Product Development Innovation Process for Islamic Financial Institutions in Malaysia: A Conceptual Framework with Ethical Values for Community Benefits

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Abstract

Islamic Financial Institutions (IFIs) are developed based on the system manifested from Islamic teachings and Shariah. At the same time, since its emergence in 1983 (which refers to the Islamic banking system), IFIs' governance, products, services, policy, and internal processes are continuously facing various challenges. These two (2) dimensions move in parallel and would trigger some ethical issues which may disrepute the reputation of IFIs. This paper analyses all the key elements related to IFI's principles and operational matter that differentiates it from conventional financial institutions. As a recommendation, this paper comes out with the conceptual framework based on ethical values for IFI's possible adoption in financial product development's innovation and its further effect towards community benefits.

Keywords*: IFIs, Ethical Values, Product Development, Innovation, Community*

Introduction

Starting with a humble beginning, the introduction of the Islamic financial system in Malaysia went through various stages of improvement to ensure its application to be sound and correspondent to the Islamic Law or Shariah. Those efforts were evidenced through numerous strategies that had taken place, such as through the establishment of Islamic banking windows, followed by the development of Islamic capital and money market (Ahmad & Haron, 2002). Based on the study of Rosly & Afandi (2003), it is understood that Islamic banking in Malaysia has yet to exemplify the moral and ethical requirements of trade and commerce (al-bay') of the Qur'an to achieve efficiency. By doing so, it would mean to address distributional issues that can help reduce income gaps over time. Even though the main principle of Islamic finance products emphasizes the prohibition riba (usury), gharar (ambiguities), and maisir (gambling), Chong & Liu (2009) discovered that Islamic banking is not very different from conventional banking from the perspective of the Profit Loss Sharing (PLS) paradigm.

This critical finding requires further attention by the relevant parties, such as the IFIs and regulatory bodies, to mitigate additional risks in banking practical implementation. Additionally, some concepts selected by Islamic banks have been invited for specific controversial issues related to Shariah. It is deliberated by Waemustafa & Sukri (2016) on the issue of profit accrual formulation, which somehow is irrelevant with the application of sale based contract. However, the banks could alternatively seek other alternative Shariah compliance contracts such as Musharakah Mutanaqisah.

Despite some issues and glitches, Amin (2008) found some strong motives for consumers to maintain their support toward certain IFIs. The results suggested that the "Shariah principle", "lower monthly payment", "transparency practice", "interest-free practice" and "100 percent financing" are among the main reasons for being loyal towards Islamic banking. Dusuki & Abdullah (2007) indicated that consumers' motivational choice for Islamic banking is more on services and institutional stability besides the charitable aspects practiced. It is realized that education and awareness processes need to be embarked consistently to ensure all Islamic financial institutions are carrying out such improving efforts in this country, including Islamic banks. One of the significant efforts worth considering is adopting ethical values for this competitive industry within the mould of the Islamic spirit. This is evidenced from Mansoor Khan & Ishaq Bhatti (2008) studies, indicating that the Islamic finance industry requires more adding ethics, innovations, and varieties of financial tools to remain outstanding for more years come.

This paper only proposes this conceptual framework based on key components in Islamic banking product development such as Maqasid Al-Shariah, Islamic Financial Engineering, Ethical Values Inclusion, and Community Benefits, which are intensely deliberated in Literature Review section. The discussion is followed by the conceptual framework as proposed by the authors. Last but not least, the paper is completed with a conclusion and future recommendation.

Literature review

Islamic Financial Institutions (IFIs)

Generally, Islamic finance is understood as a financial system conducted according to the Shariah (Islamic Law) requirements. Islamic finance works in contrast to the conventional system in many aspects that subsequently made it incompatible. The do's and don'ts apply in Islamic finance practices are based on the Holy Scripture, Al-Quran and Sunnah/ Hadith of the Prophet Muhammad (peace be upon him), and other sources of Shariah such as Ijma' and Qiyas. Based on Gait & Worthington (2007), Islamic finance is defined as a financial service principally implemented to comply with Sharia's main tenets (or Islamic law). The organizations which run the Islamic financial business and operations are known as Islamic Financial Institutions or IFI(s). In Malaysia, through its Shariah Governance Framework (SGF), IFIs are defined as follows: "An IFI carrying out Islamic financial business shall ensure that the aims and operations of its business comply with Shariah principles at all times". An end-to-end Shariah-compliant control mechanism shall be established in all aspects of its business operations to ensure that all activities are Shariah-compliant (BNM, 2010). Furthermore, the Islamic Financial Services Act (IFSA), which was commenced in 2013, describes the "Islamic banking business" based on Shariah as follow:

1. the business of accepting Islamic deposits on the current account, deposit account, savings account, or other similar accounts, with or without the business of paying or collecting cheques drawn by or paid in by customers; or
2. the business of accepting money under an investment account; and

3. the business of the provision of finance; and
4. such other business as prescribed under section 3" (BNM, 2013)

On top of these distinctive principles that grounded the root of each IFI, other elements that are internalized its the spirit of the operation must be taken into account. Alwosabi described that the primary function of IFI is to enliven Islamic teachings and please Allah Azzawajalla, the Creator of all. Thus, the concept of secularism (i.e., separation of worldly affairs from religion) is duly prohibited. It is because Shariah is the foundation of life, and it does not only apply to worshipping but also includes the matter of businesses. Islamic Finance activities within Muslim countries were essential as an alternative to the interest-based transaction, which is impermissible in Islam. The concept '*aqad*' and Islamic finance principles snowballed, and other countries later adopted the practical implementations in the Western world (Iqbal, 1997).

Kassim (2016) explained that the uniqueness of the Islamic financial system lies in applied contract compliance with Shariah. The contract's application, such as profit-sharing, simultaneously contributes to economic progress, fosters equity in income distribution, and leads to social justice and long-term economic development. Likewise, it has improved capital allocation efficiency since the return to capital depends on its productivity.

Islamic Finance robustness is constructed from the legal and ethical dimensions formed together as its key foundation or known as the principle. There are five (5) governing principles in Islamic Finance: (Rosly, 2005).

1. Prohibition of Riba (usury or interest);
2. Application of Al-Bai' (trade and commerce);
3. Avoidance of Gharar (ambiguities);
4. Prohibition of Maisir or Qimar (gambling); and
5. Prohibition on engaging production of prohibited commodities.

Precisely, Iqbal (1999) reiterated this comprehensive deliberation:
"From the legal point of view, any financial instrument is acceptable as legitimate provided that it does not incorporate elements considered unlawful in Islam. Islamic financial contracts or instruments must be free of *Riba* (i.e., a fixed and predetermined return such as the conventional interest rate), *Gharar* (i.e., the existence of asymmetrical information and uncertainty), *Maisir/ Qimar* (i.e., gambling), and *lkrah* (i.e., coercion). The prohibition of *Riba*, a term literally meaning an excess and interpreted as any unjustifiable increase of capital, whether in loans or sales, is the central tenet of the Islamic financial system. More precisely, any positive, fixed, predetermined interest rate that is tied to the maturity and the amount of principal (i.e., guaranteed regardless of the performance of the investment) is considered Riba and is prohibited. *Gharar* in a contract arises from a lack of knowledge or a reasonable doubt about the control of either party to the contract over the exchange's completion. *Qimar* refers to gambling, bets, and wagers. The essence of gambling is taking a risk that is not instrumental to any economic activity for the sake of gain. *Ikrah* is coercion or the imposition of a contract or a condition on an unwilling party".

Al-Quran and Sunnah promote trustworthiness (Amanah) for ethical aspects, disallows cheating, and gluttony in generating income (Rosly, 2005). According to Gait & Worthington (2007), the main principles of Islamic Finance includes (1) the prohibition of *Riba* and the removal of debt-based financing from the economy, (2) the prohibition of *Gharar*, encompassing the full disclosure of information and removal of any asymmetrical information in a contract, (3) the exclusion of financing and dealing in sinful and socially irresponsible activities and commodities such as gambling, casinos, production of alcohol and others, (4) risk-sharing, the provider of financial funds and the entrepreneur share business risk in return for shares of profits and losses, (5) materials, a financial transaction needs to have a 'material finality' that is a direct or indirect link to a real economic transaction and justice, (6) a financial transaction should not lead to the exploitation of any party to the transaction.

Shariah Governance for Malaysian Islamic Financial Institutions (IFIs)

The term Shariah governance or SG is derived from the combination of Shariah and governance. This implies governance where the structure is based on Shariah. Haqqi (2014) reiterated it as the mechanism determining any particular Islamic business or financial institution's compliance. Describing SG or Islamic Corporate Governance (ICG) from three (3) dimensions are interesting to see how it is shaped (Lewis, 2005). Undeniably, Islam and Shariah come from Allah with comprehensive rules and guidance. This code of governance is dedicated to whole human beings for them to follow.

Basically, SG is equivalent to CG in Islamic form (Muneeza & Hassan, 2014). The accountability and responsibility of each SG organs are to God, The Almighty. Linking this to Islamic muamalah and institutions, the existence of concepts such as *Hisbah* (i.e., a body to ensure compliance with Shariah in overall community and institutions) and *Shura* (i.e., mutual consultation) serve as a distinctive concept of ICG to evolve. Finally, the third part of ICG is the regulation process, which ensures all financial activities follow the Shariah requirements. The paramount concept is that wealth comes from God, and men are only entrusted to run it with sincerity and full of responsibility.

When the corporate governance system is looked at from an Islamic perspective, it should incorporate Islamic teachings. The role of good Shari'ah governance must be founded on dual accountability, i.e., accountability to God and human beings (Kasim et al., 2013). It is expected that IFIs have additional accountability towards God than conventional financial institutions (Htay & Salman, 2013). The need for an institution that operates without *Riba* ignited the spirit among the Muslim economists and jurists, which finally led to the establishment of Lembaga Urusan dan Tabung Haji in 1969. According to Samad & Hassan (1999), Tabung Haji paid strict attention to their depositors' intention to have the monies and related transactions clean from Ribawi elements. As an institution responsible for handling all Hajj processes, this initiative was regarded as a great effort towards establishing an Islamic bank in Malaysia.

Muhamad Sori, Mohamad & Shah (2015) indicated that the focus on matters relevant to SG is slightly slower compared to its counterpart in the conventional sector. By realizing SG's importance, many countries, including Malaysia, and global-ranked bodies, have set up comprehensive guidelines to support this industry's development (NuHtay & Salman, 2013). By having such policies and guidelines, the industry could establish its well-managed SG as well as improving operational transparency and credibility (Sulaiman, Majid & Ariffin, 2015).

Being the highest regulatory body in managing IFIs in Malaysia, BNM keeps on enhancing the statute and related guidelines, particularly in the Shariah atmosphere from time to time. The crucial roles played by Shariah Advisors for each IFI require exclusive supervision and attention by BNM. Besides laws such as IFSA 2013, there is a list of guidelines issued in ensuring Shariah compliance by all SG organs, especially Shariah Advisors or Shariah committees (Hassan & Hussain, 2013). Berkem (2014) analyzed the growth of Malaysian TOs under the supervision of BNM. He concluded that such systematic regulations have resulted in an encouraging result for the further success of this industry.

Since 2009, BNM, through Prudential Regulation and Supervisory Framework, reiterated their formulation of new SGF, which finally took effect on 1 January 2011. A two-tiered Shariah governance structure has been established, comprising an apex Shariah advisory body at the Bank and a supervisory Shariah committee formed at the respective Islamic financial institutions (BNM, p. 99). Comparing the SG system applied by Gulf Cooperation Countries (GCC) and Malaysia, Hamza (2013) concluded the centralized SG system as being practiced in this country was efficient and conducive to enhance the IFIs system and control.

On top of the Shariah Governance Framework (SGF), another milestone for Malaysian IFIs of regulations continued its development in 2013. SGF continues its applicability in addition to an Islamic Financial Services Act or IFSA. IFSA was enacted together with the legislation in a conventional counterpart, which is known as the Financial Services Act (FSA). IFSA took effect on 30 June 2013 as both were published in the Gazette on 22 March 2013 by the Malaysian Parliament. The enactment of IFSA simultaneously repealed the existing Acts, namely the Islamic Banking Act (IBA) 1983, Takaful Act (TA) 1984, the Payment Systems Act 2003, and Exchange Control Act 1953. Miskam & Miskom (2013) deliberated on the legal impact of IFSA enactment to dedicated personnel in the Islamic finance business.

Ultimately, this enhancement aims to build a further stable system backed by support and trust from the public. The analysis by Muhamad Sori, Mohamad & Shah (2015) on IFSA was deliberated from the SG application where the accountability of the Shariah Committee has been tightening to make sure the highest compliance to Shariah. Indeed, IFSA came on time as the complementary legislation for SGF (Hasan, 2013).

Maqasid Al-Shariah

Islamic finance comes with the foundation of Islamic Law. Dusuki & Abozaid (2007) described Shariah as a religion that promotes peace, where its laws are designed to protect the benefits of peace, and facilitates improvement and perfection of the condition of life on Earth. This refers to the purpose of Shariah that function to safeguard all aspects of human life. Abdul Razak, Mohamed & Md Taib (2008) mentioned that almost all the scholars of Maqasid are unanimous about the general objectives of al-Shari'ah, which are to promote welfare (i.e., Jalb al-Masalih) and avoid vices (i.e., Dar'u alMafasid) (as cited in Ibn Ashur, 1998, p.190). One example is the Quranic rule on the prohibition of sexual relationships before marriage. The reason is that Islam protects the lineage of human beings, which might be ruined due to hereditary issues.

Looking at the context of Islamic finance, as prescribed by Imam Al-Ghazzali, the relationship of Islamic finance with Maqasid Al-Shariah is possibly viewed from the perspective of wealth protection, besides the other four (4) necessity (dharuriyyat) aspects, namely, faith, life, intellect, and lineage (Dusuki & Abozaid, 2007). Some studies related to Maqasid Al-Shariah and the Islamic financial system have been conducted to measure its practicality and meet the objective of maqasid itself. A study conducted by Dusuki & Abozaid (2007) discussed the challenges faced by Islamic banking in accommodating the principles lie on Maqasid Al-Shariah. Some of these mismatches would require further analysis and solutions to ensure the objective of Islamic banking's establishment and Shariah requirements are met.

On the other hand, Abdul Razak, Mohamed & Md Taib (2008) deliberated the measurement method in analyzing the performance of Islamic banking via quantification of Maqasid elements. It is quite alarming if Islamic finance is being ignored and/or viewed as similar to the conventional system. Indeed, this matter must be revisited, and it requires immediate resolution. It is mentioned by Abdul Razak et al. (2008) that the failure to address the objectives of Islamic banks had been causing some scholars to adopt the conventional yardsticks to measure the performance of Islamic banks. By realizing this issue, it is timely and urgently to review the current achievement of Islamic banking and Islamic finance.

According to Abozaid & Abozaid (2016), the internal problem encountered could be resolved by tightening Shariah requirements and improving the product development approach. This effort would require direct or indirect support from various parties involved in Islamic finance. Additionally, Hasan (2016) has discussed the challenges faced by this industry from the academic development point of view. Among those challenges are the lack of well-structured and graded courses, and the matching textbooks. These matters need to be resolved by taking serious attention and include Islamic finance as a part of mainstream knowledge or field of studies as it has been neglected. Technically, to resolve, or at least enhance the current loopholes, it is worth considering the strategy highlighted by Iqbal (2007) through The Five Cs of Islamic Financial Engineering. This strategy serves as the guidelines relevant to product development and technique (pp.55-56). The contents of the 5Cs will be discussed in the next section.

The 5 Cs of Islamic Financial Products and Services and Ethical Values Inclusion

The 5Cs consist of five elements that must be adhered so that the proposed product development innovation could be materialized. The five elements include:

1. **Compatibility**: so that the deal is fully compatible with the requirements of Shariah, i.e., does not involve anything declared impermissible by Quran, Sunnah or Ijma'.
2. **Consciousness**: the parties should consciously and willingly agree on the contract conditions without any compulsion or duress. An implication of this that any agreement made in the state of unconsciousness (e.g. under the influence of intoxicants or imposed by force) is not valid.

3. **Clarity**: so that the parties are fully aware of all of the implications of the conditions laid down in a contract. Any ambiguity (except for Gharar yasir) will make the agreement invalid. An implication is to minimize asymmetric information.
4. **Capability**: the parties are reasonably certain that they can comply with all of the contract conditions. An implication of this is that, in general, the sale of any goods (or services) that are not owned and possessed by the seller at the time of the contract is not valid.
5. **Commitment**: the parties intend and are committed to respecting the terms of the contract in both letter and spirit. An implication of this is that any subterfuge intended to go around any Shariah condition through linguistic or legal ricks is not allowed.

There are five (5) ethical values that matched with the above five (5) Cs. These values correspond to those 5 Cs and could be illustrated as below:

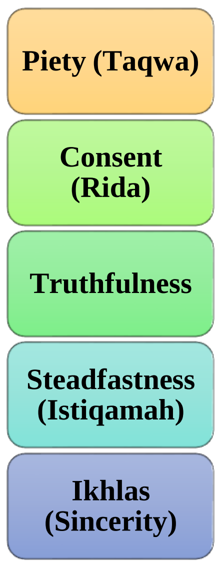


Figure 1: Ethical Values in Islam
Source: Authors' Compilation

The above-mentioned values are among the numerous ethical principles which are consistent with Shariah. Interestingly, relevant to Islamic institution governing policies, Hamidi (2006) has concluded that Islamic values are the main fuel for running the distinctively Islamic management style. The individuals who constitute the smallest units in the organization, need to internalize and actualize those values. By doing so, those values are reflected within organizational structure and operation, enabling the individual to achieve the same Islamic values and gradually establishing a virtuous circle.

According to Babu Sahib & Demirel (2010), Islamic values are defined as standards or principles or ideas about the worth or importance of qualities or things generally accepted by Muslims, which are following the dictates of Divine injunctions and prohibitions. This definition indicates the existence of two types of values: (1) values imposed by God, and (2) values imposed by those other than God. Through this description, it is understandable that all values are considered 'Islamic' should fulfil those principles mentioned. By fulfilling this definition, the values indeed are not detachable from the tawhidic element (the oneness of God) at all times and situations.

It is reiterated again by Babu Sahib & Demirel (2010) that Islam accommodates all those values, regardless of their origins, provided they conform with its principles. This is based on the prophetic instruction that wisdom is the believer's lost property as such wherever he finds it; he has a better right over it. Islamic banks must take the proactive role in formulating the universal values which are in line with Shariah requirements at all times. The banks need to work closely with the internal Shariah advisory team before finalizing any organizational policies, rules, and related matters.

By referring to Table 1, those five (5) ethical values, namely piety, consent, truthfulness, steadfastness, and sincerity are relevant to be adopted during the contractual stage of Islamic product development. As the main concern is to revive the Islamic finance setting's objective, this innovative framework is worth considering. This fact is reiterated by Abozaid (2015) by mentioning that Islamic banks have no excuse to overlook or turn a blind eye to their internal challenges which can be overcome by enacting Shariah governance for both products and Shariah control and reforming the methodology of product development.

These five (5) ethical values, which are manifested in Islam, are summarized in Table 1.

Ethical Value	General Deliberations	The Relevance with Islamic Finance
Taqwa (Piety)	'Taqwa is to abstain from prohibitions and giving up of sinful acts and evils. In the present era which is characterized by destruction of moral and spiritual values and dominance of egotism, the unleashing of lust from its roots, Taqwa becomes a very essential fundamental of life, nay it is the centre of such a fundamental. It occupies an extremely higher position due to its ability to deter the spread of evil and major sins among people, as prevention of evil takes precedence over promotion of virtue. This is a firm principle applicable to all times'."(Risale I Nur)	Reviving the main objective of Islamic financial institutions' establishment which is based on Shariah Law. It is a part of roles by IFIs to ensure this key element is inculcated and spread within the institution and external clients.
Consent (Rida)	Mutual consent between the parties is a necessary condition for the validity of any of human dealing. It, therefore, is important to note that a dealing under pressure is not acceptable in Islam.	Consent for all contracting parties involved in IFIs' business is crucial and must be explicitly highlighted at all times.
Truthfulness	"In Islam truthfulness means practising what you preach. The Qur'an says:	One of the Shariah governance key elements in

	And he who brings the truth and he who confirms (and supports) it – such are the men who do right. And Allah will say: this is a day on which the truthful will profit from their truth. Theirs the gardens, with rivers flowing beneath their eternal home."	Islamic finance is to ensure transparency in all business principles and operational activities.
Steadfastness (Istiqamah)	"Istiqamah means consistency and passion for excellence. Islam admits excellence as a virtue and encourages its adherents to excel in everything that they do. Prophet advised: "Allah loves that when anyone does a job, he does it perfectly." (Baihaqi)." (Kamaluddin & Manan, 2010).	IFIs need to ensure their mission and vision align with Shariah's requirements and Maqasid Al-Shariah at all times.
Ikhlas (Sincerity)	Sincere means doing anything for the sake of God's pleasure. Therefore, the sincere intention will ensure that the work is effectively and efficiently following the revealed guidance, which in turn contributes to al falah (successful in this world and hereafter) (Kamaluddin & Manan, 2010).	It is crucial that all stakeholders and shareholders relate to the Islamic finance business to keep their sincere intention of upholding Islam and spreading good deeds through business fields. It is totally different from conventional counterparts' practices.

Table 1: Ethical Values, Deliberation and Its Relevance with Islamic Finance
Source: Compilation by the Authors

Inclusion of Ethical Values through Islamic Banking Existence and Its Benefits towards Community

Islamic banking should be seen as more than a financial intermediary for the community and its nation. This emphasis could be much relevant for Islamic banks which are basically rooted in Shariah principles. The main objective of the establishment needs to be prone to help the community to survive better and eradicate poverty in its own way. It is interesting to quote the statement by the conventional bank, which drives the institution towards ethical and value emphasis in ensuring surrounded community benefits from its presence. The statement says:
"Also known as values-based, sustainable-focused, and ethical banking, this movement represents all the banks and financial institutions that use the money to deliver economic, social, and environmental development". When viewed externally, these banks are no different from other banks, where they offer a wide range of services, from savings accounts to investment management and venture capital funds. The differences lie on their execution, i.e. where they put their customers' money, how they manage lending and credit (by providing loans and services to sustainable projects, individuals, and entrepreneurs, and avoiding investing money in the purely

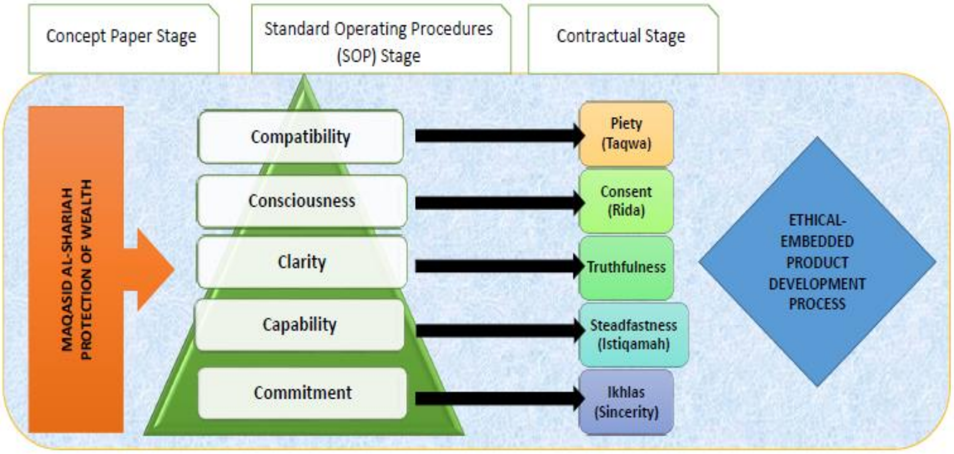
financial and speculative economy), how they support their local communities and the environment, and how they treat their staff and customers (New Economy and Social Innovation).

Obviously, the inclusion of ethical values embedded in Islamic banking products and services could benefit the community at various stages. One of the keynotes addressed by the Malaysian Central Bank's governor has stated the followings:
"…the rapid changes and dynamism of the industry require Islamic finance to strive even harder now. True to its name, Islamic finance needs to continuously carve its own branding and distinctiveness to provide wholesome value propositions. On this premise, the next frontier and the major milestone would be positioning Islamic finance to become a more prominent and leading agent of positive change for the financial system and operates within a network economy built upon shared values of integrity and inclusivity, and sustainability. Greater attention will be devoted to value creation and value-based businesses that reflect the true essence of Islamic finance." (BNM, 2017).

A Proposed Conceptual Framework

Based on the blended of three (3) key elements, such as the Maqasid Al-Shariah, principles of Islamic Financial Engineering, and Ethical Values, this paper proposes a conceptual framework in product development of Islamic banks. As this is universal in nature, it could be applied in other sectors within the Islamic Finance industry as inspired by the latest development by Bank Negara Malaysia in its focus of establishing value-based intermediation. The strategy paper was released on 20 July 2017 , and it is time for the Islamic finance industry to enhance and move forward with innovative steps ahead. The conceptual framework is shown in Figure 2.

Figure 2: Islamic Financial Product Development Processes Based on Ethical Values: A



Conceptual Framework
Source: Authors' Compilation

Pursuant to the above proposed framework, the inclusion of community with this innovation would allow Islamic banks to come out with programs, as shown in Table 2:

Table 2: Examples of Ethical Values Inclusion for Community Benefit
Sources: Hewitt-Values Based Banking, Bank Negara Malaysia (2017)/Authors' Compilation

Conclusion:

It is undeniable that Islamic finance development in Malaysia has reached its successful stage and deserves local and global recognition. However, the action of reviving and revisiting the overall processes and operations is still required further attention and not be ignored. It is mentioned by Waemustafa & Sukri (2016) that the trade-off between profit and syari'ah compliance has remained one of the very important issues where they must be addressed to ensure that Islamic banks are not only profit-making financial institutions. It also concerns the roles of Islam and how profit is gained to avoid it against the principle of syari'ah. Another query is pertaining to the identity of Islamic banking, which sometimes is claimed as mirroring the conventional system. The worst part is that the operational setting is carried out as a subterfuge of getting *Riba* (Al-Mubarak & Osmani, 2010). By realizing this need, proper action must be arranged immediately. Hasan (2010) emphasized that our stand is that Islamic finance was conceived to serve the ummatic interests and that objective need not be sacrificed at the altar of globalization. Others can also benefit from the system if they so desire following the Islamic norms.

This paper only proposes this conceptual framework based on key components in Islamic finance product development, such as Maqasid Al-Shariah, Islamic Financial Engineering, Ethical Values, and Community Inclusion. Therefore, it is recommended for further research to be carried out in materializing this effort. Innovation and dynamic progress are useful to ensure that Islamic financial institutions could utilize this concept by matching the banks' performance and ethical values embedded within operational settings that benefit the community.

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