



Maqasid al-Shariah and Organizational Performance: A Systematic Literature Review

Dasmadi^a, Syamsul Hadi^b, Yang Junchu^c, Nabila Wahyuningtyas^d, Ratna Sesotya Wedadjati^e

^{a*} Sekolah Tinggi Ilmu Ekonomi Aprin

^{b, d} Universitas Sarjanawiyata Tamansiswa

^c Guangxi Minzu University

^e Sekolah Tinggi Pembangunan Masyarakat Desa

Keywords:

Maqasid al-Shariah, Religious, Life, Intellectual, Posterity, Wealth, Performance.

JEL Classification: G21; N35; O34, P36

Article History:

Received: 11 December 2023

Revised: 22 December 2024

Accepted: 17 December 2024

Published: 17 January 2025



Citation:

Dasmadi et al. (2024). *Maqasid al-Shariah and Organizational Performance: A Systematic Literature Review*, 12(1), 60-73.
<https://doi.org/10.14421/grieb.2024.122-03>

Abstract: This study aims to develop a Pentagon-shaped ethical Measurement framework based on Maqasid al-Shariah to assess organizational performance. The study employed a systematic literature review approach, analyzing scholarly works related to Maqasid al-Shariah and organizational performance. The study identified relevant studies from 2015 to 2024 using databases such as Scopus. The study found that Maqasid al-Shariah is a comprehensive ethical framework for evaluating organizational performance. The findings suggest that integrating Maqasid al-Shariah into performance measurement enhances organizational credibility, corporate governance, and long-term sustainability. This study provides a Pentagon-shaped ethical Measurement framework based on Maqasid al-Shariah for evaluating organizational performance. Unlike previous studies that mainly focus on financial performance, organizations can utilize Maqasid al-Shariah principles to develop a more balanced and sustainable performance assessment model. The study underscores the role of Maqasid al-Shariah in promoting social welfare, economic justice, and ethical business practices. Adopting a multidimensional performance framework contributes to long-term economic sustainability, fair wealth distribution, and corporate social responsibility (CSR).

Introduction

Islam is a *rahmatan lil 'alamin* (mercy to the worlds), as stated in the Qur'an, Surah Al-Anbiya (21:107): "And We have not sent you (Muhammad) except as a mercy to the worlds." The concept of *rahmatan lil 'alamin* promotes a mutually beneficial sense of brotherhood among humanity, including in economic aspects, by prioritizing social welfare. Islamic principles in business activities are rooted in ethical values that seek the collective well-being of society, explicitly prohibiting interest (*riba*), uncertainty (*gharar*), and gambling (*maysir*) (Habiburrahman et al., 2020). A seminal contribution to this field is the perspective of Abdul Malik al-Juwaini, a prominent scholar credited with introducing the theory of *maqasid* (higher objectives of Islamic law), which was later developed by Imam Al-

*Corresponding author.

dasmadi@stieaprin-plg.ac.id (Dasmadi)

<https://doi.org/10.14421/grieb.2024.122-03>



This is an open access article under the CC-BY-SA license

Ghazali (505 H/1111 CE) and further refined by Al-Syatibi (790 H/1388 CE) within the framework of *Maqasid al-Shariah* often conceptualized through the Pentagon-Shaped Ethical Measurement model. Linguistically, *maqasid* is the plural form of *qasd*, meaning intention, objective, or goal, while *shariah* refers to the divine laws. Thus, *Maqasid al-Shariah* signifies the objectives and purposes of Islamic law to promote human welfare and prosperity (Sa'diyah et al., 2021). *Maqasid al-Shariah* has been widely embraced across various sectors globally, contributing to enhancing welfare (*jab al-masalih*) and preventing harm (*dar'a al-mafasid*). Generally, *Maqasid al-Shariah* ensures that all sectors, including finance, manufacturing, industry, and services, contribute to the improvement of human well-being, the eradication of corruption (Widiastuti et al., 2019), and the overall stability of social and economic systems (Ibnu Ashur, 1945). Furthermore, its application enhances organizational credibility, performance, and stakeholder trust, carrying significant implications for policy and management within Islamic finance (Abdulrahman et al., 2024).

The values derived from Islamic jurisprudence, conceptualized as *rahmatan lil 'alamin* (a mercy to the world), can provide valuable insights for studies on organizational performance in economic and business contexts. Specific inquiries into performance are crucial for the business sector and society (Hadi et al., 2024; Houldsworth et al., 2021; Madhubashani et al., 2021). Islam remains relevant across all eras and geographical locations, demonstrating its adaptability to social changes while upholding universal shariah principles. The study on the urgency of *Maqasid al-Shariah* in shaping organizational performance stands out due to its unique approach and comprehensive evaluation framework, offering both academic and practical contributions. Unlike previous studies, which generally focused on broader categories such as shariah-related disclosures or overall organizational performance (Tubarad et al., 2022), this study specifically examines Islamic banking performance from the Maqasid perspective (Mahyudin & Rosman, 2022).

Furthermore, the development of a *Maqasid*-based performance index presents an innovative approach that transcends traditional financial metrics by incorporating ethical, social, and environmental dimensions to provide a holistic assessment of organizational performance (Aisah et al., 2024). The study on *Maqasid al-Shariah* by Tarique et al. (2021), serving as the core basis for Tubarad et al. (2022), integrates the *Maqasid al-Shariah* frameworks of Abu Zahrah and Al-Ghazali. However, to date, Al-Ghazali's *Maqasid al-Shariah* framework remains the most consistent and serves as the principal dimension in the conceptual analysis of this study. Numerous articles explore *Maqasid al-Shariah* from the perspectives of wealth, posterity, intellect, faith, and the human self, yet they predominantly emphasize financial performance. Notably, no existing studies inclusively examine *Maqasid al-Shariah's* organizational performance from a non-financial perspective. This finding is further supported by the bibliometric analysis conducted by Tubarad et al. (2022), covering studies from 2006 to 2021, revealing that current studies remain primarily focused on the financial services sector.

Evaluation is essential in all organizational activities to maintain balance across all phases, from planning and organization to implementation. Bedoui and Mansour (2015) proposed the application of *Maqasid al-Shariah* principles through the Pentagon-shaped ethical Measurement, consisting of five key dimensions: wealth, posterity, intellect, faith, and the human self. This approach should be regarded as a pivotal trend in performance evaluation, as it has been substantiated by numerous studies linking *Maqasid al-Shariah* to various sectors, including Banking and Finance (Hidayat et al., 2019; Julia & Kassim, 2019; Monawer et al., 2022; Tarique et al., 2021; Zaman et al., 2019), Technology and Engineering (Ibrahim et al., 2018, 2019), Sociology and Education (Moneim, 2018), Environment (Abu Bakar et al., 2017), Public Policy, Governance, and Legislation (Mukhibad et al., 2020), Halal Industry (Mohd & Husni, 2017), as well as Medical and Bioethics sectors (Hamdan et al., 2021). Bedoui & Mansour (2015) explicitly assert that organizations that prioritize material or financial objectives at the expense of broader welfare (*Maqasid al-Shariah*) are considered to have poor performance. This is because the classical perspective on organizational performance remains centered mainly on financial

indicators, such as costs, return on assets (ROA), sales, asset turnover, return on investment (ROI), market share, inventory turnover, profit margin, revenue growth, economic value added (EVA), and the cash-to-cash cycle (Galankashi & Rafiei, 2021). Conversely, the performance perspective based on *Maqasid al-Shariah* emphasizes *rahmatan lil 'alamin* (a mercy to the world) extends beyond the financial sector. It adopts a multidimensional approach, encompassing a broader scope that aligns with the Islamic ethical vision of justice, welfare, and equity. *Maqasid al-Shariah* is inherently interdisciplinary, focusing on the practical application of *Shariah* governance integration with modern organizational practices (Alam et al., 2023). Moreover, it promotes long-term sustainable development by adopting socially responsible and ethically grounded business practices (Witro, 2021), ensuring the effective integration of ethics and sustainability into organizational objectives (Aisah et al., 2024).

Based on this empirical research gap, this article presents a conceptual framework analysis of the interaction between Islamic perspectives and organizational performance using Al-Ghazali's Pentagon-Shaped Ethical Measurement. This is the first study to examine the relationship between social and economic aspects (non-financial performance) using a systematic literature review approach. The study proposes the following key research questions: 1) *To what extent can the concept of Maqasid al-Shariah be utilized as a comprehensive performance measurement framework for organizations?* 2) *What are the key statements in measuring Maqasid al-Shariah and organizational performance?*

Literature Review and Hypothesis Development

Al-Ghazali's theoretical framework has been widely applied across diverse domains, reflecting its versatility in addressing contemporary issues within Islamic finance and socioeconomic development. Febriadi et al. (2020) applied Al-Ghazali's theory to predict Muslim investors' decisions in Islamic mutual funds, demonstrating the intersection of religious ethics and economic behavior. Similarly, Mukhibad et al. (2020) utilized the theory to assess the implementation of Islamic *maqasid* in banking operations, underscoring the capacity of Islamic ethical principles as a guideline for the conduct of financial institutions. Mergaliyev et al. (2021) explored the role of Muslim population indicators, CEO duality, and shariah governance in organizational performance, demonstrating the applicability of Al-Ghazali's framework in evaluating governance structures. Hudayati and Tohirin (2019) extended this application by employing the theory to measure Islamic banking performance, proposing its adaptation to zakat institutions with contextual adjustments. In urban development, Pupils (2019) applied Al-Ghazali's theory to predict the effectiveness of Smart City tools in Depok, West Java, integrating Islamic ethics into technology-driven governance. Ali & Hasan (2019) utilized the theory to develop a Socioeconomic Development Index, underscoring the capacity of Islamic values to assess socioeconomic progress. Rasool and Salleh (2019) explored non-monetary poverty in Malaysia, using Al-Ghazali's framework to emphasize the significance of spiritual well-being and social justice. Lastly, Kasri and Ahmed (2019) employed the theory to assess socioeconomic development in Indonesia, advocating for policies based on *Maqasid Syariah* principles. These studies demonstrate the broad and adaptable application of Al-Ghazali's theory, offering valuable insights into finance, governance, and social development from an Islamic perspective.

Maqasid al-Shariah is traditionally divided into three levels of needs, namely primary needs (*al-Daruriyyat*), secondary needs (*al-Hajiyyat*), and tertiary needs (*al-Taḥsiniyyat*). The principle of *Maqasid al-Shariah* refers to the basic needs of humans that form the foundation for the creation of well-being in this world and the hereafter. If these needs are neglected, then harmony and order cannot be realized, resulting in total loss in the afterlife. Imam Abū Hamid al-Ghazali, a prominent and highly respected reformer of the fifth century Hijrah, classified *Maqasid al-Shariah* into five main categories and stated, "Anything that ensures the protection of these five components aligns with the public interest and is desirable, while anything that harms them contradicts the public interest and its removal is

desirable." Several studies, including [Baharuddin et al. \(2019\)](#), [Chapra \(2008\)](#), [Kasri & Ahmed \(2019\)](#), [\(Widiastuti et al., 2019\)](#), [Alam et al. \(2015\)](#) also support these five classifications. This approach addresses the need for a more comprehensive and adaptive ethical evaluation that considers modern challenges such as environmental sustainability, technology ethics, and global interdependence. By expanding the traditional framework, the Pentagon-shaped concept allows Islamic ethics to remain relevant in addressing evolving social, economic, and technological issues while ensuring that Maqasid al-Shariah continues to provide meaningful guidance in today's complex world. The following are the five classifications of Maqasid al-Shariah:

1. Faith (*Ad-Din*): All Muslims must worship Allah SWT and seek truth and justice. This principle must be upheld under all circumstances.
2. Life (*Al-Nafs*): Respect for human life necessitates its permanent preservation and protection.
3. Intellect (*Al-Aql*): The distinction between right and wrong conduct is facilitated through freedom of thought, assembly, and expression. Shariah encourages the pursuit of knowledge to ensure the intellectual development of Muslims.
4. Posterity (*Al-Nasb*): Duties and legal obligations must be carried out to respect human beings based on the sanctity of life (as it extends to future generations).
5. Wealth (*Al-Mal*): Economic justice, particularly in matters of monetary management, wealth distribution, and wage system.

According to [Bedoui and Mansour \(2015\)](#), the maqasid al sharia approach can be represented geometrically through a five-axis spider graph, forming a five-pillar pentagon, as shown in Figure 1.

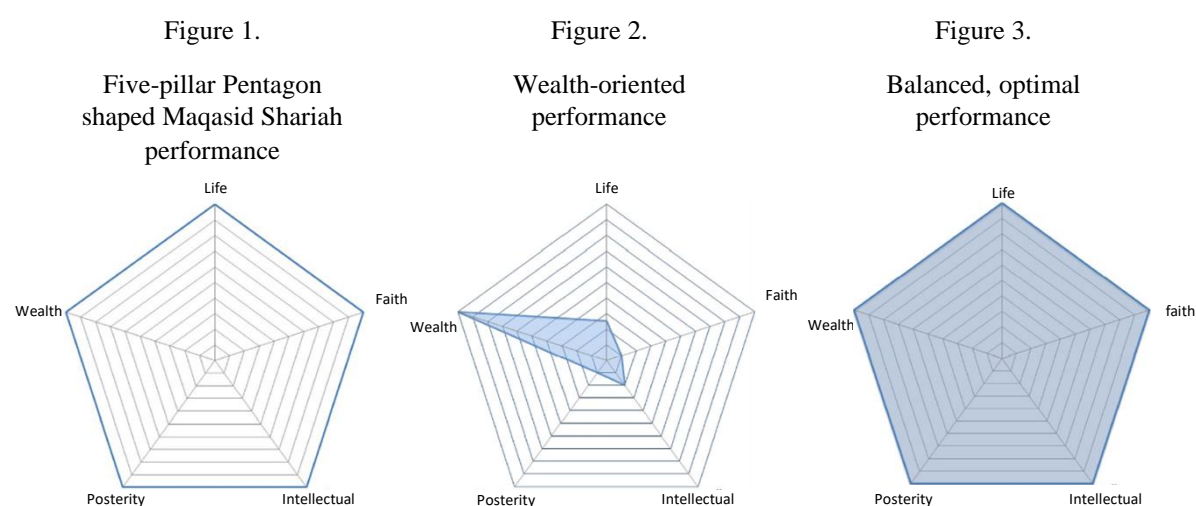


Figure 1 illustrates a regular pentagon with five vertices. Each vertex corresponds to one of the objectives of Maqasid al-Shariah. The center point, representing zero, signifies that an entity lacking any Maqasid al Sharia objectives demonstrates no performance. Figure 2 depicts a scenario where an entity prioritizes wealth maximization, resulting in suboptimal achievement of other objectives. From a Maqasid al-Shariah perspective, this constitutes poor performance. Conversely, Figure 3 illustrates balance and optimization from a Maqasid al-Shariah perspective, the idealized scenario presents a fully shaded pentagon, signifying optimal performance. This, however, remains a theoretical construct and is difficult to empirically document. In practice, the objective of wealth acquisition often overshadows the other Maqasid al-Shariah objectives, namely faith, life, intellect, posterity, and wealth.

Research Methods

The authors conducted an extensive review using the Scopus database to identify relevant studies adapted from Sarkar et al. (2021). Articles were searched using the keywords "Maqasid AND Sharia AND Performance". These databases were chosen for their broad coverage of interdisciplinary research, including ethics, religion, and management, ensuring access to a wide range of relevant, peer-reviewed studies. While this selection captures most of the key literature, some studies in specialized or non-English journals may have been overlooked. However, the selected databases were sufficient for gathering this review's most relevant and credible sources.

The article selection process involved a search within "all fields", covering the period from 2015 to 2024, and employing the keywords "Maqasid AND Sharia AND Performance." This search resulted in the identification of 1,309 documents. The initial search was refined by excluding results from "article titles, abstracts, and keywords", yielding 50 documents. Subsequently, only documents classified as "articles" were retained, resulting in 33 articles. All remaining articles were required to be in English. Lastly, a selection of "open-access" articles was made for in-depth analysis, culminating in 16 open-access articles. The complete selection process is illustrated in Figure 2, adhering to the PRISMA framework, as follows:

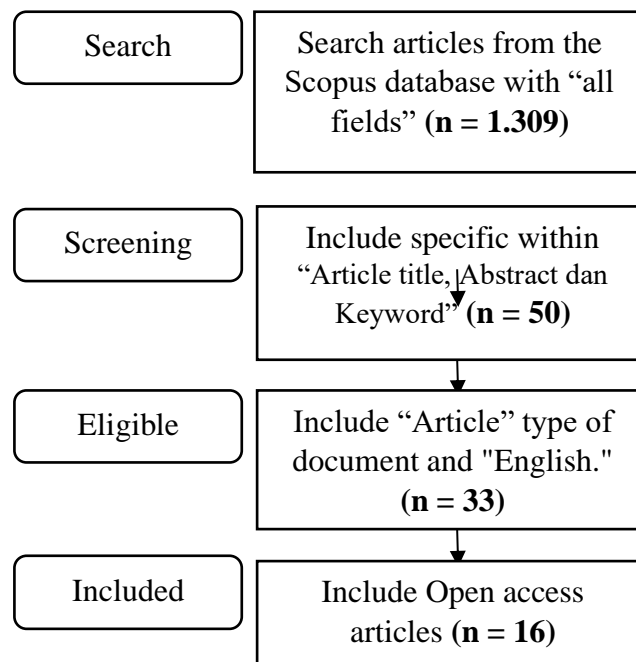


Figure 2. Systematic Literature Review information flow using PRISMA

Analysis and Discussion

To what extent can the concept of Maqasid Shariah be utilized as a comprehensive performance measurement framework for organizations?

Religious and Performance

The Qur'anic verse, "By the time, indeed, mankind is in loss, except for those who have believed and done righteous deeds and advised each other to truth and advised each other to patience" (QS. Al-'Asr [103]: 1-3), underscores the significance of religiosity in an individual's life, serving as the foundational premise for this study. In this study, religiosity is proxied by the individual, reflecting a person's beliefs and religious behaviors. Previous studies, such as those conducted by Lu & Wu (2020),

found that entrepreneurs with higher religiosity exhibit better performance. This is because religiosity encourages individuals to invest in external networks, such as recruiting Chief Information Officers (CIOs) for company management and enhancing welfare by providing health and safety insurance. The study suggests that religiosity influences an individual's mindset and contributes to decision-making that directly impacts organizational performance.

Additionally, [X. Li et al. \(2020\)](#) demonstrate the effect of the religious atmosphere as a moderator that can enhance organizational performance in China. Their findings indicate that a positive religious atmosphere moderates the relationship between certain factors and organizational performance. Thus, the religious atmosphere is crucial in improving performance outcomes. This finding is consistent with previous findings regarding the significance of religious values in organizational settings.

[Öhlmann \(2021\)](#) also demonstrates that individual religiosity has a significant and positive effect on performance. This finding further strengthens the conclusion that religiosity plays a role in personal development and improves performance outcomes across various contexts, both in academic and professional environments. Furthermore, a study by [Alinaghi Faghihi et al. \(2021\)](#) reveals that religious attitudes have a significant positive effect on academic achievement, with a coefficient of 0.32 and an indirect effect of 0.048. These results suggest that religious attitudes can function as a supportive factor in attaining achievements, both in academic and other areas. [Kurniawati et al. \(2020\)](#) also provide evidence that religiosity has an effect on the performance of Small and Medium Enterprises (SMEs) in Surabaya, Indonesia. This indicates that religiosity can strengthen the competitiveness and performance of small-scale organizations, positively impacting local economic growth. Based on these findings, it can be concluded that religiosity plays a significant role in enhancing both individual and organizational performance. However, it is crucial to recognize that the effect of religiosity on performance is not linear and can be influenced by various contextual factors, such as organizational culture and the socio-environmental context. Therefore, further studies involving various moderating and mediating variables would be beneficial in identifying conditions that may either strengthen or weaken the relationship between religiosity and performance.

Life and Performance

QS Al-Ankabut: 64 and QS Al-A'laa: 17 posit that the quality of life in this world is considered meaningful if it is oriented toward the Hereafter. Otherwise, it is merely *لَعِبٌ* (a mere amusement) or *لَهْوٌ* (a wasteful indulgence). This aligns with quality of life theory in organizational management, suggesting that true well-being is achieved when work has a purpose beyond material success. QS Al-Ankabut: 64 reminds us that worldly life is temporary, reinforcing that employees focusing on deeper values, ethical behavior, and meaningful goals experience greater fulfillment and motivation. Meanwhile, QS Al-A'laa: 17 underscores the enduring relevance of integrity and righteousness, supporting the notion that organizations should uphold ethical leadership and a value-driven work environment. By integrating these principles, organizations can create a sustainable and meaningful workplace that enhances both individual well-being and long-term performance, ensuring that work is not merely a *لَهْوٌ* (a wasteful indulgence) but a purposeful pursuit.

Quality of life in the organization plays a crucial role, including reducing employee turnover rates. A study conducted by [Nauman et al. \(2020\)](#) demonstrates that employee turnover is reduced when employees experience a higher quality of life and contribute to performance improvement. This underscores the significance of managers and leaders at work to meet the needs of employees for a comfortable quality of life based on worship at work. The quality of life and performance study conducted by [Mohammadi and Karupiah \(2020\)](#) at private and public universities in Malaysia indicates that a good quality of life in private and public universities has a positive relationship with academic performance and achievement. This study holds significant promise by offering practical

recommendations for higher education managers to pay attention to the quality of life of lecturers and academic staff to achieve high work performance. A study conducted by López-Martínez et al. (2021) demonstrates that quality of life accounts for 64.9% of the variance in work performance among physicians at the Mexican Institute of Social Security in Chiapas, Mexico, indicating a direct positive correlation. Likewise, a study conducted by Kurniawati et al. (2020) found a positive impact of quality of life on the performance of SMEs in Surabaya, Indonesia. These findings collectively suggest a preliminary hypothesis that quality of life has a positive effect on performance.

Intellectual and Performance

No human being is highly qualified to change the world without being equipped with knowledge because the elevation of a person's degree is through knowledge. "*Yarfaillahulladzina Amanu Minkum Walladzina Utul Ilma Darajat*" (QS. Al Mujdah. 11), which means: Allah will raise some degrees of those who believe among you and those who are given knowledge (*ilmu*) several degrees. This study uses the concept of knowledge management as the empirical study conducted by Rashidalipour et al. (2019) demonstrates that intellectual and knowledge management elements significantly predict organizational performance. Furthermore, Putro & Imanianti (2020) underscores the impact of knowledge sharing, demonstrating that knowledge sharing affects business innovation and encourages organizational performance. Similarly, Zamfir (2020) and Singh et al. (2021) demonstrate that knowledge transfer has an effect on the company vision, continuous learning, and organizational performance. Lastly, C. Li et al. (2020) demonstrate that dynamic capabilities partially mediate the relationship between practice knowledge management and organizational performance. This reveals that the knowledge management process in the company is critical to increasing competitive advantage for individuals and organizations. Likewise, a study conducted by Kurniawati et al. (2020) on the performance of SMEs in Surabaya, Indonesia, corroborated the significant effect of knowledge on SMEs' performance. Based on the discussion, knowledge is crucial in elevating individuals' status and improving organizational performance. Empirical studies demonstrate that knowledge management significantly impacts organizational performance, business innovation, and competitive advantage. Key elements such as knowledge sharing, knowledge transfer, and dynamic capabilities contribute to enhancing a company's vision and continuous learning. Therefore, the effective implementation of knowledge management can be a key factor in driving sustainable growth for individuals and organizations.

Posterity and Performance

Maqasid al-Shariah remains an essential foundation in various studies, particularly in the Islamic economic sector. Most existing studies adapt the concept of maqasid from previous works, employing various approaches tailored to specific contexts, and continue to evolve. Among the core tenets of Maqasid al-Shariah, posterity has garnered increasing attention in analyses of Islamic economic performance, notably within Islamic financial institutions and businesses. For instance, Hudaefi and Noordin (2019) found that the preservation of posterity, with a value of 0.084, exerted a statistically significant influence on the performance of 11 Islamic banking companies from multiple jurisdictions. This finding indicates that posterity in Maqasid al-Shariah is not merely a moral concept but also has tangible economic relevance. This is further supported by the study of Nature et al. (2015), examining family involvement in microcredit programs and found that 40% of respondents experienced positive changes. This suggests that posterity plays a role not only in the Islamic banking system but also has broader economic and social implications. However, literature that exclusively discusses the relationship between posterity and organizational performance remains limited. Most studies on maqasid shariah tend to present overall results without isolating the impact of each indicator, including posterity.

Despite limitations, the two studies demonstrating the positive relationship between posterity and performance provide a preliminary assumption that this aspect holds a significant influence. As an implication of these findings, future studies should explore the role of posterity as a key variable in assessing sustainability and economic growth in Islamic finance, business, and public policy. Additionally, a more systematic approach to analyzing the impact of each Maqasid al-Shariah indicator on economic performance would provide valuable insights into the effectiveness of this concept in modern business practices.

Wealth and Performance

Wealth in Islam is regarded as a test of faith, particularly concerning its acquisition and utilization, whether by Islamic teachings or not. This is emphasized in **Surah Al-Anfal (8:28)**: *"And know that your wealth and your children are but a trial, and that with Allah is a great reward."* This verse underscores that wealth serves as a trial for believers, testing their adherence to ethical and moral principles in financial matters. Several studies have examined the relationship between wealth and performance at individual and organizational levels. [Hernandez-Perlines et al. \(2020\)](#) found that socio-emotional wealth significantly enhances performance in family-owned businesses. [Memili et al. \(2020\)](#) further argue that if small and medium-sized enterprises (SMEs) can leverage non-financial strengths while mitigating the influence of family orientation, they can achieve sustainability and long-term success across generations. However, [Nguyen and Nguyen \(2021\)](#) assert that financial strength is equally crucial, and balancing financial and non-financial resources can optimize organizational performance.

Additionally, a study conducted by [Kurniawati et al. \(2020\)](#) on SMEs in Surabaya, Indonesia, confirms a positive correlation between wealth and business performance. Whether in financial or non-financial forms, wealth plays a crucial role in shaping individual and organizational performance. In the Islamic context, wealth is considered a test that examines one's commitment to ethical and religious values. Therefore, individuals and organizations must manage and utilize their wealth in a balanced manner, aligning with Islamic principles, to achieve optimal performance and long-term sustainability.

The literature review and empirical studies of the relationship between Islamic maqasid elements and performance have been discussed above. We have hypothesized the relationship between religion, life, intellect, posterity, and wealth with non-financial treatment of organizational performance. The theoretical model of this study is presented in Figure 3.

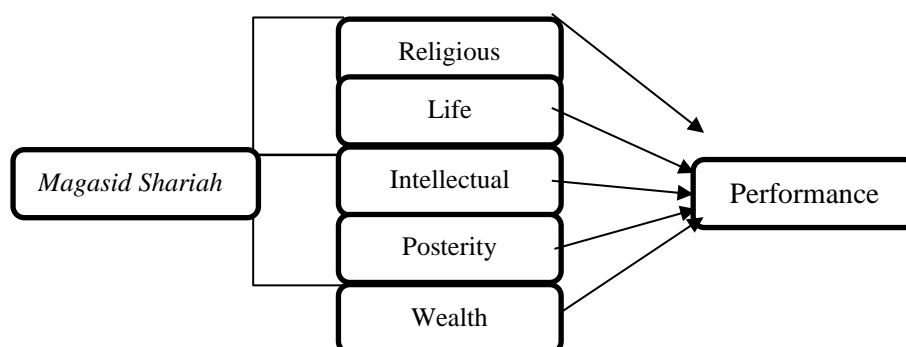


Figure 3: A conceptual framework of Magasid al-Sharia and Performance

Source: ([Bedoui & Mansour, 2015](#); [Hudaefi & Noordin, 2019](#); [Julia & Kassim, 2019](#); [Mergaliyev et al., 2021](#); [Ozturk et al., 2021](#); [Prasojo et al., 2022](#); [Radin et al., 2024](#); [Tarique et al., 2020](#); [Tubarad et al., 2022](#))

What are the key statements used to measure Maqasid al-Shariah and organizational performance?

These are the indispensable human needs that underpin the creation of global prosperity. Failure to address these fundamental necessities impedes the development of social stability and order, with potential repercussions in the hereafter. Imam Abu Hamid al-Ghazali, a prominent and highly respected reformer in the fifth century Hijrah, classified the Maqasid al-Shariah into five main categories and is supported by studies conducted by [Baharuddin et al. \(2019\)](#), [Chapra \(2008\)](#), and [Kasri & Ahmed \(2019\)](#) explained in the previous section. To facilitate further studies in testing or clarifying Maqasid al-Shariah study on organizational performance (non-financial treatment), it is necessary to formulate Maqasid al-Shariah indicators into question items with a quantitative approach. The following are the perspectives of the indicator items in the previous research literature, particularly the indicators indicated by [Alam et al. \(2015\)](#), as presented in Table 1.

Table 1: Indicators and question items

Indicator	Statement
Faith (Ad-Din)	I perceive a positive change in religious practices
Life (Al-Nafs)	My family's quality of life has improved
	My social relationships have improved
	I have a heightened awareness of health's importance
Intellect (Al-Aql)	My knowledge is constantly improving
	My experience and skills are constantly improving.
	My family's knowledge is constantly increasing.
Posterity/honor (Al-Nasb)	My family members demonstrate increased mutual respect
	Public perception of my family has become more positive
Wealth (Al-Mal)	My monthly household income has increased
	My asset ownership is constantly increasing.
Performance	Operating costs have decreased
	Finished products consistently meet stringent specifications
	Employee morale has significantly increased
	Company profitability has increased
	New product offerings are substantially differentiated from existing products.

This study employed measurement items adapted from prior research to assess the variables of Faith (Ad-Din), Life (Al-Nafs), Intellect (Al-Aql), Posterity/Honor (Al-Nasb), and Wealth (Al-Mal). Faith was measured using the survey item, "I perceive a positive change in my religious practices." Life (Al-Nafs) was assessed with three items: "My family's quality of life has improved," "My social relationships have improved," and "I have a heightened awareness of health's importance." Intellect (Al-Aql) was measured using the items, "My knowledge is constantly improving," "My experience and skills are constantly improving," and "My family's knowledge is constantly improving." Posterity/Honor (Al-Nasb) was assessed with "My family members demonstrate increased mutual respect" and "Public perception of my family has become more positive." Wealth (Al-Mal) was measured using "My monthly household income has increased" and "My asset ownership is constantly increasing." Respondents responded using a 5-point Likert scale, ranging from 1 (strongly disagree) to 5 (strongly agree).

The same is also applied to the performance variable; researchers state that the performance item must contain *Profitability, Sales growth, Customer satisfaction*, and Overall performance (Qadri et al., 2021). In addition to Qadri, Udofia et al. (2021) present a set of explicit questionnaire items, including: "Operating costs have decreased," "Finished products consistently meet stringent specifications," "Employee morale has significantly increased," "Company profitability has increased," and "New product offerings are substantially differentiated from existing products." Similar to the Maqasid al-Shariah measurement scale, performance is assessed using a 5-point Likert scale, ranging from 1 (strongly disagree) to 5 (strongly agree).

Conclusion

This study contributes to the theoretical advancement of performance measurement by integrating Maqasid al-Shariah into a Pentagon-Shaped Ethical Measurement framework. Unlike conventional financial-based assessments, this model incorporates ethical, social, and environmental dimensions, offering a more holistic view of organizational success. By emphasizing faith, life, intellect, posterity, and wealth, this study expands on traditional Islamic finance literature and underscores the role of ethical governance in modern business. The study suggests that organizations, particularly in the Islamic finance sector, can enhance corporate governance, sustainability, and stakeholder trust by adopting Maqasid-based evaluation methods. This framework also has implications for policy formulation, enabling regulatory bodies to design economic policies that align with Islamic ethical principles while fostering long-term social and economic stability.

Despite these contributions, the study has certain limitations, particularly regarding methodology. It relies on secondary data and lacks empirical validation, making future studies need to employ quantitative techniques such as structural equation modeling (SEM) for testing. Additionally, its focus on Islamic finance and SMEs limits its generalizability across other industries. Future studies should also conduct longitudinal studies to examine the long-term impact of Maqasid-driven performance models and refine measurement tools to improve their applicability in diverse organizational settings. By addressing these gaps, future studies can strengthen the role of Maqasid al-Shariah as a comprehensive and sustainable performance measurement framework across industries.

References

- Abdulrahman, Z., Ebrahimi, T., & Al-Najjar, B. (2024). Shariah-related disclosure: A literature review and directions for future research. *International Journal of Disclosure and Governance*, 21(4), 642–665. Scopus. <https://doi.org/10.1057/s41310-023-00221-4>
- Abu Bakar, S., Ahmad Sarkawi, A., & Abdullah, A. (2017). Environmental planning policy and development strategies in the context of Maqasid Al-Shari'ah. *Advanced Science Letters*, 23(7), Article 7.
- Aisah, N., Utomo, C. W., & Setyawan, R. (2024). *Contribution of Green Banking to Performance Based on Integrated Sharia Maqasid: The Moderation Role of Islamic Social Reporting*. 571. Scopus. <https://doi.org/10.1051/e3sconf/202457103006>
- Alam, M. M., Hoque, M. N., & Muda, R. (2023). Assessment of the Sharī'ah requirements in the Malaysian Islamic Financial Services Act 2013 from the managerialism and Maqasid al-Shariah perspectives. *Journal of Islamic Accounting and Business Research*, 14(8), 1152–1166. Scopus. <https://doi.org/10.1108/JIABR-01-2022-0025>
- Alam, Md. M., Hassan, S., & Said, J. (2015). Performance of Islamic microcredit in perspective of Maqasid al-Shariah: A case study on Amanah Ikhtiar Malaysia. *Humanomics*, 31(4), 374–384. <https://doi.org/10.1108/H-12-2014-0072>
- Ali, S. S., & Hasan, H. (2019). Theory and an Application of Maqasid al-Shariah-Based Measurement Index for Socioeconomic Development: Index Method and Prototype Index. *Towards a Maqasid al-Shariah Index of Socioeconomic Development*, 391–410. https://doi.org/10.1007/978-3-030-12793-0_15

- AliNaghi Faghihi, Ebrahim Abedei, hadi Mosdegh, & Hasan Ansari. (2021). The Relationship between Religious Attitude and Academic Performance; the Mediating Role of Academic Stress in the Students of Guilan University, 5(4), 89–108.
- Baharuddin, A. S., Ahmad, M. H., Razak, R., Saharudin, N. S., & Rahim, A. A. (2019). An Appraisal of Maqasid al-Shariah Classic and Recent Literature: Systematic Analysis. *Library Philosophy and Practice (e-Journal)*, 27.
- Bedoui, H. E., & Mansour, W. (2015). Performance and Maqasid al-Shari'ah's Pentagon-Shaped Ethical Measurement. *Science and Engineering Ethics*, 21(3), 555–576. <https://doi.org/10.1007/s11948-014-9561-9>
- Chapra, M. U. (2008). *The Islamic Vision of Development in the Light of Maqāsid Al-Sharī'ah*. <https://doi.org/10.13140/RG.2.1.4188.5047>
- Febriadi, S. R., Ibrahim, M. A., & Novitasari, R. (2020). Analysis of the Decision of Muslim Investors in Sharia Mutual Funds Investing with Maqasid al-Shariah Approaches. *Al-Iqtishad: Jurnal Ilmu Ekonomi Syariah*, 12(2). <https://doi.org/10.15408/aiq.v12i2.16224>
- Galankashi, M. R., & Rafiei, F. M. (2021). Financial performance measurement of supply chains: A review. *International Journal of Productivity and Performance Management*. <https://doi.org/10.1108/IJPPM-11-2019-0533>
- Habiburrahman, Arahman, R., & Lamusiah, S. (2020). Transaksi yang Mengandung Unsur Riba, Maysir, dan Gharar dalam Kajian Tindak Tutur. *Jurnal Ilmiah Telaah*, 5(2), 28–23.
- Hadi, S., Faridiana, A., Kirana, K. C., Lukitaningsih, A., Rahmawati, C. H. T., Purnasari, E., & Wahyuningtyas, N. (2024). Political Skill And Transactional Leadership On Employee Performance: The Mediating Effect Of Organizational Work Culture. *Economic Studies Journal (Ikonomicheski Izsledvania)*, 33(4), 112–129.
- Hamdan, N., Anuar, M., Aminudin, Hanani, N. N., Faiz, M., & Azizul, S. (2021). The Application of Maqasid-Oriented Approach in Islamic Bioethics: A Case Study on Fatwa Related to Cosmetic, Plastic and Reconstructive Surgery. *IIUM Medical Journal Malaysia*, 20(1). <https://doi.org/10.31436/imjm.v20i1.1781>
- Hernández-Perlines, F., Ariza-Montes, A., & Araya-Castillo, L. (2020). Socioemotional wealth, entrepreneurial orientation and international performance of family firms. *Economic Research-Ekonomska Istraživanja*, 33(1), 3125–3145. <https://doi.org/10.1080/1331677X.2019.1685398>
- Hidayat, R., Oktaviani, Y., & Aminudin, A. (2019). Financial Performance Of Islamic Banking In Indonesia With Maqasid Shariah Approach. *Manajemen Bisnis*, 9(1). <https://doi.org/10.22219/jmb.v9i1.9442>
- Houldsworth, E., Marra, M., Brewster, C., Brookes, M., & Wood, G. (2021). Performance appraisal and MNEs: The impact of different capitalist archetypes. *International Business Review*, 30(5), 101826. <https://doi.org/10.1016/j.ibusrev.2021.101826>
- Hudaefi, F. A., & Noordin, K. (2019). Harmonizing and constructing an integrated *Maqasid al-Shariah* index for measuring the performance of Islamic banks. *ISRA International Journal of Islamic Finance*, 11(2), 282–302. <https://doi.org/10.1108/IJIF-01-2018-0003>
- Hidayati, A., & Tohirin, A. (2019). A Maqasid and Shariah Enterprises Theory-Based Performance Measurement for Zakat Institution. *International Journal of Zakat*, 4(2), 101–110. <https://doi.org/10.37706/ijaz.v4i2.192>
- Ibnu Ashur, M. A.-T. (1945). *Treatise on Maqasid al-Sahri'ah (Mohamed El-Misawi, translator)*. International Institute of Islamic Thought.
- Ibrahim, A. H., Rahman, N. N. A., & Saifuddeen, S. M. (2018). Maqasid al-Shariah as a Complementary Framework for Conventional Bioethics: Application in Malaysian Assisted Reproductive Technology (ART) Fatwa. *Science and Engineering Ethics*, 24(5), 1493–1502. <https://doi.org/10.1007/s11948-017-9963-6>
- Ibrahim, A. H., Rahman, N. N. A., Saifuddeen, S. M., & Baharuddin, M. (2019). Tri-parent Baby Technology and Preservation of Lineage: An Analysis from the Perspective of Maqasid al-Shari'ah Based Islamic Bioethics. *Science and Engineering Ethics*, 25(1), 129–142. <https://doi.org/10.1007/s11948-017-9980-5>
- Julia, T., & Kassim, S. (2019). Exploring green banking performance of Islamic banks vs conventional banks in Bangladesh based on *Maqasid Shariah* framework. *Journal of Islamic Marketing*, 11(3), 729–744. <https://doi.org/10.1108/JIMA-10-2017-0105>
- Kasri, R., & Ahmed, H. (2019). Assessing Socioeconomic Development Based on <Emphasis Type="Italic">Maqāsid</Emphasis> al-Sharī'ah Principles: Normative Frameworks, Methods and

- Pilot Implementation in Indonesia. *Towards a Maqasid al-Shariah Index of Socioeconomic Development*, 349–378. https://doi.org/10.1007/978-3-030-12793-0_13
- Kurniawati, S. L., Lestari, W., Sari, L. P., & Dewi Kartika, T. P. (2020). Shariah Governance, Maqasid al-Shariah, SMEs Performance: The Role of Gender and Age. *Journal of Economics, Business, & Accountancy Ventura*, 23(2). <https://doi.org/10.14414/jebav.v23i2.2374>
- Li, C., Ashraf, S. F., Shahzad, F., Bashir, I., Murad, M., Syed, N., & Riaz, M. (2020). Influence of Knowledge Management Practices on Entrepreneurial and Organizational Performance: A Mediated-Moderation Model. *Frontiers in Psychology*, 11, 577106. <https://doi.org/10.3389/fpsyg.2020.577106>
- Li, X., Li, C., Wang, Z., Jiao, W., & Pang, Y. (2020). The effect of corporate philanthropy on corporate performance of Chinese family firms: The moderating role of religious atmosphere. *Emerging Markets Review*, 100757. <https://doi.org/10.1016/j.ememar.2020.100757>
- López-Martínez, B. E., Aragón-Castillo, J. M., Muñoz-Palomeque, M., Madrid-Tovilla, S., & Tornell-Castillo, I. (2021). Quality of work-life and work performance in physicians at the Mexican Institute of Social Security, in the state of Chiapas. *Revista de La Facultad de Medicina Humana*, 21(2), 316–325. <https://doi.org/10.25176/RFMH.v21i2.3706>
- Lu, L., & Wu, Y. (2020). Does religion enhance firm performance? Evidence from private firms in China. *China Economic Review*, 62, 101480. <https://doi.org/10.1016/j.chieco.2020.101480>
- Madhubashani, A. M. P., Giannakoudakis, D. A., Amarasinghe, B. M. W. P. K., Rajapaksha, A. U., Pradeep Kumara, P. B. T., Triantafyllidis, K. S., & Vithanage, M. (2021). Propensity and appraisal of biochar performance in removal of oil spills: A comprehensive review. *Environmental Pollution*, 288, 117676. <https://doi.org/10.1016/j.envpol.2021.117676>
- Mahyudin, W. A., & Rosman, R. (2022). Performance of Islamic banks based on Maqasid al-Shariah: A systematic review of current research. *Journal of Islamic Accounting and Business Research*, 13(4), 714–735. Scopus. <https://doi.org/10.1108/JIABR-10-2020-0337>
- Memili, E., Patel, P. C., Koç, B., & Yazıcıoğlu, İ. (2020). The interplay between socioemotional wealth and family firm psychological capital in influencing firm performance in hospitality and tourism. *Tourism Management Perspectives*, 34, 100651. <https://doi.org/10.1016/j.tmp.2020.100651>
- Mergaliyev, A., Asutay, M., Avdukic, A., & Karbhari, Y. (2021). Higher Ethical Objective (Maqasid al-Shari'ah) Augmented Framework for Islamic Banks: Assessing Ethical Performance and Exploring Its Determinants. *Journal of Business Ethics*, 170(4), 797–834. <https://doi.org/10.1007/s10551-019-04331-4>
- Mohammadi, S., & Karupiah, P. (2020). Quality of work life and academic staff performance: A comparative study in public and private universities in Malaysia. *Studies in Higher Education*, 45(6), 1093–1107. <https://doi.org/10.1080/03075079.2019.1652808>
- Mohd Kashim, M. I. A., & Muhammad Husni, A. (2017). Maqasid Shariah in Modern Biotechnology Concerning Food Products. *International Journal of Islamic Thought*, 12(1), 27–39. <https://doi.org/10.24035/ijit.12.2017.003>
- Monawer, A. T. M., Abdul Rahman, N. N., Qasem Al-Nahari, A. A. A., Haji Abdullah, L., Ali, A. K., & Meguellati, A. (2022). The actualization of in Islamic finance: A conceptual framework. *International Journal of Islamic and Middle Eastern Finance and Management*, 15(5), 847–864. <https://doi.org/10.1108/IMEFM-06-2020-0293>
- Moneim, A. A. (2018). *Towards Islamic Maqasidi Education Philosophy for Sustainable Development: Quranic Perspective With Special Attention to Indonesia*. 17(2), 46.
- Mukhibad, H., Rochmatullah, M. R., Warsina, W., Rahmawati, R., & Setiawan, D. (2020). Islamic corporate governance and performance based on maqasid sharia index– study in Indonesia. *Jurnal Siasat Bisnis*, 24(2), 114–126. <https://doi.org/10.20885/jsb.vol24.iss2.art2>
- Nauman, S., Zheng, C., & Basit, A. A. (2020). How despotic leadership jeopardizes employees' performance: The roles of quality of work life and work withdrawal. *Leadership & Organization Development Journal*, 42(1), 1–16. <https://doi.org/10.1108/LODJ-11-2019-0476>
- Nguyen, H. C., & Nguyen, D. T. (2021). The impact of non-commodity sovereign wealth funds' ownership on the domestic target firm performance. *Cogent Economics & Finance*, 9(1), 1878620. <https://doi.org/10.1080/23322039.2021.1878620>
- Öhlmann, P. (2021). Religion and Labor Market Performance: Is It What You Believe or How Much? *Religions*, 12(2), 102. <https://doi.org/10.3390/rel12020102>
- Ozturk, A., Karatepe, O. M., & Okumus, F. (2021). The effect of servant leadership on hotel employees' behavioral consequences: Work engagement versus job satisfaction. *International Journal of*

- Hospitality Management*, 97. ScienceDirect. <http://e-resources.perpusnas.go.id:2048/login?url=https://search.ebscohost.com/login.aspx?direct=true&db=edselp&AN=S0278431921001377&site=eds-live>
- Prasojo, Yadiati, W., Fitrijanti, T., & Sueb, M. (2022). The relationship between risk-taking and maqasid shariah-based performance in Islamic banks: Does shariah governance matter? *Banks and Bank Systems*, 17(1), 137–149. [https://doi.org/10.21511/bbs.17\(1\).2022.12](https://doi.org/10.21511/bbs.17(1).2022.12)
- Putro, B. E., & Ilmaniati, A. (2020). The Effectiveness Model of Knowledge Sharing in Business Innovation to Improve the Performance of Micro Small and Medium Enterprises. *Jurnal Ilmiah Teknik Industri*, 19(1), 39–46. <https://doi.org/10.23917/jiti.v19i1.10231>
- Qadri, U. A., Ghani, M. B. abd, Bibi, S., Tahir, A. H., Farooq, M. I., & Kashif, A. R. (2021). The learning effect on organizational performance during a crisis: A serial mediation analysis with knowledge creation, storage and sharing. *European Journal of Management and Business Economics*. <https://doi.org/10.1108/EJMBE-03-2021-0107>
- Radin, D. N., Shaharuddin, N., Bujang, I., & Rijanto, I. F. (2024). The Interaction of Maqasid al-Shariah in the Relationship Between ESG and Firm Financial Performance. *ASEAN Journal on Science and Technology for Development*, 41(2), 210–216. Scopus. <https://doi.org/10.61931/2224-9028.1580>
- Rashidalipour, Z., Ansari, M., & Javadin, S. R. S. (2019). Study of the Effect of Knowledge Management Execution on Organizational Performance (Case study: Shir-e-Pegah Corporate). *Scientific Journal of Strategic Management of Organizational Knowledge*, 2(7), 113–151.
- Rasool, M. S. A., & Salleh, A. M. (2019). Non-Monetary Poverty Measurement in Malaysia: A <Emphasis Type="Italic">Maqāsid al-Sharī'ah Approach. *Towards a Maqasid al-Shariah Index of Socioeconomic Development*, 379–390. https://doi.org/10.1007/978-3-030-12793-0_14
- Sa'diyah, M., Gumilar, A. G., & Susilo, E. (2021). Uji Maqashid Syariah Perbankan Syariah Di Indonesia. *Jurnal Ilmiah Ekonomi Islam*, 7(1), 373. <https://doi.org/10.29040/jiei.v7i1.1725>
- Sarkar, J., Jena, L. K., & Sahoo, K. (2021). Mediating role of need satisfaction on total reward management towards retention: A conceptual framework. *Vilakshan - XIMB Journal of Management*. <https://doi.org/10.1108/XJM-03-2021-0083>
- Singh, S. K., Gupta, S., Busso, D., & Kamboj, S. (2021). Top management knowledge value, knowledge sharing practices, open innovation and organizational performance. *Journal of Business Research*, 128, 788–798. <https://doi.org/10.1016/j.jbusres.2019.04.040>
- Siswanto, D. (2019). The Characteristics of Responses to Smart City Device Usage, Maqasid Shariah (The Objective of Shariah) Perspective: The Case of Kota Depok, West Java, Indonesia. *IQTISHADIA*, 12(1), 30. <https://doi.org/10.21043/iqtishadia.v12i1.4571>
- Tarique, K. M., Islam, R., Mohamed, M. O., Razak, D. A., & Bin Hamdan, H. (2020). Constructing a Maqasid (objective) based performance measurement index for Islamic banks. *International Journal of the Analytic Hierarchy Process*, 12(2), 328–354. Scopus. <https://doi.org/10.13033/ijahp.v12i2.770>
- Tarique, K. M., Islam, R., & Mohammed, M. O. (2021). Developing and validating the components of Maqasid al-Shari'ah-based performance measurement model for Islamic banks. *International Journal of Islamic and Middle Eastern Finance and Management*, 14(2), 366–390. <https://doi.org/10.1108/IMEFM-12-2018-0432>
- Tubarad, C. T. T., Mohamad, M., & Mohammed. (2022). A Decade of Maqasid Shariah Research A Bibliometric Analysis. *Management and Accounting Review*. <https://doi.org/10.24191/MAR.V21i02-09>
- Udofia, E. E., Adejare, B. O., Olaore, G. O., & Udofia, E. E. (2021). Supply disruption in the wake of COVID-19 crisis and organisational performance: Mediated by organisational productivity and customer satisfaction. *Journal of Humanities and Applied Social Sciences*, 3(5), 319–338. <https://doi.org/10.1108/JHASS-08-2020-0138>
- Widiastuti, T., Kirana, K. C., Ratnasari, R. T., Insani, T. D., & Robani, A. (2019). MEASURING THE CORRUPTION MEASUREMENT MODEL (CMM) BASED ON MAQASID SHARIAH FRAMEWORK. *Humanities & Social Sciences Reviews*, 7(2), 282–286. <https://doi.org/10.18510/hssr.2019.7233>
- Witro, D. (2021). Urgensi Pemahaman Terhadap Maqashid Al-Syari'ah dan Perubahan Sosial dalam Istimbath Al-Ahkam. *De Jure: Jurnal Hukum Dan Syar'iah*, 13(2), 222–239. Scopus. <https://doi.org/10.18860/j-fsh.v13i2.13818>

- Zaman, Q. U., Kabir Hassan, M., Akhter, W., & Brodmann, J. (2019). Does the interest tax shield align with maqasid al Shariah in finance? *Borsa Istanbul Review*, 19(1), 39–48. <https://doi.org/10.1016/j.bir.2018.07.004>
- Zamfir, F.-E. (2020). The impact of knowledge transfer on the Organizational performance. *Proceedings of the International Conference on Business Excellence*, 14(1), 577–588. <https://doi.org/10.2478/picbe-2020-0054>