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Integrated Waqf Information Governance and Institutional Performance: Mediating Roles of Achievement Culture and Competence in Malaysia

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Abstract

Waqf is an important tool for socio-economic development including for the education, health, and welfare of the society. However, its full potential is limited by governance and data management. The proposed model suggests that a structural model exists between internal factors (religiosity, monitoring, investment management, Shariah compliance) and institutional performance through integrated waqf information governance as mediated by achievement culture and management competence. The direct and indirect effects will be tested through a quantitative survey of waqf managers using PLS-SEM. The expected implications are that institutional performance would improve with the implementation of information integration, facilitated by an integrated results-oriented culture and skilled data handlers. The goal of this paper is to rigorously define the proposed model and its empirical validation methodology. More specifically, the purposes are: (1) to construct a digital governance gap in Malaysian waqf management; (2) to propose research hypotheses underpinned by the RBV and institutional theory; and (3) to sketch out for PLS-SEM for validation. The research advocates and supports ethical digitisation based on maqasid Shariah.

Keywords: waqf; information governance; achievement culture; management competence; institutional performance;

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1.0 Introduction

Waqf has long served as a catalyst for the socio-economic development of the ummah (Ab Rahman, 2021). However, the contemporary landscape shows issues of non-uniform records, manual data management, and inconsistencies between states that affect transparency and distribution effectiveness (Zainuddin et al., 2022; Mahomed et al., 2023; Mohamad Yunus et al., 2024). Digitalisation in the form of

integrated systems and centralised databases will provide a feasible roadmap to a more transparent and better Shariah-compliant governance (Janom et al., 2019; Mohaiyadin et al., 2022; Hassan & Abdullah, 2023).

In addition to technology, organisational culture and data handler competence determine the success of transformation: a performance-oriented culture drives consistent system use, while technical competence ensures accurate and secure operations (Kováčová & Lăzăroi, 2021; Kamaruddin et al., 2024). Within the RBV and institutional theory framework, internal resources (culture, competence) and Shariah normative pressures together shape governance advantages (Lubis, 2022; Jepperson & Meyer, 2021).

1.1 Research Aim and Objectives

Research purpose: This study aims to investigate the influence of internal factors (religiosity, monitoring system, investment management, and Shariah compliance) on integrated waqf information governance that leads to institutional performance and to test how achievement culture and management competence mediate the relationship in Malaysian waqf institutions.

1.2 Research objectives

RO1: To determine internal factors that have a significant effect on integrated waqf information governance.

RO2: To examine the impact of integrated waqf information governance on organisational performance.

RO3: To verify the mediating effects of achievement culture and management competence on the internal factors of integrated waqf information governance.

Scope of the research: The study is limited to MAIN-based waqf institutions in Malaysia, which have different governance structures and record keeping practices across states.

2.0 Literature Review

2.1 Integrated waqf information governance

Integrated information systems (MIS) aid process standardisation, audit logs, and immutable records for transparency, accountability, data integrity, and Shariah compliance (Janom et al., 2019; Mohaiyadin et al., 2022; Hassan & Abdullah, 2023). Malaysia's primary deficiencies include the varying standards between states as well as the lack thereof and different digital-physical record balances (Zainuddin et al., 2022; Mahomed et al., 2023; Mohd Fairuz Md. Salleh et al., 2022).

2.2 Transparency, accountability and Shariah compliance

Transparency, accountability, and Shariah compliance do not specifically imply systems-generated data disclosures; they also include stakeholders' meaningful access (Mohsin et al., 2021). The vertical and horizontal accountabilities to Allah and society should be congruous with Maqasid (Ascarya & Sakti, 2022). Data and audit inconsistencies contribute to Shariah data leakages and unauthorised transactions (Ariff et al., 2024; Walaa, 2021). Software such as blockchain and smart contracts may simplify Shariah compliance (Abdullahi et al., 2023; Dusuki & Bouheraoua, 2023).

2.3 Achievement culture as a mediator

Achievement culture, the first mediator, aligns well with performance-oriented assemblages and integrity (Sani et al., 2023; Kováčová & Lăzăroi, 2021). The scholars argue that result-oriented cultures in non-profit organisations significantly improve operational efficiency and governance reliability. Achievement culture fosters proactive usage of information systems and governance standards, such as by targeting KPIs designated to their departments (Muda @ Ismail & Ismail, 2024).

2.4 Competence as a mediator

Competence refers to the skills, knowledge, and abilities required to perform governance, administrative, and technical tasks effectively. As the second mediator, it encapsulates the capacity to operate systems, conduct audits, and convert information into action (Abdullah, 2020; Kamaruddin et al., 2024). Specifically, a lack of competence results in capacities without performance (Ramli et al., 2022; Utusan Borneo, 2016).

2.5 Theoretical Framework

The RBV emphasises the value of internal resources (culture, competencies) for governance advantages (Lubis, 2022). The institutional theory explains the normative/regulatory pressures (Syariah, standards) that structure practices (Jepperson & Meyer, 2021). Capability dynamics explains how organisations adapt culture and skills to changing technologies and standards (Lubis, 2022).

3.0 Methodology

3.1 Design and sample

This study employs a cross-sectional quantitative research design, which is appropriate for examining relationships between variables at a single point in time and for testing the hypothesised mediation effects using Partial Least Squares Structural Equation

Modelling (PLS-SEM) (Mohamad Yunus et al., 2024; Kamaruddin et al., 2024). The cross-sectional survey method enables the collection of empirical evidence from waqf institutions that operate under varying administrative structures across Peninsular Malaysia, thus providing a comprehensive representation of current practices in integrated waqf information governance.

3.2 Instrument & Measurement

The structured questionnaire constitutes the dominant means of data collection for the study. All the constructs are measured using a five-point Likert scale ranging from 1 ("strongly disagree") to 5 ("strongly agree"). This scale is commonly used in governance, organisational culture, and Islamic management studies because of its ability to measure the respondents' perceptions with sufficient sensitivity and reliability.

3.2.1 Internal Factors

Internal factors include four key components: Religiosity, Monitoring, Investment Management, and Shariah Compliance. These components are systematically drawn from the previous credible research undertaken by other authors on Islamic governance (Nor et al., 2020; Mohd Fairuz Md. Salleh et al., 2022; Kamaruddin et al., 2024). The components of the Religiosity factor are designed to measure the presence of Islamic values throughout the process of decision-making and ethics when handling organisational data. The Monitoring factor is focused on the process of data handling and the monitoring system used to ensure that the process is followed. Investment Management is focused on the process of risk analysis and the profit-sharing scheme, as well as the alignment of the waqf investments to the principles of Shariah.

3.2.2 Integrated Information Governance

The construct of integrated information governance is measured across four domains: transparency, accountability, data integrity, and process standardisation (Janom et al., 2019; Mahomed et al., 2023). Transparency items assess openness and accessibility of waqf information to internal and external stakeholders. Accountability measures clarity of roles and the traceability of data-related decisions. Data integrity focuses on the accuracy, completeness, and consistency of waqf records across systems. Process standardisation evaluates the uniformity of data collection, reporting, and system operations across different departments or state agencies. These elements represent core principles of modern data governance frameworks adapted to the Islamic context of waqf administration.

3.2.3 Achievement Culture

Achievement culture measures performance and results-oriented behaviour, consistent with previous studies on Islamic Organisational Culture (Sani et al., 2023; Muda @ Ismail & Ismail, 2024). Scales used: Results orientation refers to values and goals that focus on the quality output, efficiency, and achievement of organisational objectives; Key Performance Indicators (KPI) are used in monitoring improvements; Periodic audits are for internal control; Accounting practices are oriented towards continuous improvement by the assessment and performance feedback. This model reflects cultural factors that inspire institutions to strive for good governance and quality services.

3.2.4 Competence

The assessment of competence consists of four areas: technical competence, SOP adherence, training, and duration of the work cycle (Abdullah, 2020; Kamaruddin et al., 2024). The technical competence area consists of the ability to use digital platforms, process data, and conduct data analysis. The SOP adherence area entails the ability to adhere to procedures relevant to the management of waqf. The training area focuses on the relevancy of the activities associated with the use of digital systems, the governance of Shariah, and administrative affairs. The duration of the work cycle focuses on the ability to accomplish data-related tasks within an allotted timeframe. These four areas are considered dynamic capabilities that can support the concept of information governance.

3.2.5 Institutional Performance

Performance in institutions measures the social and economic impacts of waqf and administrative effectiveness (Mohsin et al., 2021; Hassan & Abdullah, 2023). The constructs include:

- Social and economic contributions, such as the role of waqf in the development of the community, generation of revenue, and so on.
- Accuracy and timeliness of reporting, indicating the ability to maintain good records and communicate well.
- Satisfaction of the stakeholders, which includes trust and credibility of the waqf institutions.

Indeed, this multidimensional approach is an expression of the holistic performance requirements of modern waqf management.

3.2.6 Validity and Reliability Procedures

To promote the reliability of the measurement tool, the questionnaire is subjected to the process of face and content validity through expert review. This is done by academicians and professionals in the fields of waqf governance, Islamic finance, as well as information management. The responses provided by the experts are crucial for improving the questionnaire items. The reliability of the measurement tool is determined through the use of Cronbach's alpha and the composite reliability index. This is done while setting a threshold of reliability at a level of ≥ 0.70 as suggested by Janom et al. (2019) and Kamaruddin et al. (2024). The use of a variety of reliability indices helps promote internal consistency among the items of a construct.

3.3 Data Analysis

Data are analysed using Partial Least Squares Structural Equation Modelling (PLS-SEM). PLS-SEM is selected for its suitability in predictive and exploratory research involving complex mediation structures. Data preparation (cleaning, missing, outliers) is followed by PLS-SEM to assess the measurement model (convergent/discriminant validity) and structural model (path, R^2 , f^2). Mediation test is then conducted on achievement culture and competence using bootstrapping of 10,000 resamples (Mohamad Yunus et al., 2024; Kamaruddin et al., 2024).

3.4 Hypotheses

H1: Internal factors have a significant relationship with integrated information governance, in line with Janom et al. (2019) dan Mohaiyadin et al. (2022) which assert that aspects such as technology, competence, work culture, and organisational processes can influence the level of information integration in institutions.

H2: Integrated information governance has a positive impact on institutional performance, as evidenced in the studies of Hassan and Abdullah (2023) and Mohsin et al. (2021), which show that data integration, information accuracy, and real-time reporting can improve organisational efficiency and effectiveness.

H3a-H3d: The relationship between internal factors and institutional governance is mediated by a culture of achievement, based on the findings of Sani et al. (2023) and Muda @ Ismail & Ismail (2024), where performance-oriented cultures, the use of KPIs, and periodic audits reinforce the impact of internal factors on governance.

H4a-H4d: Competence acts as a mediator in the relationship between internal factors and governance, in line with the argument of Abdullah (2020) and Kamaruddin et al. (2024) that skills, technical knowledge, and ability to perform tasks professionally increase the effectiveness of governance when internal factors are enhanced.

4.0 Discussion of Expected Findings and Implications

The discussion below interprets the expected relationships based on prior evidence and explains their significance for waqf governance and performance.

4.1 Integrated waqf information governance and institutional performance

The literature shows that integrated information governance enhances institutional performance through soundness of data, transparency, audibility, and timeliness in reporting (Mohaiyadin et al., 2022; Hassan & Abdullah, 2023). In the waqf system, integration minimises fragmented data and disjointed reporting between departments that in turn leads to better planning, resource allocation, and evidence-based policymaking. From the RBV perspective, high-quality information and governance routines are valuable organisational resources that lead to better performance (Lubis, 2022).

4.2 Mediating role of achievement culture

The achievement culture is posited to mediate the relationship between internal factors and integrated governance by translating values, monitoring routines, and performing Shariah-oriented controls, thus turning them into a systematic use of system and disciplined performance (Sani et al., 2023; Muda @ Ismail & Ismail, 2024). Actual regular reporting of KPIs, periodic reviews, and outcome objectives are hardwired into staff practices which helps ensure that they enter data properly, follow a protocol, and deal with reports in ways supportive of correction. This mechanism may explain how some organisations have gained from digitalisation while others remain at record keeping level, even when their formal structures are not dissimilar.

4.3 Mediating role of management competence

Measurement of efforts for integrated governance relies on the ability to achieve additive performance benefit from internal resources. Skilled officers will be able to leverage digital platforms, standard operating procedures (SOPs), and internal audit tools, and turn information into new functioning ways/news services (Abdullah; 2020; Kamaruddin et al., 2024). For many, the reality is that limited technical and governance capabilities result in incomplete registers, poor controls, slow potential reporting, and greater risk of loss or leakage. Thus, capability reinforces the reliability of embedded systems and enhances the likelihood that governance improvements are performance-enhancing.

4.4 Contribution and broader implications

The framework adds value by embedding information governance in the RBV and institutional theory within a waqf context, emphasising that internal resources (culture and competence) combined with Shariah and regulatory pressures influence governance outcomes (Jepperson & Meyer, 2021; Lubis, 2022). Operationally, however, harmonised cross-state data standards and interoperable reporting templates are needed to facilitate large scale integration (Zainuddin et al., 2022; Mahomed et al., 2023). There should also be systematised investments in capacity development (digital proficiency, SOP compliance, and Shariah audit literacy) and integrated data-based KPIs and review mechanisms to ensure continued adoption. These measures enhance transparency and Shariah compliance in addition to enhancing firm trust and organisational performance (Mohsin et al., 2021; Kamaruddin et al., 2024).

5.0 Conclusion

This proposed research aims to establish an empirical framework for measuring the effect of integrated information governance on the performance of Malaysian waqf institutions, where culture and competency will be used as mediating variables. Given the current lack of integrated information governance in the management of waqf institutions including deficiencies in integrated data management, digitisation, standardisation in reporting, and competency in management, this proposed research recommends that integrated information governance should be embraced in the governance of waqf institutions. The theories that will be used in this proposed research include the resource-based view theory (RBV) and institutional theory (Jepperson & Meyer, 2021; Lubis, 2022). The implications that need to be explored are the development and implementation of an integrated management information system, digital Shariah auditing, and the building of organisational culture and competence. As for recommendations for future studies, the proposed framework should be tested on member countries of the Organisation of Islamic Cooperation (OIC), with the expectation that differences in structural readiness and levels will provide more refined data. The inclusion of other variables such as governance structures, leaders, digital readiness, and communities could strengthen the proposed framework (Mahomed et al., 2023; Rosli & Osman, 2024). The testing of other advanced technologies such as AI-assisted audit, blockchain-based contract validation, and geographic mapping of assets may also reinforce this framework.

Theoretical and practical support for the modernisation of waqf governance in terms of information system technology, the creation of a high-performance culture, and increased digital skills is fully covered by the article. The contribution of the article is in ensuring the effectiveness of waqf institutions in promoting accountability, transparency, and Shariah compliance, as well as in achieving maximum socio-economic impacts.

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Paper Contribution to Related Field of Study

This study contributes significantly to the field of waqf governance and Islamic institutional management through an integrated approach that combines waqf information governance with institutional performance, while examining the mediating roles of achievement culture and competence.

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