

Enhancing the Financial Sustainability of Vulnerable Poor Group Through the Implementation of *Qard Al-Hasan* as i-CSR Mechanisms by Islamic Banking Institutions

Norajila Che Man*, Mohd Faizal P. Rameli

Centre for Islamic Philanthropy and Social Sciences, Academy of Contemporary Islamic Studies, UiTM Cawangan Melaka
Email: norajila.melaka@gmail.com

Wan Noor Hazlina Wan Jusoh

Academy of Contemporary Islamic Studies, UiTM Cawangan Terengganu

Najahudin Lateh

Academy of Contemporary Islamic Studies, UiTM Shah Alam

* *Corresponding Author*

Abstract

The term "vulnerable poor" refers to individuals who experience sudden poverty without being adequately prepared to cope with it. This type of poverty can arise from various factors, such as the loss of income due to economic uncertainties stemming from pandemics or disasters. Consequently, there is a pressing need for a sustainable mechanism that addresses this group's social welfare and economic well-being. Establishing a sustainable and comprehensive i-CSR (Islamic Corporate Social Responsibility) mechanism is crucial to achieving these objectives. This initiative aligns with the Value-Based Intermediation (VBI) introduced by Bank Negara to elevate the function and potential of Islamic banking while also supporting the government's goal of eradicating poverty, as outlined in Goal 1 of the Sustainable Development Goals (SDG) for 2030.

Purpose: To ensure financial sustainability for the vulnerable poor, this study was conducted to explore the CSR mechanisms employed in Islamic banking in Malaysia and to assess the potential of the i-CSR mechanism in facilitating financing for the vulnerable poor from Islamic banks.

Design/methodology/approach: This study adopted the exploratory research method, employing interviews and content analysis of previous studies to gain insights into the concepts of CSR and i-CSR. Authoritative informants were interviewed to obtain their perspectives on CSR and i-CSR-related questions, and the collected data were analysed using content analysis techniques.

Findings: The findings of this study emphasise that the implementation of a standardised i-CSR mechanism in Islamic banking in Malaysia has the potential to significantly contribute to the attainment of the first agenda of the Sustainable Development Goals 2030 namely eradication of poverty. This can be achieved by addressing poverty in its various forms, particularly by empowering the vulnerable poor through increased access to micro-financing opportunities.

Research limitations/implications: This research highlights on Qard al-Hasan as a mechanism of i-CSR in Islamic bank. Further research can explore other i-CSR mechanisms to be use by Islamic bank such as Waqf to affectively aiding various segment in the society.

Practical implications: The proposed model of *Qard al-Hasan* can be used by Islamic Financial Institutions as a whole in structuring their i-CSR activities.

Originality/value: This research contributes to the body of knowledge on improving the financial sustainability of a vulnerable and disadvantaged group through the use of *Qard al-Hasan* as a mechanism within the framework of Islamic banking institutions.

Keywords: CSR; i-CSR; vulnerable poor; Islamic banking

Introduction

According to the United Nations Electronic Government Development Index Survey (UNEG-DI), vulnerable groups are defined as those that include women, the elderly, individuals with disabilities, the poor, young people, refugees, or immigrants. A new word, "vulnerable poor," is used to describe the situation or position of a person who goes from being able not to be able without being prepared to deal with it. Residents in the city, the suburbs, or rural areas can experience this poverty phenomenon (Wan Noor Hayati, 2019). People who live in cities are more susceptible to poverty. Due to the inclusion of the B40 group and a portion of the M40 group, the vulnerable poor population in large cities is comparatively high. Put another way; it is simpler for urban residents to become impoverished because poverty is measured in various ways that have to do with quality of life, education, housing, health, access to information, leisure activities, and overall well-being. Poverty is not limited to purchasing power or the necessities of a food basket anymore (Nazarali, 2021). Due to their inability to save enough money for emergencies, city dwellers with modest economic capacity are in significant danger of falling into the urban poor and vulnerable poor groups. The global pandemic and recent natural disasters have influenced the increasing number of poor and vulnerable people. The rise in the cost of living, layoffs, bad health, and inability to work were some of the causes of these poor, vulnerable people's existence before the pandemic hit the world. The problem has worsened due to the expansion of the COVID-19 epidemic. Due to the ongoing economic uncertainties, more workers are losing employment and income sources. Prof. Dr Laily Paim, a consumer economics expert from Universiti Putra Malaysia (UPM), stated that the social impact on vulnerable households is greater due to their unwillingness to become poor than the already poor or extremely poor (Laily, 2017 as cited in Wan Noor Hayati, 2019). Lifting the vulnerable poor out of poverty with effective programs and support is one strategy that can be used to address the issue of the vulnerable poor.

Entrepreneurial undertakings and businesses have the potential to facilitate poverty alleviation for individuals. The engagement of enterprises in various economic activities holds the potential to effectively alleviate poverty by creating possibilities for individuals with limited abilities, as well as for producers and consumers. (Norhidayati, 2017). The vulnerable poor can improve their income with programs focused on entrepreneurship and entrepreneurial activities until they can finally escape poverty. Government programs to assist the poor and vulnerable can help this group survive. To ensure the sustainability of the aid to this population, the assistance must be appropriate and not only financial (Mahaizura, 2021). A more comprehensive and productive aid will help multiple groups of stakeholders in a more long-term and sustainable manner.

Furthermore, introducing the Sustainable Development Goals 2030 (SDG 2030) in 2015 drew the attention of the major stakeholders in the local and global financial markets to the concept

of providing sustainable and effective community services. The provision of these services will not only improve people's social well-being but also enhance their economy, education, and environment. (Nur Farhah, Nor Razinah, & Engku Rabbiah Adawiyah, 2019). Malaysia's Islamic finance industry is likewise not trailing behind in conducting vigorous operations in line with these SDGs. The purpose of the SDG project is consistent with Maqasid al-Shariah. However, unlike the SDGs, the goal of maqasid Shariah is broader and founded in Islamic beliefs. In this regard, Bank Negara Malaysia has developed a new strategy to promote the development of a more sustainable Islamic financial system, Value Based Intermediation (VBI) in 2017, which better embodies the genuine nature of Islamic banking (Nur Farhah et al., 2019). The VBI project encourages Islamic financial institutions to employ a more systematic framework for creating value and impact, particularly in the economic, social, and environmental domains. (The Star, 2019).

The VBI approach requires Islamic financial institutions, especially Islamic banking, to manifest four VBI principles in their business strategy (Rusni & Fatimah, 2019): entrepreneurial mindset, community empowerment, good self-governance, and best implementation. The goal of the entrepreneurial mindset at the very foundation of VBI is to increase Islamic banking's involvement in facilitating entrepreneurial activities through holistic offerings such as financing and proactive support such as providing advice, market infrastructure, and establishing business networks (Bank Negara Malaysia, 2018). Under this key principle, Islamic banking will be more inventive in offering goods, tools, and business models to empower entrepreneurs (Rusni & Fatimah, 2019). CSR will be implemented more thoroughly and offer value to Islamic banking within the VBI framework. The VBI strategy adopted by banking institutions includes CSR implementation. The bank's CSR program must now be more aggressive and effective and not just concentrate on the elements of donations and contributions.

Although Malaysian Islamic banks are actively implementing CSR initiatives and programs, the level of CSR practices in Islamic banks is still insufficient and deviates from the goals set forth by Islamic economics (Fatimah et al., 2016). Most Islamic banks continue to strongly emphasize CSR initiatives through donations, even though "CSR" is more expansive and not just about giving money. The goal of CSR implementation is not just to distribute funds for social causes but also to give stakeholders joint ownership of wealth (Ali Syukron, 2015). Islamic banking can assist the vulnerable poor using the i-CSR mechanism to enhance CSR implementation and make it more in line with the objectives of the Islamic economy. A social responsibility (recommended CSR) that Islamic banks can carry out is the provision of appropriate goods and services for this group.

Islamic scholars worldwide have discussed whether zakat, waqf, and *Qard al-Hasan* are effective tools for achieving social justice, equality, income redistribution, and poverty eradication (Lukman et al., 2014). All parties involved in the CSR implementation have the chance to amass riches through CSR activities that are progressive and holistic. The establishment of the i-CSR mechanism by Islamic banks is consistent with the fundamentals of VBI, which are founded on the Islamic concept of *fardu kifayah*. According to Islamic beliefs, every Muslim ought to feel obligated to society. This idea enables everyone to possess property fairly and equitably without being exploited by anyone. Islamic banking balances commercial and social considerations and is crucial for producing a socially sustainable economic benefit for the community (Rusni & Fatimah, 2019). Giving financially vulnerable people a choice can help them break free from the cycle of poverty.

The pandemic that has struck the nation and the entire world has indirectly contributed to the country's rising poverty rate. Many people were impacted by the economy's brief shutdown imposed by the Movement Control Order, which has been in effect since March 2020. Although the nation is nearing the endemic phase, COVID-19's impacts have not completely subsided after two years of the pandemic. According to statistics, there were 671.2 thousand unemployed individuals in Malaysia in the first quarter of 2022 (Department of Statistics Malaysia, 2022). Although it has decreased from the previous year, the unemployment rate is still rather high, which is why vulnerable poor groups have become more prevalent.

In conjunction with that, Islamic banks are anticipated to be able to offer financing solutions that can gratify the community's financial needs while ensuring the fulfilment of the maqasid of Shariah. Islamic banks have a way to fulfil their social duty comprehensively and sustainably due to the implementation of the i-CSR mechanism. Islamic banking institutions can contribute to the government's efforts in the objectives of the New Economic Model, which aims to enhance people's quality of life through higher income, inclusive economic opportunities for all communities, and long-term sustainability. By offering appropriate financial products tailored to the needs of the poor and vulnerable, these institutions can play a vital role in achieving these goals. Furthermore, implementing an i-CSR mechanism to assist the vulnerable poor aligns with the Sustainable Development Goals (SDGs) 2030 targets. One of the primary objectives of SDGs 2030 is eradicating all forms of poverty across different levels and regions, making establishing such a mechanism an integral part of the broader agenda for poverty alleviation.

The primary focus of this research revolves around establishing an i-CSR mechanism by Islamic banking institutions in Malaysia. The paper comprises three main sections: an overview of previous studies, the research methodology, and the research findings. In the section discussing past studies, various topics will be explored, including CSR and i-CSR, the goals of SDG 2030, and the situation of the vulnerable poor. The research methodology employed in this study involves interviews to gather essential data, which is subsequently analyzed using the content analysis method.

Literature Review

The Concept of Vulnerable Poor

Poverty is a significant barrier to achieving economic well-being, affecting a substantial portion of the global population, with approximately 40% of the world's 7 billion people facing this challenge. While Malaysia may not be categorised as a poor country, poverty remains a concern and a threat to the nation. Through implementing poverty eradication programs, Malaysia has made significant progress in reducing extreme poverty, achieving a low rate of 0.2% in 2012. Despite the success in reducing extreme poverty, Malaysia still grapples with the issue of urban poverty and relative poverty, manifesting as income inequality between different groups within the country. These remaining challenges highlight the need for continued efforts to address poverty comprehensively and ensure a more equitable distribution of wealth and resources across all segments of society. By tackling these issues, Malaysia can further enhance its economic well-being and foster a more inclusive and sustainable development trajectory.

Households in large urban areas such as Kuala Lumpur need a monthly income between RM4700 (without children) and RM6700 (with one child) to live comfortably. The high cost of living in the city makes this group more depressed than the rural poor. This situation occurs

due to the increased cost of living that is outside the line with the increase in wage rates. The pandemic that has hit the world has also widened the gap between inequality and socioeconomic imbalance (Economic Planning Unit, 2021). This wide socioeconomic gap will cause various economic, social, and stability problems for the country. Poverty can no longer be assessed only using the Average Poverty Line (PGK). This is because Malaysia's poverty has changed from one dimension to multiple dimensions. The measure of poverty has evolved from absolute poverty to relative poverty. (Laily, 2017). Urban poverty is far more concerning than rural poverty because it is no longer confined to rural areas. The Malaysian government's move to revise the poverty measure aligns with the country's current situation. Revision of the PGK limit is essential in revealing the reality of poverty behind the progress achieved by the country (Syahir, 2020). Accurate definitions can help the government plan and implement effective poverty alleviation programmes for each category. This move aligns with the current challenges and provides a more accurate representation of poverty, which is vital for designing targeted and efficient poverty reduction initiatives.

In Malaysia, while the absolute poverty rate has shown a positive trend, decreasing from 7.6% in 2016 to 5.6% in 2019, the issue of relative poverty is on the rise. Relative poverty refers to households with incomes below the relative poverty limit, which is determined based on the current distribution of household income in the reference year (Department of Statistics Malaysia, 2020). The 2020 Estimated Household Income and Poverty Incidence report released by the Department of Statistics Malaysia sheds light on the initial impact of the COVID-19 pandemic on households in the country. This report provides an overview of how the pandemic has affected household incomes and poverty incidence in Malaysia, highlighting the importance of monitoring and addressing the challenges posed by such crises to ensure the well-being and economic security of vulnerable populations. The increase in relative poverty signals the need for targeted policies and interventions to address income inequality and protect those most affected by economic shocks, such as the COVID-19 pandemic.

The poverty rate has increased from 5.6% to 8.4% in 2020, with approximately 640,000 households in poverty. The report also shows that 78,000 households are in extreme poverty, i.e., those who earn less than the poverty line income for food. All levels of society were affected by this health and economic disaster; the average household income fell by 10.3% to RM7,089. Meanwhile, the median household income decreased by 11.3% to RM5,209 monthly. The income earned by this intermediate household is lower than the income earned in 2016. The Gini coefficient, which measures the income inequality gap among households in Malaysia, also shows an increase. The Gini coefficient has increased from 0.407 in 2019 to 0.411 in 2020 (Ekonomi Rakyat, 2021).

Various factors lead to poverty in the country. Among the factors that create poverty in the country are the increase in the cost of living (Wan Noor Hayati, 2019), the economic and financial system based on usury or debt (Mohd Nazari, 2019), the failure of government policies, the attitude of individuals who are lazy to work hard, age factors, less physical ability (Kartini, 2016) and most recently the spread of the epidemic globally which has hampered the world's economic activities (Nur Hasliza, 2020). The classification of poverty is not limited to urban poverty or rural poverty. There is a new classification of poverty which is vulnerable poverty which can be termed as a group that can 'fall poor' or lack ability overnight due to layoffs, disability, indebtedness, and loss of the head of the family (Syahir, 2020; Wan Noor Hayati, 2019).

The definition of vulnerable varies by discipline. In the economic context, vulnerability is focused on the household's risk of falling into poverty. Vulnerability is the inability to maintain consumption levels and, at the same time, maintain a minimum level of wealth when faced with income shocks (Laily, 2017). The vulnerable poor refers to households that have lost their means or become poor due to unexpected factors without being prepared to face them. Vulnerable poverty is now a new issue that the authorities must address. The prevailing economic instability, in conjunction with the global pandemic, has resulted in a rise in the population of economically disadvantaged individuals within the nation. If left unchecked, the problem of vulnerable poverty will persist in its expansion.

Implementation of CSR in Islamic Banking

In Islam, engaging in business activities is considered a responsibility that must be fulfilled to safeguard the community's economic well-being. By adopting corporate social responsibility (CSR), business entities can effectively work towards achieving these objectives. Islamic banking, one such business entity, ensures that economic welfare and social justice are upheld. The dynamic changes brought about by globalization, economic crises, financial innovations, and technological advancements have significantly transformed the banking sector's business activities (Musdiana et al., 2012).

The financial crisis has had a negative impact on public confidence in the financial system, leading to a tarnished image of financial institutions. These institutions have taken proactive steps to regain public trust and improve their reputation by embracing corporate social responsibility (CSR) initiatives. These CSR efforts aim to demonstrate their commitment to social and economic welfare while adhering to the principles of Islamic finance. Bursa Malaysia has established a CSR framework that mandates corporate companies, including financial institutions in Malaysia, to follow specific guidelines. Under this framework, financial institutions have implemented CSR activities in four categories: environment, workplace environment, community, and market (Musdiana et al., 2012). Regarding environmental CSR activities, financial institutions have undertaken awareness campaigns related to recycling, tree replanting, forest preservation, environmental pollution control, conservation of endangered animal species, and financing green technology projects. Furthermore, financial institutions have shown their concern for employees by providing a conducive workplace environment. Activities falling under this category include providing training opportunities, sponsoring research, ensuring health and safety care, and safeguarding workers' rights (Musdiana et al., 2012).

Financial institutions, particularly Islamic banks, aim to fulfil their social responsibilities following Islamic principles by actively engaging in CSR activities. This includes seeking long-term economic benefits and aligning their actions with the teachings of the Quran and Sunnah, which emphasize social responsibility. The formation of Islamic Corporate Social Responsibility (i-CSR) is grounded in three fundamental principles: caliphate/caliphate, divine accountability, and *Amar Makruf Nahi Mungkar*. These principles underscore the importance of individuals fulfilling their social duties, and Islamic banking, as a representative entity, is expected to be actively involved in meeting these responsibilities. Islamic banking was established not solely for profit but also to address social needs. Therefore, it is highly encouraged for Islamic banking institutions to implement CSR activities as an integral part of their business operations. These activities may include various forms of donations (financial or non-financial), volunteering efforts, the development of ethical products, awareness campaigns, and environmental conservation initiatives (Bakar & Yusof, 2016; Musdiana et al.,

2012; Sujana, 2013). Islamic banking indirectly fulfils its primary objectives by engaging in these CSR activities. It aligns with the overarching goals of establishing Islamic banking, which goes beyond mere financial gains and encompasses social welfare and ethical considerations.

Islamic banking is compelled to fulfil its social responsibilities for two key reasons, as highlighted by Sayd Farook (2015). Firstly, Islamic banking implements corporate social responsibility (CSR) to meet the demands of *fardu kifayah* for Muslims. *Fardu kifayah* refers to communal obligations that cannot be fully met by individual efforts alone. As a corporate entity, Islamic banking takes on a collective duty to solve societal demands and promote community welfare. Islamic banking plays a vital role in fulfilling these wider responsibilities through its organizational activities, such as investments and incorporation. Secondly, Islamic banking acts as an exemplar for the community. By practicing CSR, Islamic banking sets a positive example for other institutions and individuals, encouraging them to adopt socially responsible practices. As a prominent entity in the financial sector, Islamic banking has the potential to influence the fairness of distribution and contribute to a more equitable society through its transactions and activities.

In addition to fulfilling communal obligations and setting an example of societal responsibility, Islamic banks have a compelling reason to actively engage in CSR activities to ensure the sustainability of their business. Some scholars advocate for implementing the social bank model in CSR practices (Shifa et al., 2016). Moreover, Islamic banks must carefully select appropriate CSR initiatives to guarantee the long-term survival of their businesses, as emphasized by Tuhin (2014). To achieve more comprehensive goals, scholars suggest integrating CSR within a broader framework (Fatimah et al., 2016). Islamic banking possesses significant potential to educate individuals and society on the importance of justice in all aspects of life, given its position as an exemplary institution. The actions taken by Islamic banks have far-reaching effects on individuals, other organizations, and society, making their role in promoting positive change and social welfare even more significant. By embracing CSR, Islamic banks can contribute to their sustainability, positively impact the wider community, and promote ethical practices in the financial industry.

Qard al-Hasan in Islamic Banking Institutions

Islamic scholars argue that *Qard al-Hasan* is one of the CSR instruments that can be implemented by Islamic banking institutions because the elimination of usury is considered an important part of adding value to society (Zakaria Ali & Thankom, 2014). This view is supported by a study conducted by Ahmad Zainal Abidin (2011) and Noraini (2011) who said that the majority of informants in their study agreed that the implementation of *Qard al-Hasan* would increase CSR because the purpose of *Qard al-Hasan* is to help individuals in need. Ahmad Zainal Abidin (2011) argues that if Islamic banking institutions wants to achieve its socioeconomic goals, it is crucial for Islamic banking institutions to provide products based on *Qard al-Hasan*. Therefore Islamic banking institutions needs to offer *Qard al-Hasan* as a response to the public response that Islamic banking institutions is a socially responsible business entity.

Islamic banking institutions in Indonesia have gone a step ahead of Malaysia in offering *Qard al-Hasan* products under CSR initiatives. Most Islamic financial institutions in Indonesia or also known as Shariah banking, offer *Qard al-Hasan* as one of the financial products along with other financing such as *musyarakah*, *mudharabah*, *ijarah*, *rahn* and so on. Muh Awal Satrio (2015) argues, Islamic financial institutions (IFI) that have offered *Qard al-Hasan* are

considered to have implemented CSR in their business operations. IFIs in Indonesia have also implemented CSR using funds obtained from zakat and *Qard al-Hasan* (Ach Baihaki & Evi Malia, 2017; Dwi Rahayu, 2017). Muslims in Indonesia are accustomed to giving their zakat without going through zakat institutions. Due to this habit, *Qard al-Hasan* financing can be placed under the CSR program which can simultaneously change the pattern of channeling social funds (infaq, sadaqah, *Qard al-Hasan*) from a grant form to a more productive form (Ach Baihaki & Evi Malia, 2017; Dedi Riswandi, 2015). Among the CSR programs implemented using zakat and *Qard al-Hasan* funds are the development of entrepreneurship, the provision of business capital assistance for micro-entrepreneurs, business guidance or assistance, the development and convenience of circular fund programs, the establishment of a series of business groups (business centers) and the development and strengthening of Islamic microfinance institutions. The study by Ach Baihaki (2017) also found that Islamic banking has implemented CSR by mobilizing zakat and *Qard al-Hasan* funds even though special accounting expertise for *Qard al-Hasan* does not yet exist in the institution.

In the context of banking, *Qard al-Hasan* is a financing product that does not take advantage of loans and is given for the purpose of benevolence and help. *Qard al-Hasan* also refers to a debt that is free of any benefit or return to the debtor or known as a loan without benefit (Agus, Novita, & Danes, 2015; Irawan & Arimbi Mardilla, 2012; Nurudeen, Norfaiezah, & Ram Al-Jaffri, 2016; Taudlikhul, 2017). *Qard al-Hasan* is a debt contract based on expecting Allah's reward, avoiding usury and finding halal and legal sources (Agus et al., 2015). Although there is no additional charge in the *Qard al-Hasan* contract, it is permissible for the muqtarid (borrower) to give an additional return on the *Qard al-Hasan* loan as long as it is not stated in the prior agreement. The additional amount given by the borrower is a grant to the creditor and not usury (Mohammed Obaidullah, 2008). This is because *Qard al-Hasan* financing is a loan without benefit and not a loan given for free (Agus et al., 2015). The borrowed debt needs to be repaid according to a predetermined period and the creditor does not pressure the debtor to pay it immediately (Huma Rehman, Amani Moazzam, & Nighat Ansari, 2015). Therefore, *Qard al-Hasan* is a transaction made to help individuals in distress meet their financial needs without any additional charges.

If it can be noted, there are many productive and competitive banking and financial products that have been produced by IFIs (Hizamuddin, 2012). These products are produced to meet the financial needs of individuals as well as communities. IFIs can play a role in providing financial products that seek to help reduce poverty (Wan Noor Hazlina & Anita, 2015) especially for the poor and the poor to change their fate and that of their families in order to get out of the vicious cycle of poverty. Among other things, such as providing financial facilities for starting a business or microfinance products. Both of these groups really need financial assistance from IFIs in changing their standard of living. However, these groups are usually afraid to apply for financing from banks because they are worried that their applications will be rejected or due to their inability to provide collateral (Wan Noor Hazlina & Anita, 2015). Thus, financial products that suit these groups are needed.

Qard al-Hasan products are financing products that are suitable for both groups. However, *Qard al-Hasan*-based products are less popular than other financing (Ach Baihaki & Evi Malia, 2017). Even *Qard al-Hasan* products are not offered widely around the world because most financial institutions and banks are not very interested in providing *Qard al-Hasan* services (Muhammad Akhyar & Firdaus, 2006). Among the reasons given is that banks operate on the basis of profit-motivated business, while the implementation of *al-Qard al-Hasan* is more to

benevolence and voluntary and does not bring profit to the bank. Therefore, the Qard al-Hasan product is only a product provided by Islamic cooperatives only.

Research Methodology

This study adapts the method of qualitative exploratory research through the method of interviews and content analysis of previous studies to understand the concept of Qard al-Hasan and CSR. This study used the method of experiential research based on phenomenological studies to obtain the necessary information regarding the implementation of CSR and Qard al-Hasan at IFIs. In this study, primary and secondary data were collected through the method of interviews and research on literature related to CSR and Qard al-Hasan. Primary data obtained from the method of interviews was conducted with informants who were authorized to discuss the issue of Qard al-Hasan and CSR. The questions that were asked to the informants focused on the form of CSR implementation, product offerings based on Qard al-Hasan, the usefulness of the Qard al-Hasan principle in the formation of CSR products or programs and other questions that correspond to the theme of the study. Secondary data was also obtained through research of literature, scholarly books, journal articles and so on especially in the field of Islamic banking, CSR and also Qard al-Hasan.

Data Collection

The sources of qualitative data for this study can be categorized into two, namely primary data and secondary data. To gather primary data, a technique involving conducting interviews with several knowledgeable respondents and looking up supporting documentation for CSR and i-CSR will be used. Secondary data, on the other hand, will be obtained using library research and documentation methods. These techniques are used to acquire facts and figures about the ideas of CSR and i-CSR. The information and data gathered will cover both current applications of Islamic jurisprudence and the academic interpretations of religious scholars.

Library Study and Documentation

Information about the theories and principles of CSR and i-CSR is gleaned from primary data sources, such as the Quran and Sunnah, as well as books, journals, articles, theses, and works of early scholars, through library and documentation research. The initial data collected consists of CSR and i-CSR-related evidence from the Quran and Sunnah. These two key sources of information provide proof that Islamic principles are appropriate for creating i-CSR methods. The validity of the i-CSR idea is supported in this study by Quranic verses pertaining to Islamic funding mechanisms and welfare.

Additionally, an analysis of the yearly financial reports of Islamic banking institutions is done to learn more about the *zakat*, *infaq*, and *Qard al-Hasan* funds used by Islamic banks, as well as information about corporate social responsibility disclosure and corporate social reporting.

Interview Series

The semi-structured interview strategy used in this study includes the formulation of an interview protocol with a set of questions to be asked. These inquiries are developed based on themes found in the key findings of earlier research and related theories. Based on the purposive sampling technique, the respondents chosen for the interview were chosen. The semi-structured interview method was used for this study because it is more adaptable and allows informants to express their opinions to the researcher without being constrained by a predetermined response format.

Selection of Informants

Developing an interview protocol with a list of questions is part of this study's semi-structured interview technique. These questions are created based on themes discovered in the main conclusions of prior research and related concepts. The informants chosen for the interview were selected using the purposive sampling technique. The semi-structured interview method was chosen for this study because it is more flexible and allows informants to elaborate on their thoughts to the researcher without being limited or restricted by specific answer formats.

Table 1: Informants Selection Criteria

Informants	Criteria and Selection of Informants
Academicians	<ul style="list-style-type: none"> i. Has an educational background in Islamic studies, especially in the field of Shariah. ii. Specialization in the field of Islamic economics or Islamic banking or Muamalat.
Industry practitioner	<ul style="list-style-type: none"> i. Shariah Board Member for Islamic Banking or Shariah Officer, ii. Officers who are directly involved with the formation of products in Islamic banking, iii. Officers who are directly or indirectly involved with the CSR program for the bank

Based on Table 1, the selected informants must possess knowledge of CSR implementation within their respective institutions or banking products and operations, or Muamalat. The number of informants is determined based on the preceding categorizations until data saturation is achieved. Creswell (2007) suggests interviewing between 5 to 25 informants, while Morse (1999) recommends interviewing at least 6 informants to reach data saturation during data collection. Six informants in total were questioned as part of this study. Two informants are bank executives who are actively involved in banking operations, while four informants are academic experts who also serve as Shariah advisors for certain Islamic institutions. The list and details of the informants are provided in Table 2 below.

Table 2: List and Information of Informants

Informant	Code	Category
Informant 1	i-1	Academician / Shariah advisor of the bank
Informant 2	i-2	Academician
Informant 3	i-3	Academician/ Shariah advisor of the bank
Informant 4	i-4	Academician / Shariah advisor of the bank
Informant 5	i-5	Bank executive
Informant 6	i-6	Bank executive

Data Analysis

The data collected were analyzed using content analysis methods. The findings of this study encompass existing CSR activities, financing modalities by banks, the need for social financial financing, and suitable i-CSR mechanisms for vulnerable poor groups. To analyze the data collected, content analysis techniques are employed. Utilizing Atlas.ti version 8 software, the

information gathered through the analysis of the documentation and interviews was examined. Theme categories that had been established by the study questions were used to segregate the transcribed interview data. Word-based content analysis and a code-based methodology were used to analyze this data. Some of the codes that received attention were the aspects of i-CSR, the concept and application of VBI, and the structure of entrepreneurship-focused initiatives for the most vulnerable poor.

The interview results obtained as general text are processed to obtain more specific codes. This study's two coding forms are emergent coding (codes that result after transcript research) and a priori coding (codes that are available based on theory or research questions). The codes obtained using emergent coding are microfinancing, waqf, *Qard al-Hasan* and vulnerable poor, while the codes available based on the research questions are CSR and i-CSR. Since this study makes the research question the basis of code construction, this study is analyzed using the deductive method. All collected data were evaluated using coding techniques and features in Atlas.ti. Collecting conceptual codes is used to form a structured framework related to CSR and i-CSR. The three steps performed to analyze the data using Atlas.ti for this method are shown in Figure 1.

To generate more precise codes, the interview findings that were collected as general text are processed. The two coding methods used in this study are a priori coding (codes that are available based on theory or research questions) and emergent coding (codes that come about because of transcript investigation). Microfinancing, waqf, *Qard al-Hasan*, and vulnerable poor are the codes obtained via emergent coding; while CSR and i-CSR are the codes that are available based on the research questions. Since this study uses the research question as the foundation for code development, it is analyzed using a deductive method. All collected data are assessed using coding techniques and features within Atlas.ti. The set of conceptual codes obtained serves as the basis for constructing a structured framework related to CSR and i-CSR. Three steps are taken to analyze data using Atlas.ti for this method, as illustrated in Figure 1.

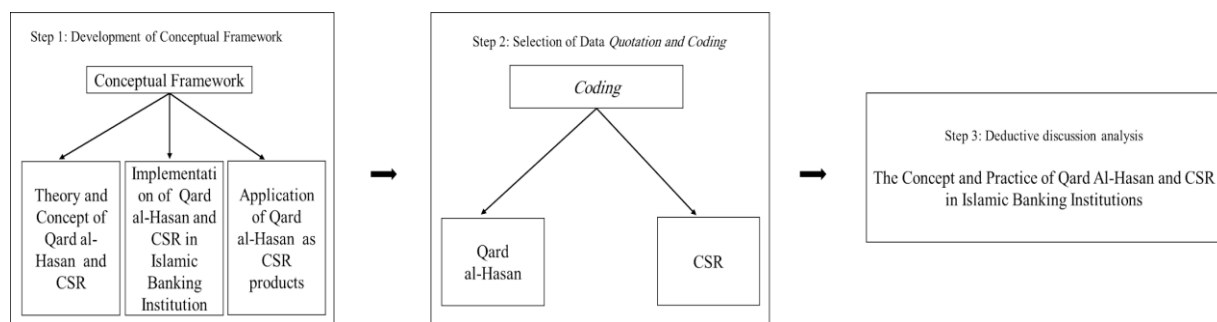


Figure 1: Deductive Data Analysis Steps Using Atlas.ti

The first step involves the creation of a conceptual framework. In this initial step, the author conducts research on theories and concepts related to *Qard al-Hasan* and CSR in general within the banking institution. Subsequent research is focused on the implementation of CSR and *Qard al-Hasan* within Islamic bank, as well as how the *Qard al-Hasan* principle is applied as a CSR mechanism by Islamic bank.

The second step involves the selection of quotations and the coding of data resulting from the research in the first step. Coding conducted on the reviewed documents will be focused on two main themes: i) CSR and ii) *Qard al-Hasan*. From these two main themes, the author further

develops more specific codes related to both concepts. Codes related to the CSR and *Qard al-Hasan* theme are depicted in Figure 3 below:

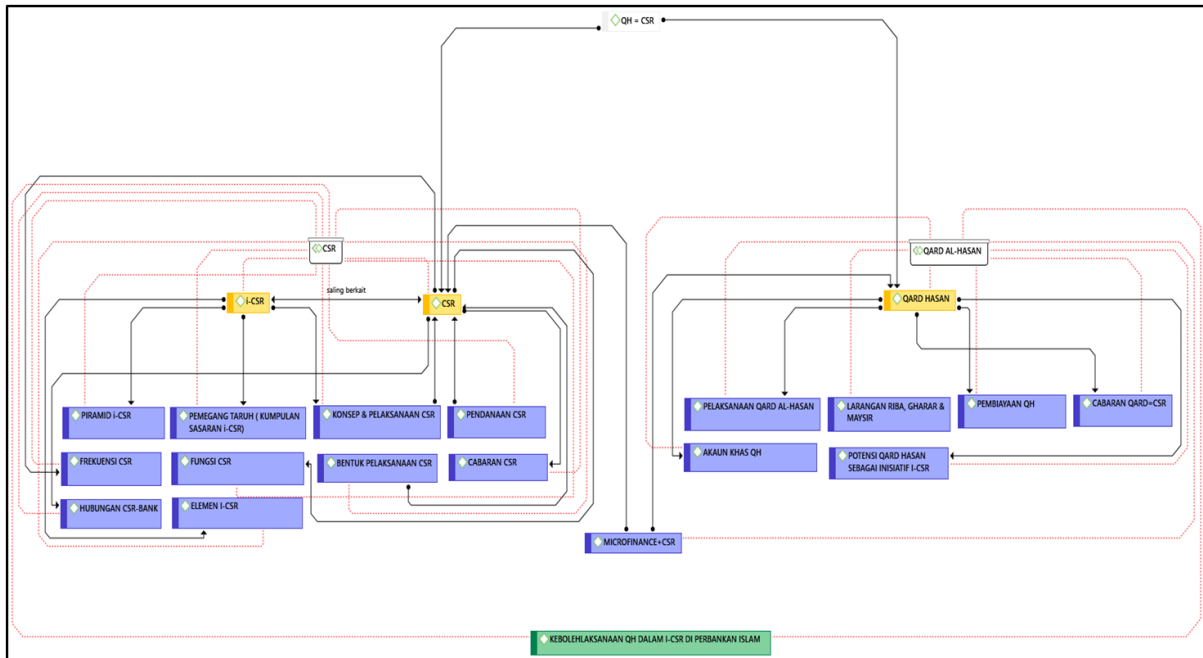


Figure 2: Coding of CSR and *Qard al-Hasan* Themes

The inductive method was also used in this study to obtain general data. Atlas.ti was utilized to review prior research studies, resulting in the acquisition of the initial dataset concerning CSR and i-CSR. The initial dataset was obtained through the application of the 'open code' function within Atlas.ti. Codes extracted from previous studies, such as 'interest-free loans,' 'tabarru,' 'profits,' and 'micro-financing,' were among the examples. The coded data was then organized into 'concepts' that align with the study's objectives. The data organized by 'concepts' were interconnected and logically structured to offer a theoretical foundation for this investigation. This process was iterated until layers of data were established across various 'concepts' pertinent to the study. These data layers were subsequently grouped into appropriate categories and analyzed until reaching saturation, whether at the 'concept,' 'category,' or 'theoretical' level. This methodology is illustrated in Figure 4.

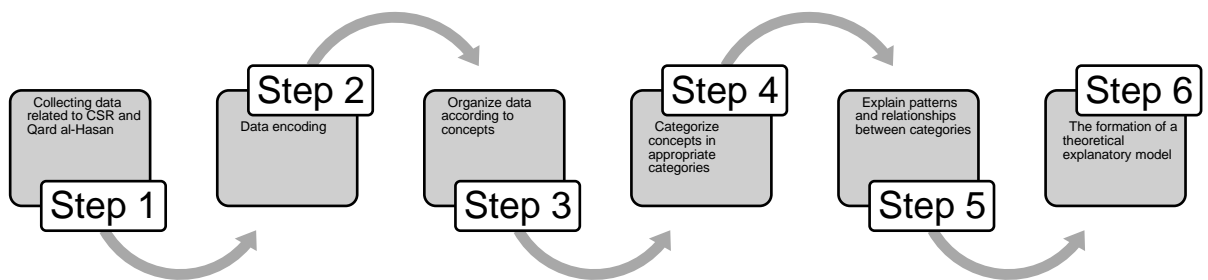


Figure 3: Inductive Study, Data Analysis Steps Using Atlas.ti

Inductive analysis is the opposite of deductive analysis, which starts with a theory or hypothesis and tests it against specific data. Inductive analysis is often used when there isn't a pre-existing theory or when researchers want to explore a topic without any preconceived notions. The inductive coding process is depicted in Figure 5 below:

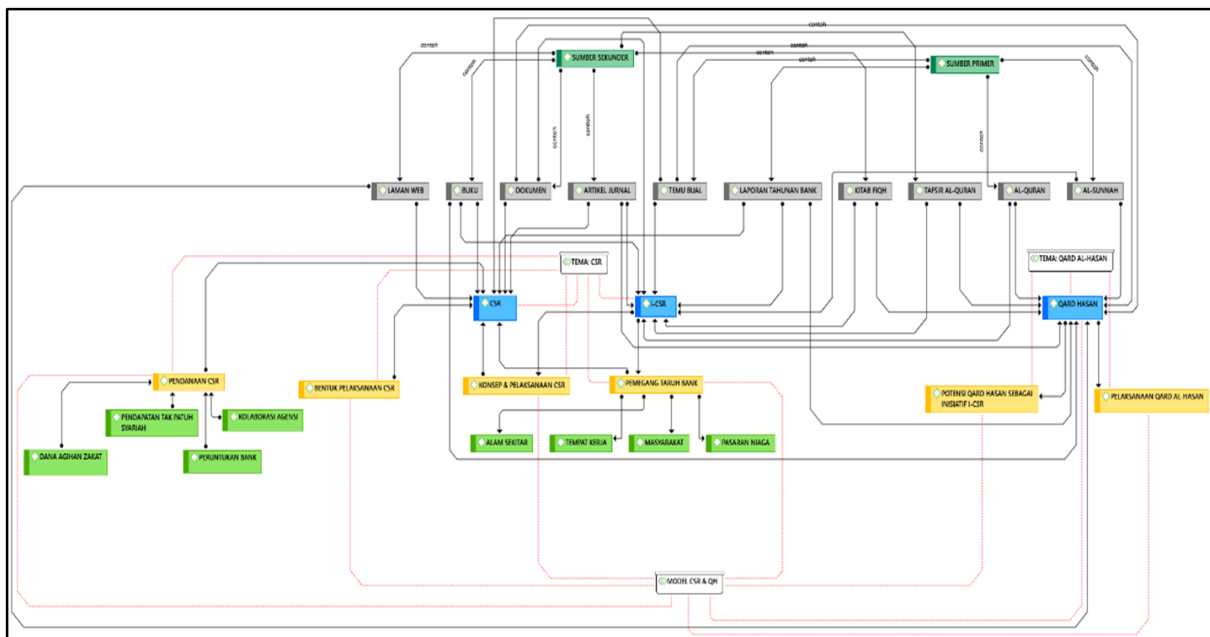


Figure 4: Inductive Coding Process in Atlas.ti

Based on Figure 5, there are six steps that need to be taken in analyzing the general data of CSR and *Qard al-Hasan*. The research data was obtained from two primary sources: primary data and secondary data. The acquired data was then categorized into two main themes: CSR and i-CSR. The coded data was organized according to related concepts and sub-themes. Under the CSR theme, two key data concepts emerged: CSR and i-CSR. Both concepts were further expanded into several related sub-themes, including concepts and implementation, forms, stakeholders, and funding of CSR. Meanwhile, under the i-CSR theme, the coded data was organized under the concept of i-CSR and further developed into two sub-themes: the concept, elements, pyramid, and focus groups of i-CSR. The codes from the CSR and i-CSR concepts were then analyzed to establish connections between these two categories, aiming to provide theoretical explanations and formulate a mechanism of i-CSR.

Findings and Discussions

To achieve the goal of financial sustainability for the vulnerable poor, this study was conducted to:

- (i) Explore the i-CSR mechanism used in Islamic banking in Malaysia.
- (ii) Assess the potential of *Qard al-Hasan* as an i-CSR mechanism in helping the vulnerable poor obtain financing from Islamic banking.

The execution of CSR within Islamic banking extends beyond mere material aspects, encompassing spiritual elements delineated by Islamic Shariah. It places significant emphasis on societal welfare and benefit, while concurrently acknowledging individual needs and desires. Adherence to Shariah principles fosters heightened sensitivity among Muslims towards ethical, moral, and virtuous values. Islamic Shariah provides a comprehensive framework of values and ethics that encompasses all facets of human existence. Consequently, the implementation of CSR is intricately linked with the value system established by Islamic Shariah. Furthermore, CSR initiatives must factor in the preservation of the five maqasid Shariah objectives (religion, life, reason, dignity, and property) in accordance with the level of maslahah (necessity, desirability, and embellishment) during their implementation.

Islamic banking engages in CSR activities across four primary tiers of responsibility: economic, legal, ethical, and philanthropic. These CSR endeavors within these four responsibility tiers are directed towards the well-being of four distinct stakeholder groups: the workforce, the business market, the local community, and the environment. Each bank activity is centered on these key stakeholder clusters, necessitating the bank's economic and legal responsibility towards both the workforce and the business market stakeholders. Furthermore, banks are compelled to ensure that business operations in alignment with Shariah principles and ethical standards are advantageous for all stakeholder groups. Ethical and philanthropic responsibilities are geared towards the implementation of CSR initiatives benefitting the community and environmental stakeholders. Therefore, it is recommended that Islamic banking institutions implement each tier of the Islamic social responsibility pyramid according to the relevant stakeholder group, ensuring the comprehensiveness and overall benefit of the CSR activities undertaken.

The execution of i-CSR varies across individual Islamic banks, contingent upon the specific beneficiary groups and the financial resources available to the respective institutions. However, i-CSR initiatives within Islamic banking entities predominantly encompass a spectrum of financial and non-financial contributions and endeavors (i-1, i-3, i-5, and i-6). The formulation and execution of the i-CSR program and its associated activities are tailored to address the distinct needs and preferences of the corresponding stakeholders. Each bank is associated with its unique set of stakeholders, characterized by distinct characteristics and preferences (i-1, i-2, i-4, & i-6).

The community represents a key stakeholder group in the context of CSR implementation by Islamic banks. In essence, society has a legitimate claim to benefit from the bank's sense of responsibility (Ismail et al., 2015). As a community-oriented entity, Islamic banks carry the obligation of enhancing the community's well-being within the framework of its business operations. Overall, the implementation of CSR by Islamic banks contributes to the enhancement of the local community's well-being and socio-economic conditions. Nevertheless, there is room for improvement in the current execution of CSR by Islamic banking to make it more effective and sustainable.

Initiatives such as providing financial assistance to micro-industries have the potential to elevate the living standards of the community, including those who are economically vulnerable, such as unbankable customers. This inclusivity ensures that every individual or group can actively participate in the nation's modernization efforts. Vulnerable segments often encounter difficulties in securing bank loans due to their limited capacity for loan repayment. However, this marginalized group should not be excluded solely based on their financial constraints, as every individual has the right to enhance their quality of life. Hence, Islamic banking presents an opportunity to positively impact the destiny of this group through the implementation of i-CSR.

Microfinancing assistance, as part of i-CSR mechanisms, can be extended to support economically vulnerable individuals. The introduction of *tabarru'*-based products like *Qard al-Hasan* has the potential to alleviate poverty rates within the nation. This is particularly pertinent in countries like Malaysia, where micro and small enterprises play a pivotal role in poverty reduction. Typically, these micro-scale enterprises are managed by individuals striving to break free from the constraints of poverty. These micro and small enterprises often require

modest capital to operate. Nevertheless, the challenge lies in securing financial support from banking institutions, given the relatively modest size of these businesses. Financial institutions tend to favor companies with well-established and robust financial portfolios and plans, which leaves micro and small entrepreneurs with limited opportunities to access capital assistance. *Qard al-Hasan* can be applied to Islamic bank CSR initiative to provide more sustainable and resilient social financial products. The proposed *Qard al-Hasan* Application Model in the i-CSR Initiative is shown in Figure 7 below:

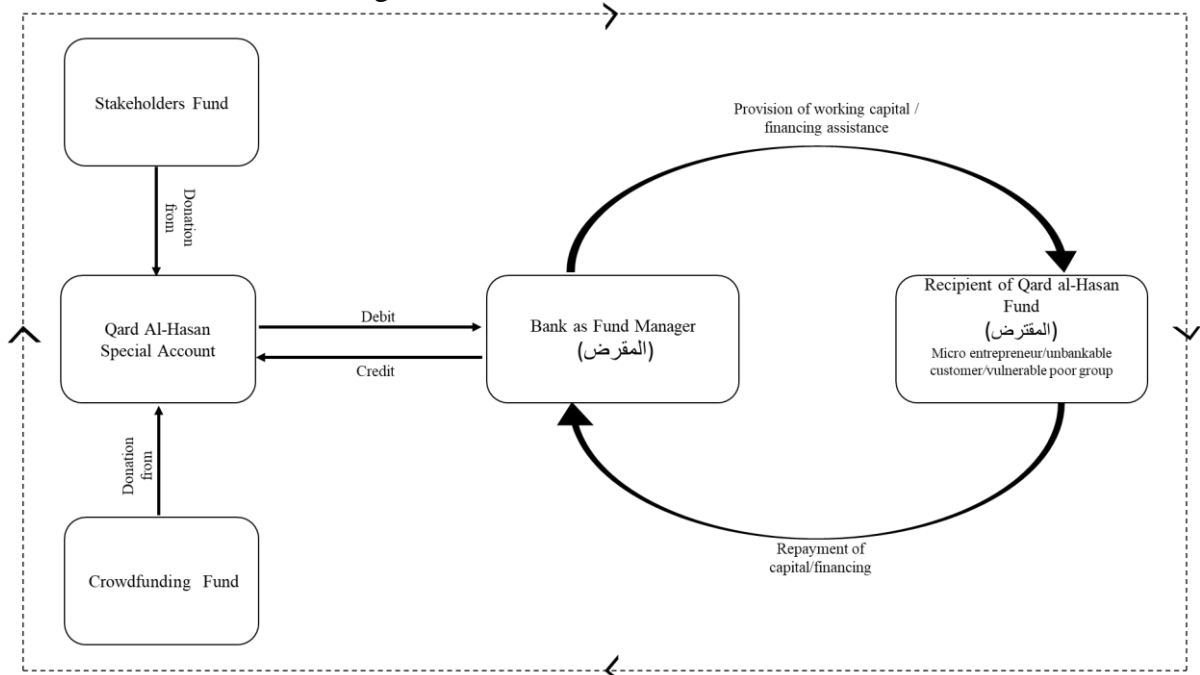


Figure 5: *Qard al-Hasan* and i-CSR Application Model (QHiSRA Model)

The proposed QHiSRA model can be used by Islamic bank to provide social financial products to those in need under the CSR initiative. *Qard al-Hasan* is a benevolent loan contract. Therefore, this contract is more suitable for use in the bank's CSR initiative compared to commercial products. Islamic bank, as a responsible business entity, is responsible for ensuring that its business operations are profitable. Since the foundation of the *Qard al-Hasan* loan contract is the absence of any additional charge on the capital provided to the borrower, offering products based on the *Qard al-Hasan* contract does not yield significant profits for Islamic bank. Hence, the *Qard al-Hasan* contract is suggested to be applied in social financing and financial products.

Microfinancing under the *Qard al-Hasan* contract offers a means for banks to facilitate financial inclusion for vulnerable poor groups. For instance, Bank Islam Malaysia Berhad (BIMB) under Sadaqa House has introduced the BangKIT microfinancing program aimed at assisting economically vulnerable individuals in accessing financial services (i-6). The BangKIT Micro Financing program provides accessible microfinancing to segments of society who may not qualify for conventional banking financing facilities but require working capital or capital expenditure financing (Norajila et al., 2021). Through the BangKIT microfinancing program, borrowers not only receive financial support but also benefit from practical business training and expert mentoring to aid in establishing and managing their businesses (Bank Islam Malaysia Berhad, 2021). Through the provision of social and financial products that are rooted

in corporate social responsibility (CSR) procedures, marginalized and poor populations are afforded the opportunity to break free from the confines of poverty.

The business operations will be a tool to raise their standard of living, and as their business expands, they will eventually be able to assist more community groups in need (i-6). Islamic banking institutions can introduce innovative products such as *Qard al-Hasan*-based micro-financing to micro, small and medium enterprises as one of their CSR mechanisms (i-4). Welfare loans can help the vulnerable poor obtain financing from Islamic banks more easily than commercial loans (i-6). Since the basis of the contract is a loan (*Qard*), the borrowers still need to repay the loan. However, there is no additional charge on the loan, and the bank does not pressure the borrower too much with the loan (i-3, i-4, and i-6). The vulnerable poor can use the loan to change their living standards through entrepreneurial activities.

Conclusion

The incorporation of i-CSR initiatives by Islamic banks in Malaysia is fundamentally aligned with the principles of Islamic Shariah. Bank Islam, in its implementation of CSR, transcends mere economic objectives and extends its focus to encompass spiritual and moral dimensions. The motivation behind Islamic banks' commitment to CSR stems from a deep-seated understanding of human obligations and responsibilities as stewards (caliphs), a devout commitment to Allah SWT, and a sense of brotherhood among Muslims. This holistic approach to CSR by Islamic banking is underpinned by the belief that genuine success, both for individuals and organizations, is epitomized by "*al-Falah*," signifying success in both the worldly and the hereafter realms.

Furthermore, Islamic banks in Malaysia have aligned their CSR initiatives with the guidelines outlined by Bursa Malaysia and Bank Negara Malaysia. Bursa Malaysia mandates that every company in Malaysia implementing CSR should prioritize four key stakeholder groups: the workforce, the business market, the local community, and the environment. In adhering to these guidelines, Islamic banks in Malaysia execute their CSR activities and programs in a manner that addresses the specific needs and interests of each of these stakeholder groups. Each bank accountholder receives individualized attention through programs tailored to meet their distinct needs and preferences.

The primary modes of CSR implementation by Islamic banks encompass both monetary and non-monetary avenues, including grants, donations, scholarships, contributions, sponsorship of events and activities, as well as environmental conservation initiatives. Generally, each CSR activity undertaken and executed by Islamic banks has a positive impact on all stakeholders involved. The commitment of Islamic banks in Malaysia to fulfilling their social responsibilities is evident in their substantial funding of CSR programs. Each Islamic bank has allocated significant resources for CSR activities, tailored to their capacities. Moreover, these banks employ diverse strategies to secure adequate funds for the execution of their CSR initiatives.

Sources of CSR funding for Islamic banks are typically derived from various channels, including the bank's dedicated budget allocation, the establishment of specialized CSR funds or accounts, partnerships with government agencies, crowdfunding initiatives, and utilization of Zakat funds. Effective and judicious management of CSR funds ensures the sustainable and comprehensive implementation of these programs, benefiting all stakeholders involved.

To ensure the continued stability and sustainability of CSR implementation, Islamic banks must proactively develop i-CSR mechanisms rooted in *Qard al-Hasan*. These mechanisms hold the potential for seamless integration into CSR initiatives within Islamic banking in Malaysia, delivering substantial benefits to the bank's stakeholders, particularly those facing poverty and economic vulnerability who deserve equitable opportunities. By offering more effective CSR products, banks can discharge their social responsibilities in a sustainable and enduring manner. In doing so, Islamic banking indirectly advances its fundamental objective of promoting social welfare and economic well-being for all stakeholders, with a particular focus on society at large.

References

- Ali Syukron. (2015). CSR dalam Perspektif Islam dan Perbankan. *Jurnal Ekonomi Dan Hukum Islam*, 5(1), 1–22.
- Ach Baihaki, & Evi Malia. (2017). Analisis Pembiayaan Qardhul Hasan Sebagai Aplikasi Corporate Social Responsibility Entitas Lembaga Keuangan Syari'ah. *Wacana Equilibrium*.
- Ahmad Zainal, A., Norhayati, M. A., & Noraini, M. A. (2011). A Case Study on the Implementation of Qardhul Hasan Concept as a Financing Product in Islamic Banks in Malaysia. *International Journal Of Economics, Management & Accounting*, (19), 81–100. Retrieved from <http://journals.iium.edu.my/enmjurnal/index.php/enmj/article/view/201/158>
- Agus, S. U., Novita, K. M., & Danes, Q. O. (2015). Financial Determinants of Qardhul Hasan Financing Growth: Evidence from Islamic Bank in Indonesia. *Global Review of Islamic Economics and Business*, 3(1), 38–45.
- Bakar, F. A., & Yusof, M. A. M. (2016). Managing CSR initiatives from the Islamic perspective: The case of Bank Islam Malaysia Berhad (BIMB). *Jurnal Pengurusan*, 46.
- Bank Islam Malaysia Berhad. (2021). Pembiayaan Mikro BangKIT – Bank Islam Malaysia Berhad. Retrieved August 11, 2021, from Bank Islam Malaysia Berhad website: <https://www.bankislam.com/corporate-info/social-finance-bank-islam/pembiayaan-mikro-bangkit/>
- Creswell, J. W. (2007). Qualitative Inquiry & Research Design: Choosing among five approaches. In *Sage Publications, Inc.* (Vol. 2).
- Dwi Rahayu. (2017). Analisis Pembiayaan Qardhul Hasan dalam Rangka Mewujudkan Good Corporate Governance di BMT Syamil Ampel (Institut Agama Islam Salatiga). Retrieved from http://e-repository.perpus.iainsalatiga.ac.id/2470/1/TA_DWI_RAHAYU_201-14-034.pdf
- Ekonomi Rakyat. (2021, August 18). Kadar Kemiskinan Naik Kepada 8.4% Pada 2020, Ketidaksamaan Semakin Melebar | Ekonomi Rakyat. *Ekonomi Rakyat*. Retrieved from <https://ekonomirakyat.com.my/kadar-kemiskinan-naik-kepada-8-4-pada-2020-ketidaksamaan-semakin-melebar/>.
- Fatimah Noor Rashidah, M. S., & Rusnah, M. (2016). Corporate Social Responsibility (CSR) and Islamic Banks: A Synthesis of Literature Review. *International Conference on Accounting Studies (ICAS)*, (August). <https://doi.org/10.1016/j.sbspro.2013.04.058>
- Hizamuddin, J. (2012). Responsible Banking & Corporate Responsibility.
- Huma Rehman, Amani Moazzam, & Nighat Ansari. (2015). Role of Microfinance Institutions in Women Empowerment: A Case Study of Akhuwat, Pakistan. *South Asian Studies*, 30(1), 107.
- Ismail, M., Alias, S. N., & Rasdi, R. M. (2015). Community as a stakeholder of Malaysia's corporate social responsibility programme: outcomes in community development. *Social*

- Responsibility Journal*. <https://doi.org/10.1108/SRJ-05-2013-0053>
- Irawan, F., & Arimbi Mardilla, A. (2012). The Impact of Qardhul Hasan Financing Using Zakah Funds on Economic Empowerment (Case Study of Dompét Dhuafa, West Java, Indonesia). *Asian Business Review*, 1(1), 15–20. Retrieved from <http://journals.abc.us.org/index.php/abr/article/view/Febianto>
- Jabatan Perangkaan Malaysia. (2020). *Laporan Survei Pendapatan Isi Rumah dan Kemudahan Asas 2019*. Retrieved from https://www.dosm.gov.my/v1/index.php?r=column/cthemeByCat&cat=120&bul_id=TU00TmRhQ1N5TUxHVWN0T2VjbXJYZz09&menu_id=amVoWU54UTl0a21NWmdhMjFMMWcyZz09
- Jabatan Perangkaan Malaysia. (2022). *Kenyataan Media Statistik Tenaga Buruh Malaysia, Suku Pertama dan Mac 2022*. Kuala Lumpur.
- Kartini, A. T. (2016). Dilemma Kemiskinan: Falsafah, Budaya dan Strategi. *Akademika*, 86(02), 65–78. <https://doi.org/10.17576/akad-2016-8602-05>
- Laily, P. (2017). *Kemiskinan dan Kerentanan: Penelitian Konsep dan Pengukuran dalam Era Revolusi Industri 4.0*. Serdang: Penerbit UPM.
- Lukman, R., Ashok, P., & Ismail, A. (2014). Corporate Social Responsibility, Waqf System and Zakat System as Faith-based Model for Poverty Reduction. *World Journal of Entrepreneurship, Management and Sustainable Development*, 10(3), 228–242. <https://doi.org/10.1108/WJEMSD-09-2013-0052>
- Mahaizura, A. M. (2021). Ringan Beban Miskin Bandar. Retrieved August 9, 2021, from Harian Metro website: <https://www.hmetro.com.my/mutakhir/2021/04/698789/ringan-beban-rentan-bandar>.
- Mohammed Obaidullah. (2008). *Introduction to Islamic Microfinance*. New Delhi: IBF Net (P) Limited.
- Mohd Nazari, I. (2019). Masalah Kemiskinan di Malaysia: Punca dan Penyelesaian. *Astro Awani*, pp. 1–13. Retrieved from <http://www.astroawani.com/berita-malaysia/masalah-kemiskinan-di-malaysia-punca-dan-penyelesaian-216007>.
- Morse, J. M. (1999). Qualitative methods: The state of the art. *Qualitative Health Research*, 9(3), 393–406. <https://doi.org/10.1177/104973299129121938>
- Muhammad Akhyar, A., & Firdaus, F. (2006). Evaluasi Non Performing Loan (NPL) Pinjaman Qardhul Hasan (Studi Kasus di BNI Syariah Cabang Yogyakarta). *JAAI*, 10(2), 155–171.
- Musdiana, Mohamad Salleh, Nabsiah, & Abdul Wahid. (2012). Corporate Social Responsibility (CSR) in Malaysian Banking Industry: An Analysis through Website of Six Banking Institutions. *Elixir Marketing Management*, 50, 10225–10234.
- Nazarali, S. (2021). “Miskin bandar lagi susah.” *Harian Metro*. Retrieved from <https://www.hmetro.com.my/utama/2021/02/672171/miskin-bandar-lagi-susah>.
- Noraini, M. A., & Muhammad Akhyar, A. (2011). Malaysian Islamic Bankers’ Perceptions of al-Qard al-Hasan. *Review of Islamic Economics*, 15(2), 97–111.
- Norajila, C. M., Mohd Faizal, P. R., Wan Noor Hazlina, W. J., & Nuruul Hidayah, M. (2021). Kelestarian Kewangan Sosial Golongan Miskin Rentan Melalui Mekanisme I-CSR Berasaskan Qard al-Hasan. *Journal of Business Innovation*, 6, 15–26. Retrieved from *Qard al-Hasan, i-CSR, Miskin rentan*.
- Norhidayati, N. M. (2017). Potensi dan Peranan Program Berorientasikan Perniagaan dan Keusahawanan dalam Membasmi Kemiskinan di Malaysia. In *Social Sciences Postgraduate International Seminar (SSPIS)* (pp. 684–691). Retrieved from http://eprints.usm.my/41162/1/ART_94.pdf.
- Nur Farhah, M., Nor Razinah, M. Z., & Engku Rabiah Adawiyah, E. A. (2019). Leading Towards Impactful Islamic Social Finance: Malaysian Experience with The Value-Based

- Intermediation Approach. *Al-Shajarah*, 2019(Special Issue Islamic Banking and Finance 2019), 69–87.
- Nur Hasliza, M. S. (2020, December 9). Covid-19 lahirkan golongan ‘miskin baru.’ Retrieved February 8, 2021, from Malaysia Now website: <https://www.malaysianow.com/berita/2020/12/09/covid-19-lahirkan-golongan-miskin-baru-kata-ahli-ekonomi/>.
- Nurudeen, A. Z., Norfaiezah, S., & Ram Al-Jaffri, S. (2016). The Moderating Effects of Financial Inclusion on Qardhul Hasan Financing Acceptance in Nigeria: A Proposed Framework. *International Journal of Economics and Financial Issues*, 6(Special Issue (S7)), 143–148.
- Sayd Farook. (2015). On Corporate Social Responsibility of Islamic Financial Institutions. *Islamic Economic Studies*, 15(1), 31–46.
- Shifa, M. N., Ruzita, A. R., & Zizah, C. S. (2016). The Potentials of Internalising Social Banking among the Malaysian Islamic Banks. *Environment, Development and Sustainability*, 18(2), 347–372. <https://doi.org/10.1007/s10668-015-9651-0>
- Sujana, A. (2013). Corporate Social Responsibility in Malaysian Banks: Offering Islamic Banking. *Journal.Sapub. Org/Mm*, 3(7), 434–439. <https://doi.org/10.5923/j.mm.20130307.14>
- Syahir, S. (2020, July 15). Menyingkap tirai kemiskinan di Malaysia. Retrieved February 8, 2021, from Sinar Harian website: <https://www.sinarharian.com.my/article/92336/KHAS/Pendapat/Menyingkap-tirai-kemiskinan-di-Malaysia>.
- Tuhin, M. H. (2014). Does Corporate Social Responsibility Expenditure Affect the Financial Performance of Islamic Banks in Bangladesh? *Middle East Journal of Business*, 9(2), 44–50. <https://doi.org/10.5742/mejb.2014.92385>
- Wan Noor Hayati, W. A. (2019). Faktor Semasa Tingkat Miskin Rentan. Retrieved February 6, 2021, from BH Online website: <https://www.bharian.com.my/berita/nasional/2019/04/548333/faktor-semasa-tingkat-miskin-rentan>.
- Wan Noor Hazlina, W. J., & Anita, M. S. (2015). *Microfinance: Viable Approaches for Islamic Banking Implementation*. 2(3), 197–206.