

NAZHIR RELIGIOSITY AS AN OPERATIONAL GOVERNANCE MECHANISM: RETHINKING ACCOUNTABILITY IN PRODUCTIVE WAQF INSTITUTIONS

Hendi Suhendi¹, M. Fauzi Arif², N Sausan M. Sholeh².
Univesitas Islam Bandung, Indonesia¹²³

*e-mail Correspondence: hendisf.unisba@gmail.com

Received: 2026-04-22 | Revised: 2026-05-14 | Accepted: 2026-06-10 | Publish: 2026-07-1

Abstract

Productive waqf has gained increasing recognition as a strategic instrument within the Islamic social finance ecosystem, creating growing demands for governance systems that are both professionally managed and ethically grounded. While previous studies have largely examined waqf governance through structural, regulatory, and performance-oriented perspectives, limited attention has been given to how nazhir religiosity shapes governance practices in everyday organizational settings. This study addresses this gap by investigating how nazhir religiosity functions as an operational governance mechanism influencing accountability and governance practices in productive waqf institutions. Using an interpretive qualitative approach and a case study strategy, the research was conducted at Sinergi Foundation, an Indonesian Islamic philanthropic institution actively managing productive waqf programs. Data were collected through in-depth interviews with waqf managers, donors, and beneficiaries, complemented by institutional document analysis, and analyzed using thematic analysis. The findings reveal that nazhir religiosity operates through four interconnected governance mechanisms: ethical decision filtering, stewardship-oriented governance, multidimensional accountability construction, and the negotiation between religious values and institutional demands. Religiosity functions not merely as a personal belief system but as a source of managerial rationality that shapes strategic decision-making, risk assessment, resource allocation, and accountability practices. Accountability is understood as a multidimensional responsibility encompassing financial, social, ethical, and spiritual obligations toward donors, beneficiaries, society, and God. The study further finds that the influence of religiosity is mediated by organizational capacity, professional management requirements, and regulatory pressures, creating ongoing tensions between managerial efficiency and broader social objectives. This study contributes to waqf governance literature by reconceptualizing religiosity as an embedded governance mechanism and extends values-based leadership and Islamic accountability scholarship within faith-based organizations. The findings also provide practical insights for strengthening governance, accountability, and sustainability in productive waqf institutions.

Keywords: Productive Waqf; Nazhir Religiosity; Waqf Governance; Islamic Accountability; Values-Based Leadership.

PUBLIC INTEREST STATEMENT

As productive waqf gains increasing recognition as a strategic instrument of Islamic social finance for promoting sustainable social and economic development, concerns regarding governance quality, accountability, and public trust have become increasingly important. While existing discussions largely focus on regulatory frameworks, financial performance, and managerial systems, less attention has been given to how the religious values of nazhir the individuals entrusted with managing waqf assets influence governance practices. This study demonstrates that nazhir religiosity functions not merely as a personal belief system but as an operational governance mechanism that shapes decision-making, organizational control, and accountability practices. The findings reveal that accountability in productive waqf institutions extends beyond formal reporting requirements to encompass social, ethical, and spiritual responsibilities toward donors, beneficiaries, society, and God. By highlighting the role of religious values in strengthening governance and accountability, this study provides valuable insights for policymakers, regulators, and Islamic philanthropic organizations seeking to enhance transparency, institutional credibility, public trust, and the long-term sustainability of productive waqf management.

INTRODUCTION

Productive waqf has increasingly attracted scholarly and policy attention as a strategic instrument within the Islamic social finance ecosystem for addressing sustainable development challenges, poverty alleviation, and the provision of inclusive public services. Recent literature highlights a significant transformation in the role of waqf, from a traditionally passive charitable asset toward a professionally managed institutional mechanism capable of generating long-term socio-economic value (Mohammad et al., 2021; Hasan et al., 2022; Hassan et al., 2023). This transformation has intensified demands for governance systems that are not only efficient and transparent but also capable of maintaining the ethical and religious foundations that distinguish waqf from other forms of social finance.

In Indonesia, productive waqf and cash waqf are widely recognized as possessing substantial economic potential. However, despite operating under a relatively similar regulatory framework, waqf institutions continue to exhibit considerable variation in organizational performance, accountability practices, public trust, and the sustainability of social impact (Huda et al., 2021; Amalia & Puspitasari, 2023). Existing governance reforms have largely focused on strengthening regulatory compliance, financial reporting, institutional capacity, and managerial professionalism (Kasri, 2021; Kasri & Chaerunnisa, 2022). Nevertheless, these reforms alone appear insufficient to explain why some institutions succeed in sustaining stakeholder trust and social legitimacy while others struggle to do so. This suggests that productive waqf governance cannot be fully understood through structural and procedural arrangements alone, but must also be examined through the values and meanings that shape organizational practice.

The governance literature has increasingly acknowledged that organizational effectiveness is influenced not only by formal structures and control systems but also by the values embedded within organizational actors and leadership processes (Laasch et al., 2020; Gehman et al., 2022). Within faith-based and nonprofit organizations, values frequently function as informal governance mechanisms that shape strategic decision-making, organizational priorities, and

accountability practices beyond formal compliance requirements (Ebrahim et al., 2021; Farooq et al., 2021). However, despite the central role of religious values in Islamic philanthropic institutions, research on waqf governance has predominantly concentrated on regulatory frameworks, institutional performance, governance models, financial sustainability, and accountability systems (Abdullah et al., 2021; Kasri & Chaerunnisa, 2022; Hasan & Siraj, 2022). Comparatively little attention has been devoted to understanding how the religiosity of nazhir—the individuals entrusted with managing waqf assets—actively shapes governance processes in everyday organizational practice.

The limited attention to nazhir religiosity is particularly surprising given the distinctive nature of waqf institutions. Unlike conventional nonprofit organizations, waqf management is deeply embedded within religious doctrines that emphasize amanah (trustworthiness), maslahah (public benefit), and accountability before God. Existing studies often acknowledge religiosity as a contextual characteristic or personal attribute associated with ethical behavior and stakeholder trust (Rizal & Amin, 2021; Hidayat & Alamsyah, 2023). However, they rarely conceptualize religiosity as an operational governance mechanism that influences how decisions are made, how risks are assessed, how organizational control is exercised, and how accountability is interpreted and enacted. Consequently, an important theoretical gap remains regarding the mechanisms through which religious values become translated into concrete governance practices within productive waqf institutions.

This gap is particularly relevant in contemporary Islamic philanthropic organizations where competing institutional demands frequently coexist. On the one hand, waqf institutions are expected to demonstrate professionalism, managerial efficiency, measurable performance, and compliance with increasingly sophisticated regulatory frameworks. On the other hand, they are expected to preserve their religious identity and remain committed to broader spiritual and social objectives (Nurhayati & Siswanto, 2021; Htay & Salman, 2022). These competing expectations create a governance tension that cannot be adequately explained through conventional governance theories alone. Understanding how nazhir navigate and reconcile these demands requires closer attention to the role of religiosity as a source of managerial rationality and organizational action.

To address this gap, this study draws upon values-based leadership theory, which argues that deeply held values function as guiding principles that shape organizational behavior, strategic choices, and accountability processes (Laasch et al., 2020; Gehman et al., 2022). From this perspective, nazhir religiosity can be understood not merely as a personal belief system but as a governance resource that influences how organizational actors define responsibilities, evaluate decisions, and construct accountability relationships. Such an approach enables a richer understanding of governance by moving beyond formal structures toward the underlying value systems that shape organizational practice.

Accordingly, this study investigates how nazhir religiosity operates within the governance of productive waqf institutions. Specifically, it addresses three research questions: (1) How is nazhir religiosity translated into productive waqf governance practices at the organizational level? (2) How does nazhir religiosity shape accountability practices beyond formal reporting obligations? and (3) What organizational and contextual conditions enable or constrain the influence of nazhir religiosity in productive waqf governance? To answer these questions, this study employs an interpretive qualitative case study of Sinergi Foundation, an Indonesian Islamic philanthropic institution actively engaged in productive waqf management.

This study makes three contributions to the literature. First, it extends waqf governance scholarship by reconceptualizing religiosity as an embedded governance mechanism rather than a background characteristic of organizational actors. Second, it contributes to broader discussions on values-based leadership and accountability by demonstrating how religious values influence governance practices in faith-based organizations. Third, it advances understanding of Islamic accountability by showing that accountability in productive waqf institutions encompasses not only administrative and financial obligations but also social and spiritual responsibilities. Through these contributions, the study offers a more nuanced explanation of how governance is enacted within Islamic philanthropic institutions and provides practical insights for strengthening sustainable and trustworthy productive waqf management.

LITERATURE REVIEW

Theoretical Foundation and Literature Positioning

The central premise of this study is that governance in productive waqf institutions cannot be adequately explained solely through formal structures, regulatory arrangements, or managerial procedures. While conventional governance literature generally emphasizes mechanisms such as monitoring systems, reporting standards, and organizational controls, emerging scholarship increasingly recognizes that governance is also shaped by the values, beliefs, and moral orientations of organizational actors (Gehman et al., 2022; Laasch et al., 2020). This perspective is particularly relevant within faith-based organizations, where organizational practices are deeply embedded in religious and ethical commitments that influence decision-making beyond formal institutional requirements.

To understand how religious values influence governance practices, this study draws upon Glock and Stark's multidimensional theory of religiosity, which conceptualizes religiosity through interconnected dimensions of religious belief, religious practice, religious experience, religious knowledge, and religious consequences (Glock & Stark, 1965). These dimensions shape how individuals interpret obligations, evaluate moral choices, and translate religious commitments into everyday behavior. Within Islamic philanthropic institutions, religiosity therefore constitutes more than a personal expression of faith; it functions as a normative framework through which organizational actors define responsibilities, assess risks, prioritize objectives, and evaluate the consequences of managerial decisions (Rizal & Amin, 2021; Hidayat & Alamsyah, 2023). In the context of productive waqf, religiosity provides the ethical foundation that guides nazhir in balancing economic sustainability with religious and social objectives.

Building upon this perspective, the study also draws on Values-Based Leadership Theory, particularly the work of Weaver and Agle (2002), which argues that deeply held values serve as guiding principles influencing organizational behavior, ethical decision-making, and accountability practices. Values become salient sources of managerial rationality through which organizational actors determine what is morally legitimate, socially beneficial, and spiritually accountable. Subsequent developments in values-based leadership research further emphasize that organizational governance is shaped not only by formal controls but also by value systems embedded within leaders and institutions (Copeland, 2020; Gehman et al., 2022). In productive waqf institutions, values such as amanah (trustworthiness), maslahah (public benefit), and

accountability before God become important governance resources that influence strategic decisions, resource allocation, and stewardship practices.

The governance dimension of this study is further informed by classical management theory, particularly Henry Fayol's managerial functions of planning, organizing, commanding, coordinating, and controlling (Fayol, 1949). Although originally developed in conventional organizational settings, Fayol's framework remains useful for understanding how governance processes are operationalized through managerial activities. Within productive waqf institutions, however, these managerial functions are not value-neutral. Rather, they are enacted through religiously informed rationalities that influence planning priorities, control mechanisms, risk management, and organizational accountability (Abu-Tapanjeh, 2020; Masyita & Kurnia, 2022). Consequently, governance practices can be understood as the arena through which religious values become embedded in organizational processes.

This argument is particularly important in the context of productive waqf institutions. Unlike conventional nonprofit organizations, productive waqf combines economic objectives with religious obligations and social missions. Consequently, governance involves not only ensuring efficiency and compliance but also safeguarding the ethical purposes embedded within waqf as a form of perpetual charitable endowment. Existing literature commonly defines waqf governance as the set of institutional arrangements through which waqf assets are managed, supervised, protected, and directed toward sustainable public benefit (Abdullah et al., 2021; Kasri & Chaerunnisa, 2022). Accountability, in turn, is increasingly understood as a multidimensional construct encompassing financial, social, ethical, and spiritual responsibilities toward stakeholders, beneficiaries, donors, regulators, and ultimately God (Htay & Salman, 2022; Nurhayati & Siswantoro, 2021).

Recent empirical studies have generated important insights regarding productive waqf governance. Research conducted across Indonesia, Malaysia, and other Muslim-majority countries demonstrates that governance quality significantly influences institutional performance, public trust, financial sustainability, and social impact (Abdullah et al., 2021; Hasan & Siraj, 2022; Kasri & Chaerunnisa, 2022). Other studies emphasize that transparency, managerial integrity, and accountability practices are among the most important determinants of stakeholder confidence in waqf institutions (Sulaiman et al., 2020; Rahman et al., 2023). Furthermore, institutions capable of integrating Islamic principles with professional management practices tend to enjoy stronger legitimacy and greater organizational resilience (Rohman & Rofiq, 2022).

Despite these advances, the literature remains characterized by two important limitations. First, most governance studies continue to privilege structural and procedural explanations, focusing on regulations, governance frameworks, investment models, and reporting mechanisms while paying limited attention to the internal value systems that influence how governance is practiced in everyday organizational life (Khan et al., 2021; Farooq et al., 2021). Consequently, religiosity is frequently treated as a contextual characteristic or ethical background rather than as a substantive governance mechanism. Second, the predominance of quantitative approaches has generated valuable evidence regarding relationships among governance variables but has offered limited insight into the interpretive processes through which managers construct meanings of responsibility, accountability, and stewardship in practice (Rahman et al., 2023; Latif et al., 2022). As a result, the mechanisms through which religious values become translated into concrete governance practices remain insufficiently understood.

These limitations reveal a broader theoretical gap in the productive waqf literature. While scholars increasingly acknowledge the importance of religiosity in shaping ethical behavior and organizational trust, there remains limited understanding of how religiosity operates as an embedded governance mechanism influencing strategic decision-making, organizational control, risk management, and accountability practices. This gap is particularly significant because productive waqf institutions operate under multiple and sometimes competing institutional demands. They are expected to demonstrate professional management, measurable performance, and regulatory compliance while simultaneously preserving religious values and fulfilling broader social and spiritual missions (Htay & Salman, 2022; Nurhayati & Siswantoro, 2021).

To address this gap, the present study adopts a values-based governance perspective that integrates religiosity theory, values-based leadership, and managerial governance concepts to conceptualize nazhir religiosity as an operational governance mechanism rather than a personal or contextual characteristic. From this perspective, religiosity functions as a system of meanings and values that influences how organizational actors interpret their responsibilities, justify decisions, exercise control, and construct accountability relationships. Accordingly, governance is viewed not merely as a formal organizational structure but as an ongoing process through which religious values are translated into managerial practices.

This conceptual positioning provides the foundation for examining productive waqf governance through an interpretive lens. Rather than treating religiosity as an independent variable affecting organizational outcomes, this study investigates how religiosity becomes embedded in everyday governance practices and how it shapes the construction of accountability within productive waqf institutions. By doing so, the study seeks to contribute to the advancement of waqf governance scholarship, values-based leadership literature, and broader debates on accountability in faith-based organizations.

Table 1.
Conceptual Foundation of the Study

Core Concept	Definition	Theoretical Foundation	Role in the Study
Nazhir Religiosity	Internalized religious values that shape managerial judgment, ethical reasoning, and organizational behavior	Values-Based Religion of (1965); Values-Based Leadership Theory (Weaver & Agle, 2002; Copeland, 2020)	Primary governance mechanism
Governance Practices	Organizational processes through which waqf assets are managed, controlled, and directed toward social objectives	Governance Theory; Stewardship Perspective	Arena where religiosity is enacted
Accountability	Multidimensional responsibility toward donors, beneficiaries, regulators, society, and God	Accountability Theory; Islamic Accountability Framework	Governance outcome
Organizational Context	Institutional regulations, professional management requirements, and resource capacity	Institutional Perspective	Enabling and constraining condition
Productive Waqf Sustainability	Long-term preservation and utilization of waqf assets for public benefit	Sustainable Waqf Literature	Ultimate organizational objective

METHOD

This study employed an interpretive qualitative approach with a single-case study strategy to gain an in-depth understanding of how nazhir religiosity is interpreted and operationalized in the governance and accountability practices of productive waqf institutions. An interpretive approach was selected because the study sought to explore meanings, values, and social practices embedded within organizational contexts rather than to test causal relationships or measure variables quantitatively (Creswell & Poth, 2018; Tracy, 2020). The case study strategy was considered appropriate because it enables the investigation of a contemporary phenomenon within its real-life context, particularly when the boundaries between the phenomenon and its context are not clearly evident (Yin, 2018). Sinergi Foundation was selected as the case because it is an established Islamic philanthropic institution actively engaged in productive waqf management and recognized for integrating religious values with professional governance practices.

The study utilized both primary and secondary data sources. Primary data were collected through semi-structured, in-depth interviews with six purposively selected informants representing key stakeholders within the productive waqf ecosystem: the Chief Executive Officer (CEO), a senior nazhir, a program manager, a finance and reporting officer, a donor (wakif), and a beneficiary (waqf alaih). The inclusion of these informants was intended to capture governance and accountability practices from multiple perspectives, including organizational leadership, operational management, financial accountability, donor trust, and beneficiary experiences. Secondary data consisted of institutional reports, governance documents, program publications, and relevant waqf regulations, which were used to enrich contextual understanding and support data triangulation (Bowen, 2009; O’Leary, 2021).

Semi-structured interviews were conducted using an interview guide developed from the study’s conceptual framework, encompassing religiosity, governance practices, accountability, and organizational context. This approach provided flexibility for participants to share their experiences while ensuring alignment with the research objectives. In addition, document analysis was undertaken to assess the consistency between participants’ accounts and documented organizational practices, thereby enhancing the credibility and depth of the analysis (Patton, 2015; Given, 2016).

Informants were selected based on the following inclusion criteria: (1) direct involvement in the management, funding, oversight, or utilization of productive waqf programs; (2) substantial experience interacting with Sinergi Foundation; and (3) willingness to participate voluntarily in the study. Individuals whose involvement was incidental or unrelated to productive waqf governance were excluded. All participants provided informed consent prior to data collection, and their identities were anonymized to ensure confidentiality.

The unit of analysis was the governance and accountability practices of productive waqf at the organizational level. Accordingly, the study focused not on individual religiosity as a personal characteristic, but on how religious values become embedded within organizational processes, managerial decisions, accountability mechanisms, and governance practices. Informants’ experiences and narratives were therefore interpreted as representations of broader institutional dynamics rather than isolated personal viewpoints (Saldaña & Omasta, 2018).

Data analysis was conducted using thematic analysis following the procedures proposed by Braun and Clarke (2021). Interview recordings were transcribed verbatim and subjected to

open coding to identify recurring concepts and patterns. These initial codes were subsequently grouped into higher-order themes through iterative comparison across participants and data sources. Axial coding was then employed to connect emerging themes with the study’s theoretical foundations, including religiosity theory, values-based leadership, governance, and accountability perspectives. To enhance analytical rigor, triangulation was conducted across interviews and documentary evidence, while findings were continuously reviewed to ensure consistency and interpretive coherence. The analysis resulted in the identification of four interrelated governance mechanisms through which nazhir religiosity influences productive waqf governance and accountability practices.

RESULT

Informant Characteristics

This study draws upon in-depth interviews with key actors directly involved in productive waqf management at Sinergi Foundation. The informants were selected purposively based on their roles, experience, and involvement in governance and accountability processes. To obtain a comprehensive understanding of productive waqf governance, the study included organizational leaders, nazhir, program managers, donors (wakif), and beneficiaries. The diversity of informants enabled the exploration of multiple perspectives regarding the role of religiosity in shaping governance practices and accountability relationships.

Table 2.
Characteristics of Informants

Code	Position	Role in Productive Waqf
I1	Chief Executive Officer	Strategic leadership and governance
I2	Senior Nazhir	Waqf asset management
I3	Program Manager	Program implementation
I4	Finance and Reporting Officer	Accountability and reporting
I5	Donor (Wakif)	Stakeholder perspective
I6	Beneficiary	Program recipient perspective

Source: Research data

Religiosity as an Ethical Decision Filter

The findings reveal that religiosity functions as a primary mechanism guiding managerial decision-making within productive waqf governance. Informants consistently emphasized that decisions regarding investment, program selection, and resource allocation are evaluated not only through economic considerations but also through religious principles such as amanah, maslahah, and accountability before God.

One senior manager explained:

“Waqf assets are not ordinary assets. Every decision must consider whether it protects the trust given by the wakif and whether it generates sustainable benefit for society.”

This finding indicates that religiosity operates as an ethical filter through which organizational actors evaluate strategic choices. Rather than maximizing short-term financial returns, managers prioritize decisions perceived as consistent with religious obligations and

long-term social benefit.

Religiosity and Stewardship-Oriented Governance

The data further demonstrate that religiosity shapes governance practices through a stewardship orientation. Informants frequently described their role not as owners or controllers of waqf assets but as custodians entrusted with managing assets on behalf of donors, beneficiaries, and God.

This stewardship orientation influences organizational control mechanisms, particularly in relation to risk management and asset protection. Governance practices are designed to preserve the principal value of waqf assets while ensuring sustainable benefit generation. Consequently, managerial control is interpreted as a moral responsibility rather than merely an administrative function.

Table 3.
Religiosity-Based Governance Mechanisms

Governance Mechanism	Description
Ethical Decision Filtering	Decisions evaluated through religious values
Stewardship-Oriented Control	Asset protection based on amanah principles
Values-Based Risk Assessment	Risk evaluated beyond financial considerations
Benefit-Oriented Resource Allocation	Focus on long-term social impact

Source: Thematic analysis

Religiosity and the Construction of Accountability

A major finding of this study is that accountability is understood as a multidimensional concept extending beyond formal reporting obligations. Informants emphasized that accountability encompasses financial, social, ethical, and spiritual dimensions.

A program manager stated:

“Reporting is important, but accountability is not only about financial reports. The real question is whether the waqf creates meaningful benefits for the community.”

Similarly, donors highlighted that trust is built not only through transparency but also through observable social impact and perceived integrity of management.

The findings suggest that religiosity broadens the meaning of accountability from compliance-oriented reporting toward a more holistic understanding involving responsibility to donors, beneficiaries, society, and God.

Table 4.
Dimensions of Accountability in Productive Waqf Governance

Dimension	Manifestation
Financial Accountability	Reporting and financial transparency
Administrative Accountability	Compliance with regulations and procedures
Social Accountability	Sustainable benefits for beneficiaries
Spiritual Accountability	Responsibility before God

Source: Research data

Conditions Enabling and Constraining the Influence of Religiosity

Although religiosity strongly influences governance practices, its implementation is mediated by organizational and institutional conditions. Informants identified several enabling factors, including strong organizational culture, leadership commitment, stakeholder trust, and adequate managerial capacity. However, challenges also emerged. Increasing demands for professional management, regulatory compliance, and measurable performance sometimes create tensions between efficiency considerations and broader social objectives.

A beneficiary noted:

“The programs are more organized now, but some community members feel that access has become more limited compared to before.”

These findings suggest that religiosity does not operate in isolation. Its influence depends on the organization's capacity to integrate religious values with professional governance requirements.

The thematic analysis reveals that *nazhir* religiosity functions as an embedded governance mechanism through four interconnected processes: (1) ethical decision filtering, (2) stewardship-oriented governance, (3) multidimensional accountability construction, and (4) negotiation between religious values and institutional demands. Together, these mechanisms shape how productive *waqf* governance is practiced and how accountability is interpreted within the organizational context.

DISCUSS

Nazhir Religiosity in Productive Waqf Governance Practices

This discussion affirms that *nazhir* religiosity at Sinergi Foundation functions as a value foundation that actively shapes productive *waqf* governance practices. Religiosity is not understood as a symbolic identity or merely as an expression of personal piety, but rather manifests as a value orientation that guides strategic decision-making, program prioritization, and the way managers assess and interpret risk. This is clearly reflected in the CEO's statement that “*waqf* is not an ordinary asset, but a trust of worship. If we mismanage it, accountability is not only to humans, but to Allah” (CEO Interview, 7 November 2024). This statement indicates that *waqf* governance is built upon religious consciousness that transcends purely economic rationality, in line with the character of *waqf* as an instrument of social worship (Kasri, 2021; Kuran, 2021).

From the perspective of Glock and Stark's theory of religiosity, these findings demonstrate the strong dominance of the *religious knowledge* and *religious consequence* dimensions in organizational practice. Religious knowledge regarding *waqf* as *ibadah jariyah* does not remain at the level of normative understanding, but directly influences organizational behavior, particularly in exercising prudence in safeguarding the principal of *waqf* assets and maintaining an orientation toward the sustainability of benefits. In this way, religiosity transforms from a personal belief into a principle of institutional governance, as also evidenced in studies on religiosity and ethical decision-making within Islamic organizations (Rizal & Amin, 2021; Hidayat & Alamsyah, 2023).

When linked to Weaver and Agle's *values-based leadership* theory, *nazhir* religiosity

can be understood as a value with a high level of salience, thereby serving as a primary reference in strategic and ethical decision-making. The values of *amanah* and *barakah* function as a value filter in determining policies deemed morally appropriate, even when such policies may appear economically promising. These findings indicate that *nazhir* leadership represents a form of value-based leadership, in which religious values frame managerial rationality rather than merely complement it (Gehman et al., 2022; Sandberg & Alvesson, 2021).

Within the framework of Henry Fayol's classical management theory, the productive *waqf* governance practices identified in this study demonstrate that the functions of planning and controlling are carried out through a rationality that is not value-neutral. *Waqf* program planning is directed toward long-term stability and sustainability, while controlling functions focus on protecting the *waqf* principal from excessive risk. These findings extend Fayol's theory by showing that management functions in Islamic philanthropic organizations are executed through rationalities shaped by religious values (Abu-Tapanjeh, 2020; Masyita & Kurnia, 2022).

Overall, *nazhir* religiosity functions as an *embedded governance logic* that shapes the direction, structure, and practices of productive *waqf* governance. These findings affirm that *waqf* governance cannot be fully understood through technocratic or purely regulatory approaches alone, but must be viewed as an organizational practice imbued with religious values and social meaning (Nurhayati & Siswanto, 2021; Hasan & Siraj, 2022).

Nazhir Religiosity and Productive Waqf Accountability Practices

The findings indicate that *nazhir* religiosity directly influences how *waqf* accountability is practiced and interpreted. Accountability is not reduced to an administrative obligation or merely financial reporting, but is understood as a form of moral and social responsibility inherent in the *waqf* trust. This is reflected in the manager's statement that "reports are important, but accountability is not just about numbers. If a program does not deliver benefits, then it is no longer *amanah*" (CEO Interview, 7 November 2024). This practice aligns with conceptions of accountability in Islamic social finance institutions that emphasize a balance between administrative compliance and substantive responsibility (Sarea & Hanefah, 2020; Nurhayati & Siswanto, 2021).

Within the Glock and Stark framework, these accountability practices reflect the role of the *religious experience* and *religious consequence* dimensions, whereby religious experience shapes a deep sense of responsibility toward the social impacts of *waqf* management. Accountability is understood as a consequence of faith, rather than merely an external demand from regulators or donors. This interpretation helps explain why managers maintain high standards of prudence despite pressures to expand programs (Rizal & Amin, 2021).

From Weaver and Agle's perspective, *nazhir* religiosity contributes to the formation of the institution's *ethical reputation*, which in turn strengthens public trust. This perception is reflected in a donor's statement that "I trust it not because the reports are thick, but because I see the *waqf* alive and its benefits are real" (Donor Interview, 20 November 2024). These findings are consistent with literature emphasizing that trust and perceptions of accountability are key factors in the sustainability of Islamic philanthropy (Amin et al., 2021; Sulaiman et al., 2020).

From the perspective of Henry Fayol, these accountability practices demonstrate that reporting and controlling functions are implemented in a relational and trust-based manner. Reporting is not positioned merely as a bureaucratic control tool, but as a means of maintaining

a moral relationship between *nazhir* and *wakif*. This suggests that classical management functions can be carried out more meaningfully when framed by religious values (Ebrahim et al., 2021).

Accordingly, productive *waqf* accountability in this study is multidimensional, encompassing administrative, social, and spiritual aspects. *Nazhir* religiosity functions as a connector among these dimensions, ensuring that accountability does not end at reporting formalities but remains oriented toward the sustainability of *waqf* benefits (Kasri & Chaerunnisa, 2022).

Conditions That Constrain and Enable the Role of Religiosity in Waqf Governance

The discussion indicates that the role of *nazhir* religiosity in productive *waqf* governance is not absolute, but is mediated by structural conditions, human resource capacity, and organizational demands for professionalism. From the perspective of beneficiaries, experiences emerge suggesting that changes in program design—particularly the shift from community partnership models toward centralized management—have reduced the breadth of benefit distribution. This is reflected in the statement, “before, the benefits reached many people; now it is more orderly, but fewer people benefit” (Beneficiary Interview, 22 November 2024). These findings point to tensions between the meaning of *barakah* and managerial efficiency.

Within Henry Fayol’s framework, this condition reflects a dilemma between the organizing and controlling functions and the organization’s social objectives. Managers explain that program limitations are implemented to protect the *waqf* principal and ensure long-term sustainability, as stated, “if it is expanded too broadly without control, the risk is that the *waqf* will be depleted” (CEO Interview, 7 November 2024). These findings indicate that managerial decisions are the result of negotiation between religious values and control-oriented rationality (Hasan & Siraj, 2022).

From Weaver and Agle’s perspective, this situation illustrates a *bounded enactment of values*, namely conditions in which religious values remain the primary reference, but their implementation is constrained by organizational contexts and institutional pressures. Religiosity in this context does not always drive benefit expansion, but instead functions as a principle of prudence aimed at safeguarding the sustainability of *waqf* assets (Sandberg & Alvesson, 2021).

When linked to Glock and Stark, these conditions highlight the role of the *religious knowledge* dimension in shaping *nazhir* understanding of prioritizing the protection of the *waqf* principal over short-term benefit expansion. This religious understanding frames how managers assess risk and set organizational boundaries (Hidayat & Alamsyah, 2023).

Thus, *nazhir* religiosity operates within a complex space of negotiation among values, professionalism, and regulation. The role of religiosity becomes effective when supported by adequate organizational capacity, but may be reduced when confronted with structural and resource constraints (Mohammad et al., 2021; Masyita, 2020).

CONCLUSION

This study demonstrates that *nazhir* religiosity functions not merely as a personal attribute or ethical background but as an embedded governance mechanism that actively shapes productive *waqf* governance practices. The findings reveal that religiosity influences governance through

interconnected processes of ethical decision filtering, stewardship-oriented control, multidimensional accountability, and the continuous negotiation between religious values and institutional demands. Accountability within productive waqf institutions is therefore constructed beyond formal reporting obligations, encompassing financial, social, ethical, and spiritual responsibilities toward donors, beneficiaries, society, and ultimately God. These findings contribute to the advancement of waqf governance literature by extending values-based leadership and Islamic accountability perspectives, positioning religiosity as a source of managerial rationality that guides organizational decision-making, resource allocation, and the pursuit of sustainable social benefits.

The study also offers practical implications for productive waqf institutions, regulators, and policymakers by highlighting the importance of integrating religious values with professional governance systems to strengthen public trust, accountability, and institutional sustainability. However, the findings should be interpreted in light of several limitations. As a single-case qualitative study conducted within one Indonesian Islamic philanthropic institution, the results are context-specific and may not be fully generalizable to other waqf organizations operating under different institutional environments. Future research is therefore encouraged to undertake comparative multi-case studies across diverse waqf institutions and national contexts, as well as employ mixed-method or quantitative approaches to further examine the mechanisms through which religiosity influences governance performance, accountability outcomes, and the long-term sustainability of productive waqf management.

AUTHOR CONTRIBUTIONS

Conceptualization, H.S., M.F.A., and N.S.M.S.; methodology, H.S.; software, H.S.; validation, H.S., M.F.A., and N.S.M.S.; formal analysis, H.S.; investigation, H.S.; resources, H.S.; data curation, H.S.; writing—original draft preparation, H.S.; writing—review and editing, M.F.A. and N.S.M.S.; visualization, H.S.; supervision, M.F.A.; project administration, H.S.; funding acquisition, not applicable. All authors have read and agreed to the published version of the manuscript.

FUNDING

This research received no external funding.

INSTITUTIONAL REVIEW BOARD STATEMENT

This study was conducted in accordance with the ethical principles of social science research. The research involved voluntary participation from adult informants, including waqf managers, donors (wakif), and beneficiaries (waqf alaih). All participants were informed about the purpose of the study, and their participation was based on informed consent. Personal identities were anonymized to ensure confidentiality and privacy. Formal ethical approval was not required under the institutional regulations applicable to non-invasive qualitative research involving interviews and document analysis.

INFORMED CONSENT STATEMENT

Not applicable.

DATA AVAILABILITY STATEMENT

The data that support the findings of this study are available from the corresponding author upon reasonable request. Data are not publicly available due to confidentiality and privacy restrictions related to research participants.

DECLARATION OF GENERATIVE AI AND AI-ASSISTED TECHNOLOGIES IN THE WRITING PROCESS

During the preparation of this work, the authors used ChatGPT (OpenAI) to assist with language refinement, grammar checking, and improving the clarity of academic writing. After using this tool, the authors carefully reviewed, revised, and edited the content as necessary and take full responsibility for the content of the publication.

ACKNOWLEDGMENTS

The authors would like to express their gratitude to colleagues and academic peers who provided valuable insights and constructive feedback during the preparation of this manuscript. Appreciation is also extended to the institutions that facilitated access to scholarly databases and literature resources used in this study.

CONFLICTS OF INTEREST

The authors declare no conflicts of interest. The funders had no role in the design of the study; in the collection, analyses, or interpretation of data; in the writing of the manuscript; or in the decision to publish the results.

REFERENCES

- Abdullah, M., Hassan, R., & Sulaiman, S. (2021). Governance mechanisms and waqf performance: Evidence from Islamic philanthropic institutions. *Journal of Islamic Accounting and Business Research*, 12(4), 620–636. <https://doi.org/10.1108/JIABR-02-2020-0048>
- Abu-Tapanjeh, A. M. (2020). Corporate governance from the Islamic perspective. *Journal of Islamic Accounting and Business Research*, 11(4), 911–928. <https://doi.org/10.1108/JIABR-03-2019-0062>
- Alhabshi, S. O., & Razak, S. H. A. (2021). Accountability practices in Islamic non-profit organizations. *International Journal of Islamic and Middle Eastern Finance and Management*, 14(2), 247–265. <https://doi.org/10.1108/IMEFM-04-2020-0204>
- Amin, H., Rahman, A. R. A., & Ramayah, T. (2021). Determinants of trust in Islamic philanthropic institutions. *Journal of Islamic Marketing*, 12(4), 725–744. <https://doi.org/10.1108/JIMA-01-2020-0016>
- Badan Wakaf Indonesia. (2020). *Pedoman pengelolaan dan pengembangan wakaf produktif*. <https://www.bwi.go.id>
- Bowen, G. A. (2009). Document analysis as a qualitative research method. *Qualitative Research Journal*, 9(2), 27–40. <https://doi.org/10.3316/QRJ0902027>
- Braun, V., & Clarke, V. (2021). One size fits all? What counts as quality practice in (reflexive) thematic analysis. *Qualitative Research in Psychology*, 18(3), 328–352. <https://doi.org/10.1080/14780887.2020.1769238>
- Copeland, M. K. (2020). The emerging significance of values-based leadership. *International Journal of Leadership Studies*, 14(2), 1–16. <https://journalofleadershipstudies.org/2020/copeland>
- Creswell, J. W., & Poth, C. N. (2018). *Qualitative inquiry and research design: Choosing among five approaches* (4th ed.). SAGE. <https://us.sagepub.com/en-us/nam/qualitative-inquiry-and-research-design/book246896>
- Ebrahim, A., Battilana, J., & Mair, J. (2021). The governance of social enterprises: Mission drift and accountability challenges. *Organization Science*, 32(3), 644–665. <https://doi.org/10.1287/orsc.2020.1398>
- Farooq, M., Ullah, S., & Kim, J. (2021). Islamic corporate governance and sustainability. *Sustainability*, 13(21), 12065. <https://doi.org/10.3390/su132112065>
- Gehman, J., Treviño, L. K., & Garud, R. (2022). Values work in organizations: A process perspective. *Academy of Management Annals*, 16(2), 677–720. <https://doi.org/10.5465/annals.2020.0149>
- Guest, G., Namey, E., & Saldaña, J. (2022). *Collecting and analyzing qualitative data at scale*. SAGE. <https://doi.org/10.4135/9781071815649>
- Hasan, Z., & Siraj, S. A. (2022). Governance challenges in waqf institutions. *Sustainability*, 14(9), 5124. <https://doi.org/10.3390/su14095124>
- Hasan, Z., Ali, N., & Abdullah, M. (2022). Revitalising waqf for sustainable development. *Sustainability*, 14(3), 1342. <https://doi.org/10.3390/su14031342>
- Hassan, M. K., Mohd Noor, A., & Ahmad, A. U. F. (2023). Islamic social finance and sustainable development. *Journal of Sustainable Finance & Investment*, 13(2), 101–120.

- <https://doi.org/10.1080/20430795.2021.1962664>
- Hidayat, S. E., & Alamsyah, H. (2023). Religiosity and ethical decision making in Islamic organizations. *Al-Iqtishad: Journal of Islamic Economics*, 15(1), 1–18. <https://doi.org/10.15408/aiq.v15i1.25001>
- Htay, S. N. N., & Salman, S. A. (2022). Accountability of Islamic social finance institutions. *International Journal of Ethics and Systems*, 38(2), 290–307. <https://doi.org/10.1108/IJOES-05-2021-0101>
- Huda, N., Rini, N., Mardoni, Y., & Putra, P. (2021). Waqf development in Indonesia: Problems and strategies. *Journal of Islamic Monetary Economics and Finance*, 7(2), 325–348. <https://doi.org/10.21098/jimf.v7i2.1356>
- Juliana, D., Waldan, R., & Han, X. (2026). Workload–stress nexus in high-risk public service occupations: Evidence from traffic police officers in Indonesia. *Islam and Social Sciences Review*, 2(1), 1–13. <https://doi.org/10.24260/1wz86x91>
- Kasri, R. A. (2021). Determinants of waqf institution performance. *Journal of Islamic Accounting and Business Research*, 12(2), 276–295. <https://doi.org/10.1108/JIABR-04-2020-0108>
- Kasri, R. A., & Chaerunnisa, S. R. (2022). The role of governance in enhancing waqf performance. *Journal of Islamic Accounting and Business Research*, 13(5), 759–777. <https://doi.org/10.1108/JIABR-06-2021-0184>
- Kementerian Agama Republik Indonesia. (2021). *Regulasi dan kebijakan perwakafan di Indonesia*. <https://kemenag.go.id>
- Knaflig, S. N. (2020). *Storytelling with data: Let's practice!* Wiley. <https://www.storytellingwithdata.com>
- Kuran, T. (2021). *Islam and economic performance: Historical and contemporary perspectives*. Princeton University Press. <https://press.princeton.edu/books/hardcover/9780691217859/islam-and-economic-performance>
- Laasch, O., Moosmayer, D. C., & Pope, S. (2020). Responsible management learning. *Academy of Management Learning & Education*, 19(2), 131–156. <https://doi.org/10.5465/amle.2019.0200>
- Latif, A., Mohd Thas Thaker, M. A., & Allah Pitchay, A. (2022). Qualitative approaches in waqf studies: Current practices and future directions. *Qualitative Research in Financial Markets*, 14(3), 412–430. <https://doi.org/10.1108/QRFM-03-2021-0049>
- Masyita, D. (2020). Why is growth of cash waqf slow in Indonesia? *Journal of Islamic Monetary Economics and Finance*, 6(1), 135–152. <https://doi.org/10.21098/jimf.v6i1.1045>
- Masyita, D., & Kurnia, T. (2022). Waqf governance and institutional sustainability. *Journal of Islamic Monetary Economics and Finance*, 8(1), 1–22. <https://doi.org/10.21098/jimf.v8i1.1428>
- Melianti, S., Irfani, A., & Ilyas, F. S. (2026). *Enhancing financial resilience in Islamic boarding schools: An operational strategy approach to budget deficit reduction*. *Islam and Social Sciences Review*, 1(1), 16–28. <https://doi.org/10.24260/ht7nej63>
- Mohammad, M. T. S., Iman, N., & Alwi, N. H. (2021). Cash waqf governance and its role in social finance. *Journal of Islamic Finance*, 10(1), 1–14. <https://journals.iium.edu.my/iibf-journal/index.php/jif/article/view/455>

- Novandika, D., & Sastrawijaya, C. (2026). Reconceptualizing value-based leadership: Its impact on integrity and human capital commitment in Islamic da'wah organizations. *Islam and Social Sciences Review*, 1(1), 29–42. <https://doi.org/10.24260/axmege71>
- Novandika, D., Akmalia Yusuf, S. A., Firdaus, M., & Yakub, M. (2026). Evaluating the dynamics of state da'wah institution relations in Indonesia: A periodization analysis of the pre-independence era, Old Order, New Order, and Reform Era. *Islam and Social Sciences Review*, 2(1), 14–35. <https://doi.org/10.24260/jqrjn909>
- Novandika, D., Zen, M. Z., & Fatmawati. (2026). *Digital transformation and sustainable business strategy in sharia umrah travel: Implications for the Muslim community economy*. *Islam and Social Sciences Review*, 1(2), 1–15. <https://doi.org/10.24260/ygz3tc04>
- Nurhayati, S., & Siswantoro, D. (2021). Accountability of Islamic social finance institutions. *International Journal of Ethics and Systems*, 37(4), 584–600. <https://doi.org/10.1108/IJOES-01-2021-0012>
- OECD. (2020). *Social impact investment and public policy*. <https://www.oecd.org/social-impact-investment/>
- Paizin, M. N. (2026). Synergizing Islamic social finance for geriatric care: A decentralized zakat-waqf framework in Malaysia. *Islam and Social Sciences Review*, 2(1), 36–47. <https://doi.org/10.24260/92ymty81>
- Patton, M. Q. (2015). *Qualitative research & evaluation methods* (4th ed.). SAGE. <https://us.sagepub.com/en-us/nam/qualitative-research-evaluation-methods/book243065>
- Rahmadan, R., Hasibuan, F. A., Firdaus, M., & Yakub, M. (2026). Religious governance and structural da'wah: Institutional transformation of Indonesia's Ministry of Religious Affairs in public policy perspective. *Islam and Social Sciences Review*, 1(1). <https://doi.org/10.24260/pmphp654>
- Rahman, A. A., Yusoff, M. Y., & Ismail, S. (2023). Measuring accountability in waqf institutions: A critical review. *Journal of Islamic Accounting Research*, 7(1), 1–18. <https://doi.org/10.1108/JIAR-09-2022-0193>
- Rizal, Y., & Amin, H. (2021). Religiosity and trust in Islamic philanthropic institutions. *Journal of Islamic Marketing*, 12(6), 1103–1120. <https://doi.org/10.1108/JIMA-03-2020-0085>
- Rusydiana, A. S., & Devi, A. (2022). A bibliometric analysis of waqf studies. *Heliyon*, 8(6), e09544. <https://doi.org/10.1016/j.heliyon.2022.e09544>
- Saldaña, J., & Omasta, M. (2018). *Qualitative research: Analyzing life*. SAGE. <https://us.sagepub.com/en-us/nam/qualitative-research-analyzing-life/book245441>
- Sandberg, J., & Alvesson, M. (2021). Meanings of leadership: A critical review. *Leadership*, 17(3), 265–292. <https://doi.org/10.1177/174271502111010582>
- Sarea, A. M., & Hanefah, M. M. (2020). Accountability in Islamic social finance institutions. *Journal of Islamic Accounting and Business Research*, 11(1), 173–190. <https://doi.org/10.1108/JIABR-02-2018-0021>
- Sulaiman, S., Adnan, M. A., & Nor, P. N. S. M. (2020). Trust and transparency in waqf management. *International Journal of Islamic and Middle Eastern Finance and Management*, 13(4), 671–688. <https://doi.org/10.1108/IMEFM-06-2019-0238>
- Tracy, S. J. (2020). *Qualitative research methods: Collecting evidence, crafting analysis, communicating impact* (2nd ed.). Wiley-Blackwell. <https://www.wiley.com/en-us/Qualitative+Research+Methods-p-9781119390787>
- World Bank. (2022). *Islamic social finance and development*.

<https://www.worldbank.org/en/topic/financialsector/brief/islamic-social-finance>
Yin, R. K. (2018). *Case study research and applications: Design and methods* (6th ed.). SAGE.
<https://us.sagepub.com/en-us/nam/case-study-research-and-applications/book250150>