

Critical Success Factors for a Waqf University: Comparative Insights from Turkey, Egypt and Indonesia for the Implementation of a Waqf University in Malaysia

Aisyah Mohamad Rodi^{1*}, Zulkifli Mohamed², Mohd Azhar
Abdullah³, Nur Ain Binti Mohd Yusoff⁴

^{1*,2}Faculty of Business Administration, Universiti Teknologi Mara (UITM), Malaysia,

^{1*,3}Faculty of Syariah and Muamalat, Sultan Ismail Petra International Islamic College
University, Malaysia, ⁴Faculty of Management and Human Development, Sultan Ismail Petra
International Islamic College University, Malaysia
Corresponding Author Email: aisyah@kias.edu.my

DOI Link: <http://dx.doi.org/10.6007/IJARBSS/v15-i11/26926>

Published Date: 29 November 2025

Abstract

The sustainability and success of waqf-based higher education institutions depend largely on the identification and implementation of critical success factors (CSFs) derived from proven international models. This paper explores the critical success factors for waqf universities through a comparative analysis of three prominent countries: Turkey, Egypt, and Indonesia. Using a qualitative comparative analysis approach, data were collected from academic literature, institutional reports, and uses the comparative analysis methodology Turkey demonstrates institutional autonomy and professional management of foundation universities; Egypt highlights the historical legacy and integration of waqf in national education policy through Al-Azhar; while Indonesia illustrates the successful integration of waqf in pesantren-based higher education, emphasizing community participation and leadership ethics. By comparing these models, the study proposes a conceptual framework for implementing a sustainable waqf university in Malaysia, emphasizing transparency, regulatory coherence, and professionalized waqf governance. The findings provide policymakers and waqf practitioners with valuable insights into adapting global best practices to strengthen Malaysia's higher education waqf ecosystem. This paper presents an Implementation Framework of Waqf University in Malaysia based on comparison of practices of waqf funded higher education in Turkey, Indonesia and Egypt.

Keywords: Comparative Analysis, Critical Success Factors, Egypt, Higher Education, Indonesia, Sustainability, Turkey, Waqf University

Introduction

The idea of the waqf higher education institutions obtained a new dimension in recent years as an alternative and sustainable model of financing education in Muslim nations (Abd Aziz et al., 2023; Bakar et al., 2019). Waqf is a well-known and ancient concept that has often been viewed as one of the most potent and perennial tools of the Islamic civilization to promote the welfare of the society, the education, and the common good (Daud, 2022; Majid et al., 2023). In the past, during the era of Prophet Muhammad PBUH, waqf was already in place as one of the main mechanisms of the Muslim societies to maintain the welfare of the community. As Sa et al. (2023) outline, some of the notable examples of that time are the creation of Quba Mosque, the granting of the land of Khaybar, the Well of Rumah, and the garden of Talha and more. On the same note, Mujani et al. (2018) point out another implementation of waqf in the times of the Prophet was Umar ibn al-Khattab (r.a):

حَدَّثَنَا قُتَيْبَةُ بْنُ سَعِيدٍ، حَدَّثَنَا مُحَمَّدُ بْنُ عَبْدِ اللَّهِ الْأَنْصَارِيُّ، حَدَّثَنَا ابْنُ عَوْنٍ، قَالَ أَنْبَأَنِي نَافِعٌ، عَنِ ابْنِ عُمَرَ . رَضِيَ اللَّهُ عَنْهُمَا . أَنَّ عُمَرَ بْنَ الْخَطَّابِ، أَصَابَ أَرْضًا بِخَيْبَرَ، فَأَتَى النَّبِيَّ صَلَّى اللَّهُ عَلَيْهِ وَسَلَّمَ يَسْتَأْمِرُهُ فِيهَا فَقَالَ يَا رَسُولَ اللَّهِ، إِنِّي أَصَبْتُ أَرْضًا بِخَيْبَرَ، لَمْ أَصِبْ مَالًا قَطُّ أَنْفَسَ عِنْدِي مِنْهُ، فَمَا تَأْمُرُ بِهِ قَالَ " إِنْ شِئْتَ حَبَسْتَ أَصْلَهَا، وَتَصَدَّقْتَ بِهَا " . قَالَ فَتَصَدَّقَ بِهَا عُمَرُ أَنَّهُ لَا يُبَاعُ وَلَا يُوهَبُ وَلَا يُورَثُ، وَتَصَدَّقَ بِهَا فِي الْفُقَرَاءِ وَفِي الْفُرْجَى، وَفِي الرَّقَابِ، وَفِي سَبِيلِ اللَّهِ، وَابْنِ السَّبِيلِ، وَالضَّيْفِ، لَا جُنَاحَ عَلَيَّ مَنْ وَلِيَهَا أَنْ يَأْكُلَ مِنْهَا بِالْمَعْرُوفِ، وَيُطْعِمَ غَيْرَ مَتَمَوْلٍ . قَالَ فَحَدَّثْتُ بِهِ ابْنَ سِيرِينَ فَقَالَ غَيْرَ مُتَأَثِّلٍ مَالًا .

Reported by al-Bukhari, Hadith No. 2737; Muslim, Hadith No. 1632

“Umar acquired a land in Khaybar. He came to the Prophet (peace be upon him) and said, “O Messenger of Allah, I have acquired a land in Khaybar which I consider to be more valuable to me than anything else. What do you command me to do with it?”. The Prophet (peace be upon him) said: **‘If you wish, you may keep the corpus intact and give its produce as charity’**. So Umar gave it as charity with the condition that it would not be sold, given as a gift, or inherited. He gave its produce to the poor, relatives, slaves, in the path of Allah, travellers, and guests.”

The hadith above stated about the land owned by Saidina Umar Ibn Al-Khattab (r.a) in Khaybar. According to the narration, Saidina Umar Ibn Al-Khattab (r.a.) got a land in Khaybar and so he went to Prophet Muhammad PBUH asking for advice about it. The Prophet PBUH then advised him to make the property inalienable and give the proceeds to charity. This instruction is a clear form of waqf. Apart from the above, Prophet Muhammad PBUH in another hadith again mentioned about waqf. According to Prophet Muhammad PBUH “When a man dies, only three deeds will survive him: continuing alms, profitable knowledge and a child praying for him.” It is noteworthy to highlight that waqf is a form of continuing aims.

This hadith is a good example that explains what waqf is all about and inalienable property to perpetual benefit of charity. In one more popular hadith, the Prophet Muhammad PBUH also underlined the permanence of waqf, by saying:

حَدَّثَنَا الرَّبِيعُ بْنُ سُلَيْمَانَ الْمُؤَدَّبُ، حَدَّثَنَا ابْنُ وَهْبٍ، عَنْ سُلَيْمَانَ، - يَعْنِي ابْنَ بِلَالٍ - عَنِ الْعَلَاءِ بْنِ عَبْدِ الرَّحْمَنِ، أَرَاهُ عَنْ أَبِيهِ، عَنْ أَبِي هُرَيْرَةَ، أَنَّ رَسُولَ اللَّهِ صَلَّى اللَّهُ عَلَيْهِ وَسَلَّمَ قَالَ " إِذَا مَاتَ الْإِنْسَانُ انْقَطَعَ عَنْهُ عَمَلُهُ إِلَّا مِنْ ثَلَاثَةٍ أَشْيَاءٍ مِنْ صَدَقَةٍ جَارِيَةٍ أَوْ عِلْمٍ يُنْتَفَعُ بِهِ أَوْ وَلَدٍ صَالِحٍ يَدْعُو لَهُ " .

Reported by Abu Dawud, Hadith No. 2880.

Narrated Abu Hurairah: The Messenger of Allah as saying: When a man dies, his action discontinues from him except three things, namely, perpetual *sadaqah* (charity), or the knowledge by which benefit is acquired, or a pious child who prays for him.

Waqf may be in kind such as land and building or in cash which is held indefinitely, but the benefits are remitted to social, educational or religious charities as described by Latif et al. (2018). It is supported by the Hadith above, the community will still be receiving benefits even after the demise of the donor (waqif), and the waqif will still receive rewards. This perfectly fits (Ibn al-Hajjaj, M. (n.d.) and Ismon et al., 2020) the teaching of the Prophet about the ability of the good deeds to live longer than the one who did it because it will be always beneficial. In that way, this hadith gives the spiritual and moral baseline of waqf as a sustainable institution.

Literature Review

The Interception of Waqf and Higher Education Institutions

The history of waqf and higher education institutions is deeply intercepted within the intellectual and socio-economic of Islamic civilization, (Majid et al., 2023; Roslan et al., 2023; Sitorus et al., 2025). Waqf institutions played a vital role in funding hospitals, mosques, schools, and universities, especially during the golden age of Islam under the Abbasid and Ottoman empires (Cizakça, 2000; Kahf, 2003). Through the spirit of philanthropy and community empowerment, waqf became a cornerstone of socio-economic development and a means of sustaining Islamic education for centuries. In the contemporary era, the revival of waqf has extended beyond religious or charitable purposes to encompass corporate waqf, cash waqf, and waqf-based universities that combine social objectives with financial sustainability (Hasan & Abdullah, 2008; Mohsin, 2013).

Waqf in higher education institution continues to flourish during the Ottoman Empire (1299 A.D.-1924 A.D.) with the establishment of thousands of schools, libraries and universities as per according to Taib et al., (2018). During the early 12th century, there were prominent universities financed by waqf proceed. One of them is University of Al-Azhar in Egypt. According to Taib et al., (2018), the University of Al-Azhar was built in 975 A.D which provide free education from elementary level up to tertiary level. Al-Azhar University offered free education to its entire local and international student, including provision for accommodation, stipends, allowances and salaries for lecturers and staff. Al- Azhar University continued to be funded by waqf proceeds until today (Don & Hussin 2024; Kasdi, 2018). It is supported by Abdullah (2018), Egypt's Al-Azhar University arguably be one of the oldest waqf university in the world that has sustained its operations for centuries through the management of extensive waqf properties, including agricultural land and commercial enterprises. Another successful models of waqf-based higher education also can be found in Turkey, and Indonesia. In Turkey, *wakif universiteleri* is called as foundation universities have become an integral part of the higher education landscape, supported by corporate entities and philanthropists under flexible legal frameworks (Cizakça, 2011; Asutay & Yıldırım, 2021). Similarly, in Indonesia, the pesantren and Kyai-led models of waqf-based education demonstrate the resilience of community-driven philanthropy in supporting Islamic learning institutions (Aziz, 2019; Ismail, 2020).

The Critical Success Factors of Waqf University

In Muslim communities, the revitalization of the waqf institution has been the centre of attention and thus becoming the priority as it can be seen in a number of conferences on the topic of waqf institution followed by the encouragement by Muslim leaders (Qahf & Mahamood, 2011). In Malaysia, the efforts to revitalize waqf higher education Institutions have received strong support by the government. It is supported by the Malaysia Education Blueprint (2015-2025) and National Waqf Master Plan (2025-2030) emphasize the role of waqf as a strategic instrument to enhance institutional resilience and ensure long-term financial sustainability. As stated by Hasbullah and Ab Rahman (2024); Johari et al., 2023; Yayasan Waqf Malaysia (2024), the situation might probably due to the rising awareness on the institution of waqf which consists of the value and function in developing the community. The resurgence of waqf institutions in Islamic countries, especially in Malaysia, is receiving increasing attention due to increased awareness of the socioeconomic role of waqf in community development (Johari et al., 2023).

In general, identifying the critical success factors of a waqf university played big roles that provide opportunities for waqf institutions to achieve their vision and goals in an effort to reinforce their functions and roles. According Sani et al., 2022; Hasbullah, N. A., & Ab Rahman, A. (2024); Husin et al., (2021) critical success factors of a waqf university are supportive government laws and regulations, diverse sources of waqf funds, and effective corporate governance. Supported by Mohaiyadin & Aman (2021), this success factors are very important to ensure that waqf institutions are able to achieve the objectives of sustainability that determine the level of success and resilience of a waqf institution. Among the most significant factors highlighted in previous studies are government legal and policy support, diverse sources of waqf funds, and strong corporate governance structures, especially in waqf-based universities (Hasbullah & Ab Rahman, 2024; Johari et al., 2023).

Waqf University in Turkey, Egypt and Indonesia

The institution of waqf in Turkey began to flourish during the Ottoman era, when endowments played a central role in financing education, healthcare, and social welfare. In contemporary Turkey, waqf-based higher education institutions are commonly referred to as foundation universities which is known as *wakıf üniversiteleri*. According to Koc (2015), there are at least 67 such foundation universities, most of which are located in Istanbul. Base on different sources, Turkey had about 68 to 88 waqf universities. The first foundation university established in the Republican era was Bilkent University, founded in 1984. Other notable waqf universities include Sabancı University, Ozyegin University, Abant İzzet Baysal University, Beykent University, İstanbul Şehir University, Koc University, and Fatih Sultan Mehmet University. The continued operation and growth of these institutions over several decades reflect their institutional and financial sustainability. Thus, this study conceptualises the sustainability of a waqf university as its ability to endure, operate effectively, and adapt over time.

Turkey stands out as a country with extensive experience in managing waqf-based higher education. Historically, the modern Republic of Turkey inherited the waqf legacy of the Ottoman Empire. As of 2016, there were 195 universities in Turkey, comprising 120 state universities and 75 waqf (foundation) universities (Razak, Nahar, & Mustaffha, 2016). Supported by Eurydice, (2025) there are over 75 foundation universities, most of which are

major institutions of higher learning in the country. Although often termed “private,” these institutions are, by law, non-profit entities. The distinction between the two types lies primarily in funding sources which are state universities that fully supported by government allocations, while waqf universities finance their operations independently through endowments, tuition fees, and income-generating activities (Razak et al., 2016).

A prominent example is Abant Izzet Baysal University, established through the endowment of philanthropist Izzet Baysal. The university sustains its operations by engaging in community services, leasing facilities such as parking areas, and reinvesting the income into scholarships, research grants, security enhancements, and infrastructure improvements (Razak et al., 2016). Similarly, Koc University, established in 1993 by the Koc Foundation, demonstrates a strong governance structure by establishing a board of trustees responsible for managing endowed assets transparently and prudently, thereby preventing conflicts of interest between the foundation and the university (Razak et al., 2016).

From a regulatory perspective, Turkish higher education law stipulates that all universities must operate on a non-profit basis, ensuring that education remains a public good rather than a commercial enterprise. The law further mandates that institutions must secure adequate funding before establishment to prevent financial instability. Additionally, waqf universities are required to maintain cooperative agreements with state universities, ensuring that public institutions can provide assistance in times of financial distress (Razak et al., 2016). These legal safeguards collectively reinforce the sustainability and integrity of Turkey’s waqf-based higher education sector. The institutes that are based on waqf are formally referred to as *Vakifi Universiteleri* in Turkey. According to Kurt (2021), they are non-profit making private Universities which were set up with the Higher Education Law No. 2547 and are funded by waqf and philanthropic funds instead of shareholders. Table 1.0 below lists some examples of *Vakifi Universiteleri* in Turkey that demonstrates the historicity of the use of waqf in higher education in the country.

Table 1.0
List of Vakifi Universiteleri in Turkey

University	Year Established	Foundation/ Owner	Waqf Features
Bilkent University (Ankara)	1984	Ihsan Dogramaci Vakifi	First foundation university in modern Turkey and leading research-based university and funded entirely by endowment income.
Sabancı University (Istanbul)	1996	Sabancı Vakifi	Supported by one of Turkey’s largest family foundations and strong corporate-waqf governance model.
Koc University (Istanbul)	1993	Vehbi Koc Vakfi	Private endowment university emphasizing research and global partnerships.

University	Year Established	Foundation/ Owner	Waqf Features
Fatih Sultan Mehmet Vakıf University (Istanbul)	2010	General Directorate of Foundations	Directly founded by the government waqf authority and its properties trace back to Ottoman waqf assets.
Ozyegin University (Istanbul)	2007	Husnu M. Ozyegin Vakfi	Corporate-philanthropic waqf focusing on entrepreneurship and innovation.
Abant İzzet Baysal University (Bolu)	1992	Izzet Baysal Vakfi	Public-private hybrid, endowed with hospital and property revenues.
Istanbul University	29 Mayıs 2010	Turkish Foundation (Diyamet Vakfi)	Religious Focuses on Islamic studies and humanities, strong waqf governance model.

Babur (2021); Eurydice, (2025); Erguvan (2013); Findik (2023); Hussin (2018); Kurt (2021)

Next, In Indonesia, the waqf-based higher education model has also achieved considerable success, particularly through institutions such as Pondok Modern Darussalam Gontor (PMDG) and the Islamic University of Indonesia (UII) (Uman et al, 2024; Rohmana, 2023; Soraya & Zulfikar, 2023). Both are financed and managed under waqf arrangements. PMDG, established in 1926, integrates religious and modern education under the Waqf Board of Darussalam Gontor, with its higher education arm the University of Darussalam (UNIDA) Gontor was founded in 1963 (Razak et al., 2016; Rochmat et al., 2025). The university offers programs in Islamic Studies, Economics and Management, Humanities, Health Sciences, and Science and Technology, among others.

According to Hasbullah and Ab Rahman (2024); Samindjaya et al., (2024), PMDG's sustainability model is unique which is alumni are encouraged to return as teachers or administrators, reinforcing the waqf ethos of service to the Muslim community. Furthermore, the institution maintains dedicated departments for waqf expansion and economic enterprises, ensuring a continuous flow of income to sustain its educational activities. Governance is overseen by senior Islamic scholars known as Kyai, who act as both spiritual leaders and institutional guardians (Razak et al., 2016). As supported by Uman et al., (2024), this model demonstrates how waqf-based governance and spiritual leadership can ensure the long-term stability and relevance of educational institutions. In Indonesia, most waqf-based higher education institutions emerged from *Pesantren* networks, led by *kyai* or Islamic scholars who endowed land and resources for education (Don & Hussin, 2024; Jusubaidi et al., 2024). These universities operate as private Islamic institutions under waqf foundations registered with the Ministry of Religious Affairs.

Table 2.0

List of Waqf University in Indonesia

University	Year Founded	Waqf Foundation / Affiliation	Features
Universitas Darussalam Gontor (UNIDA Gontor)	1963 (as Wakaf Gontor PMDG)	Modern Darussalam Gontor Foundation	Pondok Fully endowed university; founded on the principle "From waqf for Ummah" model for sustainable waqf-based education.
Universitas Indonesia (Yogyakarta)	Islam 1945 (UII)	Yayasan Badan Wakaf Universitas Indonesia	Wakaf Islam One of Indonesia's oldest private Islamic universities and its property and income from waqf assets fund operations.
Universitas Hasyim (UNWAHAS)	Wahid 2000	Yayasan Hasyim Foundation	Wahid Wakaf Established by Nahdlatul Ulama scholars and emphasizes waqf-supported Islamic higher education.
Universitas Bandung (UNISBA)	Islam 1958	Yayasan Universitas Bandung	Wakaf Islam Among the first officially registered waqf universities in Indonesia and self-sustaining model.
Universitas Sultan Agung (UNISSULA)	Islam 1962	Yayasan Badan Waqf Sultan Agung	Integrated Islamic-civil university promoting waqf and entrepreneurship.

Sources: Don & Hussin (2024); Razak et al., 2016; Rochmat et al., 2025; Samindjaya et al., (2024; Umam (2024)

Table 2.0 above lists several examples of waqf based university in Indonesia. These institutions have been effectively integrated waqf into higher education sector to support long-term institutional resilience. Furthermore, Egypt representing one of the earliest and most advanced examples of *waqf* integration into higher education. According to Hasan et al., (2023), during the Fatimid and Ayyubid eras, waqf has funded universities, madrasahs, and research centres across Cairo and other regions. The Ministry of Awqaf remains a central authority managing these assets. One of the most enduring examples is Al-Azhar University, established in 975 A.D (Don & Hussin, 2024). It has historically offered free education at all levels, including provision for accommodation, stipends, and salaries for staff and lecturers (Taib et al., 2018). Funded predominantly through waqf proceeds, Al-Azhar has continuously expanded its educational offerings while maintaining financial independence. By 1986, the university allocated over £147 million to support 55 faculties, remunerating 6,154 academic staff which involve 848 professors, 819 associate professors, 1,517 lecturers, 1,456 assistant lecturers, and 1,510 readers (Taib et al., 2018). As supported by Awalluddin (2023) and Sitorus (2025), they stated that Al-Azhar remains a global center of Islamic learning, serving as a model of how waqf-based financing can sustain academic excellence and accessibility for nearly a millennium. Comparable historical waqf universities include the University of al-Qarawiyyin in Fez, Morocco, the University of al-Mustansiriyyah in Baghdad, Iraq, and the University of Cordoba in Spain all of which were supported through waqf funds (Majid, 2023; Mujani & Yaakub, 2017). Table 3.0 below indicates several example of waqf based universities

in Egypt. These institutions illustrated the long standing tradition of integrating waqf into higher education and these examples underscore that waqf-based higher education has been a cornerstone of the Islamic intellectual tradition across diverse civilizations.

Table 3.0

List of Waqf University in Egypt

University	Founded	Waqf Funded	Features
Al-Azhar University (Cairo)	975 CE	Fully waqf-funded since Fatimid era which managed by <i>Diwan al-Awqaf al-Azhariyyah</i>	The oldest waqf university in the world. Provides free education (including accommodation and stipends). Endowments include agricultural land, real estate, and business assets. Continues to operate under the <i>Supreme Council of Al-Azhar</i> with partial state funding today.
Dar al-'Ulum (House of Sciences, Cairo University Faculty)	1872	Originally waqf-funded; later integrated into Cairo University	Established under Khedive Ismail to merge Islamic and modern sciences, initially endowed through private waqf foundations.
Al-Azhar Branch Universities	20th century	Funded via Al-Azhar's central waqf holdings	Al-Azhar expanded to provinces such as Tanta, Assiut, and Mansoura which campuses financed from Al-Azhar's waqf income.
Al-Azhar Medical and Engineering Colleges	Modern era (post-1960)	Modern waqf-endowed under Al-Azhar	Continued the Al-Azhar mission in STEM disciplines, funded through income-generating waqf properties.

Sources: Awalluddin (2023); Hasan et al., (2023); Don & Hussin, (2024); Majid, (2023); Mujani & Yaakub, (2017). Taib, et al., (2018); Sitorus (2025)

Methodology

The research paper uses the comparative analysis methodology (Bolbakov et al., 2020; Macfarlane & O'Mara-Evans, 2021) to investigate critical success factors of waqf-based university in the three national settings namely, Turkey, Egypt and Indonesia. The comparative method allows examining the similarity and differences in governance structure, financial strategies, and institutional practices that support the work of waqf universities in different socio-legal localities in detail. Information were obtained entirely from secondary sources, primarily peer-reviewed journal articles, conference paper and institutional reports published between 2020 to 2025 which were selected on three countries. The inclusion criteria focused on studies directly related to waqf universities specifically waqf universities in Turkey, Indonesia and Egypt. By comparing the experiences of other countries, this study reveals that local laws, culture and history determine the viability and success of university waqfs. This comparison gives holistic understanding of Malaysian waqf university.

Findings

Table 4.0

Comparative Analysis of Waqf University Based on Three (3) Different Countries

Article No.	Article Title	Author(S)	Country	Findings	Theme
1	<i>Turkiye'deki vakıf üniversitelerine yönelik bir performans degerlendirmesi</i> Performance of Turkish Foundation Universities	Kaya et al., (2025)	Turkey	The study shows that the sustainability of Turkish foundation universities is strongly influenced by governance efficiency, leadership quality and strategic management practices rather than financial inputs alone.	Governance & Management Efficiency
2	<i>Vakıf üniversitelerinde çalışan akademisyenlerin hukuki statüleri</i> Legal Status of Academics in Turkish Foundation Universities	Dilaveroglu (2024)	Turkey	Demonstrates how legal classification, employment status and regulatory frameworks shape HR stability which ultimately strengthens long-term governance effectiveness in waqf universities	Legal & Governance Framework
3	The Efficiency Analysis of the Foundation Universities in Istanbul according to establishment periods	Orhan et al., (2020)	Turkey	This study concludes that the level of efficiency of endowment universities in Istanbul is not influenced by the year of establishment but by the university's ability to optimize academic resources, faculty performance, strategic resources allocation	Governance & Resources management
4	Waqf-based endowment funds as a sustainable financing model	Ekawaty et al., (2025)	Indonesia	Highlights that diversifies waqf based financing such as cash waqf, corporate waqf, productive assets. This diversified waqf increases financial sustainability and became the success factors of an instutional waqf.	Financial Sustainability
5	Analysis of waqf-based higher education UNIDA Gontor	Rochmat (2025)	Indonesia	Shows that UNIDA Gontor embeds Pesantren values into its governance model, strengthening trust, student engagement and community relations.	Spiritual Values

6	The Dynamics and Development of Waqf in Indonesia	Soraya & Zulfikar (2023);	Indonesia	Emphasizes that productive waqf models and strong community participation enhance societal trust, ensuring sustainability of waqf based universities,	Community Engagement
7	Waqf model: Al-Azhar University forever	Don & Ali (2025)	Egypt	Demonstrates how large-scale historical waqf endowments such as land, businesses, real estate provided centuries of financial stability for Al-Azhar University	Financial Sustainability
8	Waqf and state interference: A phenomenology study in Al-Azhar	Abdullah A (2020)	Egypt	Shows that excessive state intervention has reduced Al-Azhar's waqf autonomy, limiting its governance effectiveness compared to its original independent waqf structure.	Institutional Autonomy
9	The impact of waqf on social and economic development	Wagay (2025)	Egypt	Argues that strong governance and accountability mechanisms are essential for ensuring waqf continues contributing to socio-economic and educational development	Governance & Accountability

Sources: Abdullah (2020); Don & Ali (2025); Dilaveroglu (2024); Ekawaty et al., (2025); Kaya et al., (2025); Orhan et al., (2020); Rochmat (2025); Soraya & Zulfikar (2023); Yanikoglu (2025); Wagay (2025)

Table 4.0 presents a comparative review of waqf universities in Turkey, Indonesia and Egypt, reveals the critical success factors arise from a combination robust governance structures, stakeholder engagement, financial sustainability and spiritual values embedded in their educational philosophy. Through the synthesis of these three models, Malaysia has the potential to build resilient waqf university by integrating strategic governance (Dilaveroglu, 2024); Kaya et al., 2025); Wagay, 2025), *pesantren*-based philosophy (Rochmat, 2025), diversified of waqf funds (Ekawaty et al., 2025; Don and Ali, 2025) and institutional autonomy (Abdullah, 2020). All in all, this comparative analysis reinforces the understanding that diverse waqf approaches which have been influenced by different countries, local legal, cultural, and institutional context, can offer valuable lessons for developing waqf universities in Malaysia that are more sustainable, relevant and responsive waqf universities in Malaysia.

Discussions

A comparative analysis of nine studies on the topic of waqf universities in Turkey, Indonesia and Egypt brings out the fact that such institutions take different models of implementation,

but have some main determinants of success. It is demonstrated throughout the literature that successful waqf universities are based on the balanced mix of the quality of governance, institutional independence, financial sustainability and robust spiritual or religious base Abdullah, (2020); Don and Ali, (2025); Dilaveroglu, (2024); Soraya and Zulfikar, (2023); Zarkasyi et al., (2023); Kaya et al., (2025); and Orhan et al. (2020) show that strategic governance in Turkey influences institutional performance based on professional management and resource optimisation, as opposed to past age. Dilaveroglu (2024) also highlights that such aspects of long-term sustainability of *wakif* universities as legal clarity and HR stability are critical elements. Zarkasyi et al., (2023) also point out that the strong values of *pesantren* such as sincerity, discipline and community engagement, enhance stakeholder trust and institutional cohesion in Indonesia. Also, Soraya and Zulfikar (2023) demonstrate that diversified waqf instruments increase financial resilience. In Egypt, according to the results presented by Don and Hussin (2024) and Don and Ali (2025), large endowed waqf resources in the past were used to keep Al-Azhar autonomous and financially stable. But according to Abdullah (2020), institutional independence has been progressively limited by the intervention of the states. On the whole, the cross-country experiences indicate that Malaysia can create the more resilient system of waqf university by means of incorporating the best-governmental practices, financial diversification, protection of autonomy and preservation of spiritual-ethical values.

Suggestions

As shown in Figure 1.0 below, the suggested framework consolidates the main elements strategic governance, financial stability, strong community engagement and strong spiritual values integration and autonomy protection into a single framework to be used to implement a waqf university in Malaysia.

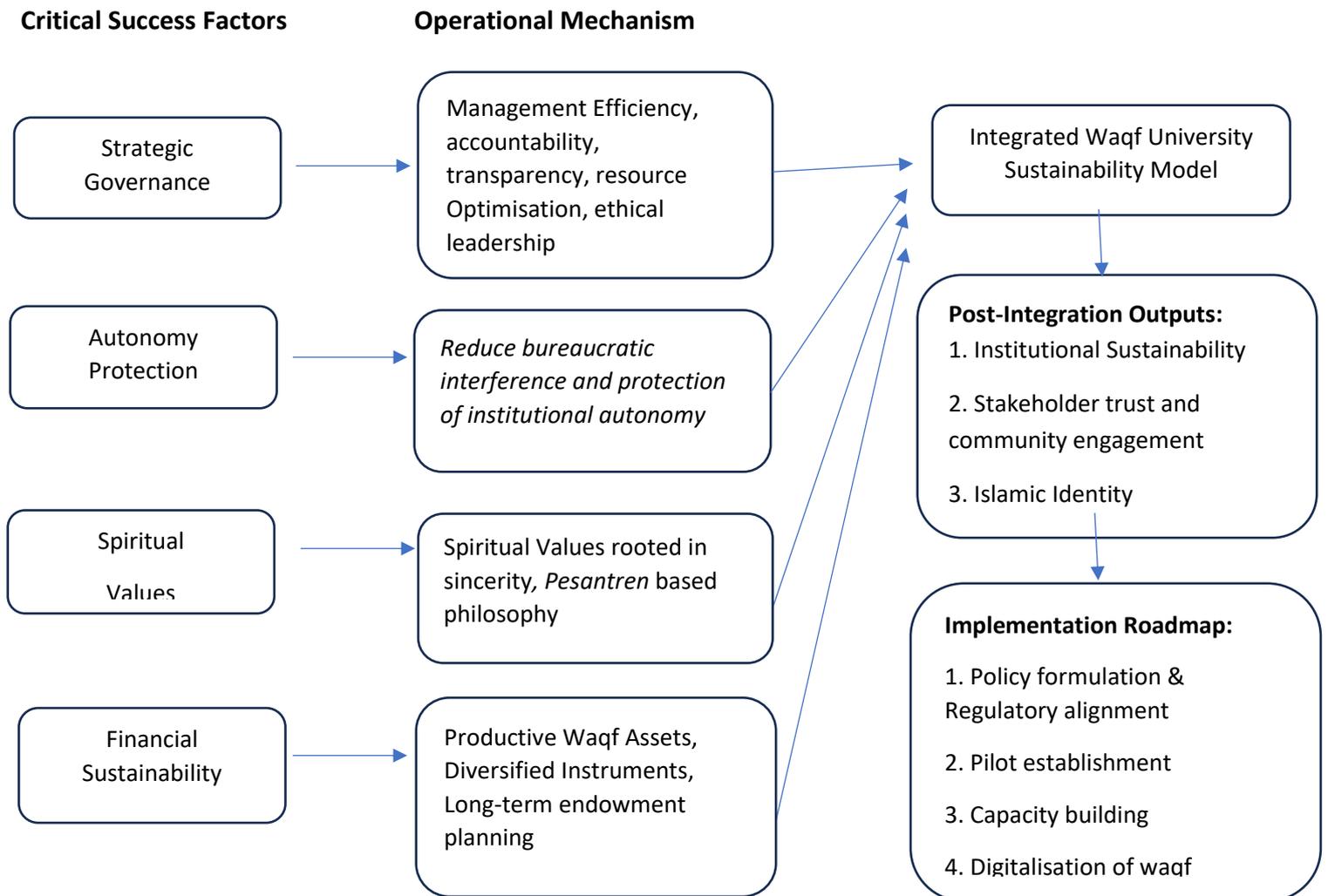


Figure 1.0: An Integrated Sustainability Framework Malaysian Waqf University based on Comparative Insights from Turkey, Egypt, Indonesia

The proposed Integrated Sustainability Framework for Malaysian Waqf Universities based four major critical success factors identified through comparative analysis from the experience of waqf university in Turkey, Indonesia, and Egypt. These countries represent three distinct yet complementary traditions in waqf based higher education and their combined insights provide a robust foundation for designing a sustainable waqf university in Malaysia. The Framework integrates Strategic Governance, autonomy protection, spiritual values and financial sustainability into coherent operational mechanism that leads to long-term institutional resilience as per stated by (Abdullah, 2020; Don & Ali, 2025; Dilaveroglu, 2024; Wagay, 2025; Yanikoglu, 2025; Zarkasyi et al., 2023). According to Kaya et al., (2025) and Razak (2016) strategic governance forms the backbone of successful waqf universities as demonstrated prominently in Turkey's vakif university system. Turkish studies highlight the importance of accountable, transparent, and professional governance structures in ensuring operational efficiency and institutional performance (Dilaveroglu, 2024). In Malaysia context, studies by Sapuan and Zeni (2021) highlight the need for management structures that are capable of ensuring accountability, transparency, resource optimisation and governance practices that support ethical leadership and long-term sustainability. These governance

mechanisms serve as critical enablers that direct the university's mission, administration and financial management, ultimately influencing long-term sustainability.

Another critical success factors that highlight by Abdullah, (2020) concerns the importance of institutional autonomy in safeguarding the true purpose of waqf-based universities. Insights from Egypt's Al-Azhar University demonstrate that excessive bureaucratic interference has historically undermined the effectiveness of its waqf governance system, thereby weakening the original objectives of waqf in higher education. In response, an integrated governance framework emphasises the need to reduce bureaucratic intrusion while protecting university autonomy as a key operational mechanism for sustaining waqf institutions (Abd Jalil, 2020). In the Malaysian context, harmonising federal legislation such as Universities and University College Act (AUKU) with State Waqf Enactments is vital to clarify governance roles. Such harmonisation ensure that State Islamic Religious Councils (SIRC) remain the sole legal trustees of waqf assets, while simultaneously preserving the operational and institutional autonomy.

Besides, the UNIDA Gontor of Indonesia offers a good example that spiritual values based on sincerity, discipline and *Pesantren* philosophy are central and important in the sustaining of waqf university (Rochmat et al., 2025). It is supported by Karim et al., (2022) they stated that spiritual pillars that a culture of integrity, group responsibility and self-serving service develops and defines leadership, as well as organisational behaviour. With some core values like *tawakkal*, *ikhlas*, *ukhuwah*, *adab*, and ongoing self-enhancement (*mujahadah*), UNIDA Gontor find strong level of internal cohesion, a reduced level of governance conflict, and a committed team of academic members, which is aligned with the long-term mission of the university. This value-based ecosystem is a special non-financial asset that increases institutional resilience, operational discipline and sustainability.

Another important insight drawn from the experience of Indonesia, Egypt and Turkey is that waqf-based universities become viable and sustainable when waqf and endowment assets are professionally managed and productively utilised (Ekawaty et al., 2025). Diversified waqf instruments, productive assets development and long-term endowment planning leads to financial sustainability as stated by (Iskandar et al., 2025). These financial tools minimize reliance on tuition fees, government subsidies, which give universities an opportunity to remain affordable and increase their educational services. In the case of Malaysia, the dimension means that it should invest strategically, mobilise cash in the form of waqf and high impact waqf projects that could yield income periodically.

When these four critical success factors are triggered by their respective working processes, they all create a model that is referred to as the Integrated Waqf University Sustainability Model. The model is a summary of the theoretical and practical principles needed in a sustainable waqf university in Malaysia as it binds governance, autonomy, spiritual values and financial robustness into one institutional form.

The framework identifies four big post-integration products that indicate institutional resilience and maturity:

- i. Sustainability of the institution by diversified financing and effective leadership.

- ii. Stakeholder Trust and Community Engagement, which guarantee legitimacy and support among the people.
- iii. Islamic Identity was in line with the mission that is moral and social of a waqf institution.
- iv. Enhanced Governance through increased accountability and less inefficiencies.
- v. These results are used as a sign of whether the integrated model is performing well and whether it is producing the desired effect.

The framework will be concluded with the implementation roadmap implemented in a structured manner and specific to Malaysia. This roadmap includes:

- i. Policy Making and Regulatory Coherence - Aligning AUKU to state legislations, by the creation of the University Waqf Governance Council.
- ii. Pilot Establishment - Choosing early-adopters as either University College Bestari (UCB) or Albukhary International University (AIU)
- iii. Capacity Building - Professionalising governance of waqf, introducing professional course like the Professional Certificate in Waqf University Management (PCWUM).
- iv. Waqf Governance Digitalisation - Improving transparency and asset tracking.
- v. National Expansion - Replicating effective models in other HEIs in Malaysia.

The reason is that this sequential strategy will make sure that the system of waqf university in Malaysia develops in a systematic, evidence-based, and quantifiable way. Generally, the framework is based on the global best practices and local Malaysia realities to offer a comprehensive model of the sustainable waqf university governance. The framework offers a holistic roadmap of empowering the management of the higher education sector in Malaysia with a waqf-based ecosystem that is Shariah-compliant, effective, and visionary by ensuring good governance, protection of autonomy, financial sustainability, and spiritual values.

Conclusion

Altogether, the findings of the nine comparative study of the waqf universities in Turkey, Indonesia and Egypt have demonstrated that the sustainability of the waqf-based educational institutions is extremely conditional on the balance between good governance, financial innovation, institutional autonomy and maintenance of Islamic values, according to which the latter is established. All these results would be a good foundation in establishing a sustainable waqf university model in the Malaysian setting, through adopting international best practices, by integrating them into a management, legal and human capital development model, which would be focused on the long-term sustainability objectives and Islamic principles.

References

- Abd Jalil, M. I. (2020). *Issues and Challenges of Waqf Practice in Malaysia: A Review*. Labuan E-Journal of Muamalat and Society, 14, 80–86.
- Abdullah, A. (2020). *Waqf and state interference: A phenomenology study in Al-Azhar University, Egypt*. *Journal of Finance and Islamic Banking*, 3(1), 38–56.
- Ash-Shiddiqy, M., Makhrus, & Wibowo, M. G. (2024). *Cash waqf management for education: Challenges, solutions and strategies*. *Shirkah: Journal of Economics and Business*, 9(2), 275–289. <https://doi.org/10.22515/shirkah.v9i2.723>
- Awalluddin, M. A. (2023). *Exploring the role of waqf instrument in supporting education: The case of Al-Azhar University, Egypt*. *Jurnal (UIN Syahada)*. Retrieved from <https://jurnal.uinsyahada.ac.id/index.php/F/article/download/7381/4709>
- Bolbakov, R. G., Sinitsyn, A. V., & Tsvetkov, V. Ya. (2020). *Methods of comparative analysis*. *Journal of Physics: Conference Series*, 1679, Article 052047. <https://doi.org/10.1088/1742-6596/1679/5/052047>
- Bonang, D. (2024). *Empowering the future of cash waqf through digital donors: A study of waqif behavioural intentions in waqf through crowdfunding*. *International Journal of Islamic Finance*, 16(S1), 94–117.
- Dilaveroğlu, E. (2024). *Vakıf üniversitelerinde çalışan akademisyenlerin hukuki statüleri üzerine bir inceleme*. *Ankara Barosu Dergisi*, 82(4), 1–48. <https://doi.org/10.30915/abd.1451394>
- Don, M. A. M., & Ali, M. (2025). *Waqf model: Al-Azhar University forever*. *International Journal of Academic Research in Business & Social Sciences*, 14(2), 1370–1376. <http://dx.doi.org/10.6007/IJARBS/v14-i2/20899>
- Don, M. A. M., & Hussin, R. (2024). *Waqf model: Al-Azhar University forever*. *International Journal of Academic Research in Business & Social Sciences*, 14(2), 137–148. <https://doi.org/10.6007/IJARBS/v14-i2/20899>
- Ekawaty, M., Rohman, G. D., & Aina, A. (2025). *Waqf-based endowment funds as a sustainable financing model to enhance university education quality in Indonesia*. *Global Review of Islamic Economics and Business*, 13(1). <https://doi.org/10.14421/grieb.2025.131-04>
- Gustina, W. D. S. (2024). *The importance of religiosity, knowledge, and trust for waqif in contributing to cash waqf*. *International Research Journal of Economics and Management Studies*, 3(10), 133–143.
- Hasan, R. (2023). *Institutionalizing education and the culture of learning in medieval Islam: The Ayyūbids (569/966 AH / 1174/1263 AD) – Learning practices in Egypt as a case study*. *Shajarah: Journal of the International Institute of Islamic Thought and Civilization*, 22(1), 59–82.
- Hasbullah, N. A., & Ab Rahman, A. (2024). *The participation of alumni in successful endowment and waqf funds at Malaysian public universities*. *Journal of Management and Islamic Finance Research (JMIFR)*, 5(1), 1–18. <https://doi.org/10.33102/jmifr.515>
- Hussin, R., Manshor, N. M., Fazial, F., & Usman, M. (2024). *Empowering Malaysian higher education: A review of cash waqf practices*. *International Journal of Research and Innovation in Social Science*, 8(9), 3743–3756.
- Hussin, R., Saidin, A., & Othman, R. (2023). *Examining the legal procedures of waqf implementation in higher education institutions in Malaysia and Turkey*. *Environment–Behaviour Proceedings Journal (EBPJ)*, 8(S114), 107–115. <https://doi.org/10.21834/ebpj.v8iS114.5036>

- Hussin, R., Syed Abdul Kader, S. Z., Manshor, N., Roslim, S., & Mohamad Sirat, N. (2021). *Good governance practices for waqf in Malaysian higher education institutions (HEIs)*. *Academy of Strategic Management Journal*, 20(Special Issue 2), 1–10. <https://www.abacademies.org/articles/good-governance-practices-for-waqf-in-malaysian-higher-education-institutions-heis.pdf>
- Iskandar, I., Kurlillah, A., Munadiati, M., & Nirwana, A. N. (2025). *Exploring Waqf Management Models in Turkey: Implementation Potential and Adaptation Barriers in Indonesia*. *AZKA International Journal of Zakat & Social Finance*, 6(2), 21–48. <https://doi.org/10.51377/azjaf.vol6no2.209>
- Johari, F., Yusuff, N., Ishak, N. S., Misbah, H., Harun, S. L., Hasbullah, N. A., Ahmad Musadik, S. H. S., & Ahmad, A. (2023). *Revitalising waqf institutions through a co-creation ecosystem that fosters public engagement*. *Global Business and Management Research: An International Journal (GBMR)*, 15(3 Supplement), 35–50. <https://www.gbmrjournal.com/pdf/v16n3s/V16N3s-35.pdf>
- Kaya, A., Gocen, A., Sahin, D., & Unsal, O. (2025). *Turkiye'deki vakif universitelerine yönelik bir performans degerlendirmesi*. *Gumushane Universitesi Fen Bilimleri Dergisi*, 13(1), 1–20. <https://doi.org/10.63716/guffd.1531946>
- Karim, A., Bakhtiar, A., Sahrodi, J., & Chang, P. H. (2022). *Spiritual leadership behaviors in religious workplace: The case of pesantren*. *International Journal of Leadership in Education*. <https://doi.org/10.1080/13603124.2022.2076285>
- Macfarlane, A., & O'Mara-Evans, A. (2021). *The use of Qualitative Comparative Analysis (QCA) to address causality in complex systems: A systematic review of research on public health interventions*. *BMC Public Health*, 21, Article 877. <https://doi.org/10.1186/s12889-021-10926-2>
- Majid, N. H. (2023). *Reviving waqf in higher education institutions*. *European Proceedings of Social and Behavioural Sciences (EpSBS)*. <https://doi.org/10.15405/epsbs.2023.11.02.25>
- Ministry of Education Malaysia. (2015). *Malaysia Education Blueprint 2015–2025 (Higher Education)*. Putrajaya: Ministry of Education Malaysia.
- Ministry of Higher Education Malaysia. (2016). *UniTP Purple Book: Enhancing University Income Generation, Endowment & Waqf (University Transformation Programme)*. Putrajaya: Ministry of Higher Education Malaysia.
- Mohaiyadin, N. M. H., & Aman, A. (2021). *Understanding the issues of waqf at public university: Preliminary findings*. *International Journal of Islamic Thought*, 20(December), 95–108. <https://journalarticle.ukm.my/18229/>
- Qurrata, V. A., Mohd. Shafiai, M. H., Alma'amun, S., Wahid, H., & Ismail, A. G. (2024). *Waqf sustainability or sustainable waqf? A bibliometric analysis*. *Millah: Journal of Religious Studies*, 23(1), 103–148. <https://doi.org/10.20885/millah.vol23.iss1.art4>
- Rahman, N. A., & Hasbullah, N. A. (2024). *The participation of alumni in successful endowment and waqf funds at Malaysian public universities*. *Journal of Management and Islamic Finance Research (JMIFR)*, 5(1), 1–18. <https://doi.org/10.33102/jmifr.515>
- Razak, A. Q. A. (2024). *Waqf education in Malaysia: Historical implementation, challenges and transition to higher education*. *Global Business and Management Research: An International Journal*, 16(2 Supplement), 137–148. <https://www.gbmrjournal.com/pdf/v16n2s/V16N2s-12.pdf>
- Razak, D. A., Che Embi, N., Che Mohd Salleh, M., & Fakhrunnas, F. (2016). *A study on sources of waqf funds for higher education in selected countries*. *International Journal of Islamic Economics and Finance Studies*, 2(3), 1–25

- Rismawati, R., Mutamam, R., & Apriani, T. (2025). *Optimasi dana wakaf produktif dengan MATLAB: Studi kasus Badan Wakaf Universitas Islam Indonesia (UII)*. *Demokrasi: Jurnal Riset Ilmu Hukum, Sosial dan Politik*, 2(4), 9–17. <https://doi.org/10.62383/demokrasi.v2i4.1270>
- Rochmat, C. S., Puspitasari, L. A., Syafa Fuadah, H., & Fadlilah, H. A. (2025). *Analysis of waqf-based higher education in maintaining the sustainability of pesantren education values: A case study of Universitas Darussalam Gontor*. *Shibghoh: Prosiding Ilmu Kependidikan UNIDA Gontor*, 3. Universitas Darussalam Gontor.
- Rohmana, Y. (2023). *University funding through waqf: Lessons from Indonesia and selected countries*. Atlantis Press.
- Rusydiana, A. S. (2025). *Waqf development models for Sustainable Development Goals (SDGs): An alternative model aligned with Maqasid al-Shariah*. *International Journal of Islamic Finance and Sustainable Development*, 1(1), 1–15. <https://journal.inceif.edu.my/index.php/ijifsd/article/download/929/522/3857>
- Sani, A. A., Saidin, A., Samad, K. A., Bustamam, K. S., Adanan, S. A., & Mamat, S. N. (2022). *Modelling waqf performance and governance for public universities in Malaysia*. *International Journal of Academic Research in Business and Social Sciences*, 12(10), 2860–2871. <https://doi.org/10.6007/IJARBS/v12-i10/14951>
- Samindjaya, S. S., Laallam, A., Hudaefi, F. A., Issa, B. M., Ouassaf, S., & Oussedik, M. I. (2024). *Imam Zarkasyi's contribution to Indonesia's modern waqf institutions*. *Journal of Islamic Thought and Civilization (JITC)*, 14(1), 1–18. <https://journals.umt.edu.pk/index.php/JITC/article/view/5099>
- Sani, A. A., Saidin, A., Samad, K. A., Bustamam, K. S., Adanan, S. A., & Mamat, S. N. (2022). *Modelling waqf performance and governance for public universities in Malaysia*. *International Journal of Academic Research in Business and Social Sciences*, 12(10), 2860–2871. <https://doi.org/10.6007/IJARBS/v12-i10/14951>
- Sitorus, I. R., Aly, H. N., & Lubis, M. (2025). *Waqf for higher education: A bibliometric and systematic literature review (2012–2024)*. *Al-Intaj*, 11(2), 365–383.
- Umam, K. (2024). *Darussalam Gontor waqf models based on local wisdom: A study of institutional sustainability*. Atlantis Press. https://doi.org/10.2991/978-94-6463-346-7_18
- Umam, K., Zulfia Fratama, A. (2024). *Darussalam Gontor waqf models based on local wisdom: Addressing the education gap in Indonesia*. Atlantis Press. https://doi.org/10.2991/978-94-6463-346-7_18
- Orhan, M., Karakaya, A., & Bektaş Uçar, M. (2020). The efficiency analysis of the foundation universities in İstanbul according to establishment periods. *İnsan ve Toplum Bilimleri Araştırmaları Dergisi*. *Journal of the Human and Social Sciences Researchers*, 9(1), 328–349. <https://doi.org/10.15869/ITOBİAD.655525>
- Wagay, A. H. (2025). *The impact of waqf on social and economic development*. *Religion & Development*, 1–18. <https://doi.org/10.30965/27507955-12340402>
- Yanıkoglu, O. (2025). *Unveiling student experiences with campus diversity, equity, and inclusion. A case of a Turkish foundation university*. *Journal of Research in Business*, 10(1), 95–114. <https://doi.org/10.54452/jrb.1496507>
- Yayasan Waqaf Malaysia. (2024, July 23). *Pelan Induk Wakaf Nasional (draft) 2025–2030: Jadikan garis panduan satukan dana wakaf*. Utusan. Retrieved from <https://www.utusan.com.my/nasional/2024/07/pelan-induk-wakaf-nasional-jadi-garis-panduan-satukan-dana-wakaf/>

- Zarkasyi, H. F., Mas'ud, F., Hidayatullah, R. A., & Khakim, U. (2023). Value management in pesantren-based university (Grounded research on AKPAM system of UNIDA Gontor). *Qalamuna: Jurnal Pendidikan, Sosial, dan Agama*, 15(2), 1113–1126. <https://doi.org/10.37680/qalamuna.v15i2.4018>
- Zulkifli, N., Ismail, M. N., Osman, G., & Ambali, A. R. (2022). *An empirical investigation on integrated waqf governance in Malaysian waqf institutions. Environment–Behaviour Proceedings Journal (EBPJ)*, 7(22), 69–77. <https://doi.org/10.21834/ebpj.v7i22.4146>