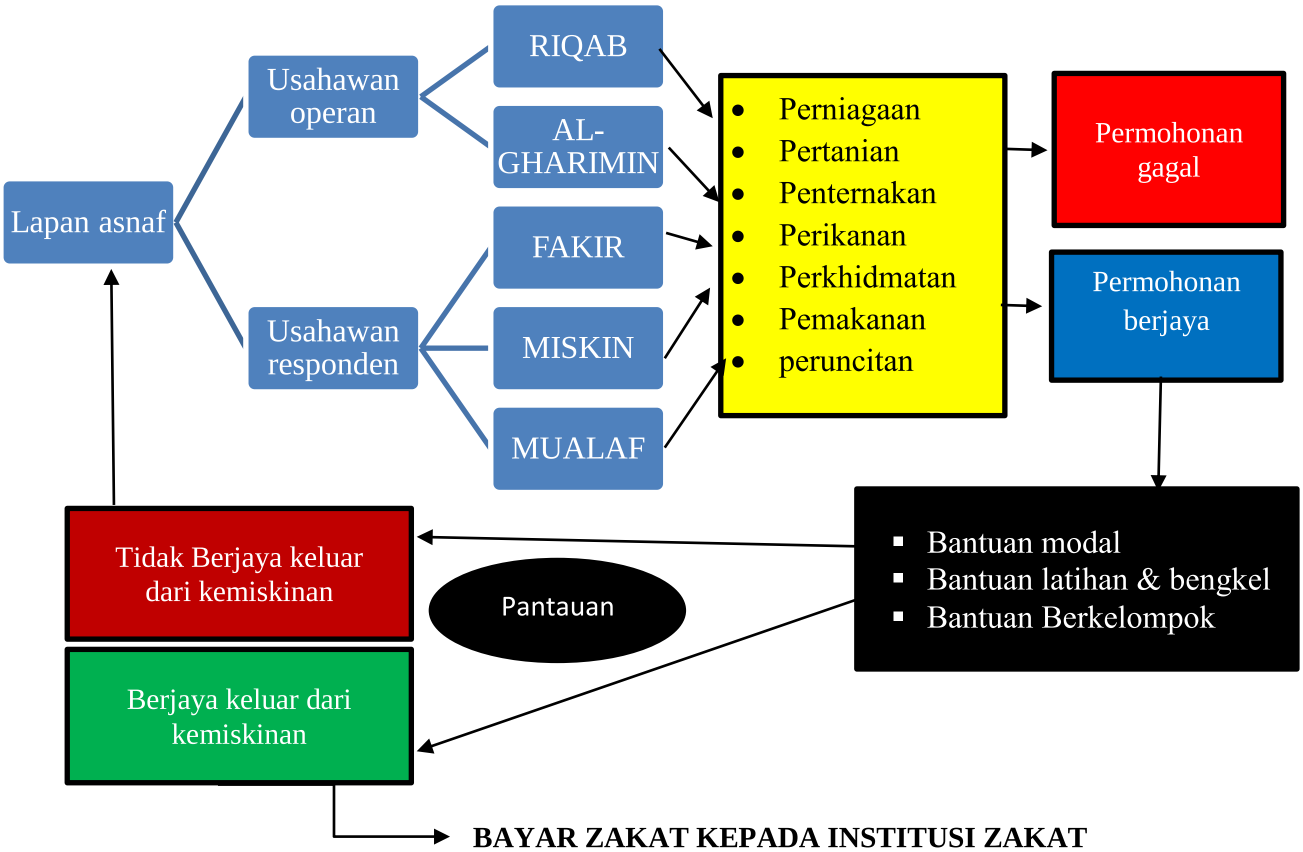
4. HASIL DAN PERBINCANGAN

Model Usahawan Asnaf

Gambar rajah 1 di bawah menunjukkan model usahawan asnaf zakat di Malaysia. Terdapat lapan asnaf yang telah disebut di dalam al-Quran layak menerima zakat. Terdapat lima kelompok atau golongan asnaf yang sesuai untuk memohon bantuan zakat bagi menjadi usahawan asnaf iaitu fakir, miskin, mualaf, *riqab* dan *gharimin*. Golongan ini dibahagikan kepada dua jenis usahawan. Pertama ialah usahawan Operan yang merupakan peniaga yang mendapat dorongan untuk menceburi sesuatu bidang. Manakala yang kedua ialah usahawan responden adalah peniaga yang menceburi bidang itu berdasarkan minat dan kemahuan serta sanggup menerima risiko.

Asnaf fakir, miskin dan mualaf dikategorikan sebagai usahawan responden kerana kesungguhan golongan ini untuk keluar daripada golongan penerima zakat dengan kemahuan yang tinggi serta sanggup menanggung risiko di atas sesuatu bidang perniagaan yang bakal diceburi di samping minat terhadap bisnes. Asnaf riqab dan asnaf gharimin pula dianggap sebagai usahawan operan kerana mereka ini merupakan golongan yang mendapat sokongan dorongan untuk menceburi sesuatu bidang perniagaan. Golongan ini juga mempunyai kehidupan yang lebih baik berbanding golongan fakir, mskin dan mualaf. Mereka ini juga mungkin mempunyai pengalaman dalam perniagaan sebelum ini.

Terdapat enam bidang yang boleh diusahakan oleh usahawan asnaf berdasarkan bantuan zakat yang diberikan iaitu perniagaan, pertanian, perternakan, perikanan, pemakanan dan peruncitan. Bagi permohonan menjadi usahawan asnaf yang berjaya, mereka akan diberikan bantuan sama ada bantuan modal pusingan, bantuan latihan dan bengkel atau bantuan kelompok. Bantuan yang diberikan ini akan pantau oleh institusi zakat supaya mereka tidak tercicir dan fokus kepada bidang yang diceburi. Ada usahawan apabila bantuan diberikan kepada bidang yang diceburi akhirnya mereka berjaya berhijrah daripada menjadi pemberi zakat kepada pembayar zakat dalam suatu tempoh tertentu. Namun ada juga usahawan asnaf yang masih belum lagi menemui kejayaan dan bantuan terpaksa diberikan lagi sehingga suatu tempoh tertentu.



GAMBAR RAJAH 1. MODEL PEMBANGUNAN USAHAWAN ASNAF ZAKAT DI MALAYSIA
Sumber: Para Penulis

Instrumen Syariah

Di dalam kerangka model asnafentreprenuer ini, instrumen wakalah digunakan bagi menyalurkan pembiayaan mikro untuk tujuan bantuan perniagaan kepada asnaf yang berminat. Wakalah ini merupakan dasar pengembalian wang zakat oleh Majlis Agama Islam Negeri (MAIN) kepada entiti yang telah membayar zakat di Pusat Pungutan Zakat-MAIWP untuk diagihkan kepada asnaf yang layak. Konsep Wakalah ini adalah merujuk kepada situasi di mana satu pihak menamakan pihak lain untuk bertindak sebagai wakil bagi dirinya (Ab. Mumin, 1999). Penggunaan insturmen wakalah dalam pembiayaan mikro ini dilihat sebagai kaedah terbaik dalam memberi sejumlah peruntukan dana zakat untuk asnaf terbabit mengembangkan perniagaan mereka di samping entiti terbabit mampu menjadi pendorong ke arah membantu MAIN mengeluarkan asnaf daripada kelompok kemiskinan di Malaysia.

Syarat Kelayakan Usahawan Asnaf di Malaysia

Terdapat lapan asnaf yang disebut di dalam al-Quran layak menerima bantuan zakat dengan syarat-syarat tertentu. Namun tidak semua golongan asnaf yang layak untuk menjadi usahawan asnaf kerana terdapat syarat atau kriteria yang telah ditetapkan oleh intitusi zakat di Malaysia. Terdapat hanya lima golongan asnaf yang sesuai dan layak memohon dana zakat bagi menjadi usahawan asnaf iaitu fakir, miskin, mualaf, riqab dan gharimin. Walaupun begitu terdapat syarat-syarat yang perlu dipenuhi sebelum seseorang asnaf itu mendapat bantuan asnaf zakat. Sebagai contoh di Selangor, Lembaga Zakat Selangor menetapkan bahawa hanya asnaf fakir dan miskin serta mualaf sahaja yang layak memohon untuk menjadi usahawan asnaf. Bagi asnaf baru pemohon mestilah di bawah usia 60 tahun manakala yang ingin mengembangkan perniagaan mestilah tidak lebih 65 tahun. Pemohon ini mestilah komited untuk berniaga dengan meneruskan perniagaan sedia ada atau baru memulakan perniagaan baru. Syarat yang paling penting bisnes yang hendak dijalankan ini mestilah tidak melanggar mana-mana undang dan syariat Islam. Selain itu pemohon usahawan asnaf juga dihantar bagi mengikuti kursus pra bantuan modal bagi memberi maklumat tentang teknik dan kaedah perbelanjaan yang sesuai bagi sesuatu bajet yang diberikan oleh insitusi zakat negeri.

Sektor yang boleh Diceburi

Di Malaysia terdapat banyak sektor yang menyediakan ruang dan peluang untuk memulakan perniagaan tetapi tidak semua sektor sesuai untuk diceburi oleh usahawan asnaf. Oleh itu, di Malaysia, institusi zakat hanya memperuntukkan sektor-sektor tertentu sahaja bagi usahawan asnaf menceburi sesuatu perniagaan. Ini disebabkan pihak institusi zakat telah mengambil kira faktor modal pusingan, faktor keupayaan diri usahawan asnaf, faktor persaingan, faktor margin keuntungan, faktor risiko kegagalan dan kejayaan, faktor harga barangan dan faktor pengalaman asnaf bekerja dan juga faktor keadaan ekonomi yang sentiasa berubah. Jesteru itu sektor-sektor yang dibenarkan oleh institusi zakat kepada usahawan asnaf menceburkan diri sebagai usahawan amat terbatas. Sebagai contoh LZS dan Baitulmal MAIWP hanya membenarkan usahawan asnaf menceburkan diri dalam sektor perniagaan, pertanian, penternakan, peruncitan, perikanan dan pemakanan sahaja.

Jenis Sokongan Bantuan

Institusi zakat negeri khususnya institusi zakat negeri yang dikorporatkan seperti LZS, LZNK dan juga PPZ MAIWP melalui Baitulmal telah mengklasifikasi bahawa terdapat beberapa jenis bantuan sokongan bantuan yang sesuai diperuntukan untuk golongan usahawan asnaf. Sebagai contoh LZS memberikan beberapa jenis bantuan sokongan yang meliputi suntikan modal, latihan dan bengkel dan projek usahawan berkelompok. Selain itu Baitulmal MAIWP pula memperuntukkan jenis sokongan bantuan yang berupa suntikan modal, peralatan dan wang tunai. Jenis bantuan sokongan bantuan yang diberikan kepada golongan asnaf akan dipantau secara berkala agar bantuan sokongan yang diberikan kepada usahawan asnaf dapat dioptimumkan dan dijayakan. Ini juga dapat mengelak isu ketirisan dan pembaziran dalam menguruskan sesebuah perniagaan yang diceburi oleh usahawan asnaf. Bagi memastikan bantuan sokongan ini dapat dimanfaatkan oleh usahawan asnaf, institusi zakat telah mengambil langkah proaktif dengan menjalinkan hubungan dengan institusi luar bagi memberi nilai tambah kepada usahawan asnaf. Ini dapat dilihat apabila pihak LZS menjalinkan kerjasama dengan Institut Latihan Islam Malaysia (ILIM) dan INSPEN agar usahawan asnaf dapat merealisasikan impian mereka untuk menjadi pembayar zakat suatu hari nanti. Begitu juga pihak LZNK menyediakan latihan dan bimbingan keusahawan, program-program berbentuk perniagaan dan kaedah dan selok-belok perniagaan dan pengiklanan serta kursus perekodan mikro kewangan.

Nilai Bantuan Peruntukan

Peruntukan bantuan kepada usahawan asnaf adalah bergantung kepada jenis dan saiz perniagaan yang ingin diceburi. Ada usahawan asnaf yang mendapat peruntukan dengan jumlah yang kecil sahaja dan ada juga yang mendapat peruntukan yang besar. Walaupun peruntukan ini berbeza namun objektif bantuan ini adalah sama iaitu membantu asnaf usahawan berjaya dalam perniagaan yang diceburi seterusnya mampu menjadi pembayar zakat pada suatu hari nanti. Peruntukan yang diberikan kepada usahawan asnaf ada yang bersifat percuma dan ada yang memerlukan komitmen bayaran semula. Sebagai contoh peruntukan yang disediakan oleh LZS berjumlah antara RM1000 hingga RM5000 tidak memerlukan bayaran balik tetapi peruntukan bermula RM5000 hingga RM50 ribu memerlukan bayaran balik. Peruntukan bantuan yang berjumlah RM1000 hingga RM20 ribu yang disediakan oleh Baitulmal MAIWP pula memerlukan usahawan asnaf membayar semula. Terdapat juga bantuan tambahan disediakan sehingga mencecah RM30 ribu. Menurut Abdul Samad dan Mohd Faisol (2015), sumber kewangan yang mencukupi merupakan salah satu strategi peniagaan runcit Muslim berjaya di Malaysia.

Menyediakan Dokumentasi Penting

Dokumentasi penting ini merupakan dokumen-dokumen yang menunjukkan bahawa seseorang asnaf itu mempunyai minat, azam dan keupayaan untuk memulakan sesuatu perniagaan. Melalui dokumen-dokumen ini intitusi zakat dapat menjadikan parameter untuk seseorang asnaf mampu menjadi usahawan asnaf atau sebaliknya. Sebagai contoh, seseorang asnaf yang ingin menjadi usahawan asnaf perlu menyediakan salinan sijil kursus pra kelulusan bantuan modal oleh LZS, pelan rancangan perniagaan, sebut harga barangan atau anggaran, lesen perniagaan jika ada dan juga penyata kewangan perniagaan jika ada.

5. KESIMPULAN

Kesimpulan kajian mendapati usahawan asnaf itu sendiri sebenarnya merupakan suatu produk yang perlu diberi penekanan oleh institusi-institusi zakat di Malaysia dan ianya tidak tertakluk kepada institusi zakat yang dikorporatkan sahaja. Ini kerana kejayaan melahirkan lebih ramai usahawan di kalangan asnaf akan membantu golongan tersebut berdikari sehingga suatu masa tertentu mereka tidak lagi menjadi penerima zakat sebaliknya mereka menjadi penyumbang kepada zakat. Ini secara tidak langsung akan membantu meningkatkan jumlah kutipan zakat itu sendiri. Selain itu, terdapat beberapa bidang yang boleh diceburi oleh usahawan asnaf yang meliputi enam bidang utama ini dan mereka akan dibantu oleh institusi zakat dalam beberapa aspek bagi menjadikan usahawan asnaf berjaya. Ini akan memberi impak yang positif kepada institusi zakat kerana peruntukan yang sepatutnya diberikan kepada usahawan asnaf yang berjaya dapat dipindahkan dan diberikan pula kepada golongan asnaf yang lain yang baharu menceburi bidang usahawan.

Selain itu kejayaan melahirkan ramai usahawan asnaf akan memberi keyakinan kepada asnaf yang lain bahawa mereka mempunyai peluang dan ruang yang luas untuk keluar daripada kelompok asnaf jika mereka betul-betul beriltizam untuk menjadi usahawan asnaf. Namun terdapat limitasi sektor yang boleh diceburi oleh usahawan asnaf zakat. Walaupun peruntukan yang diberikan oleh institusi zakat mungkin tidak mengcukupi atau tidak besar, terdapat agensi-agensi lain yang boleh digunakan dalam pembiayaan mikro kredit Islam ini iaitu seperti TEKUN Nasional dan Amanah Ikhtiar Malaysia (AIM). Jesteru itu pembiayaan mikro kredit secara syariah perlu diwar-warkan supaya golongan asnaf yang berminat boleh dibantu dan diperkasakan. Di samping itu juga bakal usahawan asnaf juga perlu diberi pendedahan asas perniagaan dan pengurusan kewangan serta *Business Model Canvas* agar segala idea dapat direalisasikan secara terurus.

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LJMS LABUAN E-JOURNAL OF MUAMALAT AND SOCIETY

PEMBIAYAAN QARDHUL HASSAN BERASASKAN WAKAF DI SABAH, MALAYSIA

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ABSTRAK

Kajian ini menilai penerimaan pengguna ke atas produk pembiayaan Qardhul Hassan berasaskan wakaf di Sabah, Malaysia. Model kajian ini menggunapakai mekanisma Teori Islam Tingkah Laku Pengguna (*Islamic Theory of Consumer Behavior*, ITCB). Reka bentuk/metodologi/pendekatan dalam kajian berasaskan kaedah kuantitatif dengan saiz sampel berjulah 845 responden. Aplikasi *Statistical Package of Social Science* (SPSS) instrumen analisis data yang digunapakai. Pengumpulan data bermula September hingga November 2023. Dapatan keputusan menunjukkan hubungan yang positif dan signifikan pemboleh ubah tidak bersandar (Nilai Maqasid Syariah, Dasar atau Polisi Hutang Islam, Kewajaran Harga dan Keberagamaan) dengan pemboleh ubah tidak bersandar (Penerimaan). Jurang kajian adalah kajian yang dilaksanakan di lima daerah utama di Sabah: Kota Kinabalu, Ranau, Sandakan, Keningau and Tawau. Implikasi praktikal adalah menggunakan pendekatan Model ITCB sebagai asas dalam membina kerangka kajian untuk tujuan kajian ini. Kajian ini sebagai penanda aras dalam usaha pembangunan dan penyelidikan (R&D) Produk Pembiayaan Berasaskan Wakaf Qardhul Hassan kepada Institusi Wakaf di Sabah. Implikasi Sosial dalam analisis penerimaan pengguna Produk Pembiayaan Berasaskan Wakaf di Sabah, Malaysia memberikan maklumat yang amat bernilai berhubung kecenderungan dan persepsi masyarakat Islam di Sabah terhadap amalan wakaf untuk kemudahan produk pembiayaan berasaskan wakaf Qardhul Hassan dalam usaha membangunkan kekuatan aktiviti seperti sektor ekonomi ummah. Ianya boleh digunakan sebagai teori asas untuk kajian masa depan untuk memperteguh hipotesis sedia ada.

KATA KUNCI: PEMBIAYAAN QARDHUL HASSAN, KEWANGAN SOSIAL ISLAM, WAKAF, PEMBANGUNAN SOSIAL, TINGKAH LAKU PENERIMAAN

ABSTRACT

This study evaluated consumer acceptance of *Qardhul Hassan* Financing Product-based *Waqf* in Sabah, Malaysia. This study model used the mechanism of the Islamic Theory of Consumer Behavior (ITCB). The design/methodology/approach in the study was based on quantitative methods with a sample size of 845 respondents. The Statistical Package of Social Science (SPSS) application was used in this study. Data collection started from September to November 2023. The study carried out in five main districts in Sabah: Kota Kinabalu, Ranau, Sandakan, Keningau, and Tawau. The results showed positive and significant relationships between the independent variables (*Maqasid Shariah* value, Islamic Debt Policy or Policy, Price fairness, and Religiosity) and the dependent variable

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(acceptance). The practical implication of this study is to extend the ITCB model approach as a basis for building a research framework. This study served as a benchmark in the development and research (R&D) of *Qardhul Hassan Waqf*-Based Financing Products for *Waqf* Institutions in Sabah. This study provides valuable information regarding the tendencies and perceptions of the Muslim community in Sabah towards the practice of *waqf* for the convenience of Qardhul Hassan's *waqf*-based financing products in an effort to develop the strength of activities such as the community's economic sector. It can be used as a fundamental knowledge for future studies to improve existing hypotheses.

KEYWORDS: QARDHUL HASSAN FINANCING, ISLAMIC SOCIAL FINANCE, WAQF, SOCIAL DEVELOPMENT, ACCEPTANCE BEHAVIOUR

1. PENDAHULUAN

Fokus kajian penulisan tesis ini adalah kajian penerimaan pengguna ke atas Produk Pembiayaan Qardhul Hassan Berasaskan Wakaf di Sabah, Malaysia. Model kajian ini menggunapakai mekanisma Teori Islam mengenai tingkah laku pengguna (*Islamic Theory of Consumer Behavior*, ITCB) (Amin 2021; Khan, 2014; Kahf, 2003 dan Zarqa, 1980). Secara umumnya, wakaf bukan sahaja merujuk wakaf fizikal semata-mata tetapi ia juga boleh terbahagi kepada wakaf tunai. Sejak di akhir tahun 1990an dan tahun 2000 ke atas inovasi berkaitan produk wakaf membuka satu lembaran baru perkembangan Institusi Wakaf itu sendiri yang lebih dinamik dengan kepelbagaian produk yang secara tidak langsung membuka lebih ruang kepada masyarakat untuk menyumbang untuk berwakaf yang tidak terikat semata-mata wakaf fizikal sahaja. Dari segi sejarah, wakaf menyumbang kepada kebajikan dan pembangunan pendidikan masyarakat Islam. Ia adalah satu model yang terbukti berjaya untuk menyokong institusi kebajikan dan pendidikan masyarakat Islam. Dana wakaf boleh digunakan bagi membiayai pembinaan aset kekal seperti masjid, sekolah, universiti, hospital dan lain-lain institusi amal kemudahan awam dalam bidang pendidikan, penjagaan kesihatan, ibadah dan kerja-kerja kebajikan hingga pembinaan infrastruktur seperti jalan raya, terusan air dan jambatan. Dengan kepelbagaian variasi produk wakaf seperti wakaf tunai maka masyarakat di negeri ini mempunyai peluang pilihan yang luas dan fleksibel untuk menyertai program atau skim-skim wakaf yang ditawarkan tanpa hanya tertumpu terhad kepada wakaf fizikal sahaja. Ini secara tidak langsung merancangkan pembangunan sosioekonomi dalam pelbagai bidang yang berkaitan melalui pendanaan berasaskan wakaf seperti bidang dilapangan aktiviti Dakwah, Kesihatan, Pendidikan, Dana niaga (Qardhul Hassan) dan lain-lain.

Islam telah menyediakan satu mekanisme bagi pengagihan semula kekayaan dalam usaha untuk memastikan pembangunan ekonomi akan dapat dinikmati oleh semua ahli dalam masyarakat (Ab. Rahman, 2009). Mekanisme agihan kekayaan ini mencerminkan kesimbangan sosial berhubung isu kewangan dalam strata sosial dalam pembangunan ekonomi sesebuah masyarakat. Dimensi kewangan sosial Islam ini boleh dibahagikan kepada tiga kaedah asas berikut iaitu melalui aktiviti *Sadaqah* (sumbangan amal), aktiviti zakat dan aktiviti wakaf. Menurut Yusoff (2019), yang menyatakan bahawa dalam konteks Islam iaitu kewangan sosial merujuk kepada penyediaan sumber kewangan kepada ahli masyarakat untuk membina kebajikan sosioekonomi selagi mana ia tidak melanggar batas-batas syarak. Ini selaras hasil dari dana instrumen-instrumen berasaskan kewangan sosial Islam Cizakca (2011), Borhan (2005) dan Salamon (1990), seperti aktiviti zakat, aktiviti sedekah dan aktiviti wakaf boleh menyediakan pelbagai platform untuk pembangunan ummah mengikut garis panduan yang telah ditetapkan syarak dari aspek untuk kesimbangan agihan kekayaan dalam spektrum kepada masyarakat.

Objektif utama kajian ini adalah mengkaji sejauh manakah faktor-faktor yang terdapat dalam Teori Islam Tingkah Laku Pengguna (ITCB) mempengaruhi penerimaan pengguna ke atas pembiayaan Qardhul Hassan berasaskan wakaf. Kajian ini berhasrat untuk menganalisa bagaimana faktor-faktor yang terdapat dalam Teori Islam Tingkah Laku Pengguna (ITCB) seperti Nilai Maqasid Syariah, Dasar atau Polisi Hutang Islam, Kewajaran Harga dan Keberagamaan mempengaruhi penerimaan pengguna ke atas pembiayaan Qardhul Hassan berasaskan wakaf.

Kajian ini dibahagikan kepada beberapa pecahan iaitu menyediakan pengenalan kajian, diikuti dengan tinjauan literatur yang membincangkan teori yang digunakan, hipotesis. Seterusnya, membincangkan kaedah, termasuk pensampelan dan pemprosesan data. Susulan berikutnya, merupakan dapatan kajian, perbincangan dan diikuti dengan implikasi. Kesimpulannya menutup artikel ini.

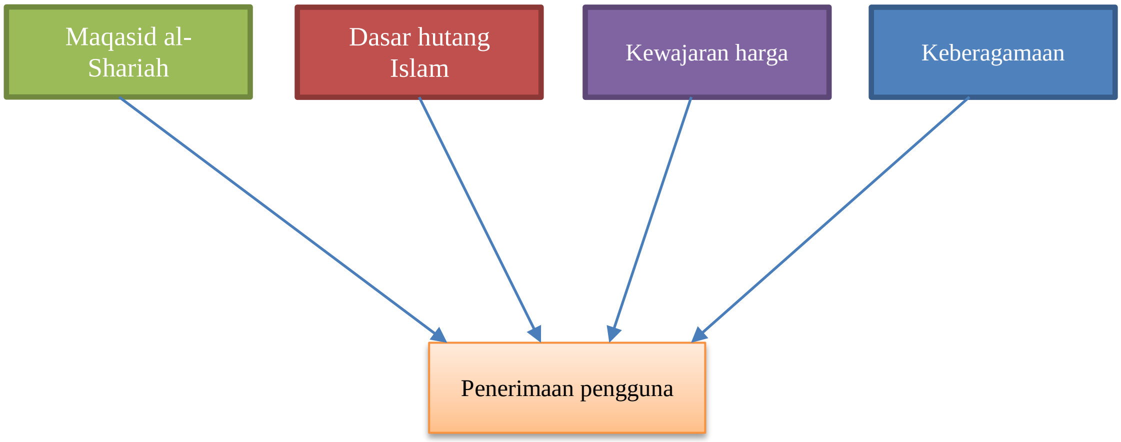
2. SOROTAN LITERATUR

Teori Islam Tingkah Laku Pengguna (ITCB)

Teori Islam Gelagat Pengguna (ITCB) dibangunkan oleh Amin (2019). Ianya merupakan model kajian untuk mengukur gelagat atau tingkah laku pengguna dengan penerapan faktor-faktor yang mengikut pandangan alam Islam yang mempengaruhi sesuatu keputusan penerimaan atau pemilihan ke atas sesuatu produk atau perkhidmatan. Menurut Amin dan Kabir (2022), penekanan model kajian ICTB ia merujuk rangka kerja yang dibangunkan untuk mengkaji pemikiran, perasaan dan tindakan tingkah laku atau gelagat pengguna ke atas barangan atau komoditi halal dan perkhidmatan halal dan sebagainya. Teori ini mula diperkenalkan oleh Khan (1984). Menurut pandangan Kahf (1978) bahawa pilihan sesuatu produk boleh dipengaruhi dua factor iaitu kesan serta merta dan kesan selepas kehidupan dengan mencadanganka kepentingan elemen keagamaan dalam kepenggunaan iaitu sebarang pemilihan sesuatu perkara yang baik ditakrifkan sebagai satu bentuk ibadah mengikut ajaran Islam. Zarqa (1980), turut berpandangan perkara sama dengan Kahf (1978) iaitu mengkaji hubungan di antara kepenggunaan di dunia dan ganjaran atau pahala di akhirat.

Amin (2019), mengulas pandangan Kahf (1978) dan Zarqa (1980) dengan menyatakan bahawa tahap kepenggunaan mesti mencapai kelangsungan hidup yang tidak melampaui batas (*Israf*) atau dalam erti kata lain seperti tidak berlebih-lebih atau membazir dalam aspek kepenggunaan iaitu lebih kesederhanaan. Amin (2019) turut mengulas dengan gabungan kedua-dua kajian tersebut tidak menunjukkan secara jelas teori secara format atau kerangka ke atas kajian tingkah laku kepenggunaan berasaskan ITCB berbanding Naqvi (1981) telah memberi perincian jelas berkaitan dengan ciri-ciri khusus untuk tujuan mengkaji tindakan tingkah laku berkonsepkan teori ITCB yang dibahagikan kepada tiga perkara berikut pertama, kepenggunaan umat Islam adalah terhad kepada produk yang berasaskan ketetapan mengikut syarak. Kedua umat Islam tidak tamak haloba atau rakus dengan setiap barangan. Terakhir, kepenggunaan seseorang Muslim ke atas produk tertentu mempunyai implikasi yang baik kepada orang lain.

Rasional pemakaian teori ITCB adalah kajian ini perlu melihat faktor-faktor elemen keagamaan merujuk ulasan Hamdani *et al.* (2002), menegaskan bahawa dalam tindakan seorang Muslim wujud nikmat kebahagiaan yang menunjukkan perasaan rasa syukur kepada yang Maha Esa. Maka, faktor keagamaan akan mempengaruhi suatu sikap yang kemudiannya disusuli tindakan tingkah laku atau gelagat seperti penerimaan atau pemilihan ke atas sesuatu produk melalui tinjauan soal selidik atau soal jawab yang dikemukakan. Wakaf juga merupakan instrumen kewangan sosial Islam maka faktor elemen agama amat penting dalam mengukur penerimaan masyarakat di negeri ini isu pembiayaan berasaskan wakaf ini suatu instrumen yang terhad dilaksanakan hanya di institusi wakaf di negeri Johor berbanding di negeri-negeri lain di Malaysia termasuk di negeri ini. Method ICTB ini amat bersesuaian untuk mengkaji penerimaan pengguna ke atas produk pembiayaan qardhul Hassan berasaskan wakaf di Sabah, Malaysia, yang turut mengambilkira pengukuran penerimaan tersebut bersandarkan nilai kepenggunaan kerangka Islam. Kerangka Konsep ITCB seperti dalam Rajah 1:



RAJAH 1: KERANGKA KONSEPTUAL
Sumber: Penulis

Wakaf

Menurut Ahmed (2004), wakaf adalah satu bentuk perbuatan sukarela kebajikan yang berada di bawah syarat-syarat umum *Sadaqah* dan *Infaq*. Dari sudut bahasa, *wakaf* bermakna "berdiam diri, jangan bergerak, tidak membiarkan pergi". Menurut Al-Khin (2005), perkataan wakaf berasal daripada kata kerja bahasa Arab "*wakafa*" yang bermaksud menahan (*al-habs*) dan menegah (*al-man*'). Wakaf berperanan sebagai sumber medium pembiayaan Islam kepada masyarakat.

Di samping itu, Ahmed (2007) menyatakan bahawa objektif wakaf termasuk untuk penyediaan perkhidmatan agama, bantuan sosio ekonomi kepada mereka yang memerlukan dan yang miskin, untuk tujuan pendidikan, alam sekitar, sains, dan tujuan-tujuan lain. Dalam konteks *mu'amalat* Islam, "*al-waqf*" sinonim dengan "*al-habs"* yang bermaksud "penahanan", "*al-man"* bererti "larangan" serta "*al-tasbil"* iaitu "menyalurkan pada jalan Allah". Manakala mengikut Mahamood (2006), wakaf berasal dari bahasa Arab *waqf*, iaitu nama terbitan "*masdar*" dari kata kerja *wakafa*. Dari segi bahasa, *waqf* bermakna "berhenti, menegah dan menahan". Manakala menurut istilah syarak, wakaf bermaksud "menahan harta seseorang bagi dimanfaatkan oleh orang lain". Harta yang diwakafkan adalah bersifat kekal dan manfaatnya digunakan oleh pihak lain. Tujuan wakaf adalah untuk mendekatkan diri kepada Allah SWT serta memberi kebajikan kepada pihak lain. Apabila sesuatu harta diisytihar sebagai harta yang diwakafkan, pemilik asal (pewakaf) tidak lagi mempunyai hak milik ke atas harta yang telah diwakafkannya itu.

Qardhul Hassan

Menurut kajian Siti Musyarofah (2015), definisi *al-qardh* dari sudut bahasa ia bermaksud sebagai pinjaman atau hutang manakala *al-hasan* bermaksud baik. Gabungan daripada dua ayat perkataan ini iaitu *al-qardh al-hasan* ia bermaksud pinjaman yang baik. Ahli-ahli fiqh muamalah menggunakan istilah *al-qardh* dalam menjelaskan perkara *al-qardh al-hasan*, ini adalah disebabkan istilah *al-qardh al-hasan* tidak ditemui dalam sorotan literatur fiqh muamalah. Maka, istilah *al-qardh* para ahli fuqaha fiqh muamalah dimaksudkan adalah perkara *al-qardh al-hasan.* Berdasarkan penjelasan Ariffin and Adnan (2012), Qardhul Hasan terdiri daripada dua perkataan iaitu *al-Qradh* dan *al-hasan. al-Qradh* adalah dikaitkan dengan perkataan "*qirat*" yang bermaksud memotong. Dikatakan demikian, kerana menerapkan Qardh bererti bahawa akan ada pemotongan sebahagian daripada harta pemberi pinjaman dengan memberikan pinjaman kepada peminjam. Manakala, perkataan *al-hasan* adalah bermaksud yang memberi manfaat kepada orang lain. Di samping itu, dalam sistem kewangan sosial Islam platform qardhul Hassan ini juga merupakan salah satu platform instrumen untuk membantu golongan yang memerlukan dari sudut kewajaran keadilan sosial dari aspek dengan memberi pinjaman tanpa riba. Pandangan sama turut dikemukakan oleh Che Man *et al.* (2015), Islam merupakan agama syumul yang turut memberi perhatian terhadap permasalahan ekonomi ummah khususnya berkaitan kemiskinan dan kekurangan sumber pendapatan. Permasalahan ini dilihat boleh diatasi dengan pelbagai mekanisme seperti zakat, sedekah wakaf dan kaedah bantuan pinjaman (Qard al-Hasan).

Hypothesis

Nilai Maqasid Syariah

Syariah Islam bertujuan untuk memberikan kebaikan, kesejahteraan dan kemaslahatan kepada seluruh umat manusia. Objektif atau Maqasid Hukum Islam adalah untuk menjaga kepentingan dan keperluan manusia di dunia dan akhirat serta dalam kajian Nor Muhamad *et al.* (2015) menyenaraikan beberapa aspek berikut merujuk Maqasid Syariah dalam pengurusan wakaf iaitu aspek pembangunan ekonomi, hubungan sosial, pemilikan harta orang Islam dan tolong menolong (*Ta'awun*) dalam Islam. Secara umumnya, kepentingan elemen nilai maqasid syariah untuk komponen dalam teori ITCB merupakan antara faktor atau elemen utama dari sudut keutamaan syarak selaras dengan ketetapan syariat Islam sebelum sesuatu tindakan tingkah laku atau gelagat yang membentuk sikap untuk penerimaan atau pemilihan sesuatu kepenggunaan produk dan ini selari dengan ulasan Naqvi (1981) dan Khan (2014) yang menyatakan terdapat keperluan maqasid syariah dalam semua jenis kepenggunaan atau pelaburan. Dapatan kajian gelagat pengguna ke atas pemilihan Pembiayaan Perumahan berkonsepkan *ijarah* oleh Amin (2019), menunjukkan wujud hubungan signifikan di antara gelagat pengguna dengan faktor pemboleh ubah tidak bersandar Maqasid Syariah untuk pemilihan dan penggunaan ke atas perkhidmatan tersebut. Dusuki dan Bouheraoua (2011), menyatakan meneliti kerangka maqasid Syariah dan implikasinya terhadap kewangan Islam dan ini merujuk kepentingan intrumen pembiayaan Qardhul Hassan berasaskan wakaf yang merupakan salah satu cabang kewangan Islam untuk memperkasakan pembangunan sosioekonomi umat Islam di sektor Industri Kecil dan Sederhana (IKS) dan negara amnya. Oleh itu, hipotesis berikut diketengahkan:

> H_1: Nilai Maqasid mempunyai hubungan yang positif dan signifikan untuk penerimaan pengguna ke atas pembiayaan Qardhul Hassan berasaskan wakaf.

Dasar atau Polisi Hutang Islam

Islam merupakan agama yang syumul dan bersifat universal yakni lengkap dalam pelbagai aspek disiplin kehidupan. Menurut Mohd Aslam (2020), beliau menyatakan bahawa bagi seorang Muslim, bimbingan Islam ini mencukupi semua keperluannya kerana Islam sudah mengatur kehidupan manusia dengan lengkap yang meliputi aspek akidah, ibadat, akhlak, ekonomi, politik, kemasyarakatan, kesihatan, kebudayaan, bahasa, seni, pengetahuan, hubungan antarabangsa, alam sekitar, falsafah, sains, undang-undang dan sebagainya. Ayat al-Quran berikut menyatakan bahawa Islam sebagai agama yang menyeluruh:

"Dan kami tidak mengutuskan kamu melainkan kepada umat manusia seluruhnya sebagai pembawa berita dan sebagai pemberi peringatan."

(Surah Saba', 34:28)

"Kami turunkan kepadamu Al-Quran menjelaskan tiap-tiap sesuatu dan menjadi hidayah petunjuk, serta membawa rahmat dan berita yang mengembirakan, bagi orang-orang Islam."

(Surah Nahl, 16:89)

Institusi Kewangan Islam (IFIs) seperti perbankan Islam harus menyediakan amalan yang baik terhadap penghutang dan tidak seharusnya mengambil kesempatan (Beekun & Badawi, 2005). Menurut Akhyar (2009), pihak pemiutang perlu meminta atau mengutip hutang daripada penghutang dengan cara berperikemanusiaan yang digalakkan dalam Islam. Contohnya, mengambil kira situasi semasa yang dihadapi penghutang sebagai contoh impak pendemik Covid-19 atau musibah bencana alam dengan memberi kelonggaran atau moratarium kepada penghutang untuk bayaran balik pembiayaan tersebut. Sejajar dengan ulasan Amin (2019) bahawa praktis Dasar Hutang Islam adalah menarik untuk dilaksanakan kepada institusi perbankan atau kewangan Islam jika dibandingkan dasar konvensional sedia ada dan ini secara tidak langsung untuk penambahbaikan serta lebih berdaya saing. Namun, kajian ilmiah berkaitan Dasar Hutang Islam sebelum ini adalah terhad berkaitan pembiayaan Islam sedia ada (Hamid & Masood, 2011; Abdul-Razak & Md-Taib, 2011) berbanding beberapa kajian baharu sudah mula membincangkan Dasar Hutang Islam ini sebagai faktor gelagat pengguna untuk penerimaan sesuatu pembiayaan seperti yang dijalankan oleh Amin, (2021) iaitu dalam kajian pelaksanaan asas Indeks Maqasid Syariah beliau, Bank Islam Malaysia Berhad, Maybank Islamic dan CIMB adalah bank pertama yang dikenalpasti mempunyai amalan Dasar Hutang Islam yang baik dan unggul.

Sorotan kajian lalu menunjukkan wujud hubungan yang signifikan gelagat pengguna dengan faktor Dasar Hutang Islam bagi pertimbangan tindakan keputusan untuk pemilihan dan penerimaan ke atas sesuatu perkhidmatan dan produk yang ditawarkan sepertimana kajian oleh Amin (2021). Dapatan hasil kajian awal sebelum ini adalah konsisten yang membincangkan peranan yang boleh dimainkan dengan Dasar Hutang Islam yang menjadi faktor gelagat atau penerimaan kepada individu atau pengguna yang berpotensi dalam usaha ke arah permintaan perkhidmatan atau produk pembiayaan yang lebih baik (Muneeza *et al*. 2011). Maka, hipotesis berikut adalah dicadangkan:

> H_2: Dasar atau Polisi Hutang Islam mempunyai hubungan yang positif dan signifikan untuk penerimaan pengguna ke atas pembiayaan Qardhul Hassan berasaskan wakaf.

Kewajaran Harga

Komponen pemboleh ubah tidak bersandar yang turut disenaraikan dalam model ITCB untuk kajian ini adalah pemboleh ubah kewajaran harga yang merujuk penetapan caj atau upah yang dikenakan untuk perkhidmatan pembiayaan qardhul Hassan berasaskan wakaf. Melalui pemboleh ubah tidak bersandar ini, penilaian penerimaan responden ke atas kewajaran harga mekanisma yang bersesuaian untuk diterapkan dalam perkhidmatan pembiayaan qardhul Hassan berasaskan wakaf ini selari dengan kos-kos pengurusan yang berkaitan. Jika dilihat beberapa produk pembiayaan yang menggunapakai caj atau upah (*Ujrah*) perkhidmatan adalah seperti pembiayaan pengajian tinggi melalui Perbadanan Tabung Pengajian Tinggi Nasional (PTPTN) yang berkonsepkan *Ujrah* (upah). Ujrah merujuk kepada bayaran kewangan bagi penggunaan perkhidmatan atau manfaat. Namun, kajian berkaitan pembiayaan qardhul Hassan berasaskan dana wakaf adalah terhad jika ingin melihat hubungan gelagat pengguna dengan aspek kewajaran harga (*Pricing*) menggunapakai konsep *ujrah* ke atas pembiayaan yang ditawarkan tetapi dalam kajian ini boleh mengambil contoh dapatan kajian seperti pembiayaan perumahan Islam hubungan pengguna dengan aspek kewajaran harga berkonsepkan *Bay bithaman ajil (BBA), Musharakah mutanaqisah, Ijarah Muntahia bi al-Tambik* atau *Tawarruq* (Amin, 2021).

Menurut Ebert dan Griffin (1998), menyatakan bahawa penetapan harga dalam produk pembiayaan peribadi Islam merujuk kepada tindakan institusi kewangan Islam atau Bank Islam dalam memilih dengan kesesuaian harga untuk menjual produk pembiayaan dengan mencapai keseimbangan antara bank dan kepentingan pelanggan dalam erti kata lain penetapan Kewajaran Harga. Institusi kewangan Islam menggunapakai kaedah perkongsian untung rugi untuk menggenakan bayaran atau caj perkhidmatan untuk transaksi perkhidmatan kewangan (Olson & Zoubi, 2008). Konsep faedah keadah muamalat yang di larang dalam syariat Islam tetapi konsep perkongsian untung rugi dibenarkan dan konsep bayaran tertunda dan komisen pembiayaan perdagangan yang dibenarkan dalam model perbankan Islam (Amin *et al.*, 2011). Menurut Amin (2019), menyatakan bahawa penetapan Kewajaran Harga merupakan salah satu penentu tindakan tingkah laku untuk penerimaan sesuatu produk pembiayaan yang menunjukkan hubungan yang signifikan dan positif. Sehubungan dengan itu, cadangan hipotesis adalah seperti berikut:

> H_3: Kewajaran Harga mempunyai hubungan yang positif dan signifikan untuk penerimaan pengguna ke atas pembiayaan Qardhul Hassan berasaskan wakaf.

Keberagamaan

Pemboleh ubah tidak bersandar terakhir dalam teori ITCB adalah pemboleh ubah Keberagamaan atau keimanan. Iman menurut bahasa ialah *al-tasdiq* yang bermaksud membenarkan. Majoriti ilmuan Islam seperti al-Asfahani (1992) dan al-Tabari (1992) sependapat bahawa pengertian *al-tasdiq* iaitu makna iman dari segi bahasa ialah membenarkan. Menurut kajian Mas'od (2012) merujuk Tafsir al-Azhar oleh Hamka (1984), iman diumpamakan oleh al-Quran sebagai tanah yang subur. Sedangkan kekufuran dan kesyirikan adalah tanah yang gersang. Di atas tanah yang subur inilah lahirnya tamadun yang kukuh dan teguh bagi mencapai kebahagian di dunia dan di akhirat dengan syarat ia dibina atas keimanan, ketakwaan dan amal soleh. Sebagaimana firman Allah SWT:

> "Dan negeri yang baik (tanahnya), tanaman-tanamannya tumbuh (subur) dengan izin Allah; dan negeri yang tidak baik (tanahnya) tidak tumbuh tanamannya melainkan dengan keadaan bantut. Demikianlah Kami menerangkan tanda-tanda (kemurahan dan kekuasaan) Kami dengan berbagai cara bagi orang-orang yang (mahu) bersyukur"
>
> (Surah al-A'raf, 07:58)

Rukun Islam terdiri enam perkara rukun asas atau fundemental dalam Islam sepertimana Sabda Rasulullah SAW dalam sebuah hadis yang bermaksud:

> "Dari Abu Hurairah berkata; bahwa Nabi SAW pada suatu hari muncul kepada para sahabat, lalu datang Malaikat Jibril 'Alaihis Salam yang kemudian bertanya: "Apakah iman itu?" Nabi SAW menjawab: "Iman adalah kamu beriman kepada Allah, malaikat-malaikat Nya, kitab-kitab Nya, pertemuan dengan Nya, Rasul-Rasul Nya, dan kamu beriman kepada hari berbangkit". (Jibril 'Alaihis salam) berkata: "Apakah Islam itu?" Jawab Rasulullah SAW "Islam adalah kamu menyembah Allah dan tidak menyekutukannya dengan suatu apapun, kamu dirikan shalat, kamu tunaikan zakat yang diwajibkan, dan berpuasa di bulan Ramadlan". (Jibril 'Alaihis salam) berkata: "Apakah ihsan itu?" Nabi SAW menjawab: "Kamu menyembah Allah seolah-olah melihat-Nya dan bila kamu tidak melihat-Nya sesungguhnya Dia melihatmu"
>
> (HR al-Bukhari)

Menurut ulasan Mustafa (2009), hadis di atas berkaitan Rukun Iman ini adalah hadis ini mempunyai nilai yang tinggi di dalam Islam kerana ia meliputi segala urusan ibadah yang zahir dan yang batin. Ia menjangkau dari urusan keimanan dan amal perbuatan anggota fizikal seperti lidah, tangan dan kaki, sehingga perkara yang melibatkan urusan keikhlasan hati dan batin manusia yang perlu diperhatikan agar amal perbuatan dan ibadah yang dilakukan mencapai matlamat untuk mendapatkan keredhaan Allah SWT, sepertimana dengan firman Allah SWT yang bermaksud:

> "Dia lah yang menjalankan kamu di darat dan di laut (dengan diberi kemudahan menggunakan berbagai jenis kenderaan); sehingga apabila kamu berada di dalam bahtera, dan bahtera itu pula bergerak laju membawa penumpang-penumpangnya dengan tiupan angin yang baik, dan mereka pun bersukacita dengannya; tiba-tiba datanglah kepadanya angin ribut yang kencang, dan mereka pula didatangi ombak menimpa dari segala penjuru, serta mereka percaya bahawa mereka diliputi oleh bahaya; pada saat itu mereka semua berdoa kepada Allah dengan mengikhlaskan kepercayaan mereka kepadanya semata-mata (sambil merayu dengan berkata): "Demi sesungguhnya! jika Engkau (Ya Allah) selamatkan kami dari bahaya ini, kami tetap menjadi orang-orang yang bersyukur"
>
> (Surah Yunus, 10: 22)

Masroom *et al*. (2013). merujuk kajian mereka iaitu Iman, Islam dan Ihsan: Kaitannya dengan Kesihatan Jiwa yang menerangkan bahawa Rukun Iman menjadi dasar akidah atau kepercayaan orang

Islam yang di atas dasar-dasar inilah dilaksanakan amal dan ibadah. Ini kerana, ulama-ulama hadis dan feqh seperti Imam Malik, Imam Syafie dan Imam Ahmad telah mentakrifkan iman sebagai "…pembenaran dengan hati, ikrar dengan lidah dan beramal dengan sekelian rukun." (Mustafa, 2009). Menurut Kahf (1978) dan Amin *et al*. (2021), menyatakan bahawa faktor keagamaan (Iman) boleh mempengaruhi kepenggunaan ke atas barang (product) dan perkhidmatan sebagaimana yang dibenarkan dalam syariat Islam. Selari dengan pandangan Sulaiman (2003) yang menyatakan bahawa masyarakat Islam dipengaruhi oleh pandangan alam atau dunia Islam berlandaskan Syariah Islam yang ditetapkan. Amin *et al*. (2021), turut menjelaskan sesebuah institusi kewangan Islam perlu berpegang kepada prinsip, nilai dan matlamat muamalat Islam dalam usaha menawarkan perkhidmatan atau kemudahan pembiayaan peribadi secara Islam, dengan kepatuhan nilai-nilai prinsip muamalat Islam tersebut maka semakin besarlah kemungkinan pengguna tersebut untuk melanggan produk intrumen pembiayaan atau pembiayaan peribadi Islam. Hujahan ini turut disokong hasil dapatan kajian terdahulu yang dilaksanakan di United Kingdom (UK) kepada 300 responden orang Islam yang didapati bahawa alasan faktor keagamaan atau keimanan merupakan motovasi utama untuk berurusan dengan institusi kewangan Islam (Omer, 1992).

Dapatlah disimpulkan bahawa faktor pemboleh ubah Keberagamaan atau keimanan merupakan faktor yang boleh mempengaruhi ke atas penerimaan pengguna ke atas produk pembiayaan Qardhul Hassan berasaskan wakaf, dan instrumen wakaf itu sendiri adalah salah satu elemen ibadah dalam syariat Islam yang menjadi salah satu "*tools*" sistem kewangan sosial Islam dalam usaha merapatkan hubungan jurang antara golongan berada dengan golongan kurang kemampuan untuk meningkatkan sosioekonomi ummah dalam rantaian strata ketamadunan masyarakat itu sendiri yang bersendikan asas-asas kewangan Islam. Elemen ibadah bab berkaitan elemen wakaf yang dirakamkan dalam al-Quran yang bermaksud:

> "Tidaklah engkau diwajibkan (wahai Muhammad) menjadiKan mereka (yang kafir) mendapat petunjuk (kerana kewajipanmu hanya menyampaikan petunjuk), akan tetapi Allah jualah yang memberi petunjuk (dengan memberi taufik) kepada sesiapa yang dikehendakinya (menurut undang-undang peraturanNya). Dan apa jua harta yang halal yang kamu belanjakan (pada jalan Allah) maka (faedahnya dan pahalanya) adalah untuk diri kamu sendiri dan kamu pula tidaklah mendermakan sesuatu melainkan kerana menuntut keredaan Allah dan apa jua yang kamu dermakan dari harta yang halal, akan disempurnakan (balasan pahalanya) kepada kamu, dan (balasan baik) kamu (itu pula) tidak dikurangkan."
>
> (Surah al-Baqarah, 2:272)

Oleh yang demikian, cadangan hipotesis adalah seperti berikut:

> H_4: Keberagamaan mempunyai hubungan yang positif dan signifikan untuk penerimaan pengguna ke atas pembiayaan Qardhul Hassan berasaskan wakaf.

3. METODOLOGI KAJIAN

Strategi Kajian

Kajian yang dijalankan merupakan kajian jenis kuantitatif. Menurut Hopkins (2008), kajian kuantitatif bertujuan untuk menentukan hubungan antara dua pemboleh ubah yang terdiri daripada angkubah bersandar dan angkubah tidak bersandar. Kajian ini dilaksanakan dengan menggunakan pendekatan kajian ini berasaskan model Teori Islam Gelagat Pengguna (*Islamic Theory of Consumer Behavior*, ITCB) (Amin, 2019; Khan, 1984; Zarqa, 1980; Muneeza *et al*., 2011) dengan memasukkan angkubah elemen-elemen Islamik untuk tujuan pengukuran pengaruh tingkah laku penerimaan pengguna ke atas produk pembiayaan Qardhul Hassan dana yang berasaskan wakaf di Sabah, Malaysia seperti pemboleh ubah Nilai Maqasid, Dasar atau Polisi Hutang Islam, Kewajaran Harga (kadar upah "ujrah" atau kadar caj perkhidmatan) dan Keberagamaan.

Lokasi kajian yang dipilih adalah kawasan daerah utama di Sabah iaitu daerah Kota Kinabalu, Ranau, Sandakan, Keningau dan Tawau dengan sasaran responden berjumlah 1000 orang responden terdiri dari golongan akademik, penjawat awam, swasta, peniaga, pelajar institusi pengajian tinggi dan orang perseorangan. Sasaran minimum borang soal selidik dikembalikan daripada jumlah keseluruhan borang soal selidik yang diedar adalah sebanyak 80% borang tetapi jika ia melebihi dari sasaran maka ia adalah lebih baik untuk digunakan dalam kajian ini. Jadual 1, merupakan perincian pecahan daerah kajian:

JADUAL 1: PECAHAN RESPONDEN MENGIKUT LOKASI

Bil.	**Lokasi**	**Populasi**	**Peratus**	**Sasaran Responden**
1.	Tawau	372,462	24.06%	200
2.	Sandakan	439,050	28.36%	250
3.	Kota Kinabalu	500,425	32.33%	300
4.	Ranau	85,077	5.50%	100
5.	Keningau	150,927	9.75%	150
Total		1,547,941	100%	1000

Sumber: Department of Statistics Malaysia (DOSM), 2020

Seramai 845 orang responden (85 peratus) telah memberikan kerjasama dengan menjawab dan mengembalikan borang soal selidik daripada sejumlah 1000 borang soal selidik yang telah diedarkan. Sasaran kajian dalam pemilihan responden adalah meliputi sekitar daerah Kota Kinabalu, Ranau, Keningau, Sandakan dan Tawau yang terdiri daripada pelbagai peringkat latar belakang iaitu jantina, umur, bangsa, pekerjaan, pendidikan dan pendapatan. Jadual 2 memperincikan jumlah responden mengikut peringkat latar belakang seperti yang dinyatakan. Comrey dan Lee (1992) menetapkan garis panduan untuk saiz sampel sebagai 50 sangat lemah, 100 sebagai miskin, 300 sebagai baik, 500 sebagai sangat baik, dan 1000 sebagai cemerlang. Di samping itu, keperluan minimum untuk saiz sampel ialah mempunyai sekurang-kurangnya lima peserta setiap pemboleh ubah atau item, namun saiz sampel yang lebih boleh diterima ialah mempunyai sekurang-kurangnya sepuluh peserta setiap pemboleh ubah iaitu nisbah 10:1 (Hair *et al*., 2013).

JADUAL 2: PECAHAN LATAR BELAKANG DEMOGRAFI RESPONDEN

Pemboleh ubah demografi	Kategori	Kekerapan (*f*)	Peratus (%)
Jantina	Lelaki	417	49.30
	Wanita	428	50.70
Umur	20-29	303	35.90
	30-39	212	25.10
	40-49	144	17.00
	50 dan ke atas	186	22.00
Bangsa	Melayu	183	21.66
	Cina	8	0.95
	Bumiputra Sabah	648	76.69
	Bumiputra Sarawak	6	0.71
Pekerjaan	Industri berkaitan perkhidmatan kewangan	42	4.97
	Industri berkaitan minyak dan gas	12	1.42
	Ahli Perniagaan	44	5.21
	Penjawat awam	351	41.54
	Pekerja jualan / perkhidmatan	84	9.94
	Bekerja sendiri	89	10.53
	Suri Rumah	20	2.37
	Lain-Lain	203	24.02
Tahap Pendidikan	SPM/CERTIFICATE	75	8.88
	STPM/DIPLOMA	168	19.88
	Sarjana muda	445	52.66
	Sarjana dan ke atas	157	18.58
Pendapatan Bulanan	RM1,000.00 ke bawah	214	25.30
	RM1,000.00-RM2,000.00	179	21.20
	RM3,000.00-RM4,000.00	193	22.80
	RM5,000.00 ke atas	259	30.70
Jumlah		**845**	**100.00**

Sumber: Penulis

Kaedah Pengumpulan Data

Comrey dan Lee (1992) menetapkan garis panduan untuk saiz sampel sebagai 50 sangat lemah, 100 sebagai miskin, 300 sebagai baik, 500 sebagai sangat baik, dan 1000 sebagai cemerlang. Dalam kajian ini, sasaran responden adalah 1000 orang yang dipilih menggunakan kaedah mengikut pecahan daerah utama di negeri ini iaitu Kota Kinabalu, Ranau, Keningau dan Tawau dengan mengikut nisbah bilangan penduduk. Menurut Hair *et al.* (2013), keperluan minimum untuk saiz sampel ialah mempunyai sekurang-kurangnya lima peserta setiap pembolehubah/item, namun saiz sampel yang lebih boleh diterima ialah mempunyai sekurang-kurangnya sepuluh peserta setiap pemboleh ubah (iaitu nisbah 10:1). Manakala, Sekaran dan Bougie (2010) menyatakan bahawa saiz sampel yang besar boleh menjadi sangat sukar dan mencadangkan agar 384 sebagai peraturan biasa untuk saiz sampel. Sekaran dan Bougie (2010) berpendapat bahawa saiz sampel amat dipengaruhi oleh kos dan kekangan masa. Di samping itu, menurut Hair *et al.* (2013), peraturan umum untuk menentukan saiz sampel adalah mesti ada sekurang-kurangnya lima (5) pemerhatian untuk satu pemboleh ubah bebas. Standard untuk saiz sampel yang sesuai digunakan dalam kajian ini ditentukan berdasarkan Hair *et. al*. (2013), yakni keperluan minimum untuk saiz sampel adalah sekurang-kurangnya lima peserta bagi setiap pemboleh ubah item. Jumlah item untuk mengukur semua pemboleh ubah dalam kajian ini adalah 24 item soal selidik yang menjadikan jumlah sampel yang disasarkan adalah seramai 1000 responden. Dalam kajian ini, semua pengumpulan data dibuat melalui pengedaran borang soal selidik. Borang soal selidik kajian ini telah dibangunkan berdasarkan kajian-kajian lepas dari pelbagai konteks yang berbeza. Borang soal selidik untuk kajian ini dirangka berdasarkan kajian-kajian berkaitan seperti kajian daripada Muneeza *et al.* (2011) dan Amin *et al.* (2011). Borang soal selidik kajian ini dibahagikan kepada sembilan bahagian, iaitu bahagian A, B, C, D dan E. Ukuran skor adalah berdasarkan skala Likert (*Likert scale*) dengan nilai "1 - Paling Tidak Setuju" hingga "5 - Paling Setuju"

Kaedah Analisis Data

Aplikasi atau perisian yang digunapakai untuk analisis data adalah perisian *Statistical Package for Social Sciences* (SPSS) 29. SPSS dipilih kerana fleksibilitinya untuk mengendalikan pelbagai sumber data yang diperoleh dan pelarasan data mudah dibuat untuk penukaran dan analisis (Pallant, 2005; Sekaran dan Bougie, 2010). Analisis dilakukan bagi menentukan faktor yang sesuai untuk dimasukkan ke dalam regresi berganda bagi kajian penerimaan pengguna ke atas produk pembiayaan Qardhul Hassan berasaskan wakaf di Sabah berdasarkan borang soal selidik yang diedarkan. Proses pengumpulan data ini juga mengambil kira latarbelakang tahap pencapaian akademik sebagai salah satu kriteria untuk menilai kefahaman mereka berkaitan kajian yang dijalankan. Pecahan analisis yang dibincangkan meliputi latar belakang demografi, Analisis Faktor, Analisis Kebolehpercayaan, Analisis Korelasi dan Analisis Regresi Berganda.

4. DAPATAN KAJIAN

Analisis Faktor

Berdasarkan Jadual 3, dapatan keputusan daripada analisi faktor hubungan pemboleh ubah ITCB terdiri 24 item soalan yang di uji menunjukkan bahawa bacaan bagi nilai KMO adalah 0.931 dan ini menunjukkan menepati andaian bacaan perlu melebihi minimum nilai 0.5. Manakala, nilai bacaan *Barlett's Test of Sphericity* adalah 24624.827 dan ujian ke atas analisis faktor ke atas pemboleh ubah ITCB adalah signifikan dengan nilai bacaan yang diperolehi bernilai 0.001. Di samping itu, nilai Item Muatan Faktor atau dalam nilai dapatan pengujian *Rotated Component Matrix* menunjukan melebihi minima bacaan 0.3 dengan nilai bacaan Muatan Faktor antara 0.633 sehingga 0.853 dan ini jelas menunjukkan pengujian ke atas item model ITCB (F1 sehingga F4) menepati syarat andaian yang ditetapkan (Hair *et al*., 2013). Bacaan Nilai Eigen Faktor menunjukkan bacaan di atas satu (1) sehingga empat (4) item soalan dengan bacaan di atas nilai satu (1) dengan masing-masing bacaan 13.762, 2.508, 1.206 dan 1.184, ini adalah dianggap signifikan atau penting. Manakala nilai Eigen bermula item 5 sehingga 24 soalan yang di uji adalah dibawah satu (1). Bacaan Nilai Komunaliti Pemboleh ubah untuk ke semua pemboleh ubah dan item soalan menunjukkan bacaan yang melebihi aras andaian minimum yang ditetapkan (Hair *et al*., 2013) iaitu bacaan di atas nilai 0.50 dengan nilai bacaan bermula 0.610 (61 peratus) bagi pemboleh ubah DPHI1 sehingga 0.884 (88.4 peratus) KW2. Ini jelas menunjukkan semakin besar nilai komunaliti sesuatu pemboleh ubah maka semakin erat hubungannya dengan pemboleh ubah yang terbentuk (Santoso, 2011).

JADUAL 3: FAKTOR ANALISIS

Faktor 1: Nilai Maqasid Syariah	**F1**	**F2**	**F3**	**F4**
MS1	0.746			
MS2	0.738			
MS3	0.741			
MS4	0.731			
MS5	0.708			
MS6	0.735			
Faktor 2: Dasar atau Polisi Hutang Islam				
DPHI1		0.678		
DPHI2		0.757		
DPHI3		0.812		
DPHI4		0.767		
DPHI5		0.782		
DPHI6		0.775		
DPHI7		0.756		
Faktor 3: Kewajaran Harga				
KW2			0.842	
KW1			0.853	
KW5			0.712	
KW6			0.676	
KW3			0.769	
KW4			0.734	
Faktor 4: Keberagamaan				
K1				0.657
K2				0.702
K3				0.738
K4				0.795
K5				0.633
% of Variance	57.343	10.448	5.023	4.934
Nilai Eigen Faktor	13.762	2.508	1.206	1.184
Kaiser-Meyer-Olkin (KMO) *Measure of Sampling Adequacy*	.931			
Barlett's Test of Sphericity	24624.827			
Df	276			
Sig.	.001			

Sumber: Penulis

Analisis Kebolehpercayaan

Hair *et al*. (2013) menyatakan analisis keboleh percayaan adalah merupakan ukuran tahap konsisten antara pelbagai ukuran pembolehubah. Dalam kajian ini, nilai *Cronbach's Alpha* digunakan untuk mengenalpasti tahap keboleh percayaan bagi setiap bahagian atau seksyen di dalam borang soal selidik yang diedarkan. Sekaran dan Bougie (2010) berpendapat bahawa ukuran nilai alpha menghampiri 1.0 menunjukkan tahap tertinggi kebolehpercayaan konsisten. Nilai yang kurang dari 0.6 dianggap ukuran keboleh percayaan yang lemah, nilai 0.7 dianggap boleh diterima, dan nilai 0.8 dan ke atas adalah dianggap sesuai.

JADUAL 4: ANALISIS KEBOLEHPERCAYAAN

Pembolehubah	Bilangan item	Nilai
Nilai Maqasid Syariah	6	0.962
Dasar atau Polisi Hutang Islam	7	0.929
Kewajaran Harga	6	0.928
Keberagamaan	5	0.921
Penerimaan	5	0.968

Sumber: Penulis

Merujuk kepada Jadual 4, kesemua pemboleh ubah mempunyai nilai *Cronbach's Alpha* melebihi 0.8, iaitu menghampiri nilai 1.0, yang menunjukkan bahawa tahap keboleh percayaan pemboleh ubah yang digunakan dalam kajian ini adalah tinggi. Pemboleh ubah Penerimaan yang merupakan pemboleh ubah bersandar dan terdiri lima soalan yang mencatatkan Nilai *Cronbach's Alpha* tertinggi dengan bacaan 0.968. Kemudian diikuti sepuluh pemboleh ubah tidak bersandar iaitu pemboleh ubah Nilai Maqasid Syariah dalam bacaan 0.962 yang terdiri enam soalan. Bagi pemboleh ubah Dasar atau Polisi Hutang Islam mencatatkan bacaan 0.929 dan item soalan berjumlah tujuh soalan. Pemboleh ubah Kewajaran Harga dengan bacaan nilai 0.928, yang terdiri enam soalan. Di samping itu, Pemboleh ubah Faktor Keberagamaan dengan bacaan 0.921 yang terdiri enam item soalan.

Analisis Korelasi

Pallant (2005) menyatakan bahawa Pekali Korelasi Pearson (*Pearson Correlation Coefficient*) boleh diguna untuk menerangkan hubungan antara dua pembolehubah. Pekali Korelasi Pearson mempunyai nilai di antara -1.00 dan +1.00, dengan nilai +1.00 menunjukkan hubungan kolerasi positif sempurna manakala nilai -1.00 menunjukkan hubungan kolerasi negatif sempurna antara kedua-dua pembolehubah. Nilai koefisien korelasi 0.00 pula menandakan tidak ada hubungan di antara dua pemboleh ubah tersebut atau tiada hubungan linear di antara keduanya. Menurut Cohen (1988), nilai korelasi yang lemah adalah r = 0.10 hingga 0.29 atau r = -0.10 hingga -0.29; nilai korelasi medium adalah r = 0.30 hingga 0.49 atau r = -0.10 hingga -0.29; manakala nilai r = 0.50 hingga 1.0 atau r = -0.50 hingga -1.0 menunjukkan nilai korelasi yang kuat.

JADUAL 5: ANALISIS KORELASI

Pembolehubah	1	2	3	4	5
Nilai Maqasid Syariah	1				
Dasar atau Polisi Hutang Islam	.737**	1			
Kewajaran Harga	.656**	.518**	1		
Keberagamaan	.743**	.665**	.731**	1	
Penerimaan	.592**	.539**	.625**	.625**	1

Sumber: Penulis

Jadual 5, menunjukkan kesemua pemboleh ubah tidak bersandar mempunyai hubungan positif untuk penerimaan pembiayaan Qardhul Hassan berasaskan wakaf yang mencatatkan korelasi yang signifikan pada tahap 0.01 *(2-tailed)*, dalam julat 0.539 hingga 0.625 ($p < 0.01$). Terdapat dua (2) pemboleh ubah tidak bersandar yang mencatatkan bacaan julat nilai r = 0.6 ke atas seperti Kewajaran Harga dan Keberagamaan masing-masing mencatatkan bacaan julat yang sama iaitu ($r = 0.625$, $p < 0.01$). Manakala, bacaan nilai julat terendah adalah pemboleh ubah Dasar atau Polisi Hutang Islam dengan masing-masing dan ($r = 0.539$, $p < 0.01$). Manakala, Nilai Maqasid Syariah mencatatkan nilai ($r = 0.592$, $p < 0.01$). Analisis nilai korelasi bagi empat (4) pemboleh ubah tidak bersandar tersebut adalah signifikan dan positif dengan nilai korelasi yang kuat dengan nilai r = 0.5 hingga 1 dengan hubungan pemboleh ubah Penerimaan (pemboleh ubah bersandar) dalam kajian ini.

Analisis Regresi Berganda

Selaras dengan dapatan Kutner *et al.* (2004), kajian ini menggunakan teknik Analisis Regresi Berganda untuk mengkaji hubungan dan pengaruh antara beberapa pemboleh ubah tidak bersandar terhadap pemboleh ubah bersandar. Hair *et al.* (2013) menyatakan kaedah analisis Regresi Berganda ialah teknik statistik yang membenarkan penyelidik mengkaji hubungan antara pemboleh ubah bersandar dan beberapa pemboleh ubah tidak bersandar. Selain itu, Analisis Regresi Berganda digunakan untuk situasi di mana lebih daripada satu pemboleh ubah bebas dihipotesiskan untuk mempengaruhi satu pemboleh ubah bersandar atau variannya (Sekaran & Bougie, 2010).

Hair *et al*. (2013) turut menyatakan bahawa regresi berganda untuk meramal dan menjelaskan pemboleh ubah bersandar sebagai tindak balas kepada perubahan dalam pemboleh ubah tidak bersandar. Dalam kajian ini, Analisis Regresi Berganda digunakan untuk menilai hubungan antara pemboleh ubah tidak bersandar yang terdiri model Teori Islam Tingkah Laku Pengguna (ITCB), dengan pemboleh ubah bersandar iaitu Penerimaan. Dalam analisa regresi berganda, hubungan di antara Pemboleh ubah Bersandar dan Pemboleh ubah Tidak Bersandar ditunjukkan melalui persamaan berikut:

$Y = a + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + e$
(Persamaan 1)
Y = pemboleh ubah bersandar
a = nilai konstan
β_1 - β_7 = koefisien regresi
X_1 - X_{10} = Pemboleh ubah tidak bersandar

Persamaan di atas adalah sebagai ilustrasi untuk menunjukkan hubungkait perhubungan di antara Pemboleh ubah Bersandar dan Pemboleh ubah Tidak Bersandar dengan melihat kepada *Beta Coefficients* bagi pembolehubah-pemboleh ubah tidak bersandar. Pemboleh ubah tidak bersandar (IV) dalam kajian ini adalah terdiri daripada sepuluh domain iaitu: (1) X_1 - Nilai Maqasid Syariah; (2) X_2 - Dasar atau Polisi Hutang Islam; (3) X_3 - Kewajaran Harga; (4) X_4 - Keberagamaan. Manakala, pemboleh ubah Penerimaan pengguna ke atas produk pembiayaan Qardhul Hassan berasaskan wakaf pula merupakan pemboleh ubah bersandar (DV). Keputusan daripada analisis regresi berganda yang dilakukan ditunjukkan seperti pada Jadual 6.

JADUAL 6: ANALISIS REGRESI BERGANDA

Pemboleh ubah Bersandar	**Pemboleh ubah Tidak Bersandar**	***Unstandardized Coefficients Beta***	***Sig.**
Penerimaan	Nilai Maqasid Syariah	0.135	0.001
	Dasar atau Polisi Hutang Islam	0.145	0.001
	Kewajaran Harga	0.060	0.043
	Keberagamaan	0.119	0.008
	R^2	0.859	
	Adjusted R^2	0.735	
	Std. Error of the Estimate	0.35481	
	Sig.	0.000	

*Nota: Tahap signifikan: *p < 0.05*
Sumber: Penulis

Jadual 6, menunjukkan ukuran *Unstandardized Coefficients Beta* dan *Sig.* iaitu Nilai Maqasid Syariah (H_1: β = 0.135, $p < 0.05$), Dasar atau Polisi Hutang Islam (H_2: β = 0.145, $p < 0.05$), Kewajaran Harga (H_3: β = 0.223, $p < 0.05$) dan Keberagamaan (H_4: β = 0.119, $p < 0.05$). Oleh itu, hipotesis menunjukkan hubungan yang positif dan signifikan nilai $p < 0.05$ dan mencadangkan bahawa pemboleh ubah-pemboleh ubah berkenaan mempunyai hubungan signifikan dengan pemboleh ubah bersandar penerimaan. Nilai varian R^2 *Squares* menunjukkan bahawa tahap keutuhan persamaan yang digunakan dengan nilai bacaan 85.9 peratus adalah kategori yang kuat (Hair *et al*., 2013) daripada variasi pemboleh ubah bersandar (Penerimaan) itu boleh dijelaskan oleh pembolehubah-pemboleh ubah yang telah dipilih. Hair *et al*. (2013) menyatakan bahawa nilai R^2 *square* 0.75 adalah dalam kategori kuat, nilai R^2 *square* 0.50 kategori moderat dan nilai R^2 *square* 0.25 kategori lemah. R^2 *Squares* merupakan suatu ukuran statistik yang menunjukkan data terletak hampir dengan garis regresi yang dipadankan seperti diantara nilai 0 – 1 atau jika diterjemahkan kepada diantara 0 – 100 peratus.

5. PERBINCANGAN

Merujuk rumusan keputusan hipotesis dalam Jadual 7, wujud hubungan yang positif dan signifikan berdasarkan hasil dapatan pengujian analisa regresi berganda berpandukan dalam perincian Jadual 6 untuk ke semua item-item pemboleh ubah tidak bersandar model ITCB. Ini jelas menunjukkan potensi penerimaan pengguna ke atas elemen ke semua pemboleh ubah tidak bersandar untuk tujuan produk pembiayaan Qardhul Hassan berasaskan wakaf.

Pemboleh Ubah Tidak Bersandar Nilai Maqasid Syariah

Hasil keputusan pengujian analisis regresi berganda dalam jadual 6 dan rumusan keputusan hipotesis dalam jadual 7 bahawa Nilai Maqasid Syariah (H_1: $\beta = 0.135$, $p < 0.05$) ini jelas menunjukkan wujud hubungan yang positif dan signifikan dengan pemboleh ubah bersandar dalam kajian ini dan kepentingan elemen Nilai Maqasid Syariah untuk komponen dalam teori ITCB merupakan antara faktor atau elemen utama dari sudut keutamaan syarak selaras dengan ketetapan syariat Islam sebelum sesuatu tindakan tingkah laku atau gelagat yang membentuk sikap untuk penerimaan atau pemilihan sesuatu pengurusan aset, kepenggunaan produk dan pelaburan (Ismail *et al.*, 2021).

Ini turut disokong dalam kajian Dusuki dan Bouheraoua (2011) yang menyatakan meneliti kerangka maqasid Syariah dan implikasinya terhadap kewangan Islam dan ini merujuk kepentingan instrumen pembiayaan Qardhul Hassan berasaskan wakaf yang merupakan salah satu cabang kewangan Islam untuk memperkasakan pembangunan sosioekonomi umat Islam di sektor Industri kecil dan Sederhana (IKS) dan negara amnya. Dalam kajian Nor Muhamad *et al.* (2015) menyenaraikan beberapa aspek berikut merujuk Maqasid Syariah dalam pengurusan wakaf iaitu aspek pembangunan ekonomi, hubungan sosial, pemilikan harta orang Islam dan tolong menolong (*Ta'awun*) dalam Islam. Syariah Islam bertujuan untuk memberikan kebaikan, kesejahteraan dan kemaslahatan kepada seluruh umat manusia. Objektif atau Maqasid Hukum Islam adalah untuk menjaga kepentingan dan keperluan manusia di dunia dan akhirat Nor Muhamad *et al.* (2015). Selain itu, dapatan kajian lalu turut menunjukkan wujud hubungan signifikan di antara gelagat pengguna dengan faktor pemboleh ubah tidak bersandar Maqasid Syariah untuk pemilihan dan penggunaan ke atas perkhidmatan tersebut (Amin *et al*., 2022; Ismail *et al*., 2021).

Pemboleh Ubah Tidak Bersandar Dasar Atau Polisi Hutang Islam

Jadual 6 dan jadual 7 menunjukkan Dasar atau Polisi Hutang Islam (H_2: $\beta = 0.145$, $p < 0.05$) wujud hubungan yang positif dan signifikan dengan pemboleh ubah bersandar berdasarkan analisis regresi berganda. Beekun dan Badawi (2005) menjelaskan bahawa Institusi Kewangan Islam (IFIs) seperti perbankan Islam harus menyediakan amalan yang baik terhadap penghutang dan tidak seharusnya mengambil kesempatan. Pemiutang perlu meminta atau mengutip hutang daripada penghutang dengan cara berperikemanusiaan yang digalakkan dalam Islam (Akhyar, 2009). Ini boleh dinilai seperti mengambil kira situasi semasa yang dihadapi penghutang sebagai contoh impak pendemik Covid-19 atau musibah bencana alam dengan memberi kelonggaran atau moratarium kepada penghutang untuk bayaran balik pembiayaan tersebut. Kajian lalu turut mengambilkira faktor Dasar atau Polisi Hutang Islam bahawa praktis Dasar untuk dilaksanakan kepada institusi perbankan atau kewangan Islam jika dibandingkan dasar konvensional sedia ada dan ini secara tidak langsung untuk penambahbaikan serta lebih berdaya saing (Amin, 2019). Amin (2021) turut menyatakan bahawa antara bank awal yang mempunyai amalan Dasar atau Polisi Hutang Islam yang baik dan unggul adalah Bank Islam Malaysia Berhad, Maybank Islamic dan CIMB. Dasar atau Polisi Hutang Islam merupakan suatu praktis elemen yang penting dalam dasar sesuatu produk pembiayaan Islam (Hamid & Masood, 2011; Abdul-Razak & Md-Taib, 2011).

Selain itu, literatur kajian lalu turut menunjukkan wujud hubungan yang signifikan gelagat pengguna dengan faktor Dasar Hutang Islam bagi pertimbangan tindakan keputusan untuk pemilihan dan penerimaan ke atas sesuatu perkhidmatan dan produk yang ditawarkan (Amin, 2021). Dapatan hasil kajian awal sebelum ini adalah konsisten yang membincangkan peranan yang boleh dimainkan dengan Dasar Hutang Islam yang menjadi faktor gelagat atau penerimaan kepada individu atau pengguna yang berpotensi dalam usaha ke arah permintaan perkhidmatan atau produk pembiayaan yang lebih baik (Muneeza *et al*., 2011).

Pemboleh Ubah Tidak Bersandar Kewajaran Harga

Jadual 6 dan jadual 7 dapatan hasil pengujian analisis regresi berganda pemboleh ubah tidak bersandar bagi Kewajaran Harga (H_3: $\beta = 0.223$, $p < 0.05$) adalah hubungan yang positif dan signifikan. Faktor Kewajaran Harga merupakan komponen yang signifikan dalam sesuatu produk pembiayaan. penilaian penerimaan responden ke atas kewajaran harga mekanisma yang bersesuaian untuk diterapkan dalam perkhidmatan pembiayaan qardhul Hassan berasaskan wakaf ini selari dengan kos-kos pengurusan yang berkaitan. Ebert dan Griffin (1998), menyatakan bahawa penetapan harga dalam produk pembiayaan peribadi Islam merujuk kepada tindakan institusi kewangan Islam atau Bank Islam dalam memilih dengan kesesuaian harga untuk menjual produk pembiayaan dengan mencapai keseimbangan antara bank dan kepentingan pelanggan dalam erti kata lain penetapan Kewajaran Harga. Institusi kewangan Islam menggunapakai kaedah perkongsian untung untuk menggenakan bayaran atau caj perkhidmatan untuk transaksi perkhidmatan kewangan (Olson & Zoubi, 2008). Amin *et al*. (2011) berpendapat konsep faedah keadah muamalat yang di larang dalam syariat Islam tetapi konsep perkongsian untung rugi dibenarkan dan konsep bayaran tertunda dan komisen pembiayaan perdagangan yang dibenarkan dalam model perbankan Islam.

Dapatan ini juga disokong kajian sebelum ini dengan melihat hubungan gelagat pengguna dengan aspek kewajaran harga ke atas pembiayaan dan penetapan Kewajaran Harga merupakan salah satu penentu tindakan tingkah laku untuk penerimaan sesuatu produk pembiayaan yang menunjukkan hubungan yang signifikan dan positif (Amin 2021; Khadijah *et al*., 2020).

Pemboleh Ubah Tidak Bersandar Keberagamaan

Dapatan hasil pengujian analisis regresi berganda pemboleh ubah tidak bersandar bagi Keberagamaan (H_4: $\beta = 0.119$, $p < 0.05$) dalam Jadual 6 dan Jadual 7 wujud hubungan yang positif dan signifikan susulan analisis regrasi berganda yang diuji. Menunjukkan faktor Keberagamaan merupakan komponen yang signifikan dalam sesuatu tingkah laku atau tindakan bagi individu untuk penerimaan atau pemilihan ke atas sesuatu produk dan perkhidmatan yang ditawarkan sebagaimana yang dibenarkan dalam syariat Islam dan ini selari bahawa masyarakat Islam dipengaruhi oleh pandangan alam atau dunia Islam berlandaskan Syariah Islam yang ditetapkan yang disokong hasil penemuan kajian lalu (Albaity & Rahman, 2019; Amin *et al*., 2021).

6. KESIMPULAN

Kajian ini adalah kajian penerimaan pengguna ke atas produk pembiayaan Qardhul Hassan berasaskan wakaf di Sabah, Malaysia. Sebagai rumusan, kajian ini mendapati ke semua pembolehubah tidak bersandar itu mempunyai kesan hubungan statistik yang signifikan terhadap Penerimaan pengguna ke atas produk pembiayaan Qardhul Hassan berasaskan wakaf. Pengujian Analisa Regrasi Berganda yang menunjukkan item-item pemboleh ubah tidak bersandar model kajian wujud hubungan yang positif dan signifikan terhadap pemboleh ubah bersandar iaitu Penerimaan pengguna ke atas produk pembiayaan Qardhul Hassan berasaskan wakaf. Pengujian Analisis Pengantara turut menunjukkan wujud hubungan yang positif dan signifikan pemboleh ubah tidak bersandar elemen Sikap berperanan pengaruh pengantara ke atas pemboleh ubah bersandar. Kajian ini mendapati bahawa negeri Sabah mempunyai potensi besar untuk pembangunan produk pembiayaan Qardhul Hassan berasaskan wakaf dengan memantapkan institusi wakaf melalui kerjasama strategik antara sektor korporat dan Badan Pengurusan Wakaf di negeri-negeri lain yang berpengalaman seperti Wakaf an-Nur yang berpengalaman melaksanakan kemudahan pembiayaan tersebut. Dengan memomentum kesedaran masyarakat yang mula semakin ramai menyumbang dalam instrumen wakaf tunai maka ini secara tidak langsung peluang kepada pengembangan kemudahan pembiayaan Qardhul Hassan berasaskan wakaf sebagai salah satu instrumen alternatif kepada kumpulan sasar dalam usaha mempertingkatkan keupayaan kumpulan ini rantaian ekonomi setempat (*Local Chain*). Keupayaan penjanaan dana pembiayaan dana ini perlu Kerjasama startegik dengan pemain industri seperti sektor swasta daripada institusi kewangan dan korporat dalam usaha meletak institusi wakaf MUIS sebagai sebuah institusi wakaf yang kelestarian pendapatan (*sustainable income*).

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LJMS LABUAN E-JOURNAL OF MUAMALAT AND SOCIETY

SKIM PEMBIAYAAN BANTUAN MODAL UNTUK USAHAWAN ASNAF

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ABSTRAK

Secara umumnya, usahawan asnaf merupakan golongan yang mengalami kesukaran dalam mendapatkan pembiayaan atau pinjaman untuk memulakan atau mengembangkan perniagaan kerana ketiadaan rekod kewangan yang baik. Isu ini telah menyebabkan golongan asnaf terus berada dalam keadaan selesa dengan pergantungan sepenuhnya bantuan kewangan dari institusi zakat untuk membangunkan keperluan ekonomi semasa keluarga. Bagi memastikan agihan dana kewangan kepada golongan asnaf tetap relevan dengan perkembangan semasa, institusi zakat atau institusi kewangan telah memperkenalkan dana zakat atau dana kewangan dalam bentuk skim pembiayaan bantuan modal kepada golongan asnaf. Langkah ini diambil dengan harapan dapat membantu golongan asnaf keluar dari kepompong kemiskinan. Oleh itu, tujuan kertas kerja ini adalah untuk mengenal pasti skim pembiayaan bantuan modal yang ditawarkan untuk usahawan asnaf dalam membantu membangunkan ekonomi usahawan asnaf. Kajian ini menggunakan kaedah penyelidikan kualitatif daripada perspektif sumber data sekunder yang membolehkan maklumat diperoleh dengan memahami dan merungkai pembiayaan untuk usahawan asnaf. Justeru, dapatan menunjukkan bahawa di Malaysia, keusahawanan merupakan satu aktiviti yang signifikan dalam proses membangunkan ekonomi golongan asnaf. Manakala, pembiayaan merujuk kepada penyediaan dana yang disediakan oleh institusi zakat atau institusi kewangan bagi memenuhi keperluan pihak yang mengalami defisit. Pembiayaan ini juga dikenali sebagai dana yang dirancang. Dalam kajian ini, pihak yang mengalami defisit ialah usahawan asnaf. Oleh yang demikian terdapat pembiayaan bantuan modal oleh institusi bukan perbankan, institusi bank, dan institusi zakat ditawarkan kepada usahawan asnaf yang dapat memenuhi keperluan ekonomi mereka.

KATA KUNCI: PEMBIAYAAN, USAHAWAN ASNAF, INSTITUSI BUKAN PERBANKAN, INSTITUSI BANK, INSTITUSI ZAKAT

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ABSTRACT

Generally, *asnaf* entrepreneurs are those who face difficulties in obtaining financing or loans to start or expand their businesses due to the absence of a good financial record. This issue has caused the asnaf group to remain in a state of dependency, relying entirely on financial assistance from *zakat* institutions to support their current economic needs. To ensure that the distribution of financial funds to the asnaf group remains relevant to current developments, *zakat* institutions or financial institutions have introduced *zakat* funds or financial assistance in the form of capital financing schemes for the asnaf group. This measure is taken in the hope of helping the *asnaf* group break free from the cycle of poverty. Therefore, the purpose of this paper is to identify the capital financing schemes offered to *asnaf* entrepreneurs to support the economic development of *asnaf* entrepreneurs. This study employs a qualitative research method using secondary data sources, enabling the acquisition of information through understanding and unravelling financing for *asnaf* entrepreneurs. Consequently, the findings indicate that in Malaysia, entrepreneurship is a significant activity in the process of developing the economy of the *asnaf* group. Meanwhile, financing refers to the provision of funds by *zakat* institutions or financial institutions to meet the needs of parties experiencing deficits. This financing is also known as planned funds. In this study, the party experiencing deficits is the *asnaf* entrepreneurs. Therefore, there is capital assistance financing offered by non-banking institutions, banking institutions, and *zakat* institutions to asnaf entrepreneurs to meet their economic needs.

KEYWORDS: FINANCING, ASNAF ENTREPRENEURS, NON-BANKING INSTITUTIONS, BANKING INSTITUTIONS, ZAKAT INSTITUTIONS

1. PENGENALAN

Di Malaysia, institusi zakat memainkan peranan yang amat signifikan dalam menggerakkan ekonomi umat Islam, khususnya dalam membantu golongan asnaf yang terdiri daripada fakir, miskin, dan mereka yang layak menerima bantuan zakat. Melalui sistem agihan zakat yang efisien dan sistematik, institusi zakat dapat memastikan setiap bantuan yang disalurkan sampai kepada golongan sasaran, sekali gus memberikan keyakinan kepada masyarakat Islam bahawa zakat bukan sekadar satu bentuk ibadah, tetapi juga merupakan pendekatan yang menyeluruh dalam menyusun dan membangunkan ummah secara holistik (Adnan, 2018). Pendekatan ini bukan sahaja berfungsi untuk mengurangkan kadar kemiskinan, tetapi juga bagi meningkatkan kesejahteraan hidup masyarakat yang memerlukan. Dengan adanya pelan pembangunan ekonomi yang dirangka melalui institusi zakat, ia turut berfungsi sebagai satu mekanisme sosial yang penting dalam memperkasakan kedudukan ekonomi umat Islam.

Selain daripada peranan utamanya dalam pengagihan bantuan kepada golongan yang memerlukan, institusi zakat di Malaysia turut melaksanakan pelbagai program keusahawanan dan perniagaan bagi membantu golongan fakir dan miskin mengembangkan potensi ekonomi mereka. Antara program utama yang dilaksanakan adalah program pembangunan ekonomi yang menyasarkan peningkatan taraf hidup asnaf melalui sokongan modal dan bantuan kewangan untuk memulakan atau mengembangkan perniagaan. Program-program ini dilaksanakan melalui pelbagai bentuk inisiatif seperti pengagihan modal permulaan, bantuan kewangan, serta penyediaan peralatan perniagaan yang bertujuan untuk membolehkan golongan asnaf menjalankan perniagaan secara berdaya saing (Adnan, 2018; Azman *et al*., 2014). Berdasarkan kajian Kadri *et al*. (2012) didapati bahawa bantuan zakat yang disalurkan tidak terhad kepada bantuan tunai semata-mata, tetapi turut merangkumi bantuan dalam bentuk bukan tunai seperti peralatan perniagaan yang disesuaikan mengikut keperluan individu asnaf.

Secara umumnya, pembiayaan merupakan satu mekanisme yang digunakan secara meluas di negara-negara membangun untuk merangsang aktiviti keusahawanan, sekali gus menyokong usaha memajukan ekonomi negara. Pembiayaan yang disalurkan kepada usahawan bukan sahaja berfungsi sebagai modal perniagaan, tetapi juga sebagai pemangkin kepada perkembangan sektor keusahawanan yang mampu menjana peluang pekerjaan serta meningkatkan pendapatan golongan berpendapatan rendah (Mahmood & Mohamad, 2011). Namun begitu, cabaran besar yang dihadapi oleh kebanyakan negara membangun adalah ketidakupayaan golongan miskin untuk mendapat akses kepada modal dari institusi kewangan formal. Menurut Korankye dan Alex (2012), masalah ini berpunca ekoran daripada kekangan seperti ketiadaan jaminan atau cagaran yang diperlukan oleh bank serta rekod kredit yang lemah, yang menyebabkan kebanyakan usahawan mikro sukar mendapatkan pembiayaan.

Sehubungan dengan itu, institusi perbankan dan bukan perbankan di Malaysia telah memperkenalkan skim pembiayaan yang direka khas bagi membantu usahawan mendapatkan modal perniagaan serta memberi peluang kepada mereka untuk menceburi bidang keusahawanan (Adnan, 2018; Faisol Ibrahim & Nasir Ali, 2022). Walaupun terdapat pelbagai jenis skim pembiayaan yang tersedia, usahawan asnaf sering berdepan dengan cabaran untuk memenuhi kriteria kelayakan yang ditetapkan oleh pihak institusi kewangan. Ketiadaan pelan perniagaan yang komprehensif, kekurangan penjamin, serta rekod kewangan yang tidak lengkap menyukarkan golongan ini untuk mendapat akses kepada kemudahan kredit. Ini menyebabkan pihak bank beranggapan bahawa pemberian pembiayaan kepada golongan asnaf mempunyai risiko yang tinggi dan kebarangkalian kegagalan pembayaran balik adalah besar (Khalil *et al*., 2013). Oleh yang demikian, golongan asnaf kerap terpinggir dan tidak dapat memanfaatkan sepenuhnya skim pembiayaan yang ditawarkan oleh institusi perbankan formal.

Menyedari isu ini, institusi zakat di Malaysia telah mengambil inisiatif proaktif dengan merangka dan melaksanakan program jangka panjang yang bertujuan untuk membantu golongan asnaf keluar daripada belenggu kemiskinan. Salah satu inisiatif yang diambil adalah dengan menyediakan bantuan suntikan modal perniagaan kepada golongan usahawan asnaf (Abang Abai *et al*., 2020). Melalui penyediaan dana zakat yang digunakan dalam program pembangunan ekonomi asnaf, khususnya dalam sektor perniagaan dan keusahawanan, institusi zakat dapat memberi sokongan yang lebih menyeluruh kepada golongan ini, bukan sahaja dalam bentuk kewangan, tetapi juga melalui penyediaan latihan dan bimbingan yang berterusan (Muhammad Anas Ibrahim dan Aziz, 2018). Bantuan yang diberikan bertujuan untuk memastikan usahawan asnaf bukan sahaja mempunyai modal untuk memulakan perniagaan, tetapi juga berupaya untuk menguruskan perniagaan tersebut dengan cekap dan berdaya saing.

Oleh itu, kajian ini akan meneliti dengan lebih mendalam mengenai skim pembiayaan bantuan modal yang disediakan untuk usahawan asnaf dan kesannya terhadap pembangunan ekonomi golongan ini. Perbincangan dalam kertas kerja ini dibahagikan kepada lima bahagian utama. Bahagian pertama merangkumi pengenalan yang memberi gambaran keseluruhan terhadap isu yang dibincangkan. Bahagian kedua pula menumpukan kepada kajian literatur yang merumuskan dapatan-dapatan terdahulu mengenai skim pembiayaan untuk usahawan asnaf. Seterusnya, bahagian ketiga membincangkan metodologi kajian yang digunakan dan diikuti dengan bahagian perbincangan di mana dapatan kajian akan dihuraikan secara terperinci. Akhir kata, bahagian kesimpulan akan mengetengahkan rumusan utama kajian serta cadangan-cadangan untuk penambahbaikan skim pembiayaan pada masa hadapan.

2. KAJIAN LEPAS

Kajian terdahulu menunjukkan bahawa skim pembiayaan bantuan modal di Malaysia memainkan peranan penting dalam menggerakkan sektor keusahawanan, terutama dalam kalangan usahawan baharu dan golongan asnaf yang ingin membebaskan diri daripada kemiskinan. Menurut (Bakar, 2011), terdapat dua jenis pembiayaan dalam sistem ekonomi Malaysia, iaitu pembiayaan ekuiti dan pembiayaan hutang. Dalam konteks ini, pembiayaan hutang sering menjadi pilihan bagi kebanyakan usahawan kerana ia lebih mudah diperoleh berbanding pembiayaan ekuiti yang menawarkan pulangan lebih tinggi serta melibatkan risiko pelaburan yang besar. Pandangan ini turut disokong oleh (Adnan, 2018), yang menyatakan bahawa struktur pembiayaan hutang lebih ringkas dan sesuai untuk usahawan baharu yang tidak memiliki modal besar tetapi memerlukan suntikan kewangan bagi memulakan perniagaan. Oleh itu, pembiayaan hutang menjadi jalan penyelesaian yang praktikal bagi usahawan kecil di Malaysia yang memerlukan modal permulaan yang mudah dan pantas.

Di samping itu, terdapat inisiatif daripada kerajaan serta institusi kewangan dan bukan kewangan, termasuk institusi zakat dalam turut memperkenalkan skim pembiayaan mikro untuk membantu mengurangkan jurang modal dalam kalangan usahawan kecil dan usahawan asnaf. Kajian Jeffry *et al*. (2024) menyatakan skim pembiayaan mikro ini menyediakan modal pusingan untuk usahawan kecil terutamanya bagi mereka yang baru memulakan perniagaan dengan dengan jumlah antara RM1,000 hingga RM5,000. Penemuan ini didukung oleh kajian Faisol Ibrahim dan Nasir Ali (2022) yang mendapati institusi zakat memainkan peranan besar dalam menyokong golongan asnaf, bukan hanya dengan bantuan modal tetapi juga melalui program pemberdayaan ekonomi yang komprehensif. Bantuan modal yang digabungkan dengan latihan kemahiran keusahawanan telah membolehkan penerima zakat menjadi usahawan berdaya saing dan seterusnya berpotensi meningkatkan taraf hidup mereka.

Walaupun inisiatif telah dijalankan, terdapat beberapa halangan yang masih wujud, khususnya dalam kalangan usahawan asnaf. Menurut Roselam dan Adnan (2019), kekurangan akses kepada pembiayaan formal, khususnya daripada institusi perbankan, menyebabkan ramai usahawan asnaf sukar mengembangkan perniagaan atau membina perniagaan yang mampan. Keterbatasan modal ini bukan sahaja menghalang pertumbuhan perniagaan mereka tetapi turut memanjangkan kitaran kemiskinan yang dihadapi dan menyebabkan golongan asnaf terus bergantung kepada bantuan kebajikan tanpa berpeluang untuk hidup secara berdikari. Kekangan ini menunjukkan keperluan untuk pendekatan yang lebih holistik dalam menangani isu modal yang dihadapi oleh usahawan asnaf.

Oleh yang demikian, institusi perbankan di Malaysia telah memperkenalkan produk pembiayaan yang bertujuan untuk membantu golongan asnaf membina perniagaan. Laporan Jabatan Perangkaan Malaysia (2021) menunjukkan bahawa inisiatif ini termasuk pembiayaan dengan syarat yang lebih fleksibel serta sokongan keusahawanan yang memberi tumpuan kepada golongan berpendapatan rendah. Selain daripada bantuan modal, pelbagai bentuk latihan keusahawanan turut ditawarkan untuk memastikan usahawan asnaf mempunyai pengetahuan dan kemahiran yang diperlukan untuk bersaing dalam pasaran yang semakin kompetitif (Husmin *et al*., 2016). Langkah ini penting untuk memastikan golongan asnaf mampu berdikari melalui sokongan kewangan dan latihan berterusan, tanpa hanya bergantung kepada bantuan kebajikan.

Tambahan pula, kajian Abang Abai *et al.* (2020) mendapati bahawa bantuan yang diterima oleh usahawan asnaf merangkumi modal serta peralatan perniagaan seperti mesin pemprosesan makanan dan mesin jahit. Institusi zakat di Malaysia, seperti Lembaga Zakat Selangor (LZS) dan Baitulmal MAIWP, turut memperuntukkan pelbagai bentuk bantuan sokongan yang sesuai dengan keperluan usahawan asnaf di negeri masing-masing. LZS menyediakan suntikan modal, latihan, dan projek usahawan berkelompok, manakala Baitulmal MAIWP menawarkan suntikan modal, peralatan, dan bantuan wang tunai. Bantuan ini dilihat mampu meningkatkan keyakinan golongan asnaf untuk menyertai bidang perniagaan dan menggalakkan mereka untuk berdikari. Menurut Hardi *et al*. (2022), institusi zakat juga menyediakan bimbingan dan latihan keusahawanan yang sistematik bagi memastikan asnaf mampu bersaing sebagai usahawan.

Walau bagaimanapun, kajian-kajian terdahulu mendedahkan beberapa kelompangan yang memerlukan perhatian lanjut. Pertama, terdapat kekurangan kajian mengenai kesan jangka panjang skim pembiayaan zakat terhadap kemajuan sosioekonomi usahawan asnaf. Kajian-kajian sedia ada lebih menumpukan kepada kesan jangka pendek atau sederhana tanpa meneliti sama ada pembiayaan ini benar-benar mampu mengubah status sosioekonomi asnaf dalam tempoh lebih panjang. Kedua, masih terdapat kekurangan dalam kajian berkaitan skim pembiayaan yang dipertingkatkan dari segi aksesibiliti dan keberkesanan, terutama kepada asnaf yang kurang terdedah kepada peluang pembiayaan. Ketiga, kajian berkaitan institusi kewangan mikro perlu dikembangkan bagi memahami sejauh mana institusi ini mampu berkerjasama dengan institusi kewangan tradisional dalam menyediakan pembiayaan yang lebih mudah dan tanpa birokrasi yang ketat.

Kelompangan ini menunjukkan bahawa masih banyak ruang untuk penyelidikan yang lebih mendalam dan kritis, khususnya mengenai keberkesanan jangka panjang skim pembiayaan yang ditawarkan kepada usahawan asnaf di Malaysia. Penyelidikan lanjutan ini penting untuk memastikan bantuan modal dan sokongan keusahawanan yang diberikan benar-benar memberikan impak signifikan dalam meningkatkan daya saing dan kebolehpasaran usahawan, seterusnya menyumbang kepada pertumbuhan ekonomi negara yang lebih inklusif. Penemuan daripada kajian tersebut dapat membantu dalam melihat dasar pembiayaan yang lebih berkesan kepada keperluan sebenar golongan asnaf di Malaysia.

3. METODOLOGI

Kajian ini dikategorikan sebagai kajian kualitatif asas yang menggunakan pendekatan pengumpulan data melalui analisis sumber sekunder. Pendekatan ini dipilih kerana ia sangat sesuai untuk kajian tinjauan awal, di mana ia membolehkan penyelidik meneroka secara menyeluruh dan mendalam. Menurut Neuman (2007), pendekatan kualitatif ini sangat berkesan dalam membina pemahaman awal terhadap sesuatu kajian. Tambahan pula, pandangan (Creswell, 2014) turut menyokong penggunaan sumber sekunder seperti dokumentasi dan bahan bertulis kerana ia mampu memberikan gambaran menyeluruh mengenai isu yang dikaji.

Bagi mengumpulkan data yang relevan, kajian ini menggunakan pelbagai bahan rujukan termasuk buku akademik, artikel jurnal yang diterbitkan, keratan akhbar, serta maklumat daripada laman sesawang rasmi institusi-institusi berkaitan. Fokus utama kajian tertumpu kepada institusi zakat dan institusi perbankan, yang memainkan peranan penting sebagai penyedia data berkaitan skim pembiayaan kepada golongan asnaf. Bagi memastikan ketepatan dan kesahan data yang diperoleh, instrumen yang digunakan adalah analisis dokumen, di mana penilaian terperinci terhadap literatur yang relevan dijalankan untuk memastikan data yang dikumpulkan adalah komprehensif.

Seterusnya, analisis kandungan digunakan sebagai kaedah analitik dalam kajian ini. Melalui pendekatan ini, data daripada sumber sekunder seperti dokumen dan bahan bertulis dianalisis untuk mengenal pasti pendekatan pembiayaan yang dilaksanakan oleh institusi zakat dan perbankan. Analisis ini juga menilai keberkesanan skim pembiayaan dalam membantu golongan asnaf membangunkan perniagaan mereka. Penekanan turut diberikan kepada impak positif yang terhasil daripada skim pembiayaan tersebut terhadap pembangunan ekonomi asnaf, serta bagaimana ia membantu menyelesaikan isu-isu berkaitan pembiayaan. Di samping itu, hasil analisis kandungan ini juga menjadi asas kepada cadangan untuk penambahbaikan skim pembiayaan pada masa akan datang.

4. PERBINCANGAN

Sistem kewangan Islam ini telah mula dibentuk sejak zaman Rasulullah s.a.w., dan ia kemudiannya menjadi lebih tersusun serta sistematik pada zaman pemerintahan Khalifah kedua, Sayyidina Umar al-Khattab r.a. Pada peringkat awal, sistem kewangan ini hanya tertumpu kepada pengurusan perbendaharaan negara atau lebih dikenali sebagai baitulmal. Baitulmal memainkan peranan penting dalam menguruskan sumber kewangan negara termasuk mengumpul hasil cukai dan zakat serta mengagihkan dana untuk keperluan umum. Walau bagaimanapun, seiring dengan perkembangan ekonomi dan sosial, sistem kewangan Islam mula diperbaiki, diselaraskan, serta dikembangkan peranannya. Transformasi ini melibatkan pelbagai aspek pengurusan kewangan yang merangkumi aktiviti mendapatkan dana dan menyalurkan dana secara lebih sistematik.

Sehubungan dengan itu, penyediaan dana merupakan salah satu bentuk utama pembiayaan dalam memenuhi keperluan pihak yang mengalami kekurangan sumber kewangan atau defisit. Pembiayaan ini merujuk kepada mekanisme di mana institusi kewangan, seperti bank atau organisasi bukan perbankan, menyediakan dana kepada pelanggan dalam bentuk pinjaman atau pembiayaan perniagaan. Wang yang dikreditkan ini digunakan oleh individu atau organisasi berkenaan untuk melaksanakan pelbagai projek atau aktiviti perniagaan yang telah dirancang (Yaacob & Markom, 2022). Pembiayaan Islam bukan sahaja memainkan peranan dalam menyokong perkembangan perniagaan tetapi turut bertujuan untuk membangunkan dan mengukuhkan ekonomi keseluruhan serta meningkatkan taraf hidup masyarakat, terutamanya menerusi program-program pembiayaan berskala kecil yang disasarkan kepada golongan berpendapatan rendah (Hamat, 2010).

Dalam kajian Hassanain (2015), terdapat beberapa ciri model pembiayaan mikro yang bagus. Pertama, jangka masa pembiayaan mikro adalah pendek. Kedua, pembiayaan berbentuk kecil dan ketiga, pengeluaran pembiayaan cepat dan boleh diambil berulang, jika pembayaran dilakukan tepat pada masanya. Faisol Ibrahim dan Nasir Ali (2022) serta Yaacob dan Markom (2022), tidak ketinggalan membincangkan ciri pembiayaan mikro. Penerima kepada pembiayaan ini terdiri daripada usahawan kecil yang menggunakan modal sebagai aliran tunai dan modal pusingan bagi pembelian aset atau barangan dalam meneruskan perniagaan bukan sebagai pembiayaan peribadi.

Dalam konteks ini, Kementerian Pembangunan Usahawan dan Koperasi (KUSKOP) telah melaksanakan beberapa program khusus yang bertujuan untuk membantu usahawan mikro yang berpendapatan rendah memperkukuh pengurusan perniagaan dan kewangan mereka. Antara inisiatif yang diperkenalkan termasuk gabungan penyediaan aset perniagaan yang dibiayai melalui skim kewangan mikro serta pelaksanaan latihan perniagaan yang berstruktur. KUSKOP juga telah mewujudkan program yang memberi akses kepada golongan usahawan asnaf untuk mendapatkan kemudahan pembiayaan dalam memulakan atau meneruskan aktiviti perniagaan mereka. Terdapat tiga institusi bukan perbankan utama yang terlibat dalam menawarkan produk pembiayaan modal bagi tujuan ini, iaitu Tabung Ekonomi Kumpulan Usaha Niaga (TEKUN) Nasional, Perbadanan Nasional Berhad (PNB), dan Amanah Ikhtiar Malaysia (AIM) (Kementerian Pembangunan Usahawan dan Koperasi (KUSKOP), 2024).

Tabung Ekonomi Kumpulan Usaha Niaga (TEKUN) Nasional telah memperkenalkan beberapa program pembiayaan seperti Skim Pembiayaan TEKUN Niaga, Skim Pembiayaan Teman TEKUN, dan Skim Pembangunan Usahawan Masyarakat India (SPUMI). Program-program ini direka khas bagi menyokong perkembangan perniagaan kecil dengan menyediakan kemudahan pembiayaan bermula dari RM1,000, yakni setiap skim yang ditawarkan memberi tumpuan kepada golongan usahawan kecil dalam menjalankan perniagaan masing-masing. Ini bertujuan untuk membantu golongan tersebut meningkatkan daya saing dan mengembangkan operasi perniagaan dengan modal yang bersesuaian serta faedah pembiayaan yang lebih fleksibel.

Di samping itu, Perbadanan Nasional Berhad (PNB) pula memberi tumpuan kepada pembiayaan yang berkaitan dengan sektor perniagaan francais. Berbeza dengan perniagaan konvensional yang kebiasaannya berasaskan keputusan pemilik secara individu, perniagaan francais bergantung kepada sistem operasi dan strategi yang ditetapkan oleh francaisor dan dilaksanakan oleh francaisi. Oleh itu, PNB menyediakan beberapa skim khusus seperti Skim Pembiayaan Perniagaan Francaisi, Skim Pembiayaan Keusahawanan Francais Wanita (SWEET), dan Skim Pembiayaan Keusahawanan Francais Belia (YOUNITY) (Husain *et al*., 2020). Program-program ini tidak hanya memberi bantuan kewangan tetapi turut menawarkan latihan intensif dan panduan perniagaan bagi memastikan kejayaan setiap francaisi yang terlibat. PNB juga mengambil inisiatif untuk membantu meningkatkan taraf hidup golongan B40 dan M40 melalui penglibatan dalam perniagaan francais yang mempunyai potensi pertumbuhan yang stabil dan kukuh.

Seterusnya, Amanah Ikhtiar Malaysia (AIM) memfokuskan pembiayaan modal kepada golongan usahawan kecil melalui kategori yang ditetapkan mengikut kelayakan dan keperluan perniagaan. Setiap usahawan yang dikenali sebagai "sahabat" ditawarkan pelbagai skim pembiayaan seperti Skim i-Muda untuk sahabat yang berumur 40 tahun ke bawah, serta Skim i-Mesra dan i-Srikandi untuk sahabat yang berumur 40 tahun ke atas. Setiap skim ini direka khusus untuk memenuhi keperluan modal yang berbeza, di mana Skim i-Muda dan i-Mesra menawarkan pembiayaan bermula dari RM5,000 hingga RM10,000, manakala Skim i-Srikandi menyediakan pembiayaan yang lebih besar bermula dari RM10,000 hingga RM30,000. Ini membolehkan sahabat usahawan AIM mengembangkan perniagaan mereka dengan lebih efektif berdasarkan peringkat perkembangan perniagaan masing-masing.

Oleh yang demikian, Jadual 1 di bawah merangkumkan ringkasan program-program pembiayaan oleh institusi bukan perbankan yang terlibat dalam menyediakan produk pembiayaan modal untuk memulakan perniagaan. Secara keseluruhannya, kesemua institusi ini telah memainkan peranan penting dalam menyokong golongan usahawan asnaf dan mikro untuk mendapatkan akses kepada pembiayaan, seterusnya memulakan dan mengembangkan perniagaan mereka. Program-program ini tidak hanya menyumbang kepada peningkatan taraf hidup para usahawan, tetapi juga membantu merangsang pertumbuhan ekonomi secara keseluruhan melalui penciptaan peluang pekerjaan dan penggalakan aktiviti keusahawanan di kalangan masyarakat yang kurang berkemampuan.

JADUAL 1: RINGKASAN PROGRAM PEMBIAYAAN OLEH INSTITUSI BUKAN PERBANKAN.

Bil.	Institusi Bukan Perbankan	Program Pembiayaan
1.	TEKUN Nasional	i. Skim Pembiayaan TEKUN Niaga ii. Skim Pembiayaan Teman TEKUN iii. Skim Pembangunan Usahawan Masyarakat India (SPUMI).
2.	Perbadanan Nasional Berhad (PNB)	i. Skim Pembiayaan Francaisi ii. Skim Pembiayaan Keusahawanan Francais Wanita (SWEET) iii. Skim Pembiayaan Keusahawanan Francais Belia (YOUNITY)
3.	Amanah Ikhtiar Malaysia (AIM)	i. Skim i-Muda ii. Skim i-Mesra iii. Skim i-Srikandi

Sumber: KUSKOP (2024)

Laporan Bank Negara Malaysia pada tahun 2023 menunjukkan bahawa kerajaan Malaysia telah memperkenalkan program iTEKAD sebagai satu inisiatif strategik untuk menyokong usahawan mikro berpendapatan rendah. Program ini berfungsi sebagai penaung bagi memperkukuh pengurusan perniagaan dan kewangan para usahawan, dengan matlamat untuk menjana pendapatan yang berterusan. iTEKAD menggabungkan pelbagai elemen pembiayaan, termasuk penyediaan aset perniagaan yang disokong oleh instrumen kewangan seperti derma, zakat, dan wakaf tunai melalui kewangan mikro. Di samping itu, ia turut menawarkan latihan perniagaan yang berstruktur bagi meningkatkan kemahiran pengurusan peserta.

Bank Islam Malaysia Berhad (BIMB) merupakan institusi kewangan pertama yang melaksanakan program iTEKAD. Inisiatif ini ditumpukan khususnya kepada usahawan mikro dari kalangan asnaf dan golongan B40 yang terjejas akibat pandemik COVID-19. Dalam fasa pertama pelaksanaan, BIMB telah bekerjasama dengan Majlis Agama Islam Wilayah Persekutuan (MAIWP) dan SME Corporation Malaysia (SME Corp). Melalui kerjasama ini, BIMB menyediakan pembiayaan mikro sebagai modal perniagaan bagi membantu usahawan bangkit semula dan mengukuhkan perniagaan mereka. Kini, program tersebut telah dipertingkatkan kepada iTEKAD Maju, yang mana tumpuan diberikan kepada pembiayaan bagi pengembangan perniagaan, khususnya kepada usahawan asnaf yang ingin mengembangkan perniagaan mereka untuk mencapai pendapatan yang lebih stabil dan mampan (Bank Islam Berhad, 2021, 2023).

Selain BIMB, CIMB Islamic Bank turut mengambil langkah proaktif dalam menyokong pemerkasaan komuniti. CIMB Islamic Bank menjalin kerjasama strategik bersama Yayasan Waqaf Malaysia

(YWM) dan Yayasan Belia Malaysia (YBM) untuk membantu golongan berpendapatan rendah, khususnya penghantar makanan yang menggunakan platform foodpanda Malaysia. Melalui inisiatif ini, peserta yang terlibat berpeluang memperoleh motosikal bagi memudahkan urusan penghantaran serta menjalani latihan keusahawanan dalam perkhidmatan penghantaran makanan secara dalam talian. Oleh itu, usaha ini dapat meningkatkan keupayaan ekonomi golongan B40 dan usahawan asnaf serta menyumbang kepada peningkatan taraf hidup mereka.

Program iTEKAD turut diperluaskan oleh AmBank Islamic melalui penggunaan sistem zakat wakalah yang menawarkan geran pembiayaan mikro maksimum sebanyak RM10,000. Di bawah program ini, peserta didaftarkan untuk menggunakan aplikasi mTAP sebagai penyelesaian penerimaan kad tanpa sentuh, yang membolehkan pedagang menerima pembayaran melalui kad kredit atau debit serta telefon mudah alih Android yang disambungkan dengan QR DuitNow AmBank Islamic. Langkah ini bertujuan untuk memperkasakan usahawan asnaf dengan kemahiran teknologi digital, seiring dengan perkembangan teknologi semasa yang semakin pesat. Pendekatan ini bukan sahaja memudahkan transaksi perniagaan, tetapi juga membuka peluang kepada usahawan asnaf untuk memanfaatkan teknologi dalam mengembangkan perniagaan mereka secara lebih efektif.

Secara keseluruhan, ringkasan program pembiayaan oleh institusi perbankan dapat ditunjukkan dalam Jadual 2 dan inisiatif yang dilaksanakan oleh institusi perbankan seperti BIMB, CIMB Islamic, dan AmBank Islamic menunjukkan komitmen yang tinggi dalam membantu golongan asnaf dan B40. Program-program ini bukan sahaja memberikan pembiayaan dan sokongan modal, tetapi turut menitikberatkan aspek pembangunan kemahiran, latihan keusahawanan, serta penggunaan teknologi moden. Dengan pendekatan yang menyeluruh ini, program tersebut diharapkan dapat menjadi pemangkin kepada pemerkasaan ekonomi usahawan mikro serta menyumbang kepada peningkatan sosioekonomi golongan berpendapatan rendah di Malaysia.

JADUAL 2: RINGKASAN PROGRAM PEMBIAYAAN OLEH INSTITUSI BUKAN PERBANKAN.

Bil.	Institusi Perbankan	Program Pembiayaan
1.	Bank Islam Malaysia Berhad (BIMB)	Kerjasama dengan (i-TEKAD) : i. Majlis Agama Islam Wilayah Persekutuan (MAIWP ii. SME Corporation Malaysia (SME Corp)
2.	CIMB Islamic Bank	Kerjasama dengan (foodpanda): i. Yayasan Waqaf Malaysia (YWM) ii. Yayasan Belia Malaysia (YBM)
3.	AmBank Islamic	Geran pembiayaan mikro : Aplikasi mTAP

Sumber: KUSKOP (2024)

Selain daripada institusi bukan perbankan dan institusi perbankan, institusi zakat juga menyediakan inisiatif dana pembiayaan kepada golongan asnaf yang terpilih untuk menjadi usahawan. Institusi zakat bekerjasama dengan pihak bank untuk menyediakan dana pembiayaan melalui kontrak mudarabah. Kontrak mudarabah ini berlaku antara pihak bank dengan usahawan asnaf. Usahawan asnaf sebagai pengusaha (*mudarib*) dan institusi zakat atau pihak bank sebagai pemodal atau penyedia dana (*rabbul mal*). Keuntungan daripada perniagaan yang diusahakan oleh usahawan asnaf akan dikongsi bersama pihak dan usahawan asnaf. Manakala, kerugian daripada perniagaan dan usaha sama akan ditanggung sepenuhnya oleh pihak bank (Faisol Ibrahim & Nasir Ali, 2022).

Menurut Adnan dan Roselam (2018) terdapat kontrak qard hassan dan musyarakah yang sesuai ditawarkan untuk pembiayaan kepada usahawan asnaf. Qard hassan merupakan satu bentuk pembiayaan oleh institusi zakat kepada usahawan asnaf untuk mendapatkan modal awal bagi menjalankan perniagaan. Syarat bagi setiap pinjaman wang mestilah dipulangkan dengan jumlah yang sama tanpa sebarang tambahan dan manfaat lain yang dipaksakan atau dipersetujui (Mohamad Ihsan Zulkifli & Fathullah Asni, 2023).

Qard hassan menekankan aspek kebajikan dan aspek ini penting untuk difahami pelaksanaannya agar kelangsungan amalannya tidak menjejaskan mana-mana pihak, sama ada pihak yang menawarkan pembiayaan mahupun pihak yang menggunakan khidmat pembiayaan tersebut. Qard hassan dilihat dapat memainkan peranan penting terutamanya kepada badan korporat dalam memenuhi keperluan sosial masyarakat (Norajila Che Man *et al*., 2015). Dalam membangunkan potensi asnaf untuk menjadi usahawan yang berdikari, pembiayaan ini tidak diberikan kepada semua asnaf. Namun, pembiayaan ini diberikan kepada mereka yang berkemampuan serta berkebolehan untuk membayar balik pembiayaan. Justeru, bentuk pembiayaan secara qard hassan boleh dilaksanakan oleh institusi zakat berdasarkan kemampuan dan kemampuan asnaf (Azamri & Ibrahim, 2024).

Kontrak musyarakah merupakan satu bentuk perjanjian dalam kewangan Islam yang berasaskan konsep perkongsian aset, modal, serta pembahagian untung dan rugi. Melalui kontrak ini, institusi zakat dan usahawan asnaf bekerjasama dengan menggabungkan usaha dan modal untuk melaksanakan projek atau perniagaan, dan seterusnya berkongsi keuntungan dan kerugian yang dihasilkan. Setiap pihak yang terlibat perlu menyumbangkan modal mengikut persetujuan bersama, di mana keuntungan yang diperoleh akan dibahagikan mengikut persetujuan awal. Jika berlaku kerugian, ia akan ditanggung mengikut kadar sumbangan modal yang telah diberikan (Azamri & Ibrahim, 2024; Ibrahim *et al*., 2021). Justeru, Jadual 3 merupakan ringkasan program pembiayaan oleh institusi zakat. Pembiayaan boleh dibangunkan oleh institusi zakat dengan kerjasama dengan perbankan dan usahawan asnaf. Secara keseluruhannya, program-program pembiayaan oleh institusi bukan perbankan, institusi perbankan, dan institusi zakat bukan sahaja menawarkan sokongan kewangan tetapi juga memberi penekanan kepada aspek latihan, pembangunan kemahiran, dan penggunaan teknologi digital yang penting dalam perniagaan moden. Usaha kolektif ini diharapkan dapat memperkasakan golongan usahawan asnaf agar mereka mampu berdikari dan menyumbang kepada ekonomi negara.

JADUAL 3: RINGKASAN PROGRAM PEMBIAYAAN OLEH INSTITUSI ZAKAT

Bil		Kerjasama dengan	Program Pembiayaan
1.	Institusi Zakat	-	Qard Hassan
2.		Perbankan Islam	Mudarabah
3.		Usahawan Asnaf	Musyarakah

Sumber: Para Penulis

5. KESIMPULAN DAN POTENSI KAJIAN

Hasil daripada perbincangan, pembiayaan memainkan peranan penting dalam memajukan aktiviti keusahawanan, khususnya di negara-negara miskin dan membangun. Dalam konteks golongan asnaf di Malaysia, akses kepada pembiayaan modal amat penting untuk membantu mereka keluar dari belenggu kemiskinan dan seterusnya menjadi usahawan yang berdikari. Namun, golongan asnaf sering berdepan cabaran utama seperti kekurangan modal, ketiadaan penjamin, dan rekod pinjaman yang tidak lengkap. Hal ini menyebabkan mereka sukar mendapatkan pembiayaan daripada institusi perbankan konvensional. Untuk mengatasi cabaran ini, institusi zakat dan institusi kewangan Islam telah memperkenalkan pelbagai inisiatif dan skim pembiayaan khas bagi golongan asnaf. Melalui program seperti iTEKAD, TEKUN Nasional, Amanah Ikhtiar Malaysia (AIM), serta pelbagai skim pembiayaan daripada institusi perbankan dan bukan perbankan, golongan asnaf diberikan peluang untuk mendapatkan modal perniagaan yang mereka perlukan. Dalam hal ini, kontrak-kontrak pembiayaan Islam seperti mudarabah, qard hassan, dan musyarakah menjadi asas penting bagi membolehkan golongan asnaf berkongsi keuntungan dan risiko bersama institusi zakat atau bank. Melalui inisiatif-inisiatif ini, golongan asnaf bukan sahaja menerima suntikan modal, malah mereka juga mendapat peluang untuk meningkatkan taraf hidup dan keluar daripada kitaran kemiskinan.

Dengan adanya sokongan pembiayaan yang berstruktur, golongan asnaf berpeluang untuk terus maju dalam bidang perniagaan dan menyumbang kepada pembangunan ekonomi negara.

Penulisan ini menunjukkan bahawa pembiayaan sememangnya memainkan peranan besar dalam memajukan aktiviti keusahawanan dalam kalangan golongan asnaf. Namun, beberapa kelemahan dalam penulisan ini perlu diberi perhatian untuk menghasilkan analisis yang lebih menyeluruh dan kritikal. Sebagai contoh, penulisan ini tidak mengupas cabaran sebenar yang dihadapi dalam pelaksanaan program pembiayaan seperti isu birokrasi, kadar faedah, dan penilaian kelayakan penerima. Faktor-faktor ini boleh menjadi halangan besar bagi golongan asnaf untuk mendapatkan pembiayaan dengan mudah dan berkesan. Maka, kajian masa hadapan disarankan untuk mengkaji cabaran-cabaran ini dengan lebih mendalam dan mencadangkan langkah-langkah penambahbaikan agar program pembiayaan menjadi lebih mesra pengguna dan efisien.

Selain itu, penulisan ini menyebutkan beberapa kontrak pembiayaan Islam seperti mudarabah, qard hassan, dan musyarakah, namun tidak membincangkan keberkesanan setiap kontrak ini dalam konteks keperluan dan situasi sebenar golongan asnaf. Setiap kontrak ini mempunyai kelebihan dan kekurangan tersendiri, yang mungkin lebih sesuai dalam situasi tertentu. Oleh itu, kajian masa hadapan perlu menilai kesesuaian setiap kontrak tersebut untuk memastikan pembiayaan yang disalurkan benar-benar berkesan dalam membantu golongan asnaf mencapai kestabilan ekonomi. Di samping modal kewangan, golongan asnaf juga memerlukan bimbingan dan latihan berterusan dalam pengurusan perniagaan. Penulisan ini kurang menekankan aspek sokongan tambahan seperti program latihan dan bimbingan keusahawanan, yang mana elemen-elemen ini penting untuk memastikan keberhasilan jangka panjang. Justeru, kajian masa hadapan disarankan untuk mengkaji keberkesanan program latihan dan bimbingan yang diberikan selepas pembiayaan, dalam membantu penerima bantuan mengurus perniagaan mereka dengan lebih baik dan meningkatkan peluang kejayaan jangka panjang.

Secara keseluruhan, dengan mengambil kira kelemahan-kelemahan ini serta cadangan-cadangan untuk kajian masa hadapan, diharapkan penulisan yang lebih komprehensif dan kritikal dapat dihasilkan. Kajian lanjut yang lebih mendalam ini akan menyumbang kepada peningkatan keberkesanan inisiatif pembiayaan, sekali gus membantu golongan asnaf dan usahawan kecil mencapai kestabilan ekonomi yang mampan serta menyumbang kepada pembangunan ekonomi negara secara keseluruhan.

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