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## Mapping the Terrain of Islamic Social Enterprise: A Comprehensive Literature Review

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### ABSTRACT

*The objective of this research endeavor is to systematically delineate and scrutinize the extant corpus of literature pertaining to Islamic Social Enterprise (ISE), with the intention of elucidating predominant themes, frameworks, methodological orientations, and discernible research lacunae within the domain. A Systematic Literature Review (SLR) methodology was employed, encompassing an examination of 65 peer-reviewed scholarly articles published from the year 2000 to 2025, derived from databases such as Scopus, Web of Science, and Google Scholar. Rigorous inclusion and exclusion criteria were implemented, succeeded by bibliometric and thematic analysis facilitated by PRISMA and qualitative synthesis methodologies. The findings of this investigation indicate a burgeoning scholarly interest in ISE, particularly within the past decade, with prevailing themes encompassing waqf-based enterprises, zakat-driven empowerment initiatives, and hybrid business models congruent with maqashid shariah principles. Notwithstanding its nascent importance, the domain remains disjointed, characterized by a dearth of empirical substantiation, absence of standardized governance frameworks, and inadequate engagement with digital innovation. Furthermore, the literature predominantly features qualitative methodologies, largely concentrated in Southeast Asia, notably in Malaysia and Indonesia. The review is confined to publications in the English language and may not comprehensively encapsulate grey literature or non-indexed regional scholarship. Future investigations should integrate quantitative impact evaluations, cross-national comparative analyses, and the incorporation of digital technologies in the enhancement of ISE development. This study presents the inaugural comprehensive and structured synthesis of ISE literature, proposing a conceptual framework and delineating a future research agenda to promote the evolution of Islamic Social Enterprises as a distinct paradigm of ethical and faith-based social innovation.*

**Keywords:** Islamic Social Enterprise, Waqf, Zakat, Social Innovation, Maqashid Shariah, Systematic Literature Review, Shariah Governance

## INTRODUCTION

Setiawan et al. (2024) asserted that Islamic Social Enterprise (ISE) has emerged as a progressive paradigm in addressing societal and economic challenges within Muslim communities. Unlike traditional entrepreneurship, ISE incorporates Islamic values into all facets of its operations, underscoring the necessity of achieving equilibrium between economic benefits and social welfare. Nevertheless, a comprehensive understanding of the typology and attributes of ISE remains insufficiently developed. They underscore the significance of Maqashid Sharia as a foundational framework in the cultivation of an entrepreneurial model that prioritizes not merely economic profits but also social and ethical advantages.

Within a global framework, the scholarly discourse surrounding ISE is still undergoing maturation. Yasmeen (2024) formulated an extensive framework for ISE by amalgamating Islamic principles with concepts of social entrepreneurship, thereby bridging the divide between theoretical constructs and practical applications. This framework elucidates the multifaceted implications of ISE, highlighting its steadfast commitment to ethical and socially responsible methodologies.

In Indonesia, recognized as the nation with the largest Muslim demographic, the implementation of ISE practices holds substantial promise for societal empowerment (Safei, 2021). Listyadewi et al. (2022) scrutinized the ISE development model prevalent in Indonesia, accentuating the pivotal role of philanthropic organizations as essential sources of capital and training to bolster sharia-compliant enterprises. The model is predicated on community empowerment through a sustainable business framework that aligns with Islamic tenets.

Furthermore, the application of social entrepreneurship within the advancement of Islamic society in Indonesia reflects encouraging outcomes (Setiawan et al., 2022). Safei (2021) emphasizes the critical nature of a social entrepreneurship ecosystem that fosters innovation and collaboration as viable responses to social issues confronting Indonesian Muslim communities. Nonetheless, the body of literature engaging with this approach remains relatively limited.

In the familial context, Setiawan et al. (2022) investigated the ISE model within family businesses in Ponorogo, Indonesia. This inquiry reveals that the amalgamation of economic, religious, social, and cultural values within family enterprises can yield a sustainable ISE model congruent with Islamic principles. This model underscores the necessity of satisfying both the material and non-material requisites of society.

On a global scale, research pertaining to Islamic entrepreneurship is exhibiting a discernible upward trajectory. Rafiki et al. (2023) executed a systematic review of the Islamic entrepreneurship literature from 1990 onwards, uncovering a rapid expansion in this research domain, encompassing a diverse array of subjects such as Islamic microfinance, small and medium-sized enterprises (SMEs), and Islamic al-Falah metrics. However, further comprehensive mapping is requisite to attain a holistic comprehension of the ISE landscape.

In the pursuit of realizing the Sustainable Development Goals (SDGs), Islamic social finance assumes a pivotal role. Research conducted by Dirie et al. (2024) indicates that Islamic social finance instruments, including zakat, waqf, and qard-hasan, can substantially contribute towards the attainment of 11 out of the 17 SDGs. However, this study is accompanied by certain limitations that necessitate rectification in order to optimize ISE's contributions to the SDGs.

In light of the aforementioned considerations, it is evident that while ISE possesses considerable potential for societal empowerment and the realization of social objectives, there exist multiple challenges and gaps within the literature that warrant attention. Consequently, this study endeavors to delineate the ISE landscape through a systematic literature review, aiming to furnish a more profound and comprehensive understanding of the concepts, practices, and challenges confronting ISE, as well as to proffer recommendations for a more effective and sustainable evolution of ISE in the future.

### **Islamic Social Enterprise**

Islamic Social Enterprise (ISE) represents an entrepreneurial paradigm that harmoniously integrates Sharia principles with socially-oriented objectives, primarily concentrating on the enhancement of public welfare and the promotion of social justice. The ISE endeavor transcends mere financial profitability; it aspires to actualize the Maqashid Shariah, which delineate the fundamental objectives of Islamic jurisprudence, encompassing the safeguarding of religion, soul, intellect, lineage, and property. As articulated in the study conducted by Setiawan et al. (2024), ISE can manifest through a plethora of modalities, including Islamic educational establishments, Sharia-compliant health services, and Sharia financial institutions, all of which are designed to holistically advance the welfare of the ummah.

Dinurianah & Fahmi (2023) substantiate that within the context of Indonesia, the actualization of ISE has been undertaken by various organizations, notably the Yayasan Fratersudaraan Djamaah Haji Indonesia (PDHI) located in Yogyakarta. This foundation strategically utilizes philanthropic resources to empower communities, transcending the traditional model of merely providing consumptive relief. Through this strategic methodology, PDHI successfully engenders sustainable and self-sufficient empowerment initiatives, grounded in the fundamental principles leading to al-falah (the attainment of happiness in both this world and the hereafter) alongside the overall welfare of the populace.

The evolution of the ISE framework in Indonesia further entails the amalgamation of philanthropic funds with business operations that adhere to Sharia regulations. This innovative model enables philanthropic entities to administer donor funds in the form of ventures characterized by a profit-sharing mechanism, as well as facilitate vocational training and capital assistance to community members. Such an approach not only addresses the pervasive issue of poverty but also engenders equitable and sustainable economic opportunities (Listyadewi et al., 2022).

A notable innovation that bolsters the sustainability of ISE is the implementation of the cash waqf model as a financial resource. This model facilitates the mobilization of funds from the community, which are subsequently allocated to social endeavors, with the resultant proceeds dedicated to bolstering social programs and achieving the Sustainable Development Goals (SDGs). Research conducted by Fauziah and Kassim (2022) illustrates that cash waqf can serve as an efficacious remedy to mitigate the financial challenges encountered by numerous social enterprises in Indonesia. To ascertain that ISE operates in alignment with Islamic principles and fulfills the expectations of stakeholders, the deployment of appropriate measurement tools is imperative.

### **Prior Research**

Several preceding investigations pertinent to this research are delineated as follows:

Listyadewi et al. (2022). The predominant social dilemma confronting developing nations is poverty, attributed to insufficient development, which results in the persistence of low-income demographics unable to meet their fundamental necessities. Islamic Social Enterprise (ISE) represents a community-centric business model aimed at addressing issues of economic disparity, wealth concentration, and social fragmentation. This inquiry seeks to analyze the implementation of ISE in Indonesia and the alternative developmental frameworks predicated on the challenges and prospects encountered as a prospective strategy. The analytical methodology employed is a comprehensive literature review. This research culminates in the formulation of an ISE developmental model derived from philanthropic entities possessing donor capital, which is allocated towards a profit-sharing business model in conjunction with training and capital support that adheres to sharia principles. The objective of profit sharing is to amplify the scope of benefits accrued from ISE, thereby facilitating its development and sustainability within Indonesia.

Kamaruddin and Auzair (2020). This study endeavors to articulate a framework for constructing a measurement instrument designed to encapsulate Islamic accountability from the "accountability for what" perspective. These measurement instruments are formulated by integrating both the social and economic dimensions inherent in Islamic organizations. This research articulates the notion of Islamic accountability through the lens of "accountability for what," decomposing it into specific elements that align with an Islamic social enterprise (ISE). Subsequently, these elements are operationalized into scale items and empirically recomposed through factor analysis utilizing data sourced from ISE stakeholders in Malaysia. This study successfully innovates an Islamic accountability measurement instrument from the "accountability for what" perspective tailored for ISE. A total of 25 items are identified and validated across four dimensions of accountability, namely, accountability for input, accountability for output, accountability for procedural integrity, and accountability for Islamic principles and values. Not all measurement instruments are universally applicable to every type of Islamic organization due to the diverse characteristics inherent to these entities. The developed items may serve as components of an Islamic accountability index, particularly for ISE and analogous organizations, to evaluate their accountability practices. Furthermore, these items may be adopted for reporting purposes. In the context of Malaysia, pertinent governmental bodies, including the Companies Commission of Malaysia, the Registry of Society, the Ministry of Entrepreneur Development, and the Malaysia Institute of Accountants, are encouraged to consider the developed items for incorporation into their respective guidelines or standards. This study is regarded as a pioneering effort in the development of specific measurement instruments of Islamic accountability tailored for ISE and proposes reusable frameworks for future research, representing one of the limited studies focused on ISE.

Rafiki et al. (2023). The objective of this investigation was to examine the evolution of Islamic entrepreneurship literature by scrutinizing various thematic research domains and endeavoring to construct a comprehensive framework pertaining to Islamic entrepreneurship through a systematic review methodology. A total of 274 documents were identified from the esteemed database known as Scopus since the year 1990. This manuscript additionally incorporates a conceptual framework and engages in a discourse on critical aspects associated with Islamic entrepreneurship. The research elucidates foundational and detailed insights regarding the scholarly inquiries into Islamic entrepreneurship conducted over the past three decades, along with the pertinent issues surrounding this field. Furthermore, the study uncovers data concerning leading authors, distinguished journals, prolific

institutions, and supportive nations involved in Islamic entrepreneurship research. Notwithstanding its limitations, particularly the reliance on a singular database (Scopus), the study provides substantial insights into the realm of Islamic entrepreneurship research. Comprehensive insights and representations derived from this study would greatly benefit researchers, academicians, and practitioners in formulating essential plans and strategies pertinent to the exploration of Islamic entrepreneurship.

Hartanto et al. (2023). This research investigates the implementation of Islamic finance practices within micro, small, and medium enterprises (MSMEs) in Indonesia through the lens of Islamic economics. The study adopted a systematic literature review methodology in accordance with the Preferred Reporting Items for Systematic Reviews and Meta-Analyses (PRISMA) guidelines. The primary data source consisted of written scholarly materials that evaluated the impact of Islamic finance practices on MSMEs in Indonesia. The results reveal that Islamic finance practices exert a positive influence on the growth trajectory of MSMEs in Indonesia. This investigation highlights the significant potential of Islamic finance practices in enhancing the overall welfare of MSMEs within the nation. Key growth determinants for MSMEs include Islamic business and economic ethics, innovative practices, along with ethical and moral considerations. Islamic finance practices present a viable pathway for Indonesian MSMEs to bolster their business development. Consequently, the adoption of Islamic finance practices is likely to contribute to the enhancement of business performance and the promotion of growth among MSMEs. Future inquiries may encompass empirical studies aimed at acquiring a more nuanced understanding of Islamic finance practices within Indonesian MSMEs.

Rufaedah & Patih (2025). The progression of the Islamic financial sector has exhibited remarkable acceleration. This phenomenon is evidenced by the continuous expansion of research pertaining to Islamic finance, which persists in its growth annually. As underscored in earlier investigations, significant lacunae remain in our comprehension of the nature and trajectory of Islamic finance, particularly concerning Islamic social finance. This study conducts an analysis of the literature's evolution from 2013 to 2025 to elucidate methodologies for addressing the existing knowledge deficiencies within the domain of Islamic social finance. This investigation employs two methodological approaches, specifically bibliometrics and a Systematic Literature Review (SLR). The data utilized in the analytical framework comprises secondary data sourced from the Scopus database. The outcomes of the bibliometric assessment reveal that research in Islamic social finance has surged by 80% over the past thirteen years, with predominant emphasis placed on Islamic banking, zakat, and waqf. Subsequently, we performed a content analysis of the findings within the four principal research streams identified. Ultimately, we propose four research inquiries that warrant exploration in forthcoming studies. The results yield several implications for the current state of the Islamic social finance literature, highlighting research deficiencies and prospective avenues for future inquiry.

Gunarto & Yanti (2024). The objective of this study is to investigate the adaptation of Islamic finance in relation to the performance metrics of micro, small, and medium enterprises (MSMEs) within the halal food sector. The research methodology employed a quantitative and explanatory framework. The sample size for this investigation comprised 212 MSME entities, which were selected through a simple random sampling (SRS) technique. The determination of the sample size was aligned with the requirements of the analytical instruments utilized. The analytical technique applied is grounded in the structural equation modeling (SEM) approach, facilitated by the LISREL software program. The



principal findings indicate that MSMEs operating within the halal industry that embrace Sharia finance exhibit a propensity for heightened innovation compared to their counterparts that do not engage in such practices. Empirical data reveals that financing in accordance with Sharia principles empowers MSMEs to allocate their resources with greater efficacy, thereby enhancing their capacity to innovate in both products and services. The innovations implemented by halal industry MSMEs that adopt a Sharia financial framework are more congruent with Sharia values, subsequently fostering greater acceptance among Muslim consumers. Managers within the halal industry of MSMEs are encouraged to contemplate the integration of Islamic finance strategies within their operational frameworks. This integration encompasses the utilization of Sharia-compliant financing, investments adhering to Sharia principles, and the management of financial resources in accordance with Sharia values. Furthermore, it is imperative for managers to proactively cultivate networks and foster collaborations with various stakeholders, including Sharia financial institutions, academic entities, and other organizations within the halal industry ecosystem. The conclusions drawn from this research endeavor will significantly augment the existing literature on Islamic finance by addressing the research gap concerning the interplay between MSME adaptation of Islamic finance practices and their performance outcomes, while also providing valuable insights for policymakers and MSMEs engaged in the halal food sector.

Hati and Idris (2019). This research endeavor seeks to investigate the significance of leadership and organizational credibility in shaping customers' intentions to endorse Islamic social enterprises. The credibility attributed to both the leader and the social enterprise is manifested through promotional activities. Advertisements featuring the six preeminent Islamic social enterprises in Indonesia, along with their respective social entrepreneurial leaders, were presented to 221 existing customers through both online and offline survey methodologies. The results demonstrate that organizational credibility and branding exert a substantially greater influence on customers' intentions to support Islamic social enterprises compared to the personal credibility of the leaders. This investigation underscores the predominant role of organizational credibility and branding over advertising in garnering support for Islamic social entrepreneurship initiatives. It is imperative for Islamic social enterprises to cultivate a reputable brand and devise more effective communication strategies with their stakeholders beyond mere advertising, given that the influence of advertisements on customer support intentions is not markedly significant. The findings of this study provide valuable contributions to the fields of marketing and social entrepreneurship by offering empirical insights into the phenomenon of Islamic social entrepreneurship.

Safei (2021). The objective of this study is to critically assess the significance of social entrepreneurship approaches and celestial entrepreneurship within the context of Islamic communities in Indonesia. Empirically, Indonesia, as the nation with the largest Muslim demographic globally, possesses substantial potential for the development of community empowerment initiatives, particularly in light of the Covid-19 pandemic, which has engendered numerous new strata of impoverished populations. Nonetheless, concurrently, the availability of scholarly literature that examines social entrepreneurship as a pivotal instrument for community development remains comparatively scarce. Methodologically, this research adopts a library research framework, utilizing literature in various formats that are regarded with equal importance based on their relevance to the central research theme. The findings of this study indicate that fostering a social entrepreneurship ecosystem that encourages innovation and collaboration represents a viable solution to addressing the social challenges prevalent

within the Indonesian Muslim community. Furthermore, this study concludes that entrepreneurial endeavors undertaken by the Muslim community embody a facet of social responsibility, wherein the overarching practices must be contextualized within Islamic values that prioritize the social dimensions of humanity over the singular pursuit of personal financial gain.

Muhammad (2020). The body of literature concerning social entrepreneurship remains considerably limited in comparison to its practical applications, presenting a significant challenge for scholars aiming to enhance their research in this domain. Furthermore, societal issues are perpetually emerging and cannot be entirely circumvented, thereby impacting numerous facets of individuals' lives. The objective of this investigation is to explore the intersection of social entrepreneurship with Islamic economic tenets in the context of societal welfare. This research employs a literature review methodology, encompassing theories, findings, and insights from prior investigations as a foundational framework for the composition of this article. The findings indicate that social entrepreneurship within the paradigm of Islamic economics is actualized through three fundamental principles: tauhid (oneness), khilafah (representation), and 'is (justice). Social entrepreneurship has the potential to actualize social welfare by addressing social challenges and fulfilling community needs, thereby mitigating significant social disparities, fostering justice, preserving environmental equilibrium, and eschewing elements of usury and ambiguity.

Salarzehi et al. (2010). By the conclusion of the twentieth century and the advent of the third millennium, social entrepreneurship emerged as a complementary component alongside commercial and governmental entrepreneurship. Within religious educational institutions, particularly those inspired by Islamic teachings, the promotion of noble human values and moral principles of cooperation provides a conducive foundation for the cultivation of social entrepreneurship and altruistic endeavors. The traditions of philanthropy, Ehsan, and charitable acts will be examined within this discourse. The rich cultural heritage of Islam, which is deeply rooted in values of friendship, collaboration, and voluntary participation across various spiritual and material pursuits, encourages self-sacrifice and the allocation of personal wealth to public interests and social welfare under the concept of Waqf, a distinctive characteristic of Islamic charitable institutions or social entrepreneurship in Islamic nations. This article, utilizing a micro-antipathetic descriptive and analytical framework, is dedicated to elucidating an Islamic and sustainable model of social entrepreneurship aimed at fostering development and social welfare initiatives.

Mahfud (2021). The One Pesantren-One Product initiative represents a social entrepreneurship program designed to promote an economy grounded in Islamic boarding schools. Participants in this program will receive support through entrepreneurship training, financial resources, packaging design, and the establishment of an online platform. The purpose of this research is to elucidate the program from the vantage point of social entrepreneurship. This study employed a qualitative methodology, utilizing a case study approach at the Pesantren At-Taqla Digitalpreneurship. Data was gathered through observational techniques, comprehensive interviews, and literature review. The outcomes revealed that the One Pesantren-One Product initiative is predicated upon four key concepts: social value, innovation, civil society, and economic activity, thereby ensuring that its implementation aligns with the indigenous wisdom of the pesantren itself.

Based on the preceding scholarly discourse, the ensuing research deficiencies may be delineated:

1. Insufficient comprehensive cross-dimensional mapping; The majority of extant research has predominantly concentrated on isolated dimensions of Islamic Social Enterprise (ISE), such as financial frameworks, leadership paradigms, or the function of the waqf. There exists a conspicuous absence of systematic investigations that thoroughly delineate the conceptual, institutional, policy-oriented, empirical practices, as well as global trends and challenges.
2. Inadequate integration of bibliometric and thematic systematic literature review methodologies; Prior investigations have extensively employed a systematic methodology devoid of bibliometric analysis to elucidate publication trajectories, principal stakeholders, and collaborative research networks within the ISE domain. This methodological oversight is critical, as such an approach is instrumental in comprehending the directional flow and dynamics of scientific inquiry.
3. Limited literature review that simultaneously accentuates regional and global contexts; Investigations pertaining to ISE predominantly exhibit a localized focus (e.g., Indonesia, Malaysia) without engaging in global thematic comparisons. Yet, ISE constitutes a worldwide phenomenon operational in a multitude of Muslim and non-Muslim nations.
4. Deficiency in the synthesis of outcomes and impacts of ISE; A substantial body of literature addresses the principles, organizational frameworks, or funding mechanisms of ISE; however, there exists a scarcity of syntheses concerning the outcomes and societal impacts engendered by Islamic Social Enterprise.
5. Absence of standardized classification for types of ISE grounded in Sharia principles and social innovation; The existing literature tends to homogenize ISE, failing to categorize them in a structured manner based on approach, resource allocation, or governance models.
6. Insufficient exploration of the relationship between ISE and the sustainable development agenda (SDGs); A limited corpus of literature establishes connections between ISE's contributions and global initiatives such as poverty alleviation, educational advancement, gender equality, and environmental sustainability from an Islamic standpoint.

This study introduces the following innovations:

1. Multidimensional Mapping; This research endeavors to furnish a holistic mapping of Islamic Social Enterprise encompassing various dimensions, including definitions and theoretical frameworks, institutional models, sharia-compliant financing mechanisms, empirical practices, and their interconnections with the Sustainable Development Goals (SDGs).
2. Systematic Merging of Literature Review and Bibliometrics; This inquiry amalgamates Systematic Literature Review (SLR) and bibliometric analysis to yield a thorough understanding of trends, publication trajectories, and scholarly lacunae within the literature pertaining to Islamic Social Enterprise (ISE).
3. ISE Type Classification Based on Sharia Principles; The investigation will categorize Islamic Social Enterprises according to an integration of Islamic principles (such as maqashid sharia and the tauhidic paradigm) and concepts of social innovation (including hybrid enterprises and impact-driven initiatives).
4. A New Conceptual Model for Islamic Social Enterprise; This research will develop a conceptual model that elucidates the structural framework, functional roles, and contributions of Islamic Social



Enterprise within the Islamic economic paradigm, alongside its pertinence to sustainable development.

5. Identify Future Research Priorities; The investigation will delineate a strategic roadmap for prospective research avenues in Islamic Social Enterprise that have not been sufficiently addressed by prior scholars, particularly focusing on topics such as technological advancements, digital transformation, and the integration of waqf and zakat within ISE.
6. Contributions to Public Policy and Islamic Business Practices; The outcomes of this study have the potential to inform policymaking, regulatory frameworks, and institutional practices, thereby facilitating the strategic advancement of Islamic Social Enterprise.

## **RESEARCH METHODOLOGY**

### **Types of Research**

The investigation constitutes a Systematic Literature Review (SLR) that seeks to delineate advancements, patterns, principal themes, and research deficiencies pertinent to Islamic Social Enterprise (ISE). The SLR technique was selected to achieve a thorough, methodical, and impartial comprehension of the scholarly literature that has been disseminated concerning the subject.

### **The SLR procedure (Systematic Literature Review)**

The research adhered to the stages of the SLR as delineated by the PRISMA (Preferred Reporting Items for Systematic Reviews and Meta-Analyses) guidelines. The stages encompass:

#### **Identification of Research Questions**

The investigation addresses fundamental inquiries:

What are the primary themes elucidated in the literature regarding Islamic Social Enterprise?. How do publications concerning ISE exhibit trends over successive years?. What is the predominant methodology employed in studies of ISE? What research deficiencies warrant exploration in forthcoming investigations?.

#### **Literature Search Methodologies**

The execution of literature searches is performed utilizing prominent academic databases, specifically: Scopus, Web of Science, Google Scholar (as an ancillary resource). Terminologies employed in the inquiry: “Islamic Social Enterprise” “Islamic Social Entrepreneurship” “Islamic Social Business” “Islamic enterprise” AND “social impact” “Shariah-compliant social enterprise”

#### **Research parameters:**

Document classification: journal article, conference proceeding, book chapter. Linguistic medium: English Publication timeframe: 2000—2025. Disciplines of inquiry: Islamic Economics, Business, Management, Islamic Studies, Social Sciences.

### **Inclusion and Exclusion Criteria**

#### **Inclusions:**

Empirical investigations that directly examine the phenomenon of Islamic Social Enterprise Scholarly articles that have undergone peer review Research that incorporates elements of Islamic Social Enterprise theory, conceptual frameworks, practical applications, or policy considerations

**Exclusions:**

Publications that are not accessible in their entirety Investigations that solely focus on social enterprise devoid of an Islamic lens Repetitive or redundant research studies

**Literature Selection Process**

The selection methodology is executed through a tripartite approach: Evaluation of titles and abstracts, Assessment of full-text articles, Culmination of the articles deemed appropriate for inclusion.

**Data Analysis and Synthesis**

The analytical process is conducted utilizing: Bibliometric analysis: to discern patterns in scholarly publications, authorship, journals, nations, and prevalent keywords. Thematic analysis: to elucidate and classify principal themes present within the literature (for instance: ISE model, sources of funding, challenges in implementation, sharia framework). Gap analysis: to identify domains that have received insufficient scholarly attention.

**Validity and Reproducibility**

In order to uphold validity: A meticulously documented search protocol should be established. There must be a uniform application of selection criteria throughout the process. An intercoder reliability assessment is necessary when multiple researchers are involved in the selection process. The phases of selection are represented through a PRISMA flow diagram.

**RESULTS OF RESEARCH AND DISCUSSION****Research Results*****Publication Distribution by Year***

Among a total of 65 articles satisfying the inclusion criteria, a discernible trend of increased publication frequency has been observed since 2015, culminating in a marked escalation during the period from 2020 to 2023. This phenomenon indicates a heightened scholarly interest in Islamic Social Enterprise (ISE) as it pertains to addressing challenges associated with sustainable development, Sharia-compliant economics, and Islam-centered social justice.

***Most Popular Journals***

The majority of publications are concentrated in the following journals: Journal of Islamic Marketing (15%), Humanomics (10%), International Journal of Islamic and Middle Eastern Finance and Management (9%). This observation implies that the field of ISE is inherently multidisciplinary, integrating aspects of Islamic studies, social marketing, and development economics.

***Author and Country of Origin***

The author who has contributed the most extensively to the literature is Ahmad Fauzi (Malaysia), with Aisyah M. (Indonesia) following closely behind. In terms of geographical representation, Malaysia (40%), Indonesia (25%), and the United Kingdom (10%) significantly lead in the realm of Islamic Social Enterprise (ISE) studies, thereby underscoring the prominence of academic inquiry within a Muslim-majority context and the Muslim diaspora residing in Western nations.

***Keyword Analysis***

The analysis of co-occurrence reveals five predominant keywords: Islamic Social Enterprise, The waqf, Zakat ,Social Impact, Shariah-compliant. Cluster analysis indicates two principal

methodologies: one grounded in Islamic institutional theory (waqf/zakat), and the other centered on social innovation and ethical entrepreneurship.

## **Discussion**

### **Thematic Findings**

#### ***The Islamic Social Enterprise Model***

A multitude of Islamic Social Enterprise (ISE) frameworks have been delineated, including: Waqf-based enterprises: which integrate waqf assets with frameworks of social business practices. Zakat enterprises: which utilize zakat funds for the purpose of sustainable economic empowerment. Hybrid models: which amalgamate Islamic principles with the tenets of Western social entrepreneurship. This framework illustrates that ISE functions as a conduit between the sharia-compliant social and economic domains.

#### ***Implementation Challenges***

The research elucidates a multitude of obstacles associated with the advancement of Islamic Social Enterprises (ISE): Insufficient regulatory frameworks specific to ISE in several nations Inadequate managerial competencies among leadership Limited public awareness regarding social entrepreneurship principles within the Islamic context Absence of ISE performance evaluation tools that adhere to the objectives of Sharia (maqashid).

#### ***Governance and Accountability***

Numerous scholarly articles underscore the significance of Sharia governance, transparency in information dissemination, and social impact reporting as pivotal metrics for assessing the efficacy of Islamic Social Enterprises (ISE). A majority of empirical studies advocate for the adoption of the Shariah Governance Framework, which is meticulously designed to enhance public trust.

#### ***Digital Integration and Innovation***

The existing body of literature remains deficient in investigating the incorporation of digital technologies, such as blockchain and Islamic crowdfunding, within the governance frameworks of ISE. Nonetheless, this potential holds substantial promise for augmenting transparency and broadening accessibility.

#### ***Analysis of Research Gaps***

Informed by the outcomes of the synthesis, several critical research gaps warrant attention, including: The absence of quantitative research aimed at empirically assessing the social impact of ISE. A dearth of maqashid-based Sharia studies intended as evaluative frameworks. Insufficient international standards pertaining to accountability and governance within ISE. A scarcity of comparative studies across different countries or educational institutions.

#### ***Critical Discussion***

The findings of this review indicate that Islamic Social Enterprise is experiencing rapid growth and possesses significant potential to reconcile Islamic economic principles with social entrepreneurship practices. However, the variability in definitions, methodologies, and implementations across different nations highlights the necessity for: The standardization of concepts and metrics. The enhancement of human resource capacities and institutional support for ISE. The fostering of collaborative efforts among scholars, practitioners, regulators, and the Islamic philanthropic community.

## CONCLUSION

This scholarly investigation has meticulously delineated the terrain of literature pertaining to Islamic Social Enterprise (ISE) over the preceding two decades. The results indicate that: first, there has been a marked escalation in academic engagement with ISE since 2015, primarily catalyzed by the discourse surrounding sustainable development and the imperative for a socially impactful Islamic economic paradigm. Second, the models of ISE exhibit considerable heterogeneity, encompassing waqaf-based methodologies, zakat frameworks, and hybrid approaches integrating contemporary social entrepreneurship tenets, while consistently upholding the maqashid principles of sharia. Third, the predominant challenges confronting ISE include insufficient regulatory frameworks, a deficiency in public literacy and comprehension, as well as constraints in governance and social impact assessment. Fourth, research gaps are evident in the limitations of quantitative methodologies, the absence of maqashid-oriented metrics, and the necessity for comparative analyses across different nations or Islamic institutions. Fifth, the domains of digitalization and technological innovation within ISE remain underexplored, despite the potential of technologies such as blockchain, crowdfunding, and sharia-compliant fintech to amplify the outreach and transparency of ISE entities. This investigation has contributed to the establishment of a more organized conceptual framework for Islamic Social Enterprise. Therefore, it is imperative to formulate a sharia maqashid-based evaluative framework to objectively and uniformly assess ISE performance.

The study offers policy recommendations that include: first, policymakers and governmental bodies should contemplate the formulation of specific regulations that bolster the Islamic Social Enterprise ecosystem, addressing aspects of financing, reporting, and sharia oversight. Second, Islamic financial and philanthropic institutions such as BAZNAS, LKS, and Nazir Waqf ought to integrate ISE principles into programs aimed at empowering the Ummah economically. Third, stakeholders within the ISE sphere are encouraged to implement principles of accountable and transparent governance to enhance public trust. Furthermore, the study puts forth recommendations for future research including: first, the development of a maqashid sharia-based impact measurement model for ISE. Second, the execution of a quantitative empirical analysis of the efficacy of ISE initiatives in empowering local economies. Third, exploratory investigations into the incorporation of digital technologies within ISE, such as digital waqf platforms, Decentralized Autonomous Organizations (DAO), and Islamic social fintech. Fourth, the conduction of cross-national and cross-system studies on Islamic law to examine the variations and harmonization of the ISE concept.

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