

INTEGRATING MCCG PRINCIPLES AND GOVERNANCE THEORIES FOR ISLAMIC HIGHER EDUCATION INSTITUTIONS: A CONCEPTUAL FRAMEWORK

Lydiawaty binti Hassan Busry¹, Nurul Khair binti Ishak¹, Maslina binti Mohamed¹

¹Faculty of Management and Informatic, Al-Sultan Abdullah Ahmad Shah Quranic
University of Pahang (UNIQAAS)

Abstract

This paper aims to develop a conceptual governance framework for Islamic higher education institutions (HEIs) by integrating the principles of the Malaysian Code on Corporate Governance (MCCG) with multiple governance theories. A theoretical synthesis approach was employed, combining document analysis of the MCCG with an extensive review of governance literature within higher education and Islamic contexts. The proposed framework positions MCCG-aligned governance domains — Leadership and Ethics, Assurance and Control, and Transparency and Engagement — as key antecedents of governance quality, decision-making effectiveness, and stakeholder trust. These domains are grounded in agency, stewardship, stakeholder, and resource dependence theories. The study offers a novel integration of MCCG principles with Islamic ethical values such as amanah (trust), ‘adl (justice), and shura (consultation), thereby providing actionable propositions for governance reform in Islamic HEIs. However, as a conceptual study, empirical validation is absent, limiting causal inference. Future research should operationalise the constructs and test the framework across diverse institutional contexts using mixed-method designs.

Keywords: Corporate Governance, MCCG, Islamic Higher Education, Governance theories, Malaysia

Perkembangan Artikel

Diterima: 16/12/2025
Disemak: 24/12/2025
Diterbit: 31/12/2025

*Corresponding Author:

Lydiawaty binti Hassan Busry,
Faculty of Management and
Informatics, Al-Sultan Abdullah
Ahmad Shah Quranic University of
Pahang (UNIQAAS).

Email:
lydiawaty@uniqaas.edu.my

INTRODUCTION

Corporate governance in Malaysia has evolved through a series of regulatory codes, most notably the Malaysian Code on Corporate Governance (MCCG 2012), which outlines principles related to board leadership, independence, financial integrity, risk management, disclosure, and stakeholder engagement (Securities Commission Malaysia, 2012). Subsequent revisions in 2017 and 2021 marked a transition from procedural compliance to substantive implementation through the Comprehend,

Apply, Report (CARE) framework and the principle of “apply or explain an alternative” (Securities Commission Malaysia, 2021). Although the MCCG primarily targets listed companies, the Securities Commission encourages its adoption among non-listed entities, including state-owned enterprises and university-affiliated organisations, due to its strong emphasis on transparency, accountability, and sustainability (SC FAQs, 2012; HG.org, 2017).

Within Islamic private higher education institutions, governance must integrate corporate discipline with Islamic stewardship principles namely *amanah*, *‘adl*, and *shura* while preserving academic autonomy. However, the Malaysian higher education sector continues to exhibit structural challenges, including centralisation, disparities in board literacy, and inconsistent implementation of governance mechanisms (Tuan Sulaiman & Abdul Ghadas, 2021; Chang & Morshidi, 2020). Existing research on Islamic higher education further highlights limitations in data availability and persistent weaknesses in governance practices (Sidiq & Ju’subaidi, 2019; Abibin, Al-Momani, & Aliamat, 2025). These gaps underscore the need for a structured governance framework that aligns regulatory expectations with Islamic ethical values. Accordingly, this study addresses these issues by developing a conceptual framework grounded in MCCG principles and supported by multi-theoretical perspectives. The framework is designed to enhance governance practices in Islamic higher education institutions, including Universiti Islam Pahang Sultan Ahmad Shah (UnIPSAS), and to propose testable propositions that reflect the sector’s unique governance needs and challenges.

LITERATURE REVIEW

MCCG 2012 Principles

The Malaysian Code on Corporate Governance (MCCG 2012) introduced eight core principles encompassing board responsibilities, composition, independence, commitment, audit oversight, risk management, transparency, and stakeholder engagement (Securities Commission Malaysia, 2012). Subsequent revisions, particularly the 2021 update, strengthened the emphasis on sustainable governance, reporting integrity, and enhanced risk controls by promoting substantive implementation through the Comprehend, Apply, Report (CARE) approach and the principle of “apply or explain an alternative” (Securities Commission Malaysia, 2021). Although originally designed for publicly listed companies, regulatory guidance and professional practice increasingly support the application of MCCG principles within non-listed entities (HG.org, 2017; SC Regulatory FAQs, 2012/2017/2023). This broader applicability suggests that the MCCG provides a robust governance foundation adaptable to diverse organisational contexts, including higher education institutions. However, its translation into academic environments requires contextual interpretation to accommodate institutional autonomy, collegial governance traditions, and educational mandates.

Governance in Higher Education

Globally, higher education governance has transitioned from traditional collegial models towards hybrid structures that balance academic independence with managerial accountability. Early scholarship emphasised shared governance and the central role of faculty in establishing institutional legitimacy (Shattock, 2006). However, the expansion of mass education, increased internationalisation, and performance-based funding mechanisms have accelerated the adoption of corporate governance practices, including clearly defined board responsibilities, formal risk oversight, and structured stakeholder engagement (De Boer et al., 2010; Marginson, 2016).

Recent studies suggest that effective governance frameworks integrate ethical leadership with participatory decision-making while maintaining a strategic focus on institutional performance (Austin & Jones, 2024; Bridoux & Stoelhorst, 2022). Such balanced models are increasingly recognised as critical for sustaining organisational trust and long-term resilience.

Within the Malaysian context, governance reforms largely reflect global developments but remain shaped by national policy priorities and cultural dynamics. Initiatives under the Malaysian Higher Education Blueprint have encouraged universities to adopt corporate governance practices aligned with the MCCG, even among non-listed institutions (Chang & Morshidi, 2020; Tuan Sulaiman & Abdul Ghadas, 2021). Nevertheless, persistent challenges including uneven board competencies, capacity constraints, and varying levels of governance literacy, highlight the need for contextualised frameworks tailored to institutional realities (Fauzilah Salleh et al., 2018; Salami et al., 2014).

Islamic higher education institutions face an additional layer of complexity: reconciling corporate governance mechanisms with Islamic ethical imperatives such as *amanah* (trust) and *shura* (consultation). Moreover, the growing importance of digital governance introduces new demands related to technological readiness and resource allocation (Sidiq & Ju'subaidi, 2019; Abibin et al., 2025). These challenges collectively underscore the necessity for integrated governance models capable of enhancing governance quality, decision-making effectiveness, and stakeholder trust.

Governance in Islamic Higher Education

Emerging research on Islamic higher education highlights the centrality of ethical leadership, transparency, and quality assurance while simultaneously acknowledging the scarcity of empirical evidence on governance frameworks (Sidiq & Ju'subaidi, 2019; Abibin et al., 2025). Recent scholarship advances this discourse by identifying several critical dimensions shaping governance effectiveness.

First, ethical-normative foundations grounded in prophetic leadership and *maqasid al-Shariah* emphasise value-driven governance aligned with broader societal objectives (Khaeroni, 2025; Hamdanah, 2025). Second, structural mechanisms including competency-based human resource development and participatory leadership; support organisational adaptability and institutional

legitimacy (Asnawi et al., 2025; Muslimin et al., 2025). Third, the integration of digital governance, reinforced by Shariah-based quality frameworks, enhances operational transparency and administrative efficiency (Al-Gharawi, 2024; Asi et al., 2024). Finally, structured stakeholder engagement strengthens institutional credibility and public trust.

Collectively, these developments suggest that governance in Islamic higher education must extend beyond compliance-oriented models towards frameworks that integrate ethical values with resilient organisational structures and technological capabilities. Such alignment is essential for promoting accountability, sustainability, and long-term institutional legitimacy.

State-Owned Enterprises (SOEs) and Governance Relevance

Guidelines issued by the Organisation for Economic Co-operation and Development (OECD) and the International Finance Corporation (IFC) emphasise the importance of professional boards, clearly delineated ownership structures, comprehensive risk management systems, anti-corruption safeguards, and transparent reporting within state-owned enterprises. These principles closely align with MCCG recommendations and are particularly relevant for university-affiliated entities such as UnIPSAS.

Recent studies reinforce this alignment by demonstrating that governance practices characterised by board independence, ESG integration, and digital oversight significantly enhance organisational accountability and performance. The OECD's updated guidelines (2023) further position sustainability supervision and stakeholder engagement as core board responsibilities, while the IFC's Corporate Governance Progression Matrix highlights transparency, ethical compliance, and risk governance as critical evaluative criteria.

Empirical evidence supports these assertions. Al-Hawamdeh and Al-Qudah (2024) found that state-owned enterprises adhering to OECD-aligned governance practices exhibit greater financial resilience and stakeholder confidence. Similarly, Khan et al. (2024) argue that digital governance tools particularly integrated reporting platforms improve transparency and mitigate corruption risks in emerging markets.

Taken together, this body of literature underscores the strategic relevance of MCCG-informed governance for state-linked and university-affiliated organisations, particularly in environments where governance reforms must balance public accountability with operational effectiveness..

THEORETICAL INTEGRATION

The proposed governance framework is anchored in four complementary theoretical perspectives:

agency theory, stewardship theory, stakeholder theory, and resource dependence theory. Together, these theories provide a multidimensional explanation of how governance structures enhance accountability, legitimacy, and strategic effectiveness within Islamic higher education institutions. Rather than operating in isolation, these theoretical lenses collectively illuminate the mechanisms through which MCCG-aligned governance domains; Leadership and Ethics, Assurance and Control, and Transparency and Engagement that shape institutional outcomes. This integrative perspective strengthens the explanatory power of the framework by linking governance processes to improvements in governance quality, decision-making effectiveness, and stakeholder trust.

Agency Theory

Agency theory conceptualises governance as a system designed to mitigate principal–agent conflicts arising from information asymmetry and divergent interests between boards and management (Jensen & Meckling, 1976; Fama & Jensen, 1983). Governance mechanisms such as independent directors, audit committees, internal audit functions, and enterprise risk management serve as monitoring instruments that reduce agency costs by enhancing transparency and strengthening decision oversight (Bonazzi & Islam, 2007; Moldoveanu & Martin, 2001).

Within higher education contexts, these mechanisms are particularly significant given the growing managerial complexity of universities. Effective monitoring safeguards organisational resources, aligns managerial actions with institutional objectives, and reduces opportunistic behaviour, thereby reinforcing governance quality (Al-Faryana, 2024). Empirical evidence further supports this relationship; Fauzilah Salleh et al. (2018) found that Malaysian public universities with stronger audit oversight and risk management practices demonstrated higher levels of accountability and regulatory compliance. Similarly, Hillman and Dalziel (2003) linked board independence to improved organisational performance, underscoring the continued relevance of agency theory within higher education governance.

Stewardship Theory

In contrast to the control-oriented assumptions of agency theory, stewardship theory posits that executives act as responsible stewards motivated by collective goals, intrinsic values, and organisational mission rather than purely self-interested incentives (Davis et al., 1997; Caldwell et al., 2008). Governance structures that emphasise ethical leadership, sustainability, and mission alignment therefore cultivate trust-based relationships and support long-term value creation (Dallas & Lubrano, 2022; Kolawole et al., 2025).

For Islamic higher education institutions, stewardship theory is particularly congruent with faith-based ethical principles. Concepts such as *amanah* (trust) and *‘adl* (justice) reinforce leadership accountability while positioning governance as a moral obligation rather than merely a regulatory requirement. Hamdanah (2025), for example, proposes a maqasid-driven governance model that integrates

stewardship with adaptive leadership to enhance institutional resilience and learner-centred outcomes. Likewise, Dallas and Lubrano (2022) demonstrate that stewardship-oriented governance facilitates ESG integration and strengthens institutional legitimacy over time.

Stakeholder Theory

Stakeholder theory expands the scope of governance beyond shareholder primacy to recognise the legitimate interests of multiple constituencies, including students, faculty, alumni, regulators, benefactors, and society at large (Freeman, 1984; Donaldson & Preston, 1995). Governance mechanisms grounded in transparency and participatory engagement promote fairness and inclusivity while mediating competing stakeholder expectations (Bridoux & Stoelhorst, 2022; Lauesen, 2014).

In higher education environments, where institutional success is inherently relational, transparent reporting and structured dialogue enhance trust, encourage collaborative problem-solving, and support institutional legitimacy. Governance therefore emerges not as a unilateral exercise of authority but as a collective process shaped by ongoing stakeholder interaction..

Resource Dependence Theory

Resource dependence theory highlights the strategic role of governing boards in securing critical resources and establishing external legitimacy (Pfeffer & Salancik, 1978; Hillman et al., 2009). Board members possessing diverse expertise, professional networks, and industry connections enhance organisational adaptability by facilitating access to funding, knowledge, and strategic partnerships (Islam et al., 2022; Ozturk, 2021).

Nomination processes and external affiliations thus function as strategic governance tools that strengthen institutional capacity to navigate environmental uncertainty. Recent studies further illustrate the theory's relevance within higher education governance. Khaeroni (2025) associates stakeholder participation and prophetic leadership values with sustainable governance in Islamic institutions, while Muslimin et al. (2025) demonstrate that participatory leadership structures significantly improve stakeholder trust and organisational responsiveness.

Collectively, these theoretical perspectives establish a coherent foundation for understanding the causal pathways embedded within the proposed governance framework. Agency mechanisms reinforce oversight and mitigate opportunism; stewardship practices embed ethical purpose and intrinsic motivation; stakeholder processes institutionalise transparency and inclusive engagement; and resource dependence factors enhance strategic alignment and external legitimacy.

The integration of these theories moves beyond single-theory explanations by presenting governance as a multidimensional architecture in which control, trust, participation, and resource access operate synergistically. This multi-theoretical foundation therefore strengthens the framework's capacity to

explain how MCCG-aligned governance domains contribute to improved governance quality, more effective evidence-based decision-making, and heightened stakeholder trust within Islamic higher education institutions.

CONTRIBUTIONS AND IMPLICATIONS

Conceptual Framework

The proposed conceptual framework delineates governance domains aligned with the Malaysian Code on Corporate Governance (MCCG), namely Leadership and Ethics (P1–P4), Assurance and Control (P5–P6), and Transparency and Engagement (P7–P8). These domains function as key antecedents of three essential institutional outcomes: Governance Quality, Decision-Making Effectiveness, and Stakeholder Trust. Within Islamic higher education institutions (HEIs), these governance domains operationalise MCCG principles while integrating Islamic ethical standards, including *amanah* (trust), *'adl* (justice), and *shura* (consultation) (Securities Commission Malaysia, 2021; Sidiq & Ju'subaidi, 2019).

The framework is theoretically grounded in four complementary governance perspectives. Agency Theory explains how monitoring mechanisms, such as independent boards, audit committees, and enterprise risk management systems, mitigate information asymmetry and managerial opportunism (Jensen & Meckling, 1976; Al-Faryana, 2024). Stewardship Theory emphasises ethical leadership and sustainability-oriented strategies that cultivate trust and support long-term value creation (Caldwell et al., 2008; Hamdanah, 2025). Stakeholder Theory highlights the importance of participatory engagement and transparent disclosure in balancing diverse stakeholder interests and strengthening institutional legitimacy (Freeman, 1984; Bridoux & Stoelhorst, 2022). Resource Dependence Theory underscores the strategic role of board diversity and external networks in facilitating resource acquisition and enhancing organisational adaptability (Hillman et al., 2009; Islam et al., 2022).

Figure 1 illustrates the integrated governance framework for Islamic higher education institutions. Islamic ethical values serve as a normative governance foundation that reinforces institutional practices, while MCCG-aligned governance domains operate as structural mechanisms driving governance quality, decision-making effectiveness, and stakeholder trust. Collectively, the framework posits that the effective integration of these governance domains contributes to enhanced governance standards, more robust evidence-based decision-making, and strengthened stakeholder confidence within Islamic higher education institutions (Austin & Jones, 2024; OECD, 2023; IFC, 2023).

Islamic Ethical Foundation: *Amanah* (Trust), *'Adl* (Justice), *Shura* (Consultation)

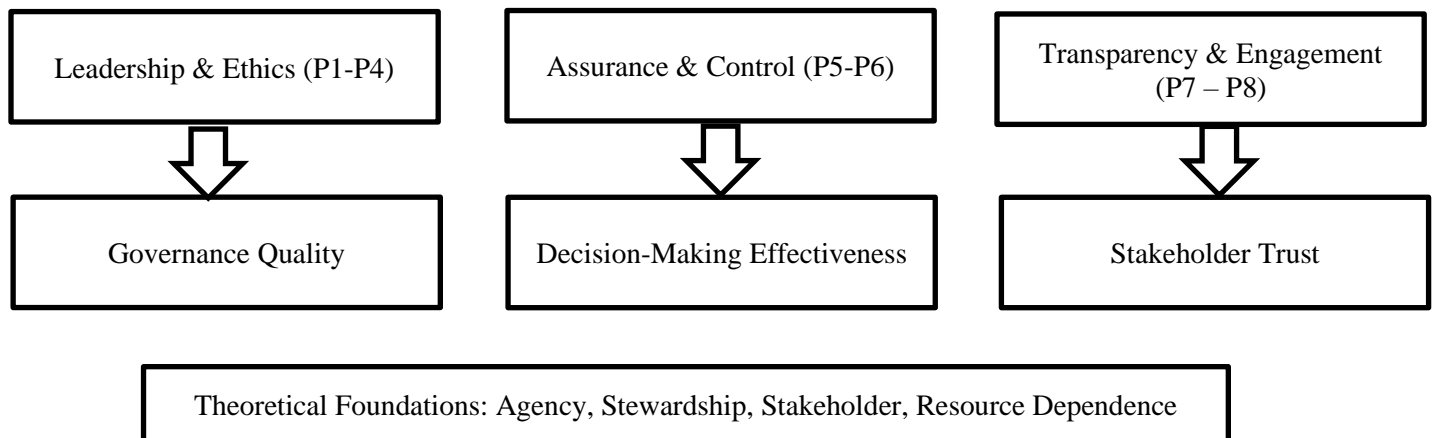


Figure 1: Integrated Governance Framework for Islamic Higher Education Institutions

Methodology

This study adopts a theoretical synthesis methodology within a conceptual research design, integrating document analysis of the Malaysian Code on Corporate Governance (MCCG) (2012; 2021) with a critical review of governance scholarship in higher education and Islamic institutional contexts (Chang & Morshidi, 2020; Khaeroni, 2025). This approach enables the systematic consolidation of regulatory guidance, theoretical perspectives, and ethical considerations to develop an integrated governance framework tailored to Islamic higher education institutions.

The methodological process comprises three interrelated stages. First, Framework Development involved identifying MCCG principles applicable to non-listed entities and Islamic higher education institutions (Securities Commission Malaysia, 2021). These principles were subsequently synthesised into three governance domains; Leadership and Ethics, Assurance and Control, and Transparency and Engagement, which form the structural core of the proposed framework. The domains were then conceptually anchored in four complementary theoretical perspectives: agency, stewardship, stakeholder, and resource dependence theories. Importantly, Islamic ethical values, namely *amanah* (trust), *‘adl* (justice), and *shura* (consultation), were positioned as a normative governance foundation that reinforces organisational behaviour and strengthens the effectiveness of governance mechanisms.

Second, Propositional Design focused on developing theoretically grounded and empirically testable propositions linking governance domains to three institutional outcomes: Governance Quality, Decision-Making Effectiveness, and Stakeholder Trust. Specifically, P1–P4 examine the relationship between Leadership and Ethics and governance quality; P5–P6 evaluate how Assurance and Control enhance decision-making effectiveness; and P7–P8 explore the influence of Transparency and Engagement on stakeholder trust. Consistent with Resource Dependence Theory, board diversity and external linkages are conceptually recognised as strategic enhancers of governance capacity, supporting

institutional adaptability and legitimacy.

Third, Future Empirical Validation outlines a research agenda for testing the proposed framework. A mixed-method approach is recommended to capture both causal relationships and contextual governance dynamics. Quantitative analysis using Structural Equation Modelling (SEM) may be employed to examine the relationships among governance domains, Islamic ethical foundations, and institutional outcomes across Islamic higher education institutions. This may be complemented by qualitative case studies and semi-structured interviews to provide deeper insights into governance practices and organisational contexts (Muslimin, Giyoto, & Rohmadi, 2025; Abibin, Al-Momani, & Aliamat, 2025).

The operationalisation of constructs should incorporate multidimensional indicators aligned with the framework. Governance quality may be assessed through measures such as audit effectiveness, regulatory compliance, and risk oversight. Decision-making effectiveness may be evaluated based on timeliness, procedural fairness, and strategic alignment, while stakeholder trust may be examined through perceived legitimacy, transparency, and engagement practices (OECD, 2023; IFC, 2023).

This study offers practical guidance for governing boards, governance committees, and institutional leaders within Islamic higher education institutions (HEIs). Strengthening governance through the establishment of independent board structures, the formation of audit committees, and the integration of enterprise risk management (ERM) systems can substantially reduce information asymmetry while enhancing organisational accountability (Jensen & Meckling, 1976; Al-Faryana, 2024). Embedding ethical standards alongside sustainability-oriented initiatives fosters stewardship-driven leadership, aligning governance practices with Islamic principles as well as evolving societal expectations (Caldwell et al., 2008; Hamdanah, 2025). Moreover, structured stakeholder engagement supported by formal participation frameworks and transparent disclosure mechanisms enhances institutional legitimacy and organisational responsiveness (Bridoux & Stoelhorst, 2022; Khaeroni, 2025). Enhancing board composition through greater diversity of expertise and stronger external networks further improves strategic adaptability and resource mobilisation, enabling higher education institutions to navigate increasingly complex regulatory and financial environments (Hillman et al., 2009; Islam et al., 2022).

This research provides valuable insights for policy development by demonstrating how Malaysian Code on Corporate Governance (MCCG) principles can be meaningfully extended to non-listed entities, thereby promoting greater consistency in governance practices across institutional contexts (Securities Commission Malaysia, 2021; OECD, 2023). The framework supports the implementation of capacity-building initiatives aimed at strengthening governance literacy among board members and senior administrators, particularly in areas such as risk oversight, ethical governance, and stakeholder engagement (IFC, 2023; Chang & Morshidi, 2020). Aligning governance processes with national

higher education reform agendas and international state-owned enterprise standards further reinforces transparency, accountability, and institutional sustainability (OECD, 2023; Al-Hawamdeh & Al-Qudah, 2024). Additionally, the framework underscores the growing importance of digital governance, encouraging policymakers to adopt technology-enabled disclosure platforms and stakeholder engagement systems to enhance transparency and support more participatory decision-making processes (Khan et al., 2024; Abibin, Al-Momani, & Aliamat, 2025).

The societal implications of the proposed framework are equally significant. Integrating Islamic ethical principles into formal governance structures strengthens cultural legitimacy while fostering public trust in Islamic higher education institutions (Hamdanah, 2025; Khaeroni, 2025). Such alignment ensures that governance reforms resonate with societal values, thereby enhancing institutional credibility and supporting Malaysia's broader aspirations for educational excellence and sustainable development (Austin & Jones, 2024; Muslimin, Giyoto, & Rohmadi, 2025).

CONCLUSIONS, LIMITATIONS AND FUTURE RESEARCH

This study develops an integrated conceptual governance framework for Islamic higher education institutions by aligning the principles of the Malaysian Code on Corporate Governance (MCCG) with complementary governance theories and Islamic ethical values. By positioning Leadership and Ethics, Assurance and Control, and Transparency and Engagement as core governance domains, the framework provides a structured explanation of how governance mechanisms contribute to governance quality, decision-making effectiveness, and stakeholder trust.

The study advances governance scholarship by extending the applicability of corporate governance principles beyond traditional corporate settings into faith-based educational environments. The integration of Islamic ethical values; *amanah* (trust), *'adl* (justice), and *shura* (consultation), as a normative governance foundation enriches existing theoretical perspectives, demonstrating that ethical stewardship and regulatory discipline can operate synergistically to enhance institutional legitimacy and sustainability. Importantly, the framework adopts a multidimensional theoretical lens that combines agency, stewardship, stakeholder, and resource dependence theories. This multi-theoretical approach moves beyond single-theory explanations and offers a more holistic understanding of governance dynamics within complex institutional contexts.

Nevertheless, this study is conceptual in nature and therefore does not provide empirical validation of the proposed relationships. Future research is encouraged to operationalise the framework and examine its predictive capacity across diverse Islamic higher education settings. Quantitative approaches, such as Structural Equation Modelling, may be employed to test the causal pathways, while qualitative investigations could provide deeper insights into contextual governance practices and leadership behaviours. Further research may also explore the evolving role of digital governance, board competency development, and ethical leadership in strengthening institutional resilience. Comparative studies across different regulatory environments could offer additional evidence regarding the transferability and robustness of the framework.

In conclusion, the proposed framework contributes to the growing discourse on governance in Islamic higher education by offering a theoretically grounded and ethically informed model capable of guiding institutional reform. As higher education institutions continue to navigate increasing regulatory complexity, stakeholder expectations, and societal demands, governance frameworks that integrate regulatory standards with ethical imperatives will be essential for sustaining organisational credibility and long-term strategic success.

CONFLICT OF INTEREST

The authors declare no conflicts of interest.

ACKNOWLEDGEMENTS

We want to thank the Faculty of Management and Informatic for their support of this study.

AUTHOR CONTRIBUTIONS STATEMENT

Busry, L.H. (Writing-original draft, Conceptualisation, Methodology).

Ishak, N.K. (Conceptualisation, Methodology, Writing-Review & Editing, Funding Acquisition, Supervision).

Mohamed, M. (Conceptualisation, Methodology, Writing-review & editing).

AVAILABILITY OF DATA AND MATERIALS

The data supporting this study's findings are available on request from the corresponding author.

ETHICS STATEMENT

Not applicable.

REFERENCES

- Al-Hawamdeh, N., & Al-Qudah, A. (2024). *Corporate governance practices and financial resilience in state-owned enterprises: Evidence from MENA countries*. *International Journal of Public Sector Management*, 37(2), 145–162.
- Al-Gharawi, R. M. D. (2024). *Digital governance and its role in the Islamic economy: Analytical study*. *American Journal of Social and Humanitarian Research*, 5(8), 1–13
- Al-Faryana, M. A. S. (2024). *Agency theory, corporate governance and corruption: An integrative literature review*. *Cogent Social Sciences*, 10(1).
- Abibin, Z., Al-Momani, M. O., & Aliamat, O. A. (2025). *Digital transformation in the management of private Islamic higher education institutions: Opportunities and challenges*. *Zabags International Journal of Education*, 3(2).
- Asi, E. N., Pratama, F. A., Paramansyah, A., Feviasari, H., & Vikaliana, R. (2024). *Sharia-based Total Quality Management framework in Islamic educational institutions: Delphi method approach*. *CONCIENCIA: Journal of Islamic Education*, 24(2), 241–256.
- Asnawi, A., Rahmawati, N. L., & Aditya, A. F. (2025). *Optimization of Islamic higher education governance through human resource development*. *Humanistika: Jurnal Keislaman*, 11(1).
- Austin, I., & Jones, G. A. (2024). *Governance of higher education: Global perspectives, theories, and practices (2nd ed.)*. Routledge.
- Bonazzi, L., & Islam, S. M. N. (2007). *Agency theory and corporate governance: A study of the effectiveness of board monitoring of the CEO*. *Journal of Modelling in Management*, 2(1), 7–23.
- Booth-Bell, D., & Jackson, P. (2021). *Governance theory and board diversity*. *Global Journal of Accounting and Finance*, 5(2), 70–87.
- Bridoux, F., & Stoelhorst, J. W. (2022). *Stakeholder theory, strategy, and organization: Past, present, and future*. *Strategic Organization*, 20(4), 797–809.
- Caldwell, C., Hayes, L. A., Karri, R., & Bernal, P. (2008). *Ethical stewardship: Implications for leadership and trust*. *Journal of Business Ethics*, 78, 153–164.
- Chang, D. W., & Morshidi, S. (2020). *Academic governance and leadership in Malaysia: Examining national higher education strategic initiatives*. ERIC.
- Dallas, G., & Lubrano, M. (2022). *Governance, stewardship and sustainability: Theory, practice and evidence*. Routledge.
- De Boer, H., Enders, J., & Schimank, U. (2010). *On the way towards new public management? The governance of university systems in England, the Netherlands, Austria, and Germany*. *Public Management Review*, 12(1), 41–68.
- Donaldson, T., & Preston, L. E. (1995). *The stakeholder theory of the corporation: Concepts, evidence, and implications*. *Academy of Management Review*, 20(1), 65–91.
- Fama, E. F., & Jensen, M. C. (1983). *Separation of ownership and control*. *Journal of Law and Economics*, 26(2), 301–325.
- Fauzilah Salleh, M. E. H., Muhammad Sukri, W. A. R. W. H., Yazid, A. S., & Nik Mohd Fadzilah, N.

- M. R. (2018). *Corporate governance practices among Malaysian public universities*. International Journal of Academic Research in Business and Social Sciences, 8(12).
- Freeman, R. E. (1984). *Strategic Management: A Stakeholder Approach*. Pitman.
- Hamdanah. (2025). *Reframing Islamic educational management: A maqāṣid-driven governance model for 21st-century learning institutions*. At Turots: Jurnal Pendidikan Islam, 7(1).
- Hart, O. (1989). An economist's perspective on the theory of the firm. Columbia Law Review, 89(7), 1757–1774.
- HG.org. (2017). *The Malaysian Code on Corporate Governance (MCCG)*.
- Hillman, A. J., Withers, M. C., & Collins, B. J. (2009). *Resource dependence theory: A review*. Journal of Management, 35(6), 1404–1427.
- IFC. (n.d.). *Corporate governance in state-owned enterprises*. International Finance Corporation.
- IFC. (2023). *Corporate Governance Progression Matrix for State-Owned Enterprises: Integrating ESG Issues*. International Finance Corporation. Retrieved from <https://www.ifc.org>
- Islam, R., French, E., & Ali, M. (2022). *Evaluating board diversity and its importance in environmental and social performance*. Corporate Social Responsibility and Environmental Management, 29(6), 1612–1626.
- Jensen, M. C., & Meckling, W. H. (1976). *Theory of the firm: Managerial behavior, agency costs and ownership structure*. Journal of Financial Economics, 3(4), 305–360.
- Khaeroni, K. (2025). *Prophetic leadership for sustainable Islamic higher education: A systematic literature review of transformative values and SDG alignment (2009–2024)*. Journal of Asian Islamic Educational Management, 3(2).
- Khan, M., Rahman, S., & Chowdhury, T. (2024). *Digital governance and anti-corruption strategies in state-owned enterprises: A study of emerging economies*. Journal of Governance and Regulation, 13(1), 56–72.
- Kolawole, J. S., Igbekoyi, O. E., & Alabi, A. W. (2025). *Unveiling stewardship theory: Emerging trends and future directions*. Journal of Business and Administrative Studies, 11(2), 95–112.
- Lauesen, L. M. (2014). Stakeholder engagement disclosure. In Encyclopedia of Corporate Social Responsibility. Springer.
- Marginson, S. (2016). *The worldwide trend to high participation higher education: Dynamics of social stratification in inclusive systems*. Higher Education, 72(4), 413–434.
- Media release on MCCG 2021 update (ESG emphasis). Securities Commission Malaysia. (2021, April 28).
- Menyah, K. (2014). *Stewardship theory*. In Encyclopedia of Corporate Social Responsibility. Springer.
- Mok, K. H. (2017). *Higher education governance and policy in Asia: Globalization and local challenges*. Higher Education Policy, 30(1), 1–18.
- Moldoveanu, M., & Martin, R. (2001). *Agency theory and the design of efficient governance mechanisms*. Rotman School of Management Working Paper.
- Monitoring Committee Corporate Governance (2025). *The Dutch Corporate Governance Code (English)*.

- Muslimin, E., Giyoto, & Rohmadi, Y. (2025). *Leadership and subordinate engagement in transforming Islamic higher education institutions to advance the SDGs: Evidence from Central Java*. Profetika: Jurnal Studi Islam, 26(1).
- OECD. (n.d.). *Corporate governance of state-owned enterprises*. Organisation for Economic Co-operation and Development.
- OECD. (2015). *OECD Guidelines on Corporate Governance of State-Owned Enterprises* (2015 ed.).
- OECD. (2023). *OECD Guidelines on Corporate Governance of State-Owned Enterprises* (2023 Edition). OECD Publishing.
- OECD. (2024). *State-Owned Enterprises and Sustainability: Policy Trends and Governance Challenges*. OECD Publishing.
- Ozturk, O. (2021). *Bibliometric review of resource dependence theory literature: An overview*. Management Review Quarterly, 71, 525–552.
- Palladino, N., & Santaniello, M. (2020). Foundations, pitfalls, and assessment of multistakeholder governance. In *Legitimacy, Power, and Inequalities in Multistakeholder Internet Governance*. Springer.
- Pfeffer, J., & Salancik, G. R. (1978). *The External Control of Organizations: A Resource Dependence Perspective*. Harper & Row.
- Salami, O. L., Johl, S. K., & Ibrahim, M. Y. (2014). *Holistic approach to corporate governance: A conceptual framework*. Global Business and Management Research, 6(3), 273–286.
- SC Regulatory FAQs (2012/2017/2023). *Frequently Asked Questions on the MCCG*.
- Securities Commission Malaysia. (2012). *Malaysian Code on Corporate Governance (MCCG 2012)*.
- Securities Commission Malaysia. (2021). *Malaysian Code on Corporate Governance (as at 28 April 2021)*.
- Shattock, M. (2006). *Managing good governance in higher education*. Open University Press.
- Sidiq, U., & Ju'subaidi. (2019). *Good governance in Islamic higher education*. Proceedings of WESTECH 2018.
- Tuan Sulaiman, T. F., & Abdul Ghadas, Z. A. (2021). *Corporate governance models for higher educational institutions: An analysis*. Pertanika Journal of Social Sciences & Humanities, 29(S2).
- Ungvarsky, J. (2024). *Stewardship theory*. EBSCO Research Starters
- World Bank Group. (2024). *Strengthening SOE Governance for Transparency and Accountability*. Washington, DC: World Bank.