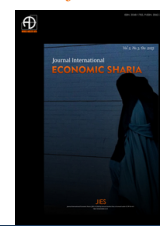


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Waqf for Community Welfare: Integrating Utilization, Governance Constraints, and Strategic Optimization

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ABSTRACT**Purpose** - This research investigates waqf as an instrument of Islamic social finance aimed at improving community welfare by evaluating its application in key social sectors, identifying institutional and managerial barriers that impede its efficacy, and developing strategies to enhance waqf administration and socioeconomic outcomes.**Design/methodology/approach** - A qualitative descriptive-analytical framework is employed utilizing library investigation. Data are sourced from peer-reviewed research, academic publications, regulatory materials, and institutional documents. The information is scrutinized using document analysis, qualitative content analysis, thematic analysis, and source triangulation to integrate patterns of utilization, constraints, and enhancement strategies.**Findings** - Waqf enhances societal well-being through education, healthcare, social assistance, and economic empowerment. Its efficacy is hindered by insufficient waqf literacy, inadequate nazhir proficiency, weak transparency and accountability, underproductive assets, and a lack of comprehensive digital integration. Enhancing optimization necessitates heightened public literacy, more professional nazhir, stronger accountability, responsible digital transformation, effective asset creation, and organized stakeholder cooperation.**Originality/value** - This investigation consolidates waqf utilization, governance challenges, and optimization methodologies into a cohesive welfare-conversion framework rooted in maqashid al-Shariah. It shifts emphasis from the nominal capabilities of assets to the institutional procedures that transmute bestowed resources into lasting social and economic worth.

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1. Introduction

Waqf occupies a distinctive position within Islamic social finance because it transforms privately donated wealth into a durable source of societal benefit while preserving the original asset or capital. Traditionally, waqf institutions have supported religious services, education, healthcare, public infrastructure, and assistance for marginalized groups. In modern Islamic economics, waqf is increasingly regarded not merely as a charitable entity but as a sustainable social financing instrument capable of fostering inclusive growth, intergenerational equity, and community empowerment. [Ismail Abdel Mohsin \(2013\)](#) illustrates that cash waqf can address broader socioeconomic needs beyond traditional religious objectives, while [Ari and Koc \(2021\)](#) demonstrates that waqf-based funding can facilitate resource mobilization, social investment, and sustainable development. These attributes render waqf progressively pertinent to the Sustainable Development Goals, particularly in relation to poverty reduction, quality education, healthcare accessibility, decent employment, reduced inequality, and sustainable communities ([Ari and Koc, 2021](#); [Uluyol et al., 2021](#); [Yasa et al., 2026](#)). Waqf thus constitutes a component of a broader transformation in which Islamic philanthropic capital becomes more structured, productive, and development-oriented.

The modern evolution of waqf has been marked by a transition from primarily fixed and consumption-based assets to productive, financial, and technology-driven varieties. Monetary waqf has broadened participation by enabling individuals to provide financial endowments without possessing significant tangible assets. Productive waqf, on the other hand, focuses on the administration of endowed assets through revenue-generating endeavors to ensure that profits perpetually support social and economic initiatives. [Ascarya and Masrifah \(2023\)](#) contends that the efficacy of cash waqf is significantly influenced by institutional frameworks capable of harmonizing financial viability with social goals. Empirical studies indicate that cohesive cash-waqf frameworks can enhance Islamic microfinance, extend access to marginalized populations, and foster socioeconomic advancement ([Ascarya and Masrifah, 2023](#)). Historical documentation further indicates that cash waqf has traditionally served as a community-oriented financial intermediary adept at mobilizing resources for socially advantageous objectives ([Altay and Bulut, 2025](#); [Yasa et al., 2026](#)).

A significant body of modern scholarship has investigated the methods by which waqf resources can be utilized more efficiently. Research on

cash waqf participation reveals that knowledge, religiosity, trust, social influence, perceived behavioral control, and generational traits profoundly influence individuals' readiness to engage in waqf initiatives (Allah Pitchay et al., 2023; Berakon et al., 2022; Jatmiko et al., 2024). Digital innovation has enhanced the potential for mobilizing waqf by lowering transaction expenses, increasing accessibility, and promoting broader public engagement. Masrizal et al. (2023) illustrates the significance of technology acceptance in crowdfunding-based waqf participation, whereas Megat et al. (2024) emphasize the capability of blockchain-enabled smart contracts to enhance trust and transparency in corporate waqf crowdfunding. Recent research indicates that digital platforms, crowdfunding methods, and financial technology are transforming donor behavior and institutional approaches within the waqf sector (Alimusa et al., 2025; Kasmon et al., 2025; Rizqi and Listiana, 2026).

However, efficient resource mobilization does not inherently result in enhanced communal well-being. A significant body of literature therefore underscores governance, accountability, managerial competence, and fiscal sustainability. Siswanto et al. (2018) illustrates that cash waqf organizations encounter unique accountability challenges because they must simultaneously protect endowed resources and produce enduring societal advantages. Sulaiman and Alhaji Zakari (2019) demonstrates that the mere presence of waqf assets does not guarantee institutional survival, as governance quality and financial management are essential for organizational longevity. Shariah governance and auditing methods are crucial since they bolster institutional integrity, regulatory adherence, and stakeholder trust (Kamaruddin et al., 2024). At the institutional level, managerial proficiency, communication efficacy, professional governance, and stakeholder collaboration affect the ability of waqf entities to convert endowed assets into quantifiable socioeconomic benefits (Medias et al., 2025; Mohd Sharip et al., 2022; Nofianti et al., 2026).

This expanding body of literature has greatly enhanced comprehension of particular aspects of modern waqf. Nonetheless, the current understanding remains relatively fragmented. Bibliometric analyses reveal that waqf research has evolved around rather disjointed themes, such as Islamic law, cash waqf, donor motivations, governance, financial frameworks, digital transformation, and institutional administration (Syafullah et al., 2026; Uluyol et al., 2021). Numerous research endeavors focus exclusively on a singular component of the waqf ecosystem. Certain studies examine the monetary prospects of cash or productive waqf, whereas others concentrate on donor motivations, digital integration, governance frameworks, accountability, or fiscal viability. While these studies yield significant insights, such specialization presents a narrower understanding of how waqf eventually produces enduring welfare outcomes. The connection among the deployment of waqf assets, the limitations that hinder their effective management, and the approaches necessary to enhance their societal influence has not been adequately consolidated into a unified analytical model.

The study gap is crucial because the presence of significant waqf assets does not inherently ensure considerable welfare outcomes. The productive capacity may remain untapped when organizations face low public literacy, deficient managerial skills, poor accountability, inadequate technological incorporation, disjointed stakeholder collaboration, or immature asset-management approaches. Research from the student manuscript similarly reveals that the application of waqf is hindered by managerial, institutional, and technological obstacles despite its prospective benefits to education, healthcare, social support, and economic empowerment (Anggraini et al., 2024; Masriyah, 2024; Rahmatillah et al., 2022). Thus, a more comprehensive viewpoint is necessary to elucidate both the domains in which waqf might enhance social welfare and the institutional factors that influence the sustainability of these contributions.

The originality of this research resides in the amalgamation of three interrelated aspects of waqf management into an all-encompassing welfare-focused framework. The first dimension pertains to the utilization of waqf, encompassing its role in education, healthcare, social support, and the economic empowerment of communities. The second pertains to managerial limitations, including restricted waqf literacy, poor nazhir capabilities, deficiencies in transparency and accountability, and a lack of technological incorporation. The third pertains to strategic enhancement through proficient administration, effective asset cultivation, digital transformation, organizational transparency, and stakeholder cooperation. By connecting these elements, the research transcends mere discourse on the theoretical potential of waqf and highlights the institutional mechanisms that convert endowed assets into enduring social and economic advantages.

Consequently, this research encompasses three interconnected aims. First, it examines the application of waqf as an instrument of Islamic social finance to enhance community well-being across significant social and economic domains. Second, it delineates the primary managerial and institutional limitations that hinder waqf assets from realizing their full societal advantages. Third, it delineates strategic avenues for enhancing waqf administration through proficient governance, accountability, asset productivity enhancement, digital transformation, and stakeholder cooperation. This comprehensive viewpoint aims to elucidate both the prospective benefits of waqf for communal well-being and the institutional prerequisites necessary to convert that potential into enduring socioeconomic outcomes. By integrating utilization, governance constraints, and strategic optimization within a single analytical framework grounded in *maqashid al-Shariah*, the study shifts attention from the nominal value of endowed assets toward the institutional processes that transform waqf resources into lasting social and economic worth.

2. Literature Review

2.1 Theoretical Foundations of Waqf in Islamic Social Finance

Waqf is a unique entity in Islamic social finance as it transforms privately held assets into a socially committed resource designed to yield benefits for future generations. Its conceptual basis is anchored in maintaining the endowed capital while allocating its benefits for objectives aligned with public welfare, thus differentiating waqf from transient charitable donations (Ismail Abdel Mohsin, 2013). This institutional attribute is notably significant as Islamic social finance aims to merge ethical wealth distribution with equitable justice, social safeguarding, and sustainable advancement. Ari and Koc (2021) enhance this understanding by illustrating that waqf may be integrated into modern sustainable financing frameworks, while Mergaliyev et al. (2021) situate social and economic welfare within the wider ethical aims of *maqashid al-Shariah*. From this viewpoint, waqf transcends mere asset preservation; instead, preservation is warranted when it perpetually generates social value. Modern critiques bolster this assertion by aligning waqf with zakat, sadaqah, and Islamic microfinance as synergistic tools that can tackle poverty, inequality, education, healthcare, and several Sustainable Development Goals (Dirie et al., 2024; Ma and Sukmana, 2025). The literature thus aligns on a theoretical shift from a limited philanthropic understanding to a developmental and institutional framework of waqf. This foundation pertains to the current research as assessing waqf necessitates analyzing not only the presence of endowed resources but also the efficacy of their management, governance, and optimization in fostering sustainable community well-being.

2.2 Waqf as an Instrument of Community Welfare: Conceptual and Empirical Perspectives

Community welfare provides the fundamental rationale for waqf, as the institution aims to convert bestowed resources into ongoing societal benefits rather than simply amass safeguarded wealth. Modern academic discourse defines welfare in a comprehensive manner, including access to education, healthcare, social security, economic prospects, and enhanced resilience within marginalized populations (Dirie et al., 2024;

Zafar and Jafar, 2026). Zafar and Jafar (2026) illustrate that the social role of waqf scholarship has gradually broadened to encompass poverty reduction, educational accessibility, health fairness, and sustainable development. This analysis aligns with institutional frameworks indicating that monetary assets and productive waqf can transmit resources to recipients via social and commercial channels instead of solely depending on direct charitable allocations (Ascarya and Masrifah, 2023). Empirical and industry-specific evidence indicates that the welfare effects of waqf are contingent upon the conversion of endowed resources into functional services. In the academic discourse, Masriyah (2024) underscores the efficacy of productive waqf in maintaining communal advantages, while Pamungkas (2021) demonstrates its significance in healthcare delivery, and Anggraini et al. (2024) accentuates its role in advancing educational progress through digitalization. These viewpoints are complementary yet highlight a crucial difference: having waqf assets does not automatically produce well-being. Welfare arises from efficient distribution, productive oversight, sustained institutions, and user-focused application. Consequently, this study treats community welfare as the result of a value-creation process, warranting a concurrent analysis of usage patterns, institutional limitations, and optimization strategies rather than assessing waqf solely by its nominal asset value.

2.3 Productive Waqf and Economic Empowerment: Contemporary Evidence

Productive waqf marks a shift from conserving endowed assets to strategically using waqf resources in revenue-generating ventures that provide ongoing social and economic benefits. The significance of this concept lies in its ability to transition recipients from temporary aid to economic engagement, income production, employment, and enhanced financial stability. Ascarya and Masrifah (2023) illustrate that cash waqf can enhance the commercial and social roles of Islamic microfinance institutions when institutional frameworks harmonize financial sustainability with social goals. In a comparable manner, Ascarya and Masrifah (2023) demonstrate that the amalgamation of waqf and Islamic microfinance can establish a financial framework that enhances accessibility for marginalized populations. Historical documentation bolsters this assertion: Altay and Bulut (2025), along with Yasa et al. (2026), demonstrate that cash waqf has historically served as a mechanism for community-oriented financial intermediation, effectively mobilizing resources and promoting financial inclusion. Modern research incorporates a behavioral and entrepreneurial aspect. Alimusa et al. (2025) associate online cash waqf with funding prospects for microenterprises, while Nofianti et al. (2026) illustrate the significance of entrepreneurial drive, expertise, and reliability in fostering sustainable wellbeing through waqf-based firms. Allah Pitchay et al. (2023) Additionally, suggest that engaging younger generations can expand the resource pool of cash waqf. Nonetheless, effective waqf does not inherently confer empowerment; inadequate company management can transform productive aspirations into subpar assets (Sembiring et al., 2025). Consequently, the research regards effective management as both a utilization tool and a pivotal area for strategic enhancement.

2.4 Waqf Governance, Nazhir Competency, and Institutional Accountability

The efficacy of waqf largely depends on governance, as endowed assets are entrusted to the nazhir to maintain their value, administer them judiciously, and provide benefits in accordance with their intended goals. Nazhir competency ought to be perceived as a multifaceted ability encompassing asset management, investment analysis, financial reporting, Shariah adherence, stakeholder engagement, and strategic advancement, rather than solely as administrative oversight. Siswanto et al. (2018) show that waqf accountability is inherently complex, as institutions must manage both asset preservation and social impact simultaneously, while Sulaiman and Alhaji Zakari (2019) note that owning large waqf assets alone does not guarantee financial viability. Mukhibad and Setiawan (2022) thus situates Islamic governance and reporting as tools for enhancing institutional accountability. This viewpoint is elaborated upon by Puspitasari and Kasri (2023), who highlight the significance of disclosure in enhancing waqf commitment, and by Kamaruddin et al. (2024), who recognize Shariah audit as a supplementary assurance tool that can bolster institutional legitimacy. Governance possesses an organizational aspect: efficient managerial communication enhances institutional efficacy (Mohd Sharip et al., 2022), whereas stakeholder collaboration influences the innovative potential of waqf entities (Medias et al., 2025). Nofianti et al. (2026) further illustrate that modern cash-waqf innovation necessitates accountable and proficient governance among interrelated institutions. The synthesis indicates that competency, transparency, accountability, and Shariah oversight are interdependent. In the current research, these elements serve as crucial institutional variables influencing whether waqf assets remain inactive, are effectively managed, or finally yield sustainable welfare.

2.5 Digitalization of Waqf: Opportunities, Challenges, and Shariah Compliance

Digitalization has broadened the operational scope of waqf by allowing institutions to raise funds, engage with donors, share information, execute transactions, and oversee assets via technology-driven platforms. Its primary significance resides in diminishing geographical and transactional obstacles that have traditionally limited involvement, especially in cash waqf. Berakon et al. (2022) illustrate that digital Shariah banking can enhance cash-waqf involvement among younger Muslim individuals, however Puspitasari and Kasri (2023) indicate that knowledge and institutional trust are still vital despite the transition to online participation. These results suggest that technology enhances accessibility but does not replace institutional trustworthiness. Masrizal et al. (2023) also recognize behavioral and technology-acceptance elements in crowdfunding waqf, while Kasri and Chaerunnisa (2022) incorporate knowledge and trust into their analysis of online cash-waqf intentions. Innovative technologies broaden the potentialities: Megat et al. (2024) recognize smart contracts and blockchain frameworks as tools that could enhance transaction trust, whereas Kasmon et al. (2025) illustrate the increasing significance of digital integration for future waqf practices. Rizqi and Listiana (2026) expand this progression into stocks crowdfunding, demonstrating how fintech frameworks can enhance avenues for cash-waqf involvement. Nonetheless, digitalization presents hazards related to governance, information integrity, cybersecurity, Shariah compliance, and institutional coordination; thus, Nofianti et al. (2026) underscore the interdependence of governance and technical innovation. Thus, this research regards digitization as both a means of optimization and a possible origin of new managerial limitations necessitating expert and Shariah-compliant supervision.

2.6 Obstacles in Waqf Utilization and Management: A Critical Review

The primary obstacle confronting modern waqf is not merely a lack of resources, but rather the disparity between existing potential and actualized societal value. Current research suggests that this disparity arises from a confluence of behavioral, administrative, governance, financial, and technology limitations rather than from a solitary shortcoming. At the level of participation, insufficient literacy may diminish public involvement with cash waqf; Mukhibad and Setiawan (2022) illustrate that waqf literacy, trust, religion, and behavioral elements affect personal donation practices. At the institutional tier, insufficient transparency and accountability may diminish stakeholder trust (Mukhibad and Setiawan, 2022; Siswanto et al., 2018), whereas fragile financial frameworks jeopardize organizational viability (Sulaiman and Alhaji Zakari, 2019). Bibliometric evaluations underscore the systemic nature of these issues: Uluyol et al. (2021) recognize governance and administration

as enduring topics in the development of waqf research, but Syaifullah et al. (2026) illustrate that modern cash-waqf studies continue to focus significantly on institutional and execution obstacles. The academic research arrives at similar findings, pinpointing inadequate public comprehension, restricted nazhir proficiency, immature digital infrastructure, and a lack of transparency as persistent challenges (Angraini et al., 2024; Rahmatillah et al., 2022). These limitations interact in a cumulative manner: restricted literacy hinders mobilization, inadequate management capacity diminishes production, lack of accountability erodes trust, and insufficient collaboration limits innovation. Consequently, singular therapies are improbable to result in enduring enhancement. This research thus defines barriers as interrelated impediments within the waqf value-creation framework, suggesting that enhancement should concurrently tackle literacy, professionalism, responsibility, technology, asset management, and institutional collaboration.

2.7 Research Gap and Conceptual Framework

The literature offers considerable evidence regarding the social capabilities of waqf, productive financing, donor conduct, governance, digitalization, and institutional sustainability; however, these research areas are not adequately synthesized into a cohesive explanation of how waqf potential translates into community welfare. Uluyol et al. (2021) illustrate that waqf scholarship has evolved across several subject clusters, but Syaifullah et al. (2026) indicate that modern cash-waqf research remains focused on specific themes such as behavior, governance, financial models, and innovation. Dirie et al. (2024) and Ma and Sukmana (2025) advocate for enhanced synergy among Islamic social finance, institutional frameworks, and sustainable development outcomes. This disintegration results in an analytical void: studies often elucidate what waqf can fund, the motivations behind individual contributions, the governance of institutions, or the role of technologies in enhancing participation, yet they seldom integrate these aspects into a comprehensive welfare-creation framework. The current research tackles this deficiency via a four-tiered conceptual model. Initially, antecedents comprise waqf potential, current assets, and the legal framework formed by Law No. 41 of 2004. Secondly, productive waqf, monetary waqf, and sector-specific utilization exemplify methods by which resources are converted into societal value. Third, the efficacy of these systems is contingent upon nazhir expertise, transparency, accountability, digitization, and engagement with stakeholders. Ultimately, community wellbeing is defined by enduring socioeconomic advancement and the *maqashid*-focused safeguarding of both wealth and life (Mergaliyev et al., 2021). The framework thus consolidates the study's three primary dimensions—utilization, managerial limitations, and strategic enhancement—into a unified analytical framework.

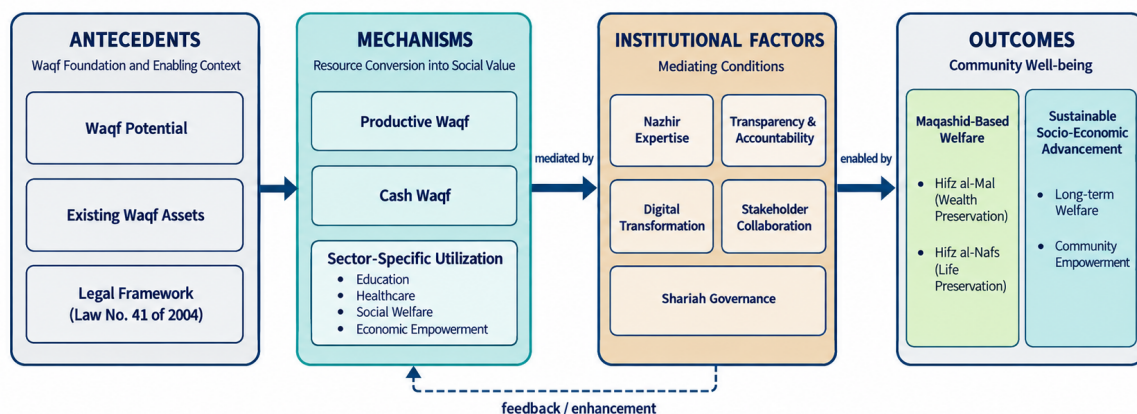


Figure 1. Structure for the Application of Waqf in Advancing Community Well-being

Figure 1 depicts the generation of welfare via waqf as a sequential process shaped by institutional elements. The prior layer includes the assets and supportive context that facilitate waqf usage, comprising the availability of waqf potential, endowed properties, and a legal structure that recognizes the socioeconomic significance of waqf. These precursors acquire social relevance exclusively when activated by appropriate mechanisms. Productive waqf transforms endowed properties into income-producing assets, cash waqf broadens opportunities for participation and financial mobilization, while sectoral distribution channels the resulting benefits into education, healthcare, social welfare, and economic empowerment. Consequently, the framework distinguishes between mere possession of waqf properties and their productive application, which is vital as significant asset potential does not automatically translate into measurable communal advantage (Ascarya and Masrifah, 2023; Yasa et al., 2026).

The theory further posits that institutional factors affect the transition from usage mechanisms to welfare outcomes. Nazhir expertise influences managerial efficacy; openness and responsibility strengthen stakeholder confidence; digital transformation improves accessibility and traceability; and stakeholder cooperation connects waqf institutions with financial organizations, governmental agencies, communities, and other development contributors (Kamaruddin et al., 2024; Medias et al., 2025; Nofianti et al., 2026). Strong institutional structures enhance the function of waqf in preserving and efficiently managing wealth (*hifz al-mal*), guaranteeing the preservation of life and well-being (*hifz al-nafs*), and promoting the fundamental objectives of *maqasid al-Shariah*. Conversely, shortcomings in these components can obstruct the transformation of allocated resources into lasting well-being. The framework therefore represents the fundamental conceptual advancement of the research: community wellbeing is perceived not simply as a secondary outcome of waqf ownership, but as a consequence of effective use enabled by skilled, transparent, responsible, technologically proficient, and collaborative institutions.

3. Research Methodology

3.1 Research Design and Philosophical Underpinnings

This study employs a qualitative descriptive-analytical approach through library research to examine the function of waqf as an Islamic social finance instrument for communal advantage. The design is grounded in an interpretivist framework, appropriate given that waqf operates as a religious institution, a socioeconomic mechanism, and a regulated approach to asset management, with its importance contingent upon legal principles, institutional standards, and socially constructed perceptions of welfare. Qualitative research excels at examining context-dependent meanings and institutional interactions rather than merely measuring them (Appelbaum et al., 2018; Levitt et al., 2018; Malterud, 2001). Document examination enables researchers to systematically analyze legislation, scholarly dialogues, organizational conduct, and documented experiences (Bowen, 2009). As a result, the analytical units consist not of individual subjects but of documentary representations pertaining to three crucial aspects directly associated with the research objectives: the application of waqf for educational, healthcare, social support, and economic empowerment purposes; institutional and managerial constraints affecting the effectiveness of waqf; and strategies for improving productive and sustainable waqf management.

The study is descriptive as it outlines and classifies the use of waqf across many welfare domains, while its analytical component compares reasons for the possible underutilization of waqf resources and investigates how institutional improvements could enhance their effectiveness. This approach, therefore, differs from bibliometric or statistical evaluations; its objective is interpretive synthesis. By aligning the research framework with these three analytical dimensions, the method enables a unified examination of how waqf potential might be transformed into lasting community advantage.

3.2 Data Collection and Sources

Data were collected through methodical documentary analysis focusing on evidence pertaining to waqf utilization, management constraints, and improvement strategies. The compilation of the documentary collection encompassed peer-reviewed journal articles, scholarly publications, government regulations, institutional reports, and selected authoritative works regarding Islamic social finance. Research was conducted using Scopus, ScienceDirect, Google Scholar, and Garuda, employing diverse combinations of keywords including “waqf,” “productive waqf,” “cash waqf,” “waqf and community welfare,” “waqf education,” “waqf healthcare,” “nazhir competency,” “waqf governance,” “waqf accountability,” “digital waqf,” and “waqf economic empowerment.” Documentary research is appropriate as these materials provide substantiated evidence of organizational frameworks, scholarly analyses, and documented waqf endeavors across diverse welfare domains (Bowen, 2009; Sari and Asmendri, 2020). The compilation additionally included Law No. 41 of 2004 pertaining to Waqf and relevant documents from the Indonesian Waqf Board to provide regulatory and institutional background.

Sources were included if they related to any of the study’s three analytical dimensions and exhibited identifiable authorship, publication information, and significant evidence. Priority was given to peer-reviewed studies and reputable institutional records, whereas duplicate entries, promotional materials, unverified websites, and publications not directly pertinent to the study questions were excluded. Prior studies were retained when considered theoretically or institutionally important, including the seminal works employed by the student (Suryadi and Yusnelly, 2019). This deliberate documentary methodology ensured that the evidence basis remained tightly linked to the welfare-oriented waqf framework of the study, rather than transforming into a comprehensive analysis of Islamic financing.

Secondary documentary data were appropriate because the study sought to analyze institutional practices, regulatory frameworks, and documented waqf initiatives rather than individual perceptions or field observations. This approach also permits direct comparison between academic evidence, regulatory documents, and institutional reports without introducing recall or self-report bias. Nevertheless, documentary materials were treated critically: official status was not assumed to establish welfare effectiveness, while scholarly commentary was not treated as equivalent in authority to primary regulatory or institutional sources.

3.3 Data Analysis Techniques

Data were gathered through systematic documented compilation intended to reveal insights about waqf implementation, managerial constraints, and strategies for enhancement. The compilation of documentation included peer-reviewed journal papers, academic texts, official regulations, institutional reports, and selected authoritative writings on Islamic social finance. Investigations were conducted across Scopus, ScienceDirect, Google Scholar, and Garuda, utilizing a variety of keywords such as “waqf,” “productive waqf,” “cash waqf,” “waqf and community welfare,” “waqf education,” “waqf healthcare,” “nazhir competency,” “waqf governance,” “waqf accountability,” “digital waqf,” and “waqf economic empowerment.” The employment of documentary analysis is warranted since these sources provide substantiated evidence of institutional structures, scholarly perspectives, and recorded waqf initiatives in many welfare sectors (Bowen, 2009; Sari, 2023).

The collection of works also included Law No. 41 of 2004 concerning Waqf and relevant publications from the Indonesian Waqf Board to create a regulatory and institutional framework. Sources were evaluated if they pertained to at least one of the study’s three analytical dimensions and included identifiable authorship, publication details, and substantial evidence. The emphasis was placed on peer-reviewed research and credible institutional documentation, while omitting duplicate entries, marketing materials, unverified websites, and publications not pertinent to the study subjects. Previous studies were preserved for their theoretical or institutional significance, encompassing the original sources cited by the student (Tracy, 2010). This intentional documentary approach ensured that the evidence collection remained aligned with the welfare-oriented waqf framework of the study instead of evolving into an extensive examination of Islamic finance.

3.4 Trustworthiness and Ethical Considerations

The concept of trustworthiness was examined by modifying the standards of credibility, transferability, dependability, and confirmability for a document-centric waqf investigation (Korstjens and Moser, 2018; Sari and Asmendri, 2020). The reliability was enhanced via source triangulation by contrasting assertions related to waqf usage, management issues, and optimization across peer-reviewed articles, legal documents, institutional reports, and academic texts. The alignment among several independent sources was regarded as more compelling evidence than singular claims, while conflicting data was preserved and analyzed instead of discarded. Carter et al. (2014) assert that triangulation enhances the thoroughness and reliability of qualitative analysis by investigating the alignment across various sources.

Transferability was facilitated by adequately detailing the institutional, regulatory, and Islamic social finance environment, enabling readers to evaluate the relevance of the findings to similar waqf systems. Reliability was improved via a clear analytical pathway connecting the study aims, search keywords, inclusion criteria, coding classifications, thematic integration, and findings. Confirmability was ensured by establishing a verifiable connection between documentary proof and each interpretation, while differentiating evidence-derived conclusions from

the researchers' analytical synthesis (Nowell et al., 2017; Tracy, 2010).

This research depended solely on published and publicly available documentary sources, so it did not include human subjects, interviews, interventions, personal identifiers, or sensitive data, resulting in no direct ethical risks associated with participants. Ethical accountability primarily focused on the precise depiction of source arguments, thorough attribution, validation of bibliographic details, prevention of falsified evidence, and authentic interpretation of Islamic legal and institutional principles. Furthermore, the potential underutilization of waqf assets was interpreted with caution, classifying it as a documented analytical phenomenon rather than attributing institutional intent.

4. Results

4.1 Waqf Utilization in Education

The documentary synthesis reveals that educational waqf produces wellbeing by integrating physical infrastructure, ongoing cash assistance, and effective asset management. Instead of merely serving as land grants for educational or religious entities, waqf can fund classrooms, libraries, student accommodations, scholarships, instructional assistance, and operational costs while maintaining the foundational donated property. Masriyah (2024) asserts that the sustainability of educational waqf is enhanced by the professionalization of management and the incorporation of productive and digital systems, whereas Ismail Abdel Mohsin (2013) illustrates the broader potential of cash waqf to address ongoing social requirements. This discovery aligns with the extensive literature on Islamic social finance, which regards education as a means by which endowed resources enhance human capabilities and mitigate structural vulnerability (Dirie et al., 2024; Zafar and Jafar, 2026). The essential consequence is that the influence of education relies not merely on possessing waqf assets but on deriving consistent advantages from them. Effective administration can consequently transition educational waqf from merely preserving assets to fostering long-term capacity development by reducing access impediments and bolstering institutional sustainability. Table 1 summarizes the various ways waqf contributes to education, mapping educational infrastructure, scholarship support, institutional operating assistance, and productive educational waqf to their respective welfare contributions. In this research, education clearly illustrates how waqf converts endowed resources into sustainable community benefits when asset efficiency, governance, and beneficiary selection are aligned.

Table 1. Waqf Contributions to Education

No	Form of Utilization	Illustrative Application	Welfare Contribution
1	Educational infrastructure	Schools, classrooms, libraries, laboratories, and student facilities	Expands physical access to education and improves learning conditions
2	Scholarships and student support	Tuition assistance, learning materials, and support for economically vulnerable students	Reduces financial barriers and promotes educational inclusion
3	Institutional operating support	Financing teaching activities, academic services, and institutional maintenance	Strengthens continuity and quality of educational provision
4	Productive educational waqf	Income-generating assets whose returns finance educational institutions	Creates recurring funding and reduces dependence on temporary donations

Note. Synthesized from Ismail Abdel Mohsin (2013), Masriyah (2024), Ascarya and Masrifah (2023), Dirie et al. (2024), and Zafar and Jafar (2026).

4.2 Waqf Utilization in Healthcare

The results indicate that healthcare waqf enhances community well-being by funding medical facilities, subsidizing services, and establishing sustainable financial resources for health care. Its significance transcends merely building hospitals or clinics, as effective waqf and monetary mechanisms can facilitate equipment acquisition, treatment subsidies, operational costs, and specialized services for economically disadvantaged populations. Guntoro (2023) chronicles the use of a Cash Waqf Linked Sukuk framework to bolster specialist ophthalmic infrastructure, demonstrating how modern waqf mechanisms can align capital conservation with tangible health benefits. This trend aligns with the broader social-finance viewpoint that regards health protection as a fundamental aspect of sustainable wellbeing rather than merely a leftover charitable endeavor (Ben Jedidia and Ghroubi, 2025; Dirie et al., 2024; Zafar and Jafar, 2026; Zawawi et al., 2023). The synthesis indicates that health-related waqf is most efficacious when asset utilization aligns with genuine service requirements and is bolstered by proficient institutional oversight. Table 2 consolidates the principal healthcare contributions of waqf, spanning infrastructure, medical equipment financing, treatment subsidies, and productive health financing. Consequently, healthcare waqf should not be viewed solely as charitable expenditure; it functions as a social investment tool that can reduce barriers to care and strengthen community resilience. This research shows how the health system effectively transforms available resources into safeguarding life and well-being, thereby connecting waqf practices with welfare aimed at *maqashid*.

Table 2. Waqf Contributions to Healthcare

No	Form of Utilization	Illustrative Application	Welfare Contribution
1	Healthcare infrastructure	Hospitals, clinics, diagnostic units, and community health facilities	Expands access to essential medical services
2	Medical equipment financing	Diagnostic devices, treatment equipment, and specialized medical facilities	Improves service quality and treatment capacity
3	Treatment and service subsidies	Assistance for poor or vulnerable patients and subsidized clinical services	Reduces financial barriers to healthcare access
4	Productive health financing	Cash waqf and Cash Waqf Linked Sukuk financing for sustainable health projects	Generates continuing resources for healthcare provision

Note. Synthesized from Guntoro (2023), Dirie et al. (2024), Mergaliyev et al. (2021), and Zafar and Jafar (2026).

4.3 Waqf Utilization in Social Assistance

The analysis demonstrates that social assistance constitutes a crucial redistributive function of waqf, however the findings suggest that its influence extends beyond simple short-term support. Waqf can support vulnerable families, orphans, disaster-affected communities, shelters, food distribution, water services, and many forms of social infrastructure that provide lasting benefits. Anggraini et al. (2024) clarify this role through the principles of social justice and redistribution, illustrating that waqf can improve access to essential social services while strengthening welfare. From a holistic Islamic social finance perspective, this function augments rather than supplants productive utilization, as immediate protection and long-term empowerment tackle different forms of vulnerability (Dirie et al., 2024). The *maqashid*-centric framework suggested by Mergaliyev et al. (2021) strengthens a notion of wellbeing that includes the protection of life, property, and community welfare, transcending mere financial profit. Table 3 presents the principal forms of social-assistance waqf, encompassing direct assistance, support for vulnerable groups, disaster-response support, and endowed social infrastructure. The fundamental inference is that the evaluation of social-assistance waqf should be grounded in sustainability, emphasis, and organizational reliability. Prompt remittances can address urgent requirements, whereas established social services and income-generating assets can offer prolonged support over lengthy periods. This study demonstrates that social assistance confirms that waqf produces wellbeing through protective and developmental means, dependent on transparent, needs-based allocation that corresponds with the stated purpose of the endowment.

Table 3. Waqf Contributions to Social Assistance

No	Form of Utilization	Illustrative Application	Welfare Contribution
1	Direct social assistance	Food, essential goods, and emergency financial support	Addresses immediate deprivation and household vulnerability
2	Support for vulnerable groups	Assistance for orphans, poor households, elderly persons, and other vulnerable groups	Strengthens social protection and inclusion
3	Disaster-response support	Temporary shelter, essential supplies, and community recovery assistance	Improves resilience during social and environmental shocks
4	Endowed social infrastructure	Shelters, water facilities, community centers, and other shared facilities	Produces longer-term collective benefits beyond temporary relief

Note. Synthesized from Anggraini et al. (2024), Dirie et al. (2024), and Mergaliyev et al. (2021).

4.4 Waqf Utilization in Economic Empowerment

The analysis suggests that effective waqf can foster economic empowerment when invested capital is linked to sustainable businesses, microfinance, skill enhancement, and job creation instead of being just allocated for consumption support. Ascarya and Masrifah (2023) illustrate that cash waqf can enhance the social and commercial roles of Islamic microfinance institutions, whilst Yasa et al. (2026) reveal that integrated waqf-microfinance frameworks can broaden access for marginalized populations. Sembiring et al. (2025) demonstrate the application of productive waqf at the community level for poverty reduction via empowerment-focused institutional initiatives. Recent findings broaden this reasoning to entrepreneurship: Nofianti et al. (2026) demonstrate that expertise, motivation, institutional credibility, and entrepreneurial orientation are crucial to transforming waqf-based initiatives into enduring benefits. These investigations indicate that economic empowerment arises not solely from waqf capital, but from the institutional framework that supports its utilization. Table 4 synthesizes the principal contributions of waqf to economic empowerment, ranging from microenterprise financing and productive asset development to skills development and employment generation. Inadequate business strategy or insufficient managerial skills may result in productive assets failing to reach their potential, whereas proficient management can generate consistent revenue, job creation, and household stability. This research defines economic empowerment as the clearest connection between the productivity of waqf assets and sustained welfare, as it shifts beneficiaries from mere recipients to active contributors in value generation while preserving the social objectives of bestowed resources.

Table 4. Waqf Contributions to Economic Empowerment

No	Form of Utilization	Illustrative Application	Welfare Contribution
1	Microenterprise financing	Waqf-supported financing for micro and small enterprises	Expands productive capital access and household income opportunities
2	Productive asset development	Agriculture, retail, services, property, and other income-generating assets	Creates recurring returns for community-oriented programs
3	Skills and enterprise development	Training, mentoring, and business-development assistance	Improves beneficiary capabilities and economic self-reliance
4	Employment and local economic activity	Waqf-based enterprises and community business ecosystems	Generates employment, local income circulation, and community resilience

Note. Synthesized from Ascarya and Masrifah (2023), Sembiring et al. (2025), Alimusa et al. (2025), Allah Pitchay et al. (2023), and Nofianti et al. (2026).

4.5 Constraints on Waqf Management and Utilization

The findings indicate that the underutilization of waqf is mostly an institutional issue rather than merely a lack of resources. Five persistent limitations arise from the documentary evidence: restricted public literacy, inadequate nazhir proficiency, feeble transparency and accountability, diminished asset production, and partial digital integration. Rahmatillah et al. (2022) indicate that accountability and optimization remain enduring challenges in waqf administration, whilst Siswanto et al. (2018) reveal that cash-waqf entities face complex responsibilities to protect assets while also delivering societal benefits. Sulaiman and Alhaji Zakari (2019) demonstrate that the mere presence of waqf assets does not imply financial sustainability, while Nofianti et al. (2026) highlight governance and institutional coordination as essential factors in modern cash-waqf innovation. These limitations are interconnected rather than functioning autonomously: inadequate literacy hinders involvement, insufficient managerial skills impair investment choices, subpar reporting diminishes trust, and fragile digital infrastructure limits accessibility

and oversight. Table 5 delineates the five principal constraint categories identified in the documentary corpus, along with their corresponding managerial consequences. The suggestion is that substantial nominal waqf potential might exist with a restricted welfare effect when the mechanisms for institutional conversion are feeble. This research delineates the restrictions that elucidate the disparity between waqf potential and actual community advantages, so offering a foundation for developing optimization strategies that concurrently tackle governance, human capital, technology, and asset productivity.

Table 5. Constraints on Waqf Management and Utilization

No	Constraint Category	Description	Management Consequence
1	Limited waqf literacy	Public understanding remains concentrated on conventional immovable waqf and does not fully encompass cash or productive waqf	Restricts participation, diversification, and mobilization of waqf resources
2	Limited nazhir competency	Gaps in managerial, investment, reporting, and digital capabilities	Reduces asset productivity and strategic decision quality
3	Weak transparency and accountability	Inconsistent reporting and limited disclosure of asset performance and benefit distribution	Weakens public confidence and institutional legitimacy
4	Underproductive assets	Endowed assets may remain idle or generate insufficient recurring returns	Limits the scale and continuity of welfare benefits
5	Incomplete digital integration	Fragmented platforms, limited digital capability, and inadequate institutional coordination	Constrains accessibility, traceability, monitoring, and donor engagement

Note. Synthesized from Rahmatillah et al. (2022), Siswantoro et al. (2018), Sulaiman and Alhaji Zakari (2019), Jatmiko et al. (2024), Uluyol et al. (2021), Syaifullah et al. (2026), and Nofianti et al. (2026).

4.6 Strategies for Optimizing Waqf Management and Utilization

The synthesis recognizes optimization as a collaborative institutional endeavor rather than as a solitary administrative action. The most reliable techniques are enhancing waqf knowledge, professionalizing nazhir, increasing openness and accountability, expediting responsible digitization, broadening productive asset management, and intensifying stakeholder participation. Medias et al. (2025) demonstrate that proficient and skilled nazhir are pivotal in enhancing cash-waqf administration, especially as accountability, institutional capability, and service accessibility influence effectiveness. Kamaruddin et al. (2024) emphasize the governance aspect by illustrating the significance of Shariah auditing and institutional assurance, whereas Medias et al. (2025) reveal that the roles of stakeholders significantly influence the innovative capabilities of waqf organizations. Digital transformation has the potential to enhance accessibility and traceability; nevertheless, Kasmon et al. (2025) and Nofianti et al. (2026) assert that the efficacy of technological adoption is maximized when it is supported by trust, governance, and institutional collaboration. Table 6 consolidates the six principal optimization strategies identified in the corpus, together with their objectives and the key stakeholders responsible for implementation. These results suggest that optimization necessitates congruence among human abilities, governance frameworks, technological advancements, and effective asset utilization. A solitary digital platform or training initiative is hence inadequate. In this research, optimization is viewed as the institutional conduit that transforms waqf potential into enduring welfare by minimizing management obstacles, enhancing public trust, and guaranteeing that endowed resources are productive, accountable, and attuned to the requirements of beneficiaries.

Table 6. Strategies for Optimizing Waqf Management and Utilization

No	Strategy	Objective	Key Stakeholders
1	Waqf literacy and public education	Broaden understanding of cash, productive, and digitally enabled waqf	Waqf institutions, government, universities, religious organizations
2	Professionalization of nazhir	Strengthen managerial, investment, Shariah, reporting, and digital competencies	BWI, nazhir institutions, professional bodies, universities
3	Transparency and accountability strengthening	Improve disclosure, reporting quality, auditability, and stakeholder trust	Nazhir, regulators, auditors, Islamic financial institutions
4	Responsible digitalization	Improve accessibility, transaction efficiency, traceability, and monitoring	Waqf institutions, fintech providers, Islamic banks, regulators
5	Productive asset development	Transform idle assets into sustainable income-generating resources	Nazhir, investors, Islamic financial institutions, business partners
6	Stakeholder collaboration	Integrate regulatory, financial, social, and operational capabilities across the waqf ecosystem	Government, BWI, nazhir, Islamic banks, communities, universities

Note. Synthesized from Medias et al. (2025), Kamaruddin et al. (2024), Berakon et al. (2022), Kasri and Chaerunnisa (2022), Masrizal et al. (2023), Megat et al. (2024), Kasmon et al. (2025), Rizqi and Listiana (2026), and Nofianti et al. (2026).

4.7 Discussion

The results indicate that the importance of waqf for welfare should be perceived not primarily through the nominal value of bestowed assets, but rather through the institutional mechanisms that transform such assets into enduring social benefits. This analysis reinforces the primary thesis presented in the Introduction: the promise of waqf does not inherently provide welfare results. Welfare arises from the interplay of sectoral usage, management of productive assets, and institutional competence. The data in education, healthcare, social services, and economic empowerment indicate that waqf serves both safeguarding and developing roles. Educational and healthcare initiatives enhance access to essential human skills, social support protects at-risk populations from immediate hardship, and productive waqf amplifies these roles by creating revenue, job opportunities, and economic empowerment. This complex framework endorses the idea of waqf as a developing entity in Islamic social finance, rather than solely a means of safeguarding charitable assets (Dirie et al., 2024; Ismail Abdel Mohsin, 2013). It further expands upon the *maqashid*-focused interpretation suggested by Mergaliyev et al. (2021), as the welfare impacts recognized in this research concurrently pertain to

the safeguarding of wealth, life, human potential, and socioeconomic stability.

Nonetheless, the findings also challenge the hopeful presumption that augmenting waqf assets or implementing novel financial tools alone can enhance social consequences. The persistent limitations highlighted in the examination—restricted literacy, insufficient nazhir proficiency, feeble accountability, unproductive resources, and partial digital assimilation—suggest that the fundamental challenge lies in institutional transformation capability. This analysis aligns with [Siswanto et al. \(2018\)](#), who highlight the dual obligation of waqf institutions to maintain endowed assets and exhibit social accountability, as well as with [Sulaiman and Alhaji Zakari \(2019\)](#), who indicate that financial sustainability relies more on managerial competence than merely on asset possession. Thus, nazhir ought to be regarded not merely as guardians but as institutional facilitators tasked with converting bestowed assets into quantifiable and enduring advantages. The research on governance substantiates this assertion: Shariah compliance, clear reporting, and stakeholder collaboration enhance the legitimacy and efficacy of waqf administration ([Kamaruddin et al., 2024](#); [Medias et al., 2025](#)). Digitalization manifests as a contingent rather than an independent catalyst for enhancement. While digital banking, crowdfunding, and smart-contract technologies can enhance engagement and transaction transparency, their benefits to welfare are contingent upon knowledge, trust, usability, and reliable institutional governance ([Berakon et al., 2022](#); [Kasri and Chaerunnisa, 2022](#); [Masrizal et al., 2023](#); [Megat et al., 2024](#)). This discovery is especially significant as it ensures that digital transformation is not regarded merely as a technology remedy separate from organizational competence.

The research thus tackles the disintegration noted in the literature analysis, wherein utilization, governance, donor conduct, productive finance, and digitalization have often been analyzed as distinct research avenues ([Syaifullah et al., 2026](#); [Uluyol et al., 2021](#)). Its primary theoretical contribution resides in amalgamating these streams into a unified welfare-conversion framework: waqf assets serve as the foundational resource, sectoral and productive applications form the value creation mechanisms, institutional conditions influence the efficacy of these mechanisms, and optimization strategies enhance their ability to produce sustainable welfare. This interpretation suggests that waqf development policy ought to transition from merely accumulating assets to fostering professional nazhir development, cultivating productive asset portfolios, establishing standardized accountability, creating interoperable digital infrastructure, and promoting structured collaboration among regulators, Islamic financial institutions, waqf organizations, educational and healthcare entities, and communities. Institutional integration is crucial for waqf to transition from dormant charitable potential to a viable and enduring element of the wider Islamic social finance framework ([Ma and Sukmana, 2025](#); [Nofianti et al., 2026](#)).

5. Conclusion

This study explored waqf as a mechanism for community welfare by emphasizing three related dimensions: its deployment in significant welfare sectors, the institutional and managerial barriers that restrict its effectiveness, and the strategies needed to maximize its socioeconomic benefits. The research demonstrates that waqf fosters well-being through diverse and synergistic pathways. Within education, it enhances infrastructure, scholarships, institutional sustainability, and efficient financing; in healthcare, it supports service delivery, medical facilities, treatment accessibility, and ongoing funding; in social assistance, it ensures both immediate protection and lasting social infrastructure; and in economic empowerment, productive waqf can bolster entrepreneurship, employment opportunities, access to capital, and household resilience. Yet these gains are not generated solely by the existence of endowed assets. Their realization relies on the organizational capacity to translate waqf resources into lasting societal value. Constrained public literacy, lacking nazhir expertise, poor transparency and accountability, ineffective assets, fragmented digital infrastructures, and insufficient stakeholder alignment can obstruct this conversion process. Consequently, the main theoretical advancement of the study is the synthesis of utilization, management restrictions, and strategic optimization within a cohesive welfare-conversion framework. Rather than considering these dimensions as distinct matters, the framework interprets waqf welfare development as a cohesive institutional process wherein endowed resources lay the basis, sectoral and productive uses create social value, institutional conditions affect implementation success, and optimization methods influence the persistence and extent of welfare outcomes.

These discoveries bear direct relevance to waqf policy and institutional operations. The advancement of policy should evolve from concentrating solely on asset registration, accumulation, and fundraising to a more expansive institutional framework that emphasizes professional nazhir development, efficient asset management, transparent reporting, Shariah-compliant governance, responsible digitalization, and systematic collaboration throughout the waqf ecosystem. According to nazhir, stewardship must be regarded as an engaged managerial obligation that merges the safeguarding of bestowed assets with productivity, accountability, innovation, and tangible social value. Regulatory bodies, Islamic finance institutions, colleges, healthcare providers, technology businesses, community organizations, and other stakeholders may fortify this process by unifying regulatory, financial, managerial, and digital skills rather than existing in separate institutional silos. This alignment is vital for facilitating the transition of waqf from hidden altruistic capacity to a sustainable aspect of Islamic social finance and inclusive community growth.

Limitations and Future Research

This study has several limitations. As a library-based qualitative inquiry, the analysis relies on documentary evidence drawn from peer-reviewed literature, regulatory documents, and institutional reports, without primary field observation or direct engagement with nazhir, waqf, or beneficiaries. The evidence base is therefore interpretive rather than empirical, and the resulting welfare-conversion framework should be understood as a conceptual contribution rather than a tested empirical model. Additionally, the study focuses primarily on the Indonesian context and its findings may not be directly transferable to other jurisdictions with different regulatory frameworks, waqf governance structures, and Islamic social finance ecosystems.

Future inquiries should broaden this conceptual input through practical examination. Qualitative studies conducted in the field can explore the implementation of the suggested welfare-conversion process in distinct waqf institutions, while comparative research can discern the impact of governance and regulatory conditions on institutional performance in diverse situations. Future quantitative and mixed-method research should investigate the interconnections among nazhir competency, governance quality, digitalization, productive utilization, stakeholder collaboration, and welfare outcomes. These augmentations would deliver enhanced empirical corroboration of the framework and specify the institutional circumstances that enable waqf to produce lasting and measurable community prosperity.

Ethical Statement

This study is a qualitative library-based research that relies exclusively on publicly available documentary sources, including peer-reviewed academic literature on waqf, Islamic social finance, and community welfare; regulatory documents including Law No. 41 of 2004 concerning Waqf; official reports and publications issued by the Indonesian Waqf Board (Badan Wakaf Indonesia, BWI); institutional reports from waqf

organizations and Islamic financial institutions; and other publicly accessible academic and regulatory materials. The study does not involve human participants, personal data, animal subjects, interviews, surveys, or any form of intervention requiring informed consent. Therefore, ethical approval from an institutional review board was not required.

All sources used in this study have been properly cited and acknowledged in accordance with academic integrity standards. The interpretation of classical and contemporary Islamic legal texts has been conducted with scholarly rigour, and the analysis of institutional documents has been restricted to publicly disclosed information. The research was conducted in compliance with the ethical principles of Islamic economics—including *amanah* (trustworthiness), *'adl* (justice), and *ihsan* (excellence)—as well as the publication ethics of the *Journal International Economic Sharia* (JIES). The authors affirm that no conflicts of interest, fabrication, falsification, or plagiarism occurred at any stage of the research and writing process.

Informed Consent Statement

Informed consent was not applicable to this study, as it is a library-based qualitative research that relies exclusively on publicly available secondary sources. These sources include peer-reviewed journal articles on waqf, Islamic social finance, productive waqf, and community welfare; regulatory documents including Law No. 41 of 2004 concerning Waqf; official reports and publications issued by the Indonesian Waqf Board (Badan Wakaf Indonesia, BWI); institutional reports from waqf organizations and Islamic financial institutions; and other publicly accessible academic and regulatory materials. No human participants were involved in the data collection, analysis, or interpretation process, and no personal, sensitive, or identifiable data were accessed at any stage of the research.

References to specific waqf institutions, nazhir organizations, or regulatory bodies are limited to their publicly disclosed institutional documentation and are used solely for analytical purposes within the framework of *fiqh muamalah* and *maqashid syariah*. No interviews, surveys, focus group discussions, or any form of direct engagement with waqf, nazhir, beneficiaries, or regulators were conducted. Consequently, informed consent procedures were neither required nor applicable to this study.

Author Contributions

Raisya Septiani Ramadhan: Conceptualization, Investigation, Data Curation, Writing – Original Draft, Editing, Corresponding Author.

Haifa Syahla Zahira Aqila: Investigation, Data Curation, Writing – Original Draft, Formal Analysis, Writing – Review.

Dini Dwi Handayani: Investigation, Writing – Original Draft, Writing – Review.

Liya Setiawati: Supervision, Conceptualization, Methodology, Validation, Writing – Review & Editing.

All authors have read and approved the final version of the manuscript and agree to be accountable for all aspects of the work.

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Data Availability Statement

The data that support the findings of this study are derived from publicly available secondary sources, including peer-reviewed journal articles on waqf, Islamic social finance, productive waqf, and community welfare; regulatory documents including Law No. 41 of 2004 concerning Waqf; official reports and publications issued by the Indonesian Waqf Board (Badan Wakaf Indonesia, BWI); institutional reports from waqf organizations and Islamic financial institutions; and other publicly accessible academic and regulatory materials. No new empirical data were generated or analysed in this study, and no human participants were involved. All sources used are properly cited in the reference list. Additional information regarding the documentary selection criteria, source provenance, and analytical framework is available from the corresponding author upon reasonable request.

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Conflict of Interest

The authors declare that they have no known competing financial interests or personal relationships that could have appeared to influence the work reported in this paper. The authors further confirm that they have no affiliation with, nor financial interest in, any waqf institution, nazhir organization, Islamic financial institution, or commercial entity whose activities are discussed or analysed in this study. No funding, sponsorship, or material support was received from any commercial or institutional entity in connection with the research, authorship, or publication of this manuscript. The authors confirm that there are no conflicts of interest regarding the publication of this manuscript.

Declaration of Generative AI and AI-Assisted Technologies

During the preparation of this work, the authors used generative AI and AI-assisted technologies solely for the purpose of improving language clarity, refining academic writing style, and assisting with formatting, reference organization, and LaTeX typesetting. All substantive intellectual contributions—including the research design, conceptualization of waqf as an Islamic social finance instrument, documentary selection, content analysis, thematic synthesis, maqashid al-Shariah assessment, interpretation of findings, and conclusions—were made entirely

by the authors. No AI tool was used to generate research data, fabricate references, conduct the substantive analysis of waqf principles, or produce original interpretive content related to the welfare-conversion framework presented in this manuscript.

The authors reviewed, edited, and verified all content generated or refined with the assistance of AI tools and take full responsibility for the accuracy, integrity, originality, and scholarly validity of the published work. The authors further confirm that:

- No AI tool was used to generate research data, fabricate sources, or produce substantive scholarly content, including the identification of waqf utilization patterns, governance constraints, optimization strategies, or the *maqashid*-based assessment of waqf contributions to community welfare.
- All citations, regulatory references, institutional reports, and Islamic legal sources were independently verified by the authors against original documents, including Law No. 41 of 2004 concerning Waqf, publications issued by the Indonesian Waqf Board (BWI), and peer-reviewed academic literature on waqf and Islamic social finance.
- The interpretation of waqf institutions, nazhir governance practices, productive waqf mechanisms, and community welfare outcomes was conducted by the authors without AI-generated inference or substitution.
- The use of AI tools complied with the ethical guidelines of the *Journal International Economic Sharia* (JIES), the Committee on Publication Ethics (COPE), and the Generative AI Policies of the publisher.
- No AI tool is listed as an author or co-author, and no AI-generated content has been presented as original human authorship without author oversight.

Any errors, omissions, or misinterpretations that remain in the manuscript are solely the responsibility of the authors.

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