Institutional Logics of Digital Waqf for Islamic Education: Comparing Indonesia, Malaysia, and Türkiye

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Abstract

This study examines how distinct institutional logics shape the digital transformation of waqf governance for Islamic education in Indonesia, Malaysia, and Türkiye. Although the three jurisdictions share a common classical fiqh foundation for waqf, they exhibit divergent trajectories in adopting financial technology for waqf collection, registration, and disbursement. The research aims to explain this variation by mobilising the institutional logics perspective. A comparative qualitative case study design is employed, drawing on document analysis of regulatory frameworks, institutional reports, platform documentation, and academic literature published between 2015 and 2025. Three ideal-typical logics are identified and operationalised: a religious-communitarian logic emphasising piety, perpetuity, and ummatic solidarity; a state-bureaucratic logic prioritising regulatory order and centralised stewardship; and a market-managerial logic privileging efficiency, scalability, and capital-market integration. Findings show that Indonesia displays a hybridised religious-state configuration mediated by an emerging market logic through instruments such as Cash Waqf Linked Sukuk and the Satu Wakaf Indonesia platform. Malaysia exhibits a state-dominated logic anchored in the State Islamic Religious Councils, with selective market incorporation through myWakaf and the myWaqafPTPTN scheme for higher education. Türkiye displays a centralised state-stewardship logic operating within a secular constitutional frame, with limited market intrusion despite a vast Ottoman waqf heritage. Cross-case comparison shows that the prevailing institutional logic determines not only what counts as legitimate digital transformation but also which Islamic education institutions, including pesantren, madrasah, and medrese-type institutions, can access waqf-based financing. Implications for policymakers, nazhir, and Islamic education leaders are discussed.

Keywords: *digital waqf, institutional logics, Islamic education, fintech, comparative case study*

Introduction

Waqf, the Islamic charitable endowment, has historically anchored the financing of Muslim educational institutions, from the Nizāmiyya madrasa in medieval Baghdad to al-Azhar in Cairo and the great Ottoman vakıf complexes that funded medrese networks across Anatolia and the Balkans. Pesantren in Indonesia, pondok and madrasah in Malaysia, and the heritage vakıf of Türkiye trace lineages to this same institutional form. Over the past decade the global Islamic finance ecosystem has begun to undergo a profound digital transformation, with waqf institutions experimenting with mobile fundraising, blockchain-based registries, cash waqf linked to sovereign instruments, and integrated platforms that aggregate nazhir activities at national scale.[1] These developments matter not only as financial technology innovations but because they reshape the financial infrastructure of Islamic education itself, determining which institutions can access sustainable funding, how endowment performance is measured, and how accountability is constructed before donors, regulators, and beneficiaries.

Despite a common normative foundation rooted in classical fiqh, the trajectory of digital waqf transformation differs sharply across major Muslim jurisdictions. In Indonesia, Badan Wakaf Indonesia reports the potential of cash waqf at approximately Rp180 trillion annually, yet realised collection remains a small fraction of this figure, prompting an ambitious 2024 to 2029 strategy centred on platforms such as Satu Wakaf Indonesia and the SAMAWI application for nazhir reporting.[2] In Malaysia, the State Islamic Religious Councils anchor waqf governance at the state level, with federal initiatives such as myWakaf and the recent myWaqafPTPTN providing channels for educational waqf at scale.[3] In Türkiye, Vakıflar Genel Müdürlüğü, established in 1924 as part of the Atatürk reforms, continues to administer Ottoman heritage endowments through an integrated e-Devlet portal, even as it operates within a secular constitutional framework.[4]

These divergent trajectories raise a theoretical puzzle. If the basic Islamic legal framework for waqf is broadly shared, and if digital technologies are largely fungible across borders, why do the contours of digital transformation look so different in these three settings? Existing literature on waqf fintech has documented adoption levels, platform features, and barriers in considerable detail, but has tended to remain descriptive or single-country in scope.[5] What is missing is a theoretical account that

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[1]Henry Hamonangan Adinugraha, Muhamad Shulthoni, and Zaki Hairu Sain, "Transformation of Cash Waqf Management in Indonesia: Insights into the Development of Digitalization," Review of Islamic Social Finance and Entrepreneurship 3, no. 1 (2024): 50–66.

[2]Badan Wakaf Indonesia, Refleksi dan Strategi GIB (Gerakan Indonesia Berwakaf) Desember 2024 (Jakarta: Badan Wakaf Indonesia, 2024), 8–14.

[3]Fatin Maulida Niswah, Lu'liyatul Mutmainah, Nurma Hadyantari, and Nurul Huda, "Development of FinTech in Islamic Social Finance in Malaysia," International Journal of Economics, Management and Accounting 31, no. 2 (2023): 1–28; Perbadanan Tabung Pendidikan Tinggi Nasional, "myWaqafPTPTN: Empowering Education and Community Development," The Edge Malaysia, 2024.

[4]Endang Zaenal Mutaqin and Dadang Guntoro, "The Transformation of Islamic Social Finance in Türkiye: Historical Trajectories and Contemporary Developments," Tasyri': Jurnal Tarbiyah, Syariah dan Islamiyah 12, no. 1 (2025): 23–45; Directorate General of Foundations (Vakıflar Genel Müdürlüğü), "Hakkımızda," Republic of Türkiye, accessed May 2026, https://www.vgm.gov.tr.

[5]Sri Herianingrum and others, "Implementation of Advanced Technology in Waqf Management: A Systematic Literature Review," Journal of Islamic Economic Laws 8, no. 1 (2025): 1–30; Khoutem Ben Jedidia Aldeen, "Forty-Year Bibliometric Analysis of Waqf: Its Current Status and Development, and

explains variation in transformation outcomes. The argument advanced here is that the missing analytic is institutional logics, the supra-organisational principles that shape how actors understand purpose, evaluate legitimacy, and configure practice.[6]

Drawing on the institutional logics perspective developed by Friedland and Alford and elaborated by Thornton, Ocasio, and Lounsbury, this study identifies three ideal-typical logics relevant to waqf governance. The first is a religious-communitarian logic that emphasises piety, ummatic solidarity, and the perpetuity of the founder's intent. The second is a state-bureaucratic logic that emphasises regulatory order, fiscal discipline, and centralised stewardship. The third is a market-managerial logic that emphasises efficiency, scalability, and the use of capital markets and platform technology to maximise productive returns.[7] These three logics coexist in every empirical setting but combine in different proportions, with one logic typically dominating and the others either subordinated or hybridised.

This study addresses three research questions. First, how do the dominant institutional logics in Indonesia, Malaysia, and Türkiye shape the digital transformation of waqf governance for Islamic education? Second, how do actors within waqf systems navigate the institutional complexity that arises when multiple logics make competing claims on practice? Third, what hybrid configurations or compromises emerge from these transformations, and what are their implications for the funding and governance of Islamic education institutions, including pesantren, madrasah, and medrese-type institutions?

The contribution is threefold. Theoretically, the study extends the institutional logics perspective into Islamic social finance, a domain where the framework has been underused despite its analytic potential.[8] Empirically, it offers a cross-national comparison that complicates single-country accounts and identifies patterns that may travel to other Muslim-majority jurisdictions. Practically, it provides Islamic education leaders, policymakers, and waqf institution managers with a diagnostic tool for understanding why borrowing models across borders so often fails despite apparent technical similarity. The remainder of the paper is organised as follows. The next section reviews the literature on digital waqf transformation and outlines the institutional logics perspective. The methodology section describes the comparative qualitative case study design. The results section presents the three country cases

Paths for Future Research," Journal of Islamic Monetary Economics and Finance 7, no. 1 (2021): 181–200.

[6]Patricia H. Thornton, William Ocasio, and Michael Lounsbury, The Institutional Logics Perspective: A New Approach to Culture, Structure, and Process (Oxford: Oxford University Press, 2012), 50–73.

[7]Roger Friedland and Robert R. Alford, "Bringing Society Back In: Symbols, Practices, and Institutional Contradictions," in The New Institutionalism in Organizational Analysis, ed. Walter W. Powell and Paul J. DiMaggio (Chicago: University of Chicago Press, 1991), 232–263; Thornton, Ocasio, and Lounsbury, Institutional Logics Perspective, 53–73.

[8]Muneer M. Alshater and others, "A Bibliometric Review of the Waqf Literature," Eurasian Economic Review 12, no. 2 (2022): 213–239.

sequentially. The discussion section interprets the cross-case patterns. The conclusion summarises the argument and suggests directions for further research.

Literature Review

Digital Waqf Transformation: An Emerging Field

The literature on digital waqf transformation has expanded rapidly since 2020, with most studies anchored in Southeast Asian contexts. A recent systematic literature review covering articles indexed in Scopus, OpenAlex, Crossref, and Google Scholar identifies four dominant thematic clusters: blockchain technology for transparency and accountability; cash waqf and digital waqf innovations in fundraising; artificial intelligence and fintech for risk assessment and operational efficiency; and digital platforms for expanding public participation.[9] Within this body of work, scholars have argued that digital transformation can mitigate three perennial problems in waqf management, namely opacity in nazhir reporting, asset underutilisation, and limited participation by younger and geographically dispersed donors.[10]

A second strand of literature has focused on blockchain-based waqf, particularly the proposition that distributed ledger technology can resolve trust deficits in waqf governance by making transactions immutable and publicly verifiable. Abdel Mohsin and Muneeza propose a blockchain-integrated waqf crowdfunding market that connects wakif globally to vetted nazhir, with smart contracts triggering disbursement only when project milestones are documented.[11] Ahmad and Habib evaluate fintech-based Islamic social financing products and conclude that the technical possibilities are extensive but that institutional readiness and regulatory clarity remain the binding constraints.[12]

A third strand examines adoption determinants from a behavioural perspective, typically using extensions of the Technology Acceptance Model or the Unified Theory of Acceptance and Use of Technology. These studies consistently identify religiosity, perceived usefulness, perceived ease of use, social influence, and institutional trust as significant predictors of intention to use waqf fintech platforms. However, this literature has been criticised for its descriptive orientation and for

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[11]Magda Ismail Abdel Mohsin and Aishath Muneeza, "Integrating Waqf Crowdfunding into the Blockchain: A Modern Approach for Creating a Waqf Market," in Fintech in Islamic Finance: Theory and Practice, ed. Mohd Ma'sum Billah (London: Routledge, 2018), 266–280.

[12]Abu Umar Faruq Ahmad and Farrukh Habib, "FinTech-Based Islamic Social Financing Products: A Critical Evaluation," in Innovative Strategies for Implementing FinTech in Banking, ed. Yousif Abdullatif Albastaki and others (Hershey: IGI Global, 2020), 67–82.

treating institutional context as a residual variable, rather than as the central explanatory factor.

What unifies the existing literature, and also what limits it, is a tendency to treat digital transformation as a technical or behavioural challenge rather than as an institutional one. The variation across countries in the pace, shape, and outcomes of waqf digitalisation suggests that any adequate explanation must engage with the institutional environments within which technology is interpreted, adopted, and put to work.

The Institutional Logics Perspective

The institutional logics perspective offers a theoretical apparatus well suited to the analytic task at hand. Originally articulated by Friedland and Alford and substantially elaborated by Thornton, Ocasio, and Lounsbury, the perspective treats society as composed of multiple institutional orders, each with its own constitutive logic.[13] A logic provides actors with a stock of meanings, vocabularies of motive, and templates for action. Logics define what counts as legitimate purpose, who has authority to act, and how performance is evaluated.

Greenwood and colleagues have shown that organisations typically face institutional complexity, the condition in which multiple logics make simultaneous and sometimes contradictory demands.[14] In response, organisations may segregate logics across different units, hybridise them through novel practices, or decouple ceremonial conformity from substantive practice. The way an organisation manages institutional complexity has consequences for legitimacy, performance, and identity.

Three ideal-typical logics are particularly relevant to waqf governance and its digital transformation. The religious-communitarian logic draws its source of authority from sacred texts and ijmāʻ, its source of legitimacy from piety and ummatic solidarity, and its basis of strategy from the preservation of the wāqif's perpetual intent. The state-bureaucratic logic draws its source of authority from sovereign law, its source of legitimacy from procedural regularity and centralised oversight, and its basis of strategy from regulatory coherence and fiscal responsibility. The market-managerial logic draws its source of authority from contractual exchange and price signals, its source of legitimacy from efficiency and return, and its basis of strategy from scalability and capital deepening.[15] The three logics are not mutually exclusive in practice; they coexist in every empirical case but combine in distinctive configurations.

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[14] Royston Greenwood, Mia Raynard, Farah Kodeih, Evelyn R. Micelotta, and Michael Lounsbury, "Institutional Complexity and Organizational Responses," Academy of Management Annals 5, no. 1 (2011): 317–371.
[15] Thornton, Ocasio, and Lounsbury, Institutional Logics Perspective, 89–112.

Waqf Governance Backgrounds in Three Jurisdictions

Indonesia governs waqf through a hybrid arrangement in which Badan Wakaf Indonesia operates as a national regulator and coordinator while nazhir institutions, often civil-society organisations linked to Islamic mass organisations such as Nahdlatul Ulama and Muhammadiyah or to private foundations, undertake the day-to-day management. The legal architecture is set by Law Number 41 of 2004 on Waqf and subsequent implementing regulations. Major nazhir include Yayasan Badan Wakaf Universitas Islam Indonesia, Yayasan Badan Wakaf Sultan Agung Semarang, Yayasan Badan Wakaf Pondok Modern Gontor, and Yayasan Hasyim Asy'ari at Pondok Pesantren Tebuireng, each of which manages substantial educational endowments.

Malaysia operates a federalist waqf governance structure in which the State Islamic Religious Councils, or Majlis Agama Islam Negeri, hold exclusive jurisdiction over waqf in each of the thirteen states. Federal coordination is exercised through the Department of Waqf, Zakat and Hajj, known as JAWHAR, and Yayasan Waqaf Malaysia. Several public universities, including Universiti Sains Islam Malaysia, International Islamic University Malaysia, and Universiti Putra Malaysia, function as waqf administrators in their own right, integrating educational endowment management with academic operations.

Türkiye operates a centralised waqf governance system in which the Directorate General of Foundations, known as Vakıflar Genel Müdürlüğü, administers Ottoman heritage waqf assets across the country. Founded in 1924 as part of the Atatürk reforms, the directorate operates within a secular constitutional framework but continues to administer assets whose religious provenance is unmistakable.[16] A parallel ecosystem of modern foundations, many of them established under Law 5737 of 2008, undertakes educational and social work, sometimes funded by community donations and sometimes by classical waqf assets.

Research Method

This study employs a comparative qualitative case study design, a strategy well suited to investigating contemporary phenomena within their real-life contexts, particularly when the boundaries between phenomenon and context are not clearly delineated.[17] Three countries are treated as cases, with Indonesia, Malaysia, and Türkiye selected following a maximum variation logic in which cases are chosen to span the theoretically meaningful range of governance configurations. Indonesia represents a fragmented decentralised system with strong civil-society participation. Malaysia represents a state-federalist system with growing market integration. Türkiye

[16] Murat Çizakça, A History of Philanthropic Foundations: The Islamic World from the Seventh Century to the Present (Istanbul: Boğaziçi University Press, 2000), 1–35.

[17] Robert K. Yin, Case Study Research and Applications: Design and Methods, 6th ed. (Thousand Oaks: Sage Publications, 2018), 49–63.

represents a centralised state-stewardship system operating within a secular constitutional frame. This logic of theoretical replication, as distinct from literal replication, predicts contrasting findings for theoretically anticipated reasons.[18]

Data are drawn from four classes of documents covering the period 2015 to 2025. The first class is regulatory and policy documentation, including national waqf laws, ministerial regulations, BWI strategic plans, JAWHAR guidelines, and Vakıflar Genel Müdürlüğü annual reports. The second class is institutional documentation produced by nazhir, foundations, and waqf-funded universities. The third class is platform documentation, including websites, terms of service, whitepapers, and product disclosures for digital waqf platforms such as Satu Wakaf Indonesia, Cash Waqf Linked Sukuk product information, myWakaf, myWaqafPTPTN, and the e-Devlet vakıf portal. The fourth class is the academic literature on waqf governance and digital waqf transformation in the three countries.

Analysis proceeds in two phases. In the within-case phase, each country is examined in turn to identify the configuration of religious, state, and market logics that prevails in its waqf governance, the specific digital initiatives that have been undertaken, and the implications for Islamic education funding. In the cross-case phase, the three configurations are compared systematically using a logic of pattern matching and explanation building, with the analytic centrepiece being a comparative table of ideal types and empirical configurations.[19]

Coding follows the Gioia methodology, in which first-order concepts are inductively identified from the documents, second-order themes are constructed by clustering related concepts, and aggregate dimensions are developed by mapping themes onto the institutional logics framework.[20] Trustworthiness is established through four mechanisms: triangulation across document types, audit trail documentation of analytic decisions, comparison of findings with prior studies, and reflexive attention to the researcher's positionality as an observer trained in Indonesian Islamic legal scholarship who is studying two foreign contexts at one remove.[21]

The limitations of the design are acknowledged at the outset. The reliance on publicly available documents means that informal practices, internal disagreements, and emerging initiatives that have not yet reached the documentary record may be underrepresented. The analysis privileges the perspective of regulators and large

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[18]Kathleen M. Eisenhardt, "Building Theories from Case Study Research," Academy of Management Review 14, no. 4 (1989): 532–550.
[19]Yin, Case Study Research, 79–98.
[20]Dennis A. Gioia, Kevin G. Corley, and Aimee L. Hamilton, "Seeking Qualitative Rigor in Inductive Research: Notes on the Gioia Methodology," Organizational Research Methods 16, no. 1 (2013): 15–31.
[21]Yvonna S. Lincoln and Egon G. Guba, Naturalistic Inquiry (Beverly Hills: Sage Publications, 1985), 289–331.

institutions over that of individual donors or grassroots nazhir. Generalisation is analytic rather than statistical, in keeping with the conventions of comparative case-study research.

Results

Indonesia: Hybridised Religious-State Configuration with Emerging Market Logic

The Indonesian case exhibits a hybridised configuration in which religious-communitarian and state-bureaucratic logics jointly shape practice, with a market logic gaining ground in the past five years through specific instruments. The religious-communitarian logic remains foundational. Major nazhir continue to be embedded in mass-membership Islamic organisations such as Nahdlatul Ulama and Muhammadiyah, in pesantren networks, and in private Islamic foundations. The notion of perpetuity and the protection of the wāqif's intent remains central to public discourse on waqf, and the figure of the kiai or ulama as ethical guarantor remains influential.

The state-bureaucratic logic operates through Badan Wakaf Indonesia, the Ministry of Religious Affairs, and the Sistem Informasi Wakaf, or SIWAK, that records over 440,500 waqf land locations covering some 57,763 hectares.[22] The 2024 to 2029 strategic plan of Badan Wakaf Indonesia foregrounds digital transformation, with five priority axes that include the Satu Wakaf Indonesia platform, the construction of a national waqf data mart, the development of interconnections between platforms, the rollout of e-Service and e-Office for BWI's own administration, and the SAMAWI application for nazhir reporting.[23]

The emergence of a market-managerial logic is most clearly visible in two instruments. Cash Waqf Linked Sukuk, launched through cooperation between Badan Wakaf Indonesia, Bank Indonesia, and the Ministry of Finance, integrates cash waqf collection with sovereign ṣukūk issuance, with returns disbursed for productive social programmes. The CWLS series, including SWR006 issued in 2025 under a wakālah contract, places cash waqf within a structured capital-market instrument that requires standards of disclosure and performance reporting that exceed those of traditional nazhir practice.[24] The Cash Waqf Linked Deposit innovation, marketed through aggregator platforms, applies a similar logic to syariah bank deposit instruments. Both instruments operate at the interstice of religious legitimacy, state regulation, and market discipline.

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[22]Badan Wakaf Indonesia, Wakaf Uang dan Gerakan Indonesia Berwakaf, Materi Talkshow (Jakarta: Badan Wakaf Indonesia, July 24, 2024), 4–9.

[23]BWI, Refleksi dan Strategi GIB, 10.

[24]Bank Muamalat Indonesia, "Cash Waqf Linked Sukuk," accessed May 2026, https://www.bankmuamalat.co.id/index.php/investasi/cash-waqf-linked-sukuk.

Implications for Islamic education are substantial. The Cash Waqf Linked Sukuk programme has financed digitalisation projects at pesantren and tahfīẓ scholarship programmes, including the development of Pesantren Tahfizh Green Lido in Sukabumi, channelling capital-market discipline into educational endowments that historically operated on community-trust foundations. At the same time, smaller pesantren that lack the documentation and audit capacity required to interface with state platforms or capital-market instruments are at risk of being functionally excluded from these new flows.

Malaysia: State-Dominated Configuration with Selective Market Incorporation

The Malaysian case displays a state-bureaucratic logic that is dominant at the federal-state interstice, with a market-managerial logic incorporated selectively through specific federal initiatives, and with the religious-communitarian logic operating within rather than around state structures. Waqf in Malaysia is constitutionally a state matter, and the State Islamic Religious Councils hold both regulatory and operational authority. Federal initiatives, including those of the Department of Waqf, Zakat and Hajj and Yayasan Waqaf Malaysia, complement rather than supplant state-level governance.[25]

Digital transformation in Malaysian waqf has proceeded along two tracks. The first is institutional digitalisation, in which State Islamic Religious Councils have computerised registries, digitised land records, and developed e-services for waqf transactions. The second is collaborative platform development, exemplified by the myWakaf initiative, a partnership between Islamic banks and State Islamic Religious Councils that channels cash waqf through banking infrastructure. Finterra's Waqf Chain, a blockchain initiative based in Malaysia, has piloted distributed-ledger registration of waqf transactions, although adoption remains experimental rather than mainstream.

The most significant recent development for Islamic education is myWaqafPTPTN, a collaboration between Yayasan Waqaf Malaysia and Perbadanan Tabung Pendidikan Tinggi Nasional, the national higher-education financing agency. Launched as a diversification of higher-education funding sources, myWaqafPTPTN accepts contributions through online banking, transfer to a dedicated Yayasan Waqaf Malaysia RHB Islamic Bank account, and QR DuitNow.[26] The beneficiary population is explicitly broadened to include students from the B40, M40, and asnaf categories, and is not restricted to Muslim recipients. The scheme is governed by a Steering Committee and overseen by a Technical Evaluation and Distribution Committee, reflecting the

[25] Niswah and others, "Development of FinTech," 4–12.

[26] Yayasan Waqaf Malaysia and Perbadanan Tabung Pendidikan Tinggi Nasional, "myWaqafPTPTN Initiative Overview," official communication, 2024.

bureaucratic logic of formal committee governance even within a market-style fundraising mechanism.

Implications for Islamic education differ from those in Indonesia. Malaysian higher-education institutions such as Universiti Sains Islam Malaysia and International Islamic University Malaysia function as nazhir in their own right, integrating waqf administration with academic governance. The myWaqafPTPTN scheme extends waqf-based financing to the broader higher-education system, including non-Islamic institutions. Smaller community-based schools and traditional pondok institutions, however, often remain outside the formal digital waqf channels, dependent on community fundraising and direct donations.

Türkiye: Centralised State-Stewardship Configuration

The Türkiye case exhibits a centralised state-stewardship configuration in which the state-bureaucratic logic is dominant and the religious-communitarian logic operates indirectly through heritage rather than through autonomous religious authority. Vakıflar Genel Müdürlüğü, founded in 1924 as part of the Atatürk reforms, administers waqf assets whose origins lie in the Ottoman Empire and whose religious provenance is unambiguous, but does so within a secular constitutional framework.[27] The directorate maintains an audit and inspection apparatus and engages in active rehabilitation of Ottoman heritage properties.

Digital transformation in the Türkiye case is concentrated in the e-Devlet government services portal, through which citizens can query the foundation registry, apply for educational scholarships funded by waqf endowments, and access procedural services. The Vakıflar Genel Müdürlüğü's electronic document management system supports internal workflow and external verification.[28] Unlike Indonesia and Malaysia, Türkiye has not developed prominent third-party fintech platforms specifically for cash waqf collection on the scale of Satu Wakaf Indonesia or myWakaf, and the market-managerial logic remains relatively muted in the heritage waqf sector.

Parallel to the heritage system, a substantial sector of modern foundations operates under Law 5737 of 2008. These include major actors such as Türkiye Diyanet Vakfı, which administers religious-affairs-related charitable activities, and a constellation of educational foundations supporting İmam Hatip schools, university scholarships, and other religious education initiatives. The modern-foundation sector adopts digital fundraising and donor-management practices more readily than the heritage sector, although the empirical evidence on the scale of these activities remains less systematically documented than in Indonesia and Malaysia.

[27]Directorate General of Foundations, "Hakkımızda."
[28]Mutaqin and Guntoro, "Transformation of Islamic Social Finance in Türkiye," 38–40.

Implications for Islamic education in Türkiye are layered. Waqf-funded educational scholarships and orphan stipends administered through Vakıflar Genel Müdürlüğü continue at substantial scale, with annual updates to scholarship rates published as administrative announcements. The İmam Hatip school system, which constitutes the main contemporary religious education infrastructure, is funded primarily through the state education budget rather than directly through waqf, though parallel foundation support is significant. The institutional logic of the Türkiye case therefore decouples Islamic religious-educational financing from waqf in a way that the Indonesian and Malaysian cases do not.

Comparative Synthesis

Table 1 summarises the comparative analysis of waqf governance and digital transformation patterns across the three cases.

Table 1. Comparative Configurations of Institutional Logics in Digital Waqf Transformation

Dimension	Indonesia	Malaysia	Türkiye
Dominant logic	Hybridised religious and state, with emerging market	State, with selective market incorporation	Centralised state stewardship
Primary regulator	Badan Wakaf Indonesia and Ministry of Religious Affairs	State Islamic Religious Councils, JAWHAR, and Yayasan Waqaf Malaysia	Vakıflar Genel Müdürlüğü
Flagship digital initiative	Satu Wakaf Indonesia, Cash Waqf Linked Sukuk, SAMAWI	myWakaf, myWaqafPTPTN, Finterra Waqf Chain	e-Devlet vakıf portal, EBYS document management
Position of nazhir	Autonomous civil-society and pesantren-linked	State-anchored, with university nazhir	State-administered through directorate
Role of capital markets	Increasing through CWLS and CWLD	Banking-channel intermediation	Limited in heritage sector
Islamic education funding channel	Pesantren and Islamic universities through nazhir networks	Public Islamic universities as nazhir; higher-education scheme through PTPTN	Scholarship disbursement; partial decoupling from İmam Hatip funding

Discussion

The cross-case analysis demonstrates that digital waqf transformation is shaped less by technological readiness than by the underlying configuration of institutional logics. Each of the three cases exhibits a distinctive pattern. Indonesia is characterised by a hybridised religious-state configuration in which a market logic is being introduced from above through Cash Waqf Linked Sukuk and from below through aggregator platforms, producing genuine institutional complexity that actors must navigate.

Malaysia is characterised by a state-dominated configuration with selective market incorporation, where the bureaucratic logic accommodates market mechanisms within formal committee governance structures. Türkiye is characterised by a centralised state-stewardship configuration in which the market logic remains relatively muted and Islamic education financing is partly decoupled from the historic waqf system.

These patterns confirm and extend the theoretical claim that organisations and fields exhibiting institutional complexity respond through three principal mechanisms: hybridisation, in which logics are blended within practices; segregation, in which logics are assigned to different units or activities; and decoupling, in which ceremonial conformity is separated from substantive practice.[29] Indonesia exemplifies hybridisation, with Cash Waqf Linked Sukuk standing as a paradigmatic hybrid instrument that integrates classical waqf concepts with sovereign-debt structures and platform-based distribution. Malaysia exemplifies segregation, with state-level institutions handling traditional waqf administration while federal-level initiatives, banking partners, and university nazhir handle market-facing initiatives in parallel. Türkiye approaches decoupling, with the heritage waqf system performing its constitutional and historical functions through Vakıflar Genel Müdürlüğü while contemporary Islamic education financing has migrated to other institutional channels.

A further analytic finding concerns the political economy of access. Digital transformation is often promoted as expanding access to waqf participation and benefit, but the cases studied here suggest that digital transformation also redistributes access along institutional lines. Where the dominant logic is religious-communitarian, smaller nazhir and pesantren-type institutions retain access through community trust and direct ties, even where digital infrastructure is weak. Where the dominant logic is state-bureaucratic, access is mediated by formal compliance with state procedures; institutions without bureaucratic capacity may be excluded from digital channels even if they possess significant religious legitimacy. Where the dominant logic incorporates market discipline, access is mediated by audit and disclosure capacity; institutions without the financial and managerial capacity to produce capital-market-grade reporting may find themselves shut out of CWLS-type instruments. These dynamics matter directly for Islamic education, since pesantren, pondok, and medrese-type institutions differ widely in their institutional capacity to navigate each logic.

The findings also speak to a perennial policy question, namely whether successful digital waqf models can be transferred across jurisdictions. The cross-case analysis suggests that direct transfer is unlikely to succeed if it ignores the underlying

[29]Greenwood and others, “Institutional Complexity,” 320–333.

institutional configuration. An Indonesian regulator who admires the integration of Malaysian myWaqafPTPTN with the higher-education financing system must contend with the fact that Malaysia's state-religious councils provide a coordinating infrastructure that Indonesia lacks. A Malaysian observer who admires the speed of Indonesian Cash Waqf Linked Sukuk innovation must reckon with the role of Bank Indonesia and the Ministry of Finance, whose coordination on syariah capital markets reflects an Indonesian state-finance configuration that does not have a direct Malaysian analogue. Türkiye's heritage-administration model relies on a centralised state apparatus and a body of waqfiyya documents whose continuity from the Ottoman period gives the directorate an authority that no contemporary regulator in Indonesia or Malaysia could simply replicate.[30]

Comparing these findings with the prior literature, three points stand out. First, the dominant adoption-determinant literature, which identifies religiosity and perceived usefulness as predictors of intention to use waqf fintech, captures only a portion of the variation in digital transformation outcomes. Individual-level attitudes interact with institutional configurations to produce different patterns of adoption and use. Second, the blockchain-and-waqf literature, which has emphasised the technical potential of distributed-ledger technology, has not adequately theorised the institutional conditions under which such technology is taken up. Finterra's Malaysian Waqf Chain has not seen the rapid mainstream adoption that early enthusiasts predicted, partly because the state-bureaucratic logic dominant in Malaysian waqf governance prefers controllable, auditable, and bank-mediated channels. Third, the bibliometric reviews that map the field have shown growth but have not explained the cross-national variation that growth conceals.[31]

Three implications for Islamic education governance follow. First, Islamic education leaders should diagnose the institutional configuration of their jurisdiction before adopting any specific digital waqf instrument. A pesantren in Indonesia operates in a context of hybridised logics where multiple channels are simultaneously open, including community fundraising, BWI-coordinated cash waqf, and capital-market-linked instruments; the strategic question is which combination to pursue, not which single channel. A madrasah in Malaysia operates in a context where the state-level religious council is typically the indispensable counterpart, with federal initiatives layered on top. A foundation supporting İmam Hatip-type schools in Türkiye operates in a context where modern-foundation legal forms and direct fundraising may matter more than classical waqf channels. Second, policymakers contemplating reform should think in terms of logic configurations rather than discrete technical fixes. Introducing a new digital platform without addressing the underlying authority structure of nazhir, the state regulator, and capital-market

[30] Thornton, Ocasio, and Lounsbury, Institutional Logics Perspective, 128–145.
[31] Aldeen, "Forty-Year Bibliometric Analysis," 188–193.

intermediaries is unlikely to produce sustainable change. Third, comparative learning across jurisdictions should be selective rather than wholesale. Specific practices, such as the standard disclosure language of Cash Waqf Linked Sukuk or the donor-management workflow of myWaqafPTPTN, may be portable; the underlying governance configuration is not.

Several limitations should be noted. The reliance on documentary sources means that informal practices and emerging initiatives may be under-represented; future research should incorporate semi-structured interviews with regulators, nazhir, and platform managers in the three countries. The Türkiye case is more thinly documented in the comparative waqf literature than Indonesia and Malaysia, and additional fieldwork with vakıf administrators would strengthen the analysis. The study has bracketed individual-donor behaviour, focusing instead on institutional configurations; integrating donor-level survey data in future work would enrich the analysis. Finally, the institutional logics framework, while powerful for cross-case comparison, tends to under-specify the dynamics of change over time; longitudinal designs incorporating critical events such as regulatory amendments or platform launches would help track how configurations shift.

Conclusion

This study has examined how distinct institutional logics shape the digital transformation of waqf governance for Islamic education in Indonesia, Malaysia, and Türkiye. The research was motivated by an empirical puzzle, namely that countries sharing a common classical fiqh foundation for waqf exhibit divergent trajectories in adopting financial technology for waqf collection, registration, and disbursement. The institutional logics perspective was mobilised as a theoretical apparatus capable of explaining this variation, and three ideal-typical logics, namely the religious-communitarian, state-bureaucratic, and market-managerial logics, were operationalised for comparative analysis.

The findings show that the three countries display distinctive configurations of these logics. Indonesia displays a hybridised religious-state configuration in which a market logic has been introduced through Cash Waqf Linked Sukuk and aggregator platforms, producing institutional complexity that actors must navigate. Malaysia displays a state-dominated configuration with selective market incorporation through banking-channel platforms and dedicated educational waqf schemes such as myWaqafPTPTN. Türkiye displays a centralised state-stewardship configuration in which the market logic remains muted and contemporary Islamic education financing is partly decoupled from the heritage waqf system. The cross-case comparison demonstrates that digital waqf transformation is shaped less by technological readiness than by the underlying configuration of institutional logics. Hybridisation, segregation, and decoupling appear as alternative organisational responses to institutional complexity, each with distinctive consequences for how Islamic education institutions, including pesantren, madrasah, and medrese-type institutions, can access waqf-based financing.

The contribution of the study is threefold. Theoretically, the institutional logics perspective is extended into Islamic social finance, a domain where it has been underused, demonstrating its analytic purchase on a contemporary policy question. Empirically, the comparative case study illuminates cross-national variation that single-country studies systematically miss, and identifies governance patterns that may travel to other Muslim-majority jurisdictions. Practically, the analysis offers a diagnostic tool for policymakers, regulators, nazhir managers, and Islamic education leaders contemplating digital transformation, encouraging them to think in terms of logic configurations rather than discrete technical fixes.

Three directions for future research follow. The first is mixed-methods extension, incorporating semi-structured interviews with regulators, nazhir managers, fintech executives, and Islamic education leaders to complement the documentary analysis. The second is longitudinal tracking of how digital waqf configurations evolve in response to critical events, including regulatory amendments and major platform launches, allowing the dynamics of logic change to be observed over time. The third is the extension of the comparative framework to additional jurisdictions, including Gulf states such as Saudi Arabia, Kuwait, and the United Arab Emirates, where royal-foundation logics introduce a fourth ideal type that did not appear in the present study, and to South Asian jurisdictions such as Bangladesh and Pakistan, where colonial legacies and contemporary fintech ecosystems combine in still other configurations.

Beyond academic research, the practical message for Islamic education leaders is direct. The digital transformation of waqf is not a single global phenomenon to which institutions must adapt; it is a plurality of trajectories shaped by institutional configurations. Pesantren leaders, madrasah heads, and the directors of religious foundations would do well to map their own institutional context with care before committing to any particular technology or partnership. The most appropriate digital waqf strategy for a pesantren in Indonesia, a madrasah in Malaysia, or a vakıf-funded scholarship programme in Türkiye is the one that aligns with the institutional logic configuration of its setting, while remaining open to selective learning from configurations elsewhere. The continuing relevance of waqf for Islamic education depends on this institutional self-awareness as much as on any specific technological innovation.

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