Editorial

In the Name of Allah, Most Gracious, Most Merciful. The love for accumulation and power is part of human instinct. However, Islam teaches that it is not through wealth accumulation and hoarding that human beings will attain *falāḥ* (success) in this life and the hereafter or draw closer to Allah; rather, wealth circulation and distribution are fundamental principles to promote growth and development and bring about equity and justice in the society. In fact, the "giving" behaviour essentialises the faith of a Muslim. He is called upon to be generous to the poor and the deserving through various means, including zakat (Islamic tax), *ṣadaqah* (voluntary charity), waqf (Islamic endowment) and *qarḍ ḥasan* (benevolent loan).

Under the present conditions of the ongoing COVID-19 pandemic that has been affecting societies and the global economy since 2020, the importance of solidarity and the sharing economy has grown even more. The philanthropic sector of Islamic finance, called the Islamic social finance sector, has thus been further propelled to the forefront to help sustain life and human well-being. Islamic social finance has only recently been integrated within the mainstream of Islamic finance to revitalise age-old philanthropic instruments such as waqf to strengthen their effectiveness and applications in contemporary societies. Supported by rapid digital transformation, the Islamic social finance sector along with breakthrough initiatives and Islamic finance innovations have been looked into to contribute to more efficient resource allocation. *Ṣadaqah* and *qarḍ ḥasan*, for instance, could be used to provide immediate relief solutions such as food and cash to daily wage earners and migrant workers. The zakat platform, especially if digitalised, could serve as an important vehicle to raise funds for financing *aṣnāf* (zakat recipients), including microfinance beneficiaries, affected by the pandemic. Potential medium- to long-term solutions could be provided through the various innovative applications of waqf (e.g. waqf-*ṣukūk*, waqf-venture capital, corporate waqf and others) to mobilise both capital and other resources (e.g. human resources and expertise) for investment in essential activities such as research, technological innovation and transfer, agricultural production capacity building and income-generation projects to support economic recovery and growth.

Research, seminars and conferences within the areas of Islamic social finance in the post-COVID-19 era have also amplified. Discussions are ongoing about how best to synergise the Islamic economic system through Islamic finance, Islamic social finance, halal industries and Islamic businesses to promote inclusive, equitable, resilient and sustainable growth.

Even at the level of *ISRA International Journal of Islamic Finance*, submissions on especially the waqf sector have increased. Volume 13, Number 2 of September 2021 publishes seven articles on different topics of Islamic finance, three of which examine different aspects of waqf.

The first article is titled "Cash waqf risk management and perpetuity restriction conundrum", authored by Azniza Hartini Azrai Azaimi Ambrose and Fadhilah Abdullah Asuhaimi. This article discusses an important challenge that arises in cash waqf, namely,

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how to guarantee the perpetuity of the cash waqf principal, which requires that the original asset shall remain intact, be non-perishable and last for eternity? This question arises as the waqf corpus will inevitably decrease in value over time because of the time value of money; there is always the risk of loss due to *force majeure*, and even with investment of the corpus, the risk of loss is inescapable despite due diligence prior to investing. As it is practically impossible to guarantee the corpus of cash waqf in absolute terms, the authors argue in favour of managing the risk that arises in cash waqf investment as the best solution. The article accordingly reviews the risk management strategies that have been discussed in the literature, discusses the methods that have been used by waqf organisations to safeguard the cash waqf corpus and also examines fatwas (Islamic rulings) and state waqf laws to see provisions on cash waqf risk management.

The second article is titled "Determinants of cash waqf fund collection in Malaysian Islamic banking institutions: empirical insights from employees' perspectives", authored by Wan Nuraihan Ab Shatar, Jalal Rajeh Hanaysha and Putri Rozita Tahir. This article is an empirical study that seeks to determine the key factors that affect cash waqf collection among employees of Islamic banking institutions (IBIs) in Malaysia. The study collected data through surveys from 218 IBI employees and applies the theory of reasoned action using factors such as word of mouth, accessibility, convenience and trust to gauge the employees' attitudes towards cash waqf fund collection. The findings showed that all four factors positively affected employees' attitudes to donate cash waqf: positive word of mouth and trust in waqf institutions have significant positive impacts on cash waqf collection, whereas convenience and easy accessibility to donate cash waqf are important drivers that motivate donors of cash waqf.

The third article is titled "Waqf governance in the Republic of Guinea: legal framework, issues, challenges and way forward", authored by Mohamed Al Amine Sano and Salina Kassim. This research is a case study on waqf governance in the Republic of Guinea, the lack of which, according to the authors, has exposed waqf properties in the country to "loss, theft, mismanagement, unlawful settlements and forfeitures, and left them to the mercy of corrupt officials and other predators". The study begins by examining the existing waqf governance framework of Nigeria, Turkey, Kuwait and Malaysia to derive lessons for developing an effective waqf governance framework in Guinea. It then delves into four aspects of waqf governance in the Republic of Guinea – notably, governing laws, governing bodies, managing bodies and court with jurisdiction – to discuss the country's shortcomings and challenges. It ends by providing recommendations to establish an effective waqf governance framework in the country that would assist in enhancing the immense socio-economic benefits of waqf.

The fourth article is titled "Developing best practices of Islamic estate planning: a construction based on the perspectives of individuals and estate planning providers", authored by Norazlina Abd Wahab, Selamah Maamor, Zairy Zainol, Suraiya Hashim and Kamarul Azman Mustapha Kamal. The authors assert that Islam requires Muslims to undertake financial planning of their wealth and businesses to ensure sustainable practices, goodness of the society at large and rewards in both this world and the hereafter. Particularly in the context of Malaysia, past studies have shown that the practice of estate planning is still not widespread in spite of increasing awareness of its importance among Malaysians. In this respect, this article seeks to develop a framework of best practices of Islamic estate planning that would be relevant and useful to Malaysian as well as non-Malaysian Muslims.

The fifth article is titled "Determination of organisational essential needs as the basis for developing a *maṣlaḥah*-based performance measurement", authored by Achmad Firdaus.

According to the literature reviewed in this study, organisations' lives and development resemble that of living organisms – they are born, they grow, they reach saturation and recession stages and may ultimately die and be closed down. Similarly, organisations have essential needs which the author formulates based on the five aspects of *maṣlaḥah ḍarūriyah* (essential needs). According to the concept of *maṣlaḥah*, organisational needs do not include only financial factors which relate to the creation and spending of wealth but also spiritual factors such as worship within the organisation to preserve the religion, as well as other elements such as internal processes to protect the soul of the organisation, talent building to preserve future generations, learning to preserve the intellect and heart of the organisation and customer orientation to preserve the relationship with customers. Furthermore, the article uses these organisational essential needs as the basis for developing *maṣlaḥah*-based key performance measurement indicators, which could be applied in any organisation, including Islamic financial institutions.

The sixth article is titled "Islamic financial literacy scale: an amendment in the sphere of contemporary financial literacy", authored by Yusuf Dinc, Mehmet Çetin, Mehmet Bulut and Rashed Jahangir. The authors state that improvement in financial literacy in the society is expected to increase financial inclusion and wealth circulation, resulting in better overall economic performance. Similarly, Islamic financial literacy (IFL) will affect Islamic financial attitude, behaviour and knowledge of Muslims so that they adopt the right attitude towards financial transactions, align their financial behaviour with the good of mankind and are equipped with knowledge about both Sharīʿah-compliant and Sharīʿah non-compliant financial practices. This study reveals that previous studies that developed the IFL scale are mostly focussed on the Islamic banking sector. A comprehensive IFL scale that covers all the segments of the Islamic finance sector – including banking, *takāful*, capital markets and other Sharīʿah-compliant financial models – is deemed lacking in the literature. This research thus fills in this literature gap. It seeks to develop an IFL scale for the entire Islamic financial sector which could be used to measure the IFL level in any country, even in jurisdictions that are yet to develop Islamic finance. Its sample population is based in Turkey.

The seventh article is titled "Does the choice of stock selection criteria affect the performance of Sharīʿah-compliant equity portfolios?", authored by Muhammad Wajid Raza. This study originates from the idea that there are several Sharīʿah-compliant investment screening guidelines which have been developed at the level of index providers and financial institutions and that this may have an impact on the portfolio level of the stock selection process. Consequently, the aims of this study are two-fold:

(1) to determine if the choice of stock selection criteria has an effect on the number of stocks, sector allocation and financial performance of investment portfolios; and

(2) to examine the cost of adopting an alternative stock selection methodology.

The author undertakes this study by constructing seven Sharīʿah-compliant equity portfolios based on seven different Sharīʿah screening guidelines by drawing data from the constituents of the S&P 500 over the time period 1984–2019.

Indeed, over 2019–2021, *ISRA International Journal of Islamic Finance* has been making positive growth in terms of the interest it receives from stakeholders including authors and conference organisers, the number of articles submitted and citation of its articles in other publications. New manuscript submissions increased by almost 45% between 2019 and 2020, and the number of original manuscripts received so far this year has already exceeded the number of submissions received by the same date in 2020 – showing an upward trend in submissions. In fact, the growth is not only quantitative but also qualitative as the quality of submissions has improved and the backgrounds and countries of the authors are more varied. Although these reflect the positive progress of the Journal, the increase in submissions also means an increase in the waiting time for authors to have their research published. Although we do publish online first through Emerald's EarlyCite platform, it still takes from 18 months to two years for an article to be published, as we only publish three issues with 24 articles in a year.

Regarding citation, we have the pleasure to inform our readers that the Journal's Scopus CiteScore has been registering a constant increase over the period 2019–2021. It rose from 0.4 in 2019 (with 26 citations in 60 documents during 2016–2019) to 1.4 in 2020 (with 114 citations in 84 documents during 2017–2020) to 1.8 as at mid-2021 (with 117 citations in 64 documents to date).

Being ranked in the Clarivate's Emerging Sources Citation Index – which is for journals that Clarivate recognises as being "publications of regional importance and in emerging scientific fields" – the Journal also receives a Journal Citation Indicator. It currently has a Journal Citation Indicator of 0.44 and ranks 145 out of 217 journals in the Business Finance category. Although this represents a laudable achievement for the Journal, we still have to continue to improve to be ranked among the top 50% of journals. We also have to improve further to be among the top-tier journals so that we can achieve our aim of being included in Clarivate's Social Sciences Citation Index.

We therefore urge our readers to continue supporting *ISRA International Journal of Islamic Finance* by reading, citing and sharing our published articles so that they can be beneficial to more researchers for knowledge building and advancement of the industry.

We congratulate the authors who published in this issue of the Journal and wish everyone a pleasant read.

Allah (SWT) is the Bestower of success, and He knows best.

Beebee Salma Sairally

Research Development and Innovation Department, International Shari'ah Research Academy for Islamic Finance (ISRA), Kuala Lumpur, Malaysia