

Issues and Perspectives in Business and Social Sciences

Sacred trust and sustainable future: embedding *tawhidic* epistemology values in *waqf* enterprises

Suhaimi Mhd Sarif^{1*}, Rakhmad Agung Hidayatullah²,
Yayan Firmansah², Dzuljastri Abdul Razak³

¹Kulliyah of Economics and Management Sciences, International Islamic University Malaysia, Malaysia;

²Faculty of Economics and Management, Universitas Darussalam Gontor, Indonesia;

³International Institute of Halal Research and Training, International Islamic University Malaysia, Malaysia.

*correspondence: suhaimims@iium.edu.my

Abstract

This study investigates the sustainability of waqf-based enterprises through the lens of tawhidic epistemology, positioning waqf not merely as a philanthropic mechanism but also as a divinely inspired economic model grounded in *ubudiyyah* (servitude to Allah), *adl* (justice), and intergenerational equity. The primary objective is to identify the underlying drivers that enable waqf enterprises to sustain their operations while fulfilling their *Shari'ah*-compliant fiduciary and social mission. Adopting a qualitative methodology, this research draws on in-depth semi-structured interviews with 15 waqf managers from various Malaysian states, selected for their leadership roles in managing active waqf entities across diverse institutional settings. Thematic analysis revealed five interdependent sustainability drivers: (1) value-based leadership rooted in *taqwa* (God-consciousness), (2) collaborative governance that balances *Shari'ah* and operational needs, (3) stakeholder trust and engagement, (4) adaptive innovation responsive to contemporary challenges, and (5) mission-centricity anchored in *amanah* (ethical stewardship). These findings contribute to both theoretical and practical discourse by proposing a spiritually anchored sustainability model for waqf enterprises.

Keywords:

Waqf;
Tawhidic;
Sustainability;
Epistemology;
Shariah compliance
governance.

Received:

April 8, 2025

Accepted:

Dec 31, 2025

Published:

January 14, 2026

1. Introduction

Waqf enterprises are emerging as catalytic instruments in the Muslim economic ecosystem, offering not only financial returns but also spiritually grounded value creation (Ayub et al., 2024; Iman & Mohammad, 2017; Nasiri et al., 2019; Maulidizen, 2024). Anchored in the Islamic principle of *sadaqah jariyah* (perpetual charity), these ventures manifest a divine mandate for socioeconomic justice, inclusivity, and community empowerment (Nasiri et al., 2019; Ramdani et al., 2024; Rohana et al., 2024; Usman & Faruqi, 2024). In Malaysia, the resurgence of Waqf-based initiatives has attracted policy interest and public engagement, particularly for their alignment with the United Nations Sustainable Development Goals (SDGs) in education, healthcare, and entrepreneurship (Abdul Latif et al., 2018; Abdullah, 2018; Lamido & Haneef, 2021; Mahmud & Noordin, 2024; Rusydiana et al., 2025).

However, sustaining waqf enterprises within a modern economic framework is far from straightforward (Ishak et al., 2025; Sudi et al., 2024; Rohim & Yetty, 2025). These organizations

do not pursue profit maximization as an end but rather operate within a mission-driven paradigm shaped by Shariah and infused with the tawhidic worldview—one that recognizes ultimate accountability to Allah and the interconnectedness of all creations (Al-Jayyousi et al., 2022; Demir, 2025; Le & Saad, 2023; Razan, 2025). This epistemological foundation calls for a redefinition of business success from linear financial growth to holistic impact grounded in ethical stewardship (*amanah*), social responsibility (*mas'uliyah*), and spiritual intentionality (*niyyah*) (Kirecci, 2025; Sinollah et al., 2025; Yusof, 2025).

This study investigates the enabling internal and external dynamics that support the long-term viability of waqf businesses (Kirecci, 2025; Sudi et al., 2024; Razan, 2025). By examining the experiences of key stakeholders (founders, trustees, managers, and beneficiaries) across Malaysia (Mahmud & Noordin, 2024; Rusydiana et al., 2025; Yusof, 2025), this study seeks to uncover how waqf enterprises navigate institutional constraints, uphold their spiritual commitments, and adapt to evolving regulatory and market conditions (Demir, 2025; Razan, 2025; Sinollah et al., 2025; Yusof, 2025). In doing so, this research contributes to a growing body of knowledge that seeks to integrate Islamic epistemology with sustainable enterprise strategy, advancing business models that are simultaneously profitable, purposeful, and God-conscious.

2. Literature review

This literature review section contends that waqf enterprises grounded in tawhidic epistemology embody a distinctive model of faith-inspired, value-driven economic institutions that transcend the traditional dichotomy between charity and commerce (Al-Jayyousi et al., 2022; Demir, 2025; Le & Saad, 2023; Razan, 2025). Rooted in the foundational Islamic principles of *amanah* (trust), *adl* (justice), *maslahah* (public benefit), and *taqwa* (God-consciousness), these enterprises operationalise sustainability as a spiritually accountable, ethically coherent, and socially inclusive endeavour (Kirecci, 2025; Sinollah et al., 2025; Yusof, 2025). Rather than maximizing profit, waqf businesses are designed to maximize purpose, prioritizing long-term impact, ethical stewardship, and communal well-being (Ali et al., 2024; Hamzah, 2024; Firmansah, 2025). By aligning economic practices with divine accountability, waqf enterprises offer an alternative development paradigm that empowers communities, safeguards the sanctity of endowed assets, and sustains intergenerational benefits in service of both worldly prosperity and ultimate success (*al-falah*) (Firmansah, 2025; Hamzah, 2024; Sukmana & Trianto, 2025; Yusof, 2025).

2.1 Waqf as a value-based institution

Waqf, often narrowly understood as an act of charity, is a deeply embedded value-based institution within the Islamic socio-economic framework (Ayub et al., 2024; Khalid & Usman, 2022; Maulidizen, 2024; Yusof, 2025). It transcends philanthropy by embodying a divinely mandated model of wealth circulation and social equity (Ali et al., 2024; Firmansah, 2025; Hamzah, 2024). Rooted in tawhidic epistemology, where all actions are ultimately oriented toward the pleasure of Allah (SWT), waqf is underpinned by the principles of *amanah* (trust), *adl* (justice), and *maslahah* (public benefit) (Demir, 2025; Razan, 2025; Yusof, 2025). These foundational values elevate waqf from a transactional form of giving to a transformational instrument of community empowerment and intergenerational sustainability (Ishak et al., 2025; Sudi et al., 2024; Rohim & Yetty, 2025).

Historically, waqf has played a central role in the flourishing of Islamic civilization. From funding universities, such as Al-Qarawiyyin and Al-Azhar, to support public infrastructure, healthcare services, and water systems, waqf was the economic backbone of a values-driven society (Abd Aziz et al., 2023; Hoque & Abdullah, 2021; Rohana et al., 2024; Muhammad et al., 2025). Its

structure enabled the redistribution of wealth in a manner that did not compromise dignity or foster dependency but instead cultivated resilience and shared prosperity among communities (Ayub et al., 2024; Bachri & Rosyadi, 2024; Mustapha, 2024; Yusof, 2025).

However, in contemporary times, waqf institutions face both operational and perceptual challenges (Ayub et al., 2024; Akhtar, 2025; Firmansah, 2025; Kamarudin et al., 2024; Manaf et al., 2025). While the spiritual essence remains intact, the mechanisms of governance and deployment require urgent revitalization (Bachri & Rosyadi, 2024; Mustapha, 2024; Yusof, 2025). Recent scholarship emphasises the need for professionalised management, transparency, and integration with modern Islamic financial instruments to enhance accountability, scalability, and impact (Bachri & Rosyadi, 2024; Kirecci, 2025; Mustapha, 2024; Sinollah et al., 2025; Yusof, 2025). These calls for reform are not merely technical; they are deeply theological (Ali et al., 2024; Firmansah, 2025; Hamzah, 2024). From a tawhidic perspective, the revival of waqf must be guided by an awareness of divine accountability (*taqwa*), ethical decision-making (*ihsan*), and the purpose of wealth as a trust (*amanah*) to be used in the service of the ummah and in pursuit of *al-falah* (ultimate success in this life and the Hereafter) (Al-Jayyousi et al., 2022; Ali et al., 2024; Demir, 2025; Hamzah, 2024; Le & Saad, 2023; Razan, 2025).

As such, the waqf institution must be reimagined not only as a static endowment, but also as a dynamic platform for mission-driven, faith-conscious economic empowerment (Bachri & Rosyadi, 2024; Kirecci, 2025; Mustapha, 2024; Sinollah et al., 2025; Yusof, 2025). The integration of Shariah-compliant innovations, strong governance frameworks, and human capital development rooted in Islamic ethics offers a pathway for waqf to reclaim its historical role as a pillar of socioeconomic justice and sustainable development (Ishak et al., 2025; Ramdani et al., 2024; Rohana et al., 2024; Usman & Faruqi, 2024; Sudi et al., 2024; Rohim & Yetty, 2025).

Thus, when reimagined through the lens of tawhidic epistemology, waqf should be positioned as a strategic, value-based institution capable of driving socioeconomic transformation (Ishak et al., 2025; Ramdani et al., 2024; Rohana et al., 2024; Usman & Faruqi, 2024; Sudi et al., 2024). By embedding the principles of *amanah* (trust), *adl* (justice), *maslahah* (public benefit), and *taqwa* (God-consciousness) into its governance and operations, waqf can evolve into a mission-driven platform for sustainable development—one that mobilizes endowed assets to deliver long-term community empowerment, ethical wealth redistribution, and intergenerational resilience in alignment with the divine purpose.

2.2 Waqf and business sustainability

Business sustainability has traditionally been framed as the triad of environmental stewardship, financial viability, and social responsibility. However, within the tawhidic epistemology, in which business is not merely a secular pursuit but an act of *ibadah* (worship) and trust (*amanah*), the notion of sustainability acquires a deeper spiritual and ethical dimension (Bachri & Rosyadi, 2024; Kirecci, 2025; Mustapha, 2024; Sinollah et al., 2025; Yusof, 2025). In the context of waqf enterprises, sustainability is not only about maintaining operational continuity or market competitiveness (Ali et al., 2024; Firmansah, 2025; Hamzah, 2024). It aims to preserve the sanctity of the endowed asset (*mauquf*), ensure perpetual benefit (*sadaqah jariyah*), and uphold the purpose for which the waqf was originally established: to serve the public good (*maslahah*) in alignment with the Divine Will (Ismail et al., 2023; Mahardika & Tanweer, 2025; Rashid et al., 2025).

Unlike conventional businesses that prioritize shareholder returns, waqf businesses are designed to be mission-centric, guided by the higher objectives of *Shari'ah* (*Maqasid al-Shari'ah*), including the protection of wealth, intellect, life, religion, and lineage (Ramdani et al., 2024; Rohana et al., 2024; Usman & Faruqi, 2024; Rusydiana et al., 2025). This paradigm demands a holistic approach to sustainability, one that harmonizes ethical governance, resource preservation, and community

empowerment within a framework of divine accountability (*taqwa*) (Ishak et al., 2025; Rohim & Yetty, 2025; Razan, 2025; Sinollah et al., 2025; Yusof, 2025). The expectation is not merely to sustain profitability but to sustain purpose, integrity, and impact across generations.

A growing body of literature highlights governance, transparency, and stakeholder trust as critical enablers of waqf sustainability (Abd Malib et al., 2024; Firmansah, 2025; Hassan et al., 2022; Mahmud & Noordin, 2024; Raja Adnan et al., 2022). Effective governance ensures that decision making aligns with both Shariah and best business practices (Firmansah, 2025; Razan, 2025; Sinollah et al., 2025; Yusof, 2025). Transparency fosters trust among donors, beneficiaries, regulators, and broader ummah (Hassan et al., 2022; Mahmud & Noordin, 2024; Yusof, 2025). Stakeholder engagement ensures that waqf remains relevant and responsive to community needs (Rohana et al., 2024; Rusydiana et al., 2025; Usman & Faruqi, 2024). However, despite these insights, empirical evidence on the specific operational dynamics of waqf businesses—how they are structured, managed, and adapted in practice—remains limited.

This gap indicates the need for context-specific research that moves beyond normative prescriptions to uncover real-world strategies and challenges. How do waqf leaders balance their spiritual mandates with business acumen? What mechanisms allow them to adapt to changing regulatory, economic, and technological environments without compromising the Shariah principles? These are not merely operational questions; they are epistemological. They require a worldview that sees sustainability not as an end in itself but as a means to fulfill one's duty to Allah through service to humanity.

In this light, waqf enterprises have the potential to model an alternative form of sustainable business, one that is faith-driven, socially inclusive, ethically grounded, and strategically resilient. Thus, waqf enterprises, when anchored in tawhidic epistemology, offer a spiritually conscious model of business sustainability that transcends the conventional metrics of profit and performance. By integrating *taqwa* (divine accountability), *amanah* (trust), and *maslahah* (public good) into their governance structures and operational logic, waqf businesses can sustain not only financial viability, but also ethical integrity, social relevance, and intergenerational impact. This faith-driven approach to sustainability reframes business as an act of *ibadah* (worship), where preserving the sanctity of endowed assets and fulfilling the mission of public benefit aligns with the broader pursuit of *al-falah* (ultimate success) in both this world and the Hereafter.

3. Research framework

This study introduces a Tawhidic Sustainability Framework to examine how waqf enterprises can achieve enduring viability through three interdependent dimensions: (a) sacred trust, (b) sustainable future, and (c) tawhidic epistemology. These dimensions are designed to address key knowledge gaps in the existing waqf and sustainability literature, particularly the limited integration of Islamic moral and spiritual values within governance, ethics, and strategic management practices (Abdul Latif et al., 2018; Abd Aziz et al., 2023; Ramdani et al., 2024; Rashid et al., 2025). By grounding the study in tawhidic principles, this framework positions waqf not merely as a financial or philanthropic tool but also as a spiritually anchored institution capable of advancing holistic and value-driven development (Bachri & Rosyadi, 2024; Demir, 2025; Firmansah, 2025; Mustapha, 2024; Rohana et al., 2024).

The first dimension, Sacred Trust, redefines waqf governance as divinely entrusted responsibility. While earlier studies have highlighted legal reforms, institutional capacity building, and the role of Islamic jurisprudence (*ḍawābiṭ fiqhiyyah*) (Abdul Latif et al., 2018; Abdullah, 2018; Al-Jayyousi et al., 2022; Rashid et al., 2025), they have often overlooked the spiritual foundations of waqf rooted in *ubudiyyah* (servitude to Allah) (Ali et al., 2024; Ayub et al.,

2024). This research fills that gap by embedding *amanah* (trust), ‘*adl* (justice), *maslahah* (public benefit), and *taqwa* (God-consciousness) into the strategic and operational design of waqf institutions (Abd Malib et al., 2024; Demir, 2025; Firmansah, 2025; Ramdani et al., 2024). Governance framed through *amanah* transcends procedural compliance to become a moral imperative—anchoring leadership decisions in dual accountability—to the community, and ultimately to Allah. This value-based governance model is rooted in ethical stewardship and principled leadership (Bachri & Rosyadi, 2024; Hamzah, 2024; Mahmud & Noordin, 2024).

The second dimension, Sustainable Future, promotes a multidimensional approach to sustainability that integrates economic viability with ethical integrity and intergenerational justice. Although the literature has begun to link waqf with Sustainable Development Goals (SDGs), *maqasid al-shariah* (objectives of Islamic law), and socio-educational upliftment (Abdullah, 2018; Al-Jayyousi et al., 2022; Muhammad et al., 2025; Rohim & Yetty, 2025), practical models operationalizing these principles within waqf enterprises remain limited. This study addresses this gap by proposing a framework in which *amanah* (trust), ‘*adl* (justice), *maslahah* (public benefits) guide strategic planning, resource allocation, and stakeholder engagement. Such integration allows waqf enterprises to function as agents of socioeconomic transformation aligned with both *Shari’ah* objectives and resilience in contemporary development landscapes (Ali et al., 2024; Bachri & Rosyadi, 2024; Mahardika & Tanweer, 2025; Nasiri et al., 2019). Sustainability, in this framework, is not treated merely as a financial outcome but as a sacred trust aimed at achieving *al-falah* (ultimate success) in both temporal and eternal realms.

The third and most foundational dimension is tawhidic Epistemology, which forms the ontological and epistemological basis of the entire framework. Unlike many existing models that treat Islamic values as supplementary, this study positions tawhidic knowledge as a primary driver of institutional logic. By framing sustainability as *ibadah* (worship), the study reorients the strategic direction of waqf institutions away from conventional development paradigms towards spiritually conscious and purpose-driven outcomes (Ayub et al., 2024; Abd Aziz et al., 2023; Sinollah et al., 2025). In this paradigm, decision making, innovation, and stakeholder relations become acts of moral responsibility and spiritual accountability. Moreover, this approach addresses concerns over the commercialization of religion and the decline of volunteerism within Islamic institutions (Demir, 2025; Firmansah, 2025) by reinstating a spiritually coherent and morally upright vision of organizational purpose. It also highlights emerging waqf-business models that are contextually relevant, such as those implemented in faith-based universities (Razan, 2025; Firmansah, 2025), or within public health and education (Raja Adnan et al., 2022; Rohana et al., 2024).

Taken together, the tawhidic Sustainability Framework enriches the broader discourse on the Islamic social economy by providing a spiritually authentic, ethically grounded, and practically applicable model for sustaining waqf enterprises. It directly addresses the need for faith-driven institutional strategies that align divine accountability with socioeconomic objectives (Rusydiana et al., 2025). In doing so, this framework contributes to the ongoing reimagination of waqf as not merely a financial mechanism, but a transformative moral-economic institution capable of advancing holistic well-being, circular economy principles, and *ummatic* (communal) excellence (Mahardika & Tanweer, 2025; Maulidizen, 2024; Mustapha, 2024). The research framework is illustrated in Figure 1.

4. Methods

This study employed an interpretivist qualitative research method as appropriate for understanding in-depth experiences, perceptions, and motivations of individuals involved in waqf business contexts (Eisenhart & Jurow, 2011; Drisko, 2025; Köhler et al., 2025; Tisdell et al., 2025). The research focused on gathering rich, descriptive data through semi-structured

personal interviews, similar to the studies by Crick (2021) and Flick et al. (2025). This study purposively selected 15 waqf business managers, which is comparable to other studies that used semi-structured interviews, including Douglas (2022), Flick et al. (2025), and Thomas (2022).

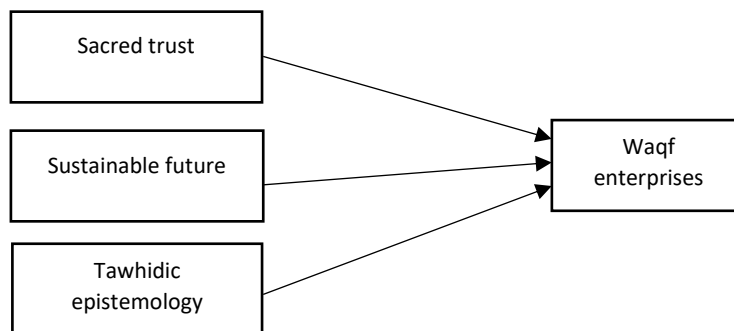


Figure 1: Research framework

4.1 Research instrument

This study employed an interview instrument guided by a structured interview protocol for data collection. The interview for waqf managers consisted of a series of in-depth, semi-structured questions designed to explore the sustainability dynamics of waqf enterprises. Table 1 depicts how the research objectives were mapped with the interview questions and sustainability dimensions.

The interview begins with Section A (Introduction and Context), which invites respondents to describe their waqf enterprise in terms of its main activities, target beneficiaries, and organizational structure. They were also asked to reflect on the primary purpose (*niyyah*) and long-term mission of their waqf, as well as their understanding of sustainability within the context of a waqf organization. The interview questions for Section A were Q1 (A-i): Can you briefly describe your waqf enterprise — its main activities, target beneficiaries, and organizational structure? Q2 (A-ii) What do you see as the primary purpose (*niyyah*) and long-term mission of your waqf enterprise? Q3 (A-iii) How do you define sustainability in the context of a waqf organization?

Section B (Value-Based Leadership Rooted in *Taqwa*) examines how managers' personal sense of *taqwa* (God-consciousness) influences their decision-making, leadership principles, and ability to balance spiritual, social, and financial goals, including instances where ethical or Shari'ah considerations override material interests. The interview questions were Q4 (B-i) How does your personal sense of *taqwa* (God-consciousness) influence your decision making as a waqf manager? Q5 (B-ii) What leadership values or principles guide you in balancing your spiritual, social, and financial objectives? Q6 (B-iii) Can you share examples in which ethical or Shari'ah-based considerations guided your leadership choices even when they conflicted with material gains?

Section C (Collaborative Governance Balancing Shari'ah and Operations) focuses on the mechanisms that ensure governance processes comply with both Shari'ah principles and contemporary management practices. It further explores how decisions are made and monitored among trustees (*mutawalli*), Shari'ah advisors, and operational managers, as well as the challenges faced in coordinating with various stakeholders, such as religious authorities, government bodies, and community boards. The interview questions were Q7 (C-i) How do you ensure that your governance processes align with both Shari'ah principles and modern management requirements? Q8 (C-ii) How are decisions made and monitored within your waqf institution, for example, between *mutawalli* (trustee), Shari'ah advisors, and operational managers? Q9 (C-iii) What challenges do you face in coordinating governance among different stakeholders (religious authorities, government, and community boards)?

Table 1: Participants' profiles

Research Objective	Related Interview Questions	Sustainability Dimension Addressed	Explanation of Alignment
1. To explore how value-based leadership rooted in <i>taqwa</i> (God consciousness) influences decision-making and organisational sustainability	Q4, Q5, Q6	Ethical–Spiritual Sustainability	These questions assess how managers' God-consciousness (<i>taqwa</i>) informs ethical behaviour, strategic direction, and moral consistency — foundational for long-term legitimacy and trust.
2. To examine how collaborative governance ensures balance between Shari'ah compliance and operational efficiency	Q7, Q8, Q9	Institutional–Regulatory Sustainability	Questions explore decision structures, checks and balances, and integration of religious and administrative mechanisms that sustain operational and spiritual integrity.
3. To assess how stakeholder trust and engagement contribute to waqf sustainability	Q10, Q11, Q12	Social–Relational Sustainability	These investigate how transparency, communication, and community relationships preserve donor confidence and beneficiary participation — vital for continuity.
4. To identify how adaptive innovation helps waqf institutions respond to changing environments	Q13, Q14, Q15	Economic–Technological Sustainability	These uncover strategies of renewal, innovation, and technology adoption that ensure relevance while maintaining Shari'ah alignment.
5. To understand how mission-centricity and <i>amanah</i> strengthen waqf's ethical stewardship	Q16, Q17, Q18	Mission–Moral Sustainability	These focus on how adherence to the original waqf intent (<i>niyyah</i> and <i>amanah</i>) safeguards institutional purpose and community trust over time.
6. To synthesise underlying sustainability drivers and propose an integrated model for sustaining waqf enterprises	Q1–3, Q19–20	Holistic Sustainability (integrating spiritual, social, and operational)	The introductory and reflective questions contextualise organisational identity and allow triangulation across the five drivers, leading to a unified understanding of sustainability within waqf practice.

Section D (Stakeholder Trust and Engagement) explores the factors that build or weaken trust between waqf enterprises and their stakeholders, strategies for promoting transparency and accountability, and examples of successful community engagement initiatives that enhance credibility and social impact. The interview questions were Q10 (D-i) What are the key factors that build or erode trust between your waqf enterprise and its stakeholders (donors, beneficiaries, regulators, community)? Q11 (D-ii) How do you communicate transparency and accountability in order to maintain stakeholder confidence? Q12 (D-iii) Can you describe successful examples of community engagement that enhance the impact or credibility of your waqf?

Section E (Adaptive Innovation in Contemporary Challenges) investigates how waqf enterprises adapt to modern issues such as digital transformation, economic uncertainty, and post-pandemic realities. It examines the types of innovation—technological, social, or financial—introduced to sustain operations while ensuring compliance with *Shari'ah* principles. The interview questions are Q13 (F-i) How has your waqf enterprise responded to modern challenges such as digital transformation, economic volatility, or post-pandemic recovery? Q14 (F-ii) What types of innovation (technological, social, financial) have you implemented to sustain waqf operations and their relevance? Q15 (F-iii) How do you ensure that innovation remains Shari'ah-compliant and mission-aligned? The interview questions were Q16 (F-i) How do you uphold the *amanah* (trust) of the waqf founder and donors while pursuing sustainability? Q17 (F-ii) How does your organization evaluate whether it is achieving its social and spiritual mission? Q18 (F-iii) In your opinion, what does it mean for a waqf enterprise to achieve *al-falāḥ* (holistic success), materially, ethically, and spiritually? The interview questions were Q16 (F-i) How do you uphold the *amanah* (trust) of the waqf founder and donors while pursuing sustainability? Q17 (F-ii) How does your

organization evaluate whether it is achieving its social and spiritual mission? Q18 (F-iii) In your opinion, what does it mean for a waqf enterprise to achieve *al-falāḥ* (holistic success), materially, ethically, and spiritually?

Section F (Mission-Centricity Anchored in Amanah) focuses on how managers uphold the *amanah* (trust) of waqf founders and donors, assess their organisation's effectiveness in achieving social and spiritual missions, and interpret the concept of *al-falāḥ* (holistic success) in material, ethical, and spiritual dimensions.

Finally, Section G (Integrative Reflection) encourages participants to identify the most critical factors sustaining waqf enterprises in the long term and to suggest key reforms or improvements to enhance the sustainability of waqf institutions in Malaysia. The interview questions were Q19 (G-i): What do you believe are the most important factors that sustain a waqf enterprise in the long run? Q20 (G-ii) If you could recommend a key reform or improvement for the sustainability of waqf institutions in Malaysia, what would it be?

Prior to actual data gathering, the instrument and protocol were reviewed and validated by six subject matter experts, consisting of two academics, two industry practitioners, and two government officers. Expert validation enhances methodological rigor, ecological validity, and reliability by aligning research instruments with real-world contexts through feedback from academia, industry, and government (Drisko, 2025; Köhler et al., 2025; Tisdell et al., 2025). The experts provided constructive feedback to ensure that the interview questions were clear, relevant, and easily understood by the informants, considering their diverse backgrounds. On the basis of this feedback, revisions were made to the instrument. Subsequently, we conducted a pilot study to test the clarity and effectiveness of the revised instrument. The pilot study involved three participants who shared similar characteristics with the intended study respondents, namely, waqf managers from different institutional backgrounds. These participants were selected to represent diverse perspectives from academic, industrial, and government-linked waqf entities, ensuring that the questions were understandable, contextually appropriate, and reflective of real operational challenges. The findings of the pilot study were then discussed with the same group of experts to identify further areas for improvement before the final implementation.

Interviews were conducted in both English and Malay, depending on the participants' language preferences, and lasted from 40 to 70 minutes. The interview protocol was designed to elicit rich insights into participants' roles, organizational challenges, success narratives, and perceived enablers of sustainability within their respective waqf entities.

4.2 Data analysis

Rigorous thematic analysis was employed to identify and extract recurring patterns and emergent themes (Drisko, 2025; Eisenhart & Jurow, 2011; Köhler et al., 2025; Tisdell et al., 2025). Codes and categories were iteratively developed to ensure that the analytical constructs were grounded in empirical data rather than derived from preconceived frameworks. The analytical process was guided by both inductive and abductive reasoning, allowing space for themes to emerge organically, while also being interpreted through the lens of tawhidic epistemology.

To enhance the robustness and credibility of the findings, this study conducted methodological triangulation through supplementary document analysis and field observations at selected *waqf*-based enterprises. The document analysis covered annual reports, financial statements, strategic plans, Shari'ah governance frameworks, and community engagement reports, thus providing contextual evidence of governance, sustainability, and Shari'ah alignment. Field observations during board meetings, stakeholder engagements, and community activities captured real-time leadership behavior and decision-making grounded in *taqwa* (God-consciousness) and *amanah* (trust), thus complementing the interview data. As supported by Eisenhart and Jurow (2011),

Drisko (2025), Köhler et al. (2025), and Tisdell et al. (2025), triangulating interviews, documents, and observations enhances methodological rigor, ecological validity, and holistic understanding of sustainability within waqf enterprises. These additional data sources provided contextual depth, enabling the cross-verification of participant narratives and a richer understanding of organizational dynamics. This methodological design not only captures the operational realities of waqf enterprises, but also illuminates the epistemological undercurrents that shape how sustainability is defined and pursued in institutions committed to spiritual, social, and economic purposes.

4.3 Population and sample

The study collected actual data through in-depth, semi-structured interviews with 15 waqf business managers operating across four key Malaysian states—Selangor, Penang, Johor, and Kelantan—chosen for their diverse waqf landscapes and institutional maturity. Fifteen waqf managers were selected to participate in the study based on the researchers' personal contacts and referrals from colleagues and friends working in various waqf institutions across Malaysia. The researchers did not have the total population of waqf managers. This purposive and network-based sampling approach allowed researchers to identify participants who held key managerial or leadership roles and possessed substantial experience in managing active waqf enterprises. The participants represented a diverse range of institutions, including state Islamic religious councils, university-linked waqf units, corporate waqf foundations, and community-based organizations, ensuring a balanced perspective of sustainability practices within different waqf settings.

Each potential participant was personally contacted via email, phone call, or WhatsApp message, where the researchers introduced the study, explained its academic purpose, and invited voluntary participation. Once they agreed, a formal invitation and consent form was shared, outlining the study's objectives, interview process, expected duration (approximately 60–90 minutes), and confidentiality assurances. Participants were asked to sign the consent form prior to the interview, and verbal consent was reconfirmed at the start of each session.

Before each interview, the researcher conducted a short briefing, either in person or online, to explain the background of the research, thematic areas to be discussed (leadership, governance, stakeholder engagement, innovation, and mission-centricity), and ethical procedures involved. The participants were informed that the interview was non-evaluative and aimed at gathering insights for academic purposes. The researcher also clarified that participation was voluntary and that data would be treated confidentially and anonymously.

This personalized approach, supported by professional relationships and mutual trust, encourages candid sharing and meaningful dialogue, thereby enhancing the credibility and depth of the qualitative data collected from experienced waqf managers.

This study involved 15 waqf managers from diverse sectors and geographical locations across Malaysia. In terms of sectoral distribution, the largest group comprised seven participants from the retail sector (participants 1, 2, 8, 9, 12, 14, and 15), followed by three from the education sector (participants 3, 6, and 11), three from the food and beverage sector (participants 4, 5, and 13), and two from the construction sector (participants 7 and 10). Geographically, the participants were based in Selangor (2), Kelantan (4), Penang (4), and Johor (5), reflecting the broad representation of active waqf enterprises across different states. The years of business formation ranged from 2010 to 2020, indicating a mix of established and relatively new enterprises. Most have been operating for more than five years, suggesting a level of maturity and stability conducive to discussions of sustainability practices. Table 2 presents a summary of participants' profiles by sector, location, and year of business formation. Table 2 presents a summary of participants' profiles.

Table 2: Participants' profiles

Sector	Number of Participants	Participants	Locations Represented	Years in business	Remarks
Retail	7	1, 2, 8, 9, 12, 14, 15	Selangor, Penang, Kelantan, Johor	5 - 10	Largest group; most active in commercial waqf ventures
Education	3	3, 6, 11	Selangor, Penang, Johor	10 - 15	Focused on waqf-based learning and institutional programs
Food and Beverage	3	4, 5, 13	Kelantan, Johor	10 - 14	Involved in social enterprise and community kitchens
Construction	2	7, 10	Penang, Kelantan	6 - 8	Engaged in infrastructure and property development

5. Results

This section synthesizes the insights drawn from in-depth interviews with 15 waqf business managers operating across four strategically selected Malaysian states: Selangor, Penang, Johor, and Kelantan. These states represent diverse waqf landscapes, regulatory environments, and institutional maturity levels. Through rigorous thematic analysis, five interrelated themes emerged that illuminate the core enablers of sustainability in waqf enterprises: value-based leadership, collaborative governance, stakeholder trust and engagement, adaptive innovation, and mission centrality.

Table 3 provides a detailed overview of these five emergent themes, supported by illustrative quotes from the participants. Each quote was selected to represent the essence of the theme, while highlighting the lived experiences of practitioners actively navigating the spiritual and operational demands of sustaining waqf enterprises. Five main themes were established from the data, which are described in the following subsections.

Table 3: Derived themes

Themes	Sampled quotes	Participant
Value-based leadership	"As a Waqf manager, I remind myself daily that this is not just about running a business – it's an amanah. Every decision we make must align with our values and the trust placed upon us by the community and, ultimately, by Allah."	2
	"Leadership in Waqf is not about control, but service. I see myself more as a guardian of the trust, guiding the team with compassion, accountability, and always with the intention of barakah, not just performance."	3
	"The moment we chase profit without purpose, we lose the essence of Waqf. Our leadership must reflect taqwa – being God-conscious in how we manage people, resources, and the long-term goals of the Waqf institution."	5
	"I believe true leadership in a Waqf business means putting mission before ego. You lead by example, with integrity, and ensure that every action contributes to sustainable benefit, not just temporary success."	11

Table 3: Derived themes (continued)

Themes	Sampled quotes	Participant
Collaborative governance	"We don't make decisions in silos. In Waqf governance, we involve Shariah advisors, financial experts, and community reps. Everyone has a voice because the waqf belongs to the ummah, not to a single individual."	1
	"Waqf governance must be inclusive. We have to engage with stakeholders -- donors, beneficiaries, even volunteers. It's not just top-down. Decisions must reflect the needs of the people we serve."	6
	"One of our strengths is shura. We practice consultative decision-making, not because it's trendy, but because it's sunnah. This way, trust builds naturally, and everyone takes ownership of the outcome."	13
Stakeholder trust and engagement	"Trust is not automatic. We have to earn it – through clear communication, regular updates, and showing that we're using the waqf resources responsibly and with integrity."	7
	"We make it a point to visit the beneficiaries regularly, listen to their feedback, and involve them in some decision-making. It's not charity – it's partnership. That's how engagement becomes real."	9
	"One lesson we've learned is that stakeholder engagement is ongoing. From the beginning, we involve them, whether it's reporting financials or inviting them to our project launches – it builds credibility and a sense of shared mission."	15
Adaptive innovation	"We can't rely solely on traditional waqf models anymore. We had to digitize our donation channels and introduce new income-generating activities that are Shariah-compliant but also sustainable."	5
	"We started collaborating with fintech platforms to reach younger donors. It's a different world now, and we need to speak their language without losing the essence of waqf."	10
	"Innovation for us means finding new ways to make the waqf relevant. We've repurposed idle land into agribusiness projects, merging social impact with sustainability – it's all about adapting without compromising the principles."	12
Mission-centricity	"Every initiative we take must go back to the original niyyah of the waqf. If the activity doesn't align with the purpose of serving the ummah and sustaining benefit, we reconsider it. The mission is non-negotiable."	13
	"We remind ourselves constantly that our work is not just about performance metrics. It's about fulfilling the amanah and ensuring the waqf continues to deliver <i>sadaqah jariyah</i> . That sense of mission keeps us grounded."	14
	"It's easy to get distracted by short-term success, but we always ask: is this in line with the Maqasid of the waqf? Staying focused on the mission protects us from deviating, especially when trends change."	15

5.1 Value-based leadership

A recurring theme across the interviews was the pivotal role of value-based leadership, where waqf managers are seen not merely as operational heads but as murabbis – spiritual educators, mentors, and trustees of the waqf legacy. This perspective transforms leadership from a position of control to an ethical stewardship, where the leader safeguards not only the endowed asset (*mauquf*), but also the trust of the ummah. According to Participant 5, leaders must reflect on *taqwa* and God-consciousness when managing the people, resources, and goals of waqf institutions. Further emphasis on value-based leadership was echoed by Participant 3:

I see myself more as a guardian of trust, guiding the team with compassion and accountability, and always with the intention of barakah, not just performance.

Participants also emphasized that effective waqf leadership begins with sincere niyyah (intention) and a strong sense of taklif, as reflected by Participant 2:

Every decision we make must align with our values and the trust we place upon us by the community and, ultimately, by Allah.

The rejection of profit-driven motives in favor of mission-centered integrity echoes the tawhidic principle that wealth is a trust (*amanah*), not a possession, and must be used in ways that align with the divine purpose. The qualitative data also highlight the notion of transformational leadership with spiritual intentionality, where decisions are filtered through the lens of *maslahah* (public good), *adl* (justice), and long-term sustainability, grounded in the Hereafter. Participant 11 succinctly summarized the essence of value-based leadership succinctly:

True leadership in a waqf business means putting a mission before ego... every action contributes to sustainable benefits, not just temporary success.

In summary, value-based leadership in waqf enterprises is not merely about strategic competence but also about embodying spiritual values in everyday decision-making. It is leadership driven by *taqwa*, framed by *amanah*, and sustained through *ihsan*, where success is ultimately measured not just by organizational outcomes but also by fidelity to divine trust and community service. *Ihsan* (excellence) is not defined by material outcomes alone but by the spiritual quality of one's actions and intentions.

5.2 Collaborative governance

Waqf businesses operate within a dynamic and multifaceted ecosystem comprising State Islamic Religious Councils (SIRCs), local communities, non-governmental organizations (NGOs), and business partners. Accordingly, waqf institutions are seen as collective trusts, and their management must embody inclusivity and *adl* (justice), ensuring that the needs and perspectives of diverse stakeholders are honored. Participant 1 recognized this characteristic in the following response:

We do not make decisions about silos. In waqf governance, we involve Shariah advisors, financial experts, and community reps. Everyone has a voice because waqf belongs to the ummah, not to a single individual.

Such collaboration is not merely procedural; it begins with intention (*niyyah*), and is built on ethical foundations. This practice reveals that, for waqf enterprises, governance is deeply spiritual and anchored in unity of purpose, where diversity of thought is welcomed as long as it aligns with shared values derived from Islamic teachings. Participant 4 clearly indicated this in the following response.

Our board meetings always start with a reminder of our *niyyah* (intention)... making room for differing views rooted in the same values.

The qualitative data also show the horizontal nature of governance in waqf organizations, where trust-based relationships are cultivated through regular dialogue, community involvement, and an open-feedback culture. Stakeholder engagement seemed to be a common practice, as indicated by Participant 6.

We must engage with stakeholders, donors, beneficiaries, and volunteers. This is not just a top-down.

This decentralization fosters a sense of collective ownership and moral responsibility among all actors. Community involvement, which is often achieved through the *shura*, is viewed as a

Sunnah-based leadership principle rather than a contemporary corporate practice. According to Participant 13,

We practice consultative decision-making not because it is trendy, but because it is sunnah. Thus, trust builds naturally, and everyone owns the outcome.”

5.3 Stakeholder trust and engagement

Participants generally believe that they need to preserve stakeholders’ trust, rather than expecting such trust to form naturally via appointments. Instead, stakeholder trust develops through relational proximity and co-participation. Furthermore, stakeholder engagement is described as an ongoing commitment rather than as a one-time activity. Participants 7, 9, and 15 noted this sentiment based on their remarks as follows (respectively):

Trust is not automatic. We have to earn it through clear communication, regular updates, and showing that we are using the waqf resources responsibly and with integrity.

We make it a point to visit the beneficiaries regularly, listen to their feedback, and involve them in decision-making. It’s not charity – it’s partnership.

One lesson we learned is that stakeholder engagement is ongoing... it builds credibility and a sense of shared mission.

Therefore, transparency in waqf management, as a way to increase stakeholders’ trust, becomes imperative. The practice is in line with the Qur’anic ideal of ta’awun (mutual cooperation in righteousness), where empowerment replaces dependency and stakeholders are treated with dignity and respect. The participants believed that the trust of the stakeholders ensured continuous waqf contributions and lasting confidence in waqf enterprises. Participant 11 explained:

Contributors come back not because of the returns but because they see transparency and sincerity. When they know exactly how their endowment impacts them, trust grows.

This speaks directly to the tawhidic view that wealth is a divine trust, and that those who channel it in waqf expect not just financial accountability but spiritual return in the form of sadaqah jariyah (continuous charity). This continuous relationship-building reinforces the principle that waqf is a collective institution of the ummah and that its legitimacy depends on co-ownership, shared values, and transparent processes.

5.4 Adaptive innovation

Waqf enterprises adopt a strategic yet principled approach to innovation, in which financial diversification is pursued not solely for profit maximization, but also for long-term stability and enhanced reach of the waqf’s intended impact. Leaders are aware of the need for mental and technological preparedness towards various challenges. According to Participant 8,

That experience (*COVID19*) taught us that innovation is not just about technology; it is about mindset, being ready to pivot while staying true to our values.

The need to embrace contemporary methods of managing waqf enterprises without compromising their identity is well recognized by leaders. This sentiment is indicated by Participants 5, 10, and 12 in the following responses (respectively).

We can no longer rely solely on the traditional Waqf models. We had to digitize our donation channels and introduce new income-generating activities that are Shariah compliant and sustainable.

We started collaborating with fintech platforms to reach younger donors... we need to speak their language without losing the essence of the waqf.

We have repurposed idle land into agribusiness projects, merging social impact with sustainability; it is all about adapting without compromising the principles.

The stance demonstrates the *wasatiyyah* (balanced) approach within Islam—engaging with modern tools while preserving the spirit and ethics of tradition. The application of *maqasid al-Shariah* in innovation—transforming underutilized assets into socially beneficial, spiritually aligned initiatives that respond to contemporary needs while upholding the sanctity of the endowed property (*mauquf*) – can be clearly identified in the responses. In essence, adaptive innovation in *waqf* enterprises is not a departure from Islamic principles; it is a return to them that is expressed in new and contextually relevant ways. These findings suggest that when innovation is guided by *taqwa*, aligned with the mission of *sadaqah jariyah* (perpetual charity), and structured within *Shariah*-compliant frameworks, it becomes a powerful enabler of institutional sustainability, community empowerment, and ethical scalability.

5.5 Mission-centricity

The unwavering commitment to mission centricity or the deep-rooted alignment with the original *niyyah* (intention) of the *waqif* (endower) and the divine objectives underpinning the *waqf* institution. In a landscape shaped by market shifts, donor expectations, and regulatory demands, practitioners repeatedly emphasized that the success and sustainability of *waqf* enterprises depend not only on sound strategy but also on spiritual fidelity to purpose. Participant 13 clearly stated this.

Every initiative we take must return to the original *niyyah* of the *waqf*... The mission is nonnegotiable.

This orientation ensures that every program, investment, or innovation is evaluated against its consistency with *maslahah* (public benefit) and *sadaqah jariyah* (perpetual charity) rather than merely profitability or popularity. This spiritual compass helps institutions maintain resilience amid changing trends and external pressures. Participant 14 said:

It is about fulfilling the *amanah* and ensuring that the *waqf* continues to deliver *sadaqah jariyah*. This sense of mission kept us grounded.

Here, *amanah* (trust) and *niyyah* (intention) converge to remind leaders that *waqf* is ultimately an act of worship (*ibadah*), and that its sustainability must be measured through impact that extends into the Hereafter (*akhirah*), not just quarterly reports. The risk of mission drift, where operational pressures overshadow foundational values, is a serious threat. Participant 15 offered the following reflection.

It is easy to get distracted by short-term success, but we always ask: Is this in line with the *Maqasid* of the *Waqf*?

This question is not rhetorical; it is an application of *tawhidic* reasoning, in which alignment with the higher objectives of *Shariah* is an ongoing institutional practice. It is through this lens that *waqf* enterprises distinguish themselves from conventional nonprofits or social businesses. Even amid efforts to innovate and scale, the participants stressed the importance of preserving the spiritual and ethical essence of *waqf*. Participant 8 stated:

We are not here to commercialize *waqf*—we are here to extend its impact while preserving its spiritual and social essence.

The responses reflect a balanced approach grounded in *wasatiyyah* (moderation), where growth is encouraged, but not at the expense of identity, intention, or trust. Notably, several participants mentioned internal retreats, regular consultations with *Shariah* scholars, and reflective practices as means of staying centered on the mission. These activities embody *tazkiyah* (self-purification)

at the organizational level, fostering an environment in which institutional behavior mirrors spiritual values.

In summary, mission centrality in waqf enterprises is not only a safeguard against deviation; it is a spiritual orientation that aligns institutional action with the divine will. It reinforces the *taabudiyyah* (servitude) of all the actors involved, ensuring that strategic decisions serve the ummah while remaining anchored in the eternal purpose of waqf.

6. Discussion

The five themes emerging from the study (value-based leadership, collaborative governance, stakeholder trust and engagement, adaptive innovation, and mission centrality) are deeply interwoven with the tawhidic epistemology that underpins Islamic management and sustainability. Collectively, they represent not only managerial practices, but also spiritual commitments rooted in *taqwa* (God-consciousness), *amanah* (trust), and *ihsan* (excellence). These findings substantiate the discussion that sustainability in waqf enterprises transcends material continuity, reflecting a faith-driven orientation towards ethical stewardship, communal accountability, and spiritual intentionality (Mahmud & Noordin, 2024; Rusydiana et al., 2025; Akhtar, 2025).

The first characteristic of waqf enterprise management is its value-based leadership. Waqf leaders embody *taqwa* (God-consciousness) and *amanah* (trust) in their daily decision making, confirming that leadership is a form of *ibadah* (worship) and moral stewardship. This directly supports the argument that sustainability begins with spiritual integrity and moral exemplarity, as emphasized by Mahmud and Noordin (2024) and Mahardika and Tanweer (2025). Leadership in waqf is not transactional, but transformational, oriented towards *maslahah* (public good) and long-term *al-falah* (true success).

The second finding concerns collaborative governance, which aligns with the concept of *shura* (consultative engagement) and inclusivity in decision-making (Demir, 2025; Sukmana & Trianto, 2025). The practice of involving multiple stakeholders, including Shari'ah advisors, financial experts, and community representatives, reflects the Quranic model of shared responsibility and justice (*adl*). This governance approach ensures a balance between Shari'ah compliance and operational efficiency, reinforcing the argument that effective waqf management is collective rather than individualistic.

The third element of waqf enterprise management is stakeholder trust and engagement, which mirrors the theoretical view that trust is both a moral and a social currency of sustainability. The participants' emphasis on transparency, regular communication, and co-participation that exemplify *ta'awun* (mutual cooperation) and *ukhuwwah* (brotherhood). This finding aligns with the views of Manaf et al. (2025) and Rashid et al. (2025), who stress that stakeholder legitimacy stems from sincerity (*ikhlas*) and continuous engagement. Trust becomes a divine and communal bridge connecting donors, managers, and beneficiaries in the shared mission of *sadaqah jariyah* (perpetual charity).

The fourth characteristic is adaptive innovation, which reinforces the belief that innovation in waqf is not a departure from Islamic principles, but a dynamic expression of them. Participants' experiences with digitization, diversification, and social enterprise initiatives align with the idea that *wasatiyyah* (balance) and *maqasid al-Shari'ah* (the higher objectives of Shari'ah) guide adaptation without compromising identity. This finding reflects the views of Firmansah (2025)

and Manaf et al. (2025), who argued that adaptive innovation, when guided by faith, becomes a mechanism for ethical scalability and intergenerational sustainability.

The last element is mission centrality, which most directly captures the ontological and epistemological grounding of the tawhidic worldview, emphasizing that the sustainability of waqf depends on fidelity to its divine mission and the original *niyyah* of the waqif (endower). Participants' insistence on aligning every initiative with *maslahah* (public benefit) and *sadaqah jariyah* (perpetual charity) validates the theoretical claim that economic activity in Islam is an act of worship and moral duty as articulated by Abdullah (2018) and Ayub et al. (2024). Mission-centrality safeguards against "mission drift" and keeps waqf enterprises spiritually anchored amid changing economic and social contexts.

Integrating these five results within the broader discussion, this study reaffirms that sustainability in waqf enterprises is multidimensional, comprising spiritual, social, ethical, and operational aspects. This aligns with tawhidic epistemology, which unites worldly responsibility (khilafah) with divine accountability (ta'abudiyyah). The findings demonstrate that waqf enterprises that embody *taqwa*, practice *shura*, nurture trust, innovate ethically, and remain mission-focused are best positioned to achieve *al-falah* or holistic success that encompasses both temporal and eternal rewards (Razan, 2025; Rusydiana et al., 2025; Yusof, 2025). Table 4 summarizes the results.

6.1 Recommendation and policy implications

This study recommends five spiritually grounded and operationally relevant actions to enhance the sustainability of waqf enterprises. First, waqf institutions should institutionalize value-based leadership development programs that cultivate murabbis – leaders who embody *taqwa* (God-consciousness), *amanah* (trust), *niyyah* (intentionality), and *ihsan* (excellence) to align decision-making with divine trust (Abd Malib et al., 2024; Abd Aziz et al., 2023; Mahardika & Tanweer, 2025). Second, collaborative governance structures should be embedded through inclusive decision-making processes that uphold *shura* (consultation) and involve stakeholders, such as Shariah advisors, financial experts, and community leaders (Abdul Latif et al., 2018; Mahmud & Noordin, 2024; Rusydiana et al., 2025). Third, stakeholder engagement must be strengthened through mechanisms such as impact reporting, donor consultations, and transparent communication, reflecting the ethics of *mas'uliyah* (responsibility) and *'adl* (justice) (Ali et al. 2024; Hasan et al. 2022; Nasiri et al. 2019). Fourth, innovation should be facilitated through investment in Shariah-compliant infrastructure—fintech platforms, micro-waqf ventures, and land activation strategies, which serve *maslahah* (public interest) and respect the sanctity of the endowed assets (Ishak et al., 2025; Mahardika & Tanweer, 2025; Razan, 2025; Rohim & Yetty, 2025). Lastly, mission alignment retreats should be conducted periodically to recalibrate strategies with the waqif's *niyyah* (the waqf giver's intention), rooted in the higher objectives of Shariah and *tazkiyah* (purification) -driven institutional reflection (Rashid et al., 2025; Ramdani et al., 2024; Demir, 2025).

As for policy implications, this study has significant implications for policymakers and regulatory bodies committed to advancing waqf sustainability through a tawhidic lens. Thus, a National waqf framework should formally integrate tawhidic epistemology and spiritual accountability as core dimensions of governance and performance measurement (Abdullah, 2018; Al-Jayyousi et al., 2022; Firmansah, 2025). Needless to say, State Islamic Religious Councils (SIRCs) should legislate inclusive governance practices in their respective states, such as the establishment of ethics and Shariah advisory boards and mandatory spiritual audits (Abd Malib et al., 2024; Hamzah, 2024). Higher education institutions and Islamic finance academies should embed a curriculum on ethical stewardship, spiritual performance indicators, and leadership based on tawhidic paradigms in order to build future talent (Abd Aziz et al., 2023; Hoque & Abdullah, 2021; Iman &

Mohammad, 2017). Likewise, regulators such as the central bank should incentivize Shariah-compliant innovation through tax breaks, digital waqf sandboxes, and startup funding for technology-integrated waqf initiatives (Ismail et al., 2023; Razan, 2025; Sudi et al., 2024). Finally, policy coordination across ministries of finance, Islamic development, and education should anchor waqf in the broader SDG and *Madani* (civilizational) agenda, especially in the areas of health, education, and community infrastructure (Bachri & Rosyadi, 2024; Muhammad et al., 2025; Rohana et al., 2024; Rusydiana et al., 2025). Together, these reforms reflect a paradigm shift that views waqf not merely as an asset management tool but also as a holistic spiritual-economic institution for intergenerational justice and *ummatic* (communal) transformation.

Table 4: Characteristics of waqf enterprises leadership

Characteristics	Participants' key insights	Theoretical & conceptual linkage	Supporting citations
1. Value-Based Leadership	Waqf managers view leadership as <i>amanah</i> (trust), accountability, taqwa and <i>ibadah</i> (worship), which form the foundation of all managerial decisions.	Reflects the tawhidic conception of leadership as ethical stewardship (<i>khilafah</i>), where moral integrity and God-consciousness drive strategic and operational decisions. Leadership embodies <i>ihsan</i> (excellence) and <i>adl</i> (justice) as dimensions of sustainable practice.	Mahmud & Noordin (2024); Akhtar (2025); Mahardika & Tanweer (2025); Rusydiana et al. (2025)
2. Collaborative Governance	The concept of <i>shura</i> (consultation) and inclusivity is emphasised. Engagement beyond board structures.	Demonstrates governance as an ethical process balancing <i>adl</i> (justice), <i>ukhuwwah</i> (brotherhood), and <i>maslahah</i> (public good). Aligns with the Tawhidic principle of collective responsibility and the Qur'anic imperative of consultative management (<i>shura baynahum</i>).	Demir (2025); Sukmana & Trianto (2025); Usman & Faruqi (2024); Yusof (2025)
3. Stakeholder Trust and Engagement	Stakeholders' trust is prioritised and achieved via engagement and transparency.	Trust is both moral and social capital in waqf sustainability. The practice of <i>ta'awun</i> (mutual cooperation) and <i>ukhuwwah</i> (solidarity) strengthens institutional legitimacy and aligns with Qur'anic ethics of honesty, transparency, and shared responsibility.	Firmansah (2025); Manaf et al. (2025); Rohim & Yetty (2025); Rashid et al. (2025)
4. Adaptive Innovation	The significance of innovation and contemporary managerial practices is acknowledged and adopted.	Innovation rooted in <i>maqasid al-Shari'ah</i> (higher objectives of Islamic law) and <i>wasatiyyah</i> (balance) sustains waqf relevance without compromising Shari'ah principles. Reflects adaptive capacity as <i>ijtihad</i> (contextual reasoning) within a tawhidic ethical framework.	Firmansah (2025); Manaf et al. (2025); Rashid et al. (2025); Mahardika & Tanweer (2025)
5. Mission-Centricity Anchored in Amanah	The significance of preserving spiritual mission is the centre of all decision-making.	Embodies the integration of <i>ta'abudiyyah</i> (servitude) and <i>amanah</i> (trust) as ontological foundations of sustainability. Mission-centricity ensures alignment with <i>maslahah</i> (public good), <i>sadaqah jariyah</i> (perpetual charity), and <i>al-falah</i> (holistic success).	Kireççi (2025); Razan (2025); Rusydiana et al. (2025); Sinollah et al. (2025)

6.2 Limitations

Although this study provides rich insights into the sustainability of waqf-based enterprises through the lens of tawhidic epistemology, several limitations warrant acknowledgment. First, the research is geographically bound to four Malaysian states—Selangor, Penang, Johor, and Kelantan—which, although diverse, may not fully capture the variations in waqf governance, socioeconomic conditions, and institutional maturity across the entire Malaysian or global Islamic context (Mahmud & Noordin, 2024; Rusydiana et al., 2025). Second, the exclusive reliance on qualitative methods and purposive sampling of 15 key informants limits the generalizability of the findings, as perspectives from other stakeholders, such as beneficiaries, regulators, and donors, were not systematically included (Crick, 2021; Drisko, 2025). Third, interpretive methodology, which is effective in capturing values, perceptions, and spiritual motivations, may be constrained by researchers' subjectivity and lacks the predictive power offered by quantitative or mixed-method approaches (Douglas, 2022; Eisenhart & Jurow, 2011; Köhler et al., 2025). Finally, the study was conducted within a specific temporal window and does not longitudinally assess the evolution of waqf enterprises in response to ongoing regulatory, economic, and technological disruptions (Ishak et al., 2025; Razan, 2025).

6.3 Suggestions for future research

To build on the findings of the current study, future research should adopt a comparative multi-country approach that explores how tawhidic sustainability principles are applied across different Islamic jurisdictions, such as Indonesia, Brunei, Pakistan, Turkey, and Nigeria, each with unique waqf ecosystems and regulatory environments (Mustapha, 2024; Rohim & Yetty, 2025; Yusof, 2025). Thus, researchers are encouraged to employ mixed-methods designs, integrating survey data and financial performance metrics with qualitative interviews to evaluate how value-based governance models translate into measurable sustainability outcomes (Ayub et al., 2024; Rusydiana et al., 2025). Furthermore, studies have explored the impact of digital waqf innovations such as blockchain-enabled transparency tools and fintech-driven donation systems on donor trust, institutional accountability, and youth engagement (Mahardika & Tanweer, 2025; Razan, 2025; Sudi et al., 2024). Finally, a longitudinal case study approach would allow for the examination of how mission-centricity, adaptive innovation, and spiritual accountability evolve over time, particularly in volatile contexts, offering practical insights into institutional resilience and the embodiment of al-falah across changing realities (Demir, 2025; Firmansah, 2025; Ramdani et al., 2024).

7. Conclusion

Waqf enterprises in Malaysia stand at a pivotal crossroads, entering a new era where spiritual vision intersects with strategic execution, and where religious tradition is harnessed not as a constraint but as a dynamic catalyst for inclusive, ethical development. This study affirms that the sustainability of waqf-based enterprises cannot be fully understood, let alone achieved without returning to their ontological foundations in Islam. Anchored in tawhidic epistemology, waqf is not merely an economic vehicle but a form of *ubudiyyah* (servitude to Allah), entrusted with the responsibility to serve *maslahah* (public good) while upholding the sanctity of the endowed assets.

The five interdependent sustainability drivers identified in this study—value-based leadership, collaborative governance, stakeholder trust and engagement, adaptive innovation, and mission centricity—form an integrated framework that bridges spiritual accountability with contemporary enterprise demands. These dimensions are not independent checkboxes in a strategic plan; rather, they represent a coherent system of beliefs and practices that animate the Waqf institution from within. In this paradigm, economic activity is reframed as *ibadah* (worship), leadership is

redefined as amanah (trust), and sustainability is pursued not merely for-profit continuity but also for al-falah – holistic success in both the temporal and eternal realms.

The implications of this paradigm are significant. As Malaysia continues to position itself as a global leader in Islamic social finance and sustainable development, waqf institutions must move beyond revivalist rhetoric towards a purposeful reimagination. They must uphold their historical legacy while innovating boldly in response to contemporary challenges, embracing digital tools, inclusive governance structures, and context-sensitive strategies that maintain fidelity to the spiritual intent of the waqif. Importantly, this does not imply replicating conventional corporate models in Islamic garb. Rather, it demands a reorientation towards a distinctly Islamic conception of enterprise – one that is simultaneously principled, participatory, and impact driven.

In an age defined by economic uncertainty, environmental degradation, and social fragmentation, waqf enterprises are uniquely positioned to offer alternative economic ethos, one that centers on trust, compassion, equity, and divine accountability. When rightly governed, ethically led, and spiritually grounded, waqf can transcend the boundaries of charity and commerce to become a beacon of justice-driven prosperity, modelling a new way of doing business that is as strategic as sacred.

Ultimately, sustaining waqf enterprises is not merely a managerial endeavor; it is a theological imperative. Their enduring relevance depends on the ummah's ability to embed divine purpose into institutional systems and to measure success not just by financial performance but also by their ability to deliver benefits that endure across generations and earn rewards in the Hereafter. In doing so, waqf institutions can reclaim their rightful place, not only in the history of Islamic civilization, but also in shaping a more equitable and spiritually conscious future.

Building upon the tawhidic paradigm and the integrated framework of sustainability drivers identified in this study, future research could focus on the operationalization and measurement of spirituality-based performance indicators in waqf enterprises. While this study conceptualized value-based leadership, collaborative governance, stakeholder trust, adaptive innovation, and mission-centricity as interdependent dimensions of sustainability, there remains a critical need to translate these principles into actionable metrics that reflect both temporal impact and eternal values (*al-falah*).

One promising direction is the development of a Tawhidic Sustainability Index (TSI) to assess how well waqf enterprises embed spiritual accountability, ethical leadership, and public benefits into their operations. Additionally, comparative case studies across regions and types of waqf enterprises, such as education, healthcare, and social enterprises, can uncover the best practices and context-specific challenges in aligning spiritual intent with modern governance and innovation.

Future research can also explore the role of digital transformation and Islamic fintech in enhancing transparency, stakeholder engagement, and financial sustainability while maintaining fidelity to the sacred trust of the waqif. Furthermore, investigating generational leadership transitions and how younger leaders balance tradition and innovation under a tawhidic framework, along with examining the interplay between regulatory frameworks, Shariah governance, and grassroots participation will enrich our understanding of ethical, participatory, and impact-driven waqf models. These future directions are essential to deepen the theoretical grounding of waqf sustainability within Islamic epistemology, while providing practical insights for policymakers, Shariah scholars, and enterprise leaders to reposition waqf as a transformative force in Islamic social finance and sustainable development.

Acknowledgment: We extend our sincere appreciation to the Faculty of Economics and Management, University of Darussalam (UNIDA) Gontor, East Java, Indonesia, and the International Institute for Halal

Research and Training (INHART), IIUM, for their invaluable institutional support throughout this research. Their contributions were instrumental in the successful completion of this study.

Funding statement: The authors gratefully acknowledge the financial support provided by the Department of Business Administration Research Grant (DEBA24-036-0042), Kulliyah of Economics and Management Sciences, International Islamic University Malaysia (IIUM).

Ethical compliance: All participants were fully informed about the nature, purpose, and procedures of the study. Participation was voluntary and informed consent was obtained from each participant prior to their participation in the study. Participants were made aware of their right to withdraw from the study at any point, without any consequences.

Data access statement: Research data supporting this publication are available upon request from the corresponding author.

Conflict of interest declaration: The authors declare that they have no affiliations with or involvement in any organization or entity with any financial interests in the subject matter or materials discussed in this manuscript.

Author contributions: Mr. Suhaimi Mhd Sarif contributed to the design and implementation of the study, participated in the analysis and interpretation of the results, and co-led the writing and revision of the manuscript. Ustaz Dr. Rakhmad Agung Hidayatullah conceived the original idea, developed the conceptual framework, and provided supervision and critical guidance throughout the research process. Dr. Yayan Firmansah contributed to the data analysis, interpretation of findings, and co-authored sections of the manuscript, particularly in the discussion and implications. Prof. Dr. Dzuljastri Abdul Razak contributed to the design and methodological implementation of the research and provided an expert review and validation of the study's framework and results.

REFERENCES

- Abd Aziz, N. A., Sapuan, N. M., & Tamyaz, P. F. M. (2023). Waqf for higher education institutions: a conceptual review. *Journal of Advanced Research in Business and Management Studies*, 31(1), 1–12.
- Abd Malib, M., Ahmad Mustafa, M.M., Markom, R., Rabu, N., Shafiei Ayub, M. S., & Ibrahim, K. (2024). Waqf governance: a paradigm shift towards the sustainability of waqf benefit. *Global Business & Management Research*, 16(2), 167–180.
- Abdul Latif, S., Nik Din, N. M., & Mustapha, Z. (2018). The role of good waqf governance in achieving sustainable development. *Environment-Behaviour Proceedings Journal*, 3(7), 113–117.
- Abdullah, M. (2018). Waqf, sustainable development goals (SDGs) and maqasid al-shariah. *International Journal of Social Economics*, 45(1), 158–172.
- Akhtar, J. (2025). Waqf-based environmental initiatives: collaborative partnerships with government for sustainable development. In Shahbaz, M. & Shahzad, F. (Eds.). *Government influences on eco-friendly practices in business* (pp. 177–206). IGI Global.
- Ali, Z., Anjum, G. M., Iqbal, J., & Ahmad, I. (2024). The role of Islamic values in promoting social justice and community welfare. *International Research Journal of Management and Social Sciences*, 5(1), 575–585.
- Al-Jayyousi, O., Tok, E., Saniff, S., Wan Hasan, W., Janahi, N. & Yesuf, A. J. (2022). Re-thinking sustainable development within Islamic worldviews: a systematic literature review. *Sustainability*, 14(12), 7300.
- Ayub, M., Khan, K., & Ismail, M. (2024). *Waqf in Islamic economics and finance: An instrument for socioeconomic welfare*. Taylor & Francis.
- Bachri, S., & Rosyadi, I. (2024). The potential and challenges of waqf in overcoming economic crises and recessions. *Al-Afkar, Journal for Islamic Studies*, 7(1), 56–78.
- Crick, J. M. (2021). Qualitative research in marketing: what can academics do better? *Journal of Strategic Marketing*, 29(5), 390–429.
- Demir, H. I. (2025). The commercialization of faith and its impact on volunteerism and fundraising. In Aslan, E. (Ed.), *Business, Economy and Commerce in the Name of God: Prospects and Pitfalls* (pp. 117–128). Cham: Springer Nature Switzerland.
- Douglas, H. (2022). Sampling techniques for qualitative research. In Islam, M. R. , Khan, N., & Baikady, R. (Eds.), *Principles of social research methodology* (pp. 415–426). Springer Nature Singapore.
- Drisko, J. W. (2025). Transferability and generalization in qualitative research. *Research on Social Work Practice*, 35(1), 102–110.
- Eisenhart, M., & Jurow, A. S. (2011). Teaching qualitative research. In Denzin, N. K. & Lincoln, S. (Eds.), *The SAGE handbook of qualitative research* (4th ed., pp. 669–714). Sage Publications.

- Firmansah, Y. (2025). Sustainability in small business settings through tacit knowledge transfer across generations: lessons learned from waqf-based organizations. In Olubiyi, T.O., Suppiah, S.D., & Chidoko, C. (Eds.) *The Future of Small Business in Industry 5.0* (pp. 265–300). IGI Global Scientific Publishing.
- Flick, U., Mills, K. A., & Rowe, L. (2025). Quality in big qualitative research. In Flick, U. (Ed.), *The Sage handbook of qualitative research quality*. Sage Publications Ltd.
- Hamzah, M. (2024). The role and legal aspects of *infaq*, *sadaqah*, and *waqf* in realizing economic equality and people's welfare. *Al-Iqtishadiyah: Ekonomi Syariah dan Hukum Ekonomi Syariah*, 10(1), 107–124.
- Hasan, R., Ahmad, A. U. F., & Siraj, S.A. (2022). Building trust in waqf management – implications of good governance and transparent reporting. *The Singapore Economic Review*, 67(01), 459–475.
- Hoque, M. N., & Abdullah, M. F. (2021). The world's oldest university and its financing experience: a study on Al-Qarawiyyin University (859-990). *Journal of Nusantara Studies*, 6(1), 24–41.
- Iman, A. H. M., & Mohammad, M. T. S. H. (2017). *Waqf* as a framework for entrepreneurship. *Humanomics*, 33(4), 419–440.
- Ishak, A. H., Mohamad, S. N. A., Abd Latib, N. A., & Anwar, A. S. (2025). *Waqf* as a sustainable economic institution for community welfare. *Environment-Behaviour Proceedings Journal*, 10(31), 325–330.
- Ismail, S., Hassan, M. K., & Rahmat, S. (2023). *Islamic social finance: Waqf, endowment, and SMEs*. Edward Elgar Publishing.
- Kamaruddin, M. I. H., Hanefah, M. M., & Masruki, R. (2024). Challenges and prospects in waqf reporting practices in Malaysia. *Journal of Financial Reporting and Accounting*, 22(3), 752–765.
- Khalid, J., & Usman, M. (2022). *Waqf* as a financial instrument for the development of social enterprises in Pakistan. *Journal of Contemporary Business and Islamic Finance (JCBIF)*, 2(2), 153–172.
- Kirecci, M. A. (2025). Humanitarianism, philanthropy, and humanitarian diplomacy. In Kavak, H. Z. (Ed.), *Understanding Humanitarian Diplomacy* (pp. 1-17). Routledge.
- Köhler, T., Rumyantseva, M., & Welch, C. (2025). Qualitative restudies: research designs for retheorizing. *Organizational Research Methods*, 28(1), 32–57.
- Lamido, A. A., & Haneef, M. A. (2021). Shifting the paradigms in *waqf* economics: towards renewed focus on socioeconomic development. *Islamic Economic Studies*, 29(1), 18–32.
- Le, L., & Saad, N. M. (2023). Exploring the frontier in microfinance: Faith-based and interfaith microfinance collaboration in conflict-affected environments. *Journal of Islamic Finance*, 12(1), 32–47.
- Mahardika, S. G., & Tanweer, A. (2025). Environmentally friendly waqf model: a response to sustainable economic development and the presence of a circular economy. *Journal of Islamic Economics and Business Ethics*, 2(1), 68–93.
- Mahmud, S., & Noordin, N. H. (2024). Constructive collaboration in ensuring the sustainability of waqf fund in Malaysia: a case study of MyWakaf initiative. *Journal of Islamic Social Finance*, 2(2), 1–17.
- Manaf, A. W. A., Siong, W. H., & Razak, H. A. (2025). Legal barriers and opportunities in the digital transformation of waqf management in Malaysia: a critical analysis. *AZKA International Journal of Zakat & Social Finance*, 6(1), 137–157. <https://doi.org/10.51377/azjaf.vol6no1.202>
- Maulidizen, A. (2024). The role of temporary waqf in improving the social welfare of the Muslim community. *Journal of Ecohumanism*, 3(8), 2578–2587.
- Muhammad, A. A., Ardo, A. M. A., Aliyu, S. A. A., & Muhammad, Z. J. (2025). *Waqf* as an Islamic endowment: a solution for improving educational attainment in Northern Nigerian communities. *ITQAN: Journal of Islamic Economics, Management, and Finance*, 4(1), 44–50.
- Mustapha, Z. (2024). From solidarity to prosperity: Exploring the impact of Islamic waqf on economic development: Insights from the Kuwaiti experience. *International Journal of Economic Perspectives*, 18(12), 2400–2422.
- Nasiri, A., Noori, A., & Salleh, M. C. M. (2019). Acceptance and practices of cash WAQF among university's students. *International Journal of Academic Research in Accounting, Finance and Management Sciences*, 9(3), 38–48.
- Raja Adnan, R. A. B., Abdul Mutalib, M., & Ab Aziz, M. R. (2022). Factors necessary for effective corporate waqf management for Malaysian public healthcare. *ISRA International Journal of Islamic Finance*, 14(1), 73–88.
- Ramdani, R., Widiastuti, T., & Mawardi, I. (2024). Implementation of Islamic values in waqf governance: a systematic literature review. *Journal of Islamic Marketing*, 15(8), 1925–1941.
- Rashid, Z. A. N., Mazri, N. M., Rosele, M. I., & Abdullah, L. (2025). *Ḍawābiṭ fiqhīyyah* in waqf and its application in waqf management: *Ḍawābiṭ fiqhīyyah* berkaitan *wakaf* dan aplikasinya dalam pengurusan wakaf. *al-Qanātir: International Journal of Islamic Studies*, 34(1), 1–14.
- Razan, S. (2025). *Designing of waqf-business units toward financial sustainability on the pesantren based university (A Case Study at University of Darussalam Gontor)*. Doctoral dissertation, Universitas Darussalam Gontor.
- Rohana, N. A. M., Rameli, M. F. P., Surtahman, A. W., Razak, A. Q. A., Halim, F. H., & Amin, S. M. (2024). Waqf for education in Malaysia: Historical implementation, types, and significance. *Global Business and Management Research*, 16(2s), 135–150.
- Rohim, A. N., & Yetty, F. (2025). Contribution of Islamic economy in achieving Sustainable Development Goals (SDGs). *Review of Islamic Social Finance and Entrepreneurship*, 6 (1), 56–69.
- Rusydiana, A. S., Sukmana, R., Laila, N., & Riani, R. (2025). *Waqf* development models for Sustainable Development Goals: An analytic network process approach. *International Journal of Islamic Finance and Sustainable Development*, 17(1), 51–74.

- Sinollah, S., Bisri, H., & Adam, S. M. (2025). Philosophical study of Islamic economics: theological and empirical perspectives. *Al-Insyiroh: Jurnal Studi Keislaman*, 11(1), 1–19.
- Sudi, D. M., Sarif, A., Wang, Y., & Zou, G. (2024). Optimizing *waqf* as a socio-economic financing instrument in the digital era. *Sharia Oikonomia Law Journal*, 2(2), 139–150.
- Sukmana, R., & Trianto, B. (2025). The effect of Islamic financial literacy on business performance with emphasis on the role of Islamic financial inclusion: case study in Indonesia. *Journal of Islamic Marketing*, 16(1), 166–192.
- Thomas, F. B. (2022). The role of purposive sampling technique as a tool for informal choices in social sciences research methods. *Just Agriculture*, 2(5), 1–8.
- Tisdell, E. J., Merriam, S. B., & Stuckey-Peyrot, H. L. (2025). *Qualitative research: A guide to design and implementation*. John Wiley & Sons.
- Usman, M., & Faruqi, M. Y. (2024). Understanding *waqf*, its role and practice: A revisit. *International Research Journal of Arabic and Islamic Studies*, 4(1), 60–82.
- Yusof, M. A. (2025). *Waqf*-driven inclusive prosperity exploring the intersection of Islamic finance, fintech, and sustainable development goals. In Ab Aziz, M.R., Johari, F., & Rafiki, A. (Eds.), *Digitalization of Islamic Finance* (pp. 303-334). IGI Global Scientific Publishing.