

Empowering Good Governance Practices Among Orphanage Centres

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ABSTRACT

The main social factor in most of Orphanage Centre is to promote child development. Appropriate childcare can enhance a child's social and intellectual development (Leach et al., 2008). Even though most childcare research focuses on the education of the child, but according to Maloney (2016), the management and governance of the centres can influence the employment, resources and culture of the centre, which in turn can affect the care of the children. It is expected that the Good Governance Model advocate the effectiveness of good governance practices in Orphanage Centre by enhancing monitoring and more importantly facilitating management of orphanage care in their efforts to provide care as well as socio-economic development of the children at the orphanages. This study employed a mixed-methods approach to investigate corporate governance practices in orphanage centers. The approach included in-depth interviews with two centers and a questionnaire survey that was administered to multiple institutions affiliated with YIDE. Besides, elements of good governance model have been identified to improve monitoring and facilitation towards orphanage centers. This is important to propose a comprehensive guidance to orphanage Centres in discharging their duties on matters relating to governance in providing quality monitoring role.

INTRODUCTION

Orphans face unique challenges due to the loss of one or both parents as well as the issue of financial constraints. Therefore, orphanage centers are a platform that can improve the socio-economic well-being of these children because it focuses specifically on their socio-economic development. In line with the National Children's Policy 2009, it outlines the well-being of children by ensuring their rights to survival, protection, development and participation so that children can enjoy opportunities and space to achieve holistic development in a conducive environment. To achieve this goal, two main aspects need to be empowered on children with emphasis on education and welfare aspects. However, these aspects might be jeopardized if the children have no responsible caretaker and have to be in the orphanage center. Islam emphasizes the importance of being kind to orphans, in accordance with Quran in Surah Ad-dhuha, verses 9-10 which means:

...that is, as you yourself have been an orphan and Allah graced you with the bounty that he made the best possible arrangements to help you in that state, therefore, in gratitude you should see that no orphan is treated unjustly and harshly. If you cannot, you should excuse yourself politely but should never scold him.

The effort to place orphans in the orphanage is a pure effort. Therefore, the growth and development of these orphans, whether physically, mentally or socially, must be given the best possible attention as children who are the same age as those who can enjoy life in their own families. Fundamentally, these orphanage centres are expected to adopt the Shariah principles where the adoption is meant to protect the organization from unfairness and untrustworthy transactions (Suffian, Sanusi, Osman & Azhari, 2015). The information they provide should be free from material errors and faithfully represent the organization activities i.e. without distorting what is

measured, the measurement process, and what is disclosed via a selective process that could unintentionally damage others (Haniffa & Hudaib, 2002). There are many verses in the Qur'an that mention fair dealings, trustworthiness and accountability as a Muslim. Amongst them are:

“O you believe! Eat not your property among yourselves unjustly except in a trade amongst you by mutual consent” (An-Nisa’: 29)

“Allah has permitted trading and forbidden (haram) riba’ (usury)” (Al-Baqarah: 275-281)

Even though these organizations are expected to uphold the Shariah principles in their dealings, there are still issues arises in the management of orphanage center. In July 2018, there is a case of management in one of orphanage Centre in Bachok who does not look after the welfare of the orphans properly. The orphans’ claims that foods given has expired and is only fed twice a day, causing starvation and food poisoning, and some are not even given food in a day. In addition, the caretakers also used to take public donations given to the orphans, in the amount of RM800 per person (Harian Metro, 2018).

In addition, in Terengganu, a chairman of an orphanage organization was remanded for six days to assist in the investigation into a case of submitting a false claim amounting to RM116,640 for zakat assistance in 2018. The news media reported that the suspect is said to produce a document application Zakat money to Islamic Religious and Malay Customs - Terengganu (MAIDAM) (Berita Harian, 2020). Hence, the caretaker role in these orphanage centre in providing a supposedly good quality of monitoring role is not consistent with the Shariah principles as well as not serving the orphanage’ best interest.

According to Shaykhul Islam Ibn Taimiyyah Rahimahullah he said: "Wilayah (control) over small children, crazy people, the safih (stupid and weak-minded), rests with the entire family". See Al-Fatawa Al-Kubra, Ibn Taimiyyah (5/397).

He even said: "It is not allowed to be given the authority to manage the property of orphans except to someone who is strong, has expertise in what has been entrusted to him, trust in managing it, and becomes an obligation if the guardian (property manager) is not with the mentioned characteristics to be exchanged for a guardian who is more worthy than him" . Refer to Majmu' Al-Fatawa, Ibn Taimiyyah (30/44) (Al-Bakri, 2016).

This article aims to study the current governance practice of Orphanage Centers under Yayasan Islam Darul Ehsan (YIDE) in Selangor. Besides that, the elements of Good Governance Model applicable for Orphanage Centre are also being identified to improve their monitoring role and activities.

LITERATURE REVIEW

Good governance, as suggested, comprises four elements: leadership, culture, human resources, and stakeholder management.

Leadership in Orphanage Centre

Effective leadership is a critical driver of good governance in orphanage centres, as it directly influences organizational culture, accountability, and service quality for vulnerable children. Transformational leadership, which emphasizes inspiring and empowering staff, has been shown to enhance work performance, reduce burnout, and increase employee engagement — essential factors for maintaining high standards of care in orphanages (Khan et al., 2020; Balwant et al., 2019). Leaders with strong cultural intelligence can navigate the diverse backgrounds of both staff and children, fostering an inclusive environment that upholds ethical governance (Kalfaoglu et al., 2019). Trust-based relationships, built through leader-member exchanges, improve staff commitment and ensure accountability in daily operations, which is vital for transparency in managing resources and welfare programs (Chan, 2020; Megheirkouni, 2017). Moreover, leadership that encourages open communication and reflection cultivates a positive organizational climate, supporting continuous improvement in caregiving practices (Anselmann & Mulder, 2020). In non-profit settings like orphanages, effective leadership also plays a key role in volunteer retention and community trust, which are crucial for the centre’s sustainability

and reputation (Almas et al., 2020). Furthermore, leadership styles influence how well the orphanage aligns its goals with its mission, ensuring that policies and practices are effectively governed (Jensen et al., 2019; Obiwuru et al., 2011). Therefore, leadership is not just about managing people but is fundamental to ensuring good governance that prioritizes transparency, accountability, and the holistic well-being of orphans.

Item	Element	References
LEADERSHIP (how this kind of leaders help in managing the orphanage center so the orphans can sustain (self-sustainability) even after leaving the center)	Based on Transformational Leadership: Global Transformational Leadership (GTL) scale (Carless, Wearing, & Mann, 2000, p. 389)	1. Kundi, Y.M. & Aboramadan, M. (2020)
	- idealized influence (communicate vision)	2. Kalfaoglu, S., Jami, M.S, and Attar, Melis (2019)
	- intellectual stimulation (empowerment and innovative thinking)	3. Chan, S. C. H. (2020).
	Social skills The ability to cooperate, understand, and motivate others.	4. Majd Megheirkouni, (2017)
	Managerial skills Skills or abilities through specialized knowledge and skills acquired through education and training, the ability to recognize problems and opportunities to make the right decisions, and determine appropriate action.	5. Anselmann, V., & Mulder, R. H. (2020)
		6. Khan, H., Rehmat, M., Butt, T. H., Farooqi, S., & Asim, J. (2020)
		7. Almas, S., Chacón-Fuertes, F., & Pérez-Muñoz, A. (2020)
		8. Balwant, P. T., Mohammed, R., & Singh, R. (2019)
		9. Obiwuru, Okwu, Akpa and Nwankwere (2011)
		10. Jensen et al 2019

Culture in Orphanage Centre

Culture functions as a vital repository of collective knowledge, values, traditions, and social norms that deeply influence a child's emotional, psychological, and social development. According to Huynh et al. (2019), cultural identity fosters a sense of belonging and continuity, which is particularly important for children facing adversity, as it helps anchor them in stable belief systems and moral frameworks. Mohammadzadeh, Awang, Ismail, and Kadir Shahar (2019) assert that cultural practices serve as protective factors, especially in collectivist societies where familial bonds, religious values, and community rituals support emotional resilience in children. In the Malaysian context, Azlini, Siti Hajar, and Lukman (2020) highlight the role of cultural values such as mutual respect (adab), responsibility, and community solidarity in shaping a child's character and worldview. Similarly, Megawati, Lestari, and Lestari (2019) found that traditional rituals and storytelling in early childhood education help preserve cultural identity while reinforcing moral values and social cohesion. Thwala (2013) further emphasizes that children's well-being is significantly enhanced when they feel connected to their cultural roots, especially in orphaned or vulnerable populations, where cultural continuity provides emotional security and a sense of identity. Altogether, these studies support the view that culture is not only a symbolic resource but a practical foundation that contributes meaningfully to the holistic well-being and positive development of children.

Item	Element	References
CULTURE Culture serves as a store of knowledge, values, connectedness, belonging and traditional practice, which is regarded as being essential to the	Psychosocial well-being The social and emotional wellbeing of an individual and the ability to fulfill his or her potential as a human being.	1. Huynh HV, Limber SP, Gray CL, Thompson MP, Wasonga AI, Vann V, et al. (2019)
	Gratitude training Ways of being grateful to the main source (God)—transpersonal; and in the intermediary (human)—personal.	
		2. Mohammadzadeh M, Awang H, Ismail S, Kadir Shahar H (2019)

general well-being of the child.	Social skills The ability to cooperate, understand, and motivate others.	3. Azlini, C., Siti Hajar, A. R., & Lukman Z.M. (2020)
	Managerial skills Skills or abilities through specialized knowledge and skills acquired through education and training, the ability to recognize problems and opportunities to make the right decisions and determine appropriate action.	4. Megawati, P., Lestari, S., Lestari, R. (2019) 5. S'lungile K. Thwala (2013)

Human Resource Capability in Orphanage Centre

Human resource capability, defined as the integration of an individual's natural skills, confidence, and accumulated knowledge to perform work efficiently, is critical for achieving organizational goals—particularly in mission-driven institutions like orphanage centers. According to Ismail, Hindawi, Awamleh, and Alawamleh (2018), employees' capability is a vital asset that supports organizational sustainability, especially in social care sectors where emotional intelligence and adaptability are essential. Ahmad (2012) emphasizes that in human service organizations, staff effectiveness stems not only from formal qualifications but also from interpersonal skills and intrinsic motivation to serve vulnerable populations. In the context of Islamic institutions, Shabri, Saad, and Bakar (2017) highlight the importance of aligning human resource practices with values-based objectives, noting that capable staff are better positioned to deliver holistic care and education to orphans. From a broader strategic human resource management perspective, Chuang, Jackson, and Jiang (2016) and Collins and Smith (2006) suggest that high-performance work systems cultivate employee capabilities by fostering a learning-oriented environment that supports innovation and organizational outcomes. Lepak and Snell (2002) further distinguish between human capital configurations, arguing that organizations must strategically invest in the development of core employee competencies that align with operational needs. Similarly, López-Cabrales, Real, and Valle (2009) link human capital development with organizational performance, observing that confident and well-equipped employees contribute significantly to long-term institutional success. In the context of orphanage centers—where staff roles are often multidimensional and emotionally demanding—strengthening human resource capability is not merely a functional necessity but a strategic imperative for delivering impactful and compassionate care.

ITEM	ELEMENT	REFERENCES
HUMAN RESOURCE CAPABILITY a natural skill, confidence, knowledge and skills to carry out the work efficiently in order to achieve the organization goals.	Technical skills The ability to apply knowledge or special skills acquired through education and further developed through training.	1. Ismail, L. B., Hindawi, H., Awamleh, W., & Alawamleh, M. (2018). 2. Ahmad, S. (2012). 3. Shabri, S.M, Saad, R.A,J & Bakar, A.A (2017) 4. Chuang, Jackson, S.E., & Jiang, 2016; 5. Collins & Smith, 2006; 6. Lepak & Snell, 2002; 7. Lopez-Cabrales et al., 2009
	Social skills The ability to cooperate, understand, and motivate others.	
	Managerial skills Skills or abilities through specialized knowledge and skills acquired through education and training, the ability to recognize problems and opportunities to make the right decisions, and determine appropriate action.	

Stakeholder Management in Orphanage Centre

Effective stakeholder management is essential for building trust and sustaining meaningful relationships, especially for organizations with strong social missions such as orphanage centers or nonprofits. To maintain legitimacy and long-term engagement, organizations must fulfill not only their explicit obligations but also the

implicit promises made to stakeholders through values, mission statements, and public commitments (Dan, 2020; Balser & McClusky, 2005). This involves being accountable not only in formal reporting but also in relational and ethical dimensions, as stakeholders assess consistency between stated intentions and actual behaviour (Zboja, Jackson, & Grime-Rose, 2020). Moreno-Albarracín et al. (2020) highlight that transparent communication and proactive engagement strategies are critical in enhancing trust, particularly in settings where community involvement and public goodwill are pivotal. Moreover, according to Liket and Maas (2015), measuring and reporting social impact authentically can help fulfill stakeholder expectations, especially when outcomes are intangible or long-term. Connolly and Hyndman (2013) further argue that demonstrating performance in areas valued by stakeholders strengthens credibility and contributes to sustained support. In sum, stakeholder management is not merely a transactional process, but a trust-building mechanism grounded in faithfulness to mission, responsiveness to expectations, and accountability to both visible and invisible commitments.

ITEM	ELEMENT	REFERENCES
STAKEHOLDER MANAGEMENT To build relationships and trust with stakeholders, organisation must be able to fulfil its social missions in good faith, account for implicit promises, and satisfy stakeholders' expectations.	Stakeholder Management: - *Funders *Volunteers *Organisation partners *Staff *Beneficiaries *YIDE	1) Dan (2020) 2) Zboja, Jackson & Grime-Rose (2020); 3) Moreno-Albarracín, Licerán-Gutierrez, Ortega-Rodríguez, Labella & Rodríguez (2020); 4) Balser & McClusky (2005) 5) Liket & Maas, 2015; 6) Connolly & Hydman, 2013)

RESEARCH METHODOLOGY

The questionnaires were distributed to the orphanage centres under Yayasan Islam Darul Ehsan (YIDE) which included both qualitative and quantitative data, and the results are categorized accordingly. With questionnaires distributed across all 22 registered orphanage centres under YIDE, a total of 18 feedback was collected making the response rate as high as 90% for this research. Interviews also have been conducted with managers at two orphanage centers at Kuang and Serendah to strengthen the result of the quantitative study.

FINDINGS AND DISCUSSION

Biographical Profiles

The first section of the findings outlines the biographical profiles of the participants in this study. This is followed by the discussion of the themes from the data collected. The quantitative data was analysed using SPSS and the results revealed that only 6 of the 18 respondents was male, with 12 being female. In relation to age of the respondents, 27.8% of the respondents is between 41 and 50 years old, 27.8% were 51 years old and above, 22.2% were below 30 and only 11.1% were between 30 to 40 years old.

Table 4.1 Demographic Profile

	Description	Respondents (n=18)	Percentage (%)
Gender	Male	6	33.3
	Female	12	66.7
Age	Below 30 years old	4	22.2
	30 - 40 years old	2	11.1
	41 - 50 years old	7	38.9

	Above 51 years old	5	27.8
Highest	Sijil	6	33.3
Education	Diploma	1	5.6
Level	Ijazah/Sarjana/PhD	8	44.4
	Professional Qualification	2	11.1
	Missing Value	1	5.6

Amongst the 18 respondents, 44.4% of them has Ijazah/Sarjana/PhD while 33.3% of them has Sijil as their Highest Education Level. Majority of the respondents (77.8%, n=14) is the Manager & Professional (Pengurus Rumah Anak Yatim) and only 4 of them are the staff caretakers (Staf Sokongan). In terms of the years of experiences these respondents currently had in their current department, half of them has more than 5 years of experience. When asked on the years of experience they had under YIDE, majority (77.8%, n=14) has between 1 to 5 years of experience working.

Table 4.2 Respondents' Working Experience

	Description	Respondents (n=18)	Percentage (%)
Job Position	Pengurusan & Professional (Pengurus Rumah Anak Yatim)	14	77.8
	Administrative Staffs	4	22.2
Job Scope	Management	12	66.7
	Finance	1	5.6
	Administrative	5	27.8
Years of	1 – 5 years	7	38.9
Experience	6 – 10 years	2	11.1
(In current	11 – 15 years	3	16.7
Department)	16 – 20 years	5	27.8
	21 years and above	1	5.6
Years of	1 – 5 years	14	77.8
Experience	6 – 10 years	3	16.7
(Under YIDE)	11 – 15 years	1	5.6
Years of	1 – 5 years	9	50.0
Experience	6 – 10 years	4	22.2
(In current	11 – 15 years	2	11.1
Position)	16 – 20 years	3	16.7

Reliability Analysis

Table 4.3 below presented the Cronbach's Alpha coefficients for all 5 variables in the questionnaires where

higher score implies higher reliability in the measurement scale. Reliability score of 0.70 is accepted as a minimum value (Hair et al., 2017). Therefore, the reliability results presented in Table 4.3 below are acceptable since all of the reliability coefficients are over 0.70.

Table 4.3 Reliability Analysis Results for Pilot Study

Variables	Cronbach's Alpha	Number of items in constructs
Overall	0.958	78
DV (Good Governance)	0.984	18
IV1 (Leadership)	0.992	12
IV2 (Culture)	0.986	11
IV3 (HR Capabilities)	0.978	25
IV4 (Stakeholder)	0.955	12

Pearson Product-Moment Correlation Coefficient

Table 4.4 below shows that there is a medium positive relationship between Good Governance with Stakeholder ($r=0.687$), Culture ($r=0.607$) and Leadership ($r=0.579$) at significant level of 0.01 and 0.05. Based on Pearson's correlation rule of thumb, the strength of correlation is considered strong if its coefficient size is between 0.70 and 1.00 (Hinkle et al., 2003). Meanwhile, there is no significant correlation found between Good Governance with HR Capabilities.

Table 4.4 Pearson Correlation Analysis Results

	DV	IV1	IV2	IV3	IV4
DV (Good Governance)	1				
IV1 (Leadership)	0.579* (0.013)	1			
IV2 (Culture)	0.607** (0.008)	0.940** (0.000)	1		
IV3 (HR Capabilities)	0.359 (0.144)	0.746** (0.000)	0.727** (0.001)	1	
IV4 (Stakeholder)	0.687** (0.002)	0.776** (0.000)	0.824** (0.000)	0.769** (0.000)	1
*. Correlation Is Significant At The 0.05 Level (2-Tailed)					
**. Correlation Is Significant At The 0.01 Level (2-Tailed)					

Multiple Linear Regression

Test for Normality

Table 4.5 presents the results from the Shapiro Wilk, Skewness and Kurtosis analysis. The Shapiro-Wilk Test is more appropriate for small sample sizes (< 50 samples), but can also handle sample sizes as large as 2000. For this reason, we will use the Shapiro-Wilk test as our numerical means of assessing normality. Based on the results in table 4.5, the entire variables has a significant value of less than 0.05 hence concluding that all the variables do not have a normal distribution. Based on the Shapiro-Wilk test for the normality, all the variables are not

normally distributed since the p-value are less than 0.05.

Table 4.5 Shapiro-Wilk Test of Normality, Skewness and Kurtosis

	Shapiro-Wilk			Skewness	Kurtosis
	Statistic	df	Sig.		
DV (Good Governance)	0.211	18	0.033	0.430	-0.420
IV1 (Leadership)	0.239	18	0.008	-1.581	3.825
IV2 (Culture)	0.240	18	0.008	-0.431	-0.535
IV3 (HR Capabilities)	0.330	18	0.000	0.495	1.305
IV4 (Stakeholder)	0.313	18	0.000	0.339	-0.470

However, the test of skewness is another way of checking on the normality and the outliers of the data. According to Byrne (2010), when the skewness is between the range of -2 to +2 and the kurtosis is between -7 to +7, the data is considered as normal. Therefore, according to table 4.5 above, it can be concluded that the data are normally distributed for the variables that falls within the acceptable threshold.

Tolerance and Variance Inflation Factor (VIF) Value

Multicollinearity can be assessed by examining tolerance and the Variance Inflation Factor (VIF) are two collinearity diagnostic factors that can help to identify multicollinearity. A small tolerance value indicates that the variable under consideration is almost a perfect linear combination of the independent variables already in the equation and that it should not be added to the regression equation. All variables involved in the linear relationship will have a small tolerance.

Values of VIF that exceed 10 are often regarded as indicating multicollinearity, but in weaker models values above 2.5 may be a cause for concern. Table 4.6 demonstrates that all the independent variables' tolerance value is within range and the Variance Inflation Factor (VIF) is within the threshold of 1 to 10 even though Culture is showing the VIF value of slightly higher than the maximum threshold. This indicates that multicollinearity issue is not presented (Hair et al., 2009; Gujarati & Porter, 2009).

Table 4.6 Variance Inflation Factors (VIF) Result

Variables	Tolerance	Variance Inflation Factors (VIF)
IV1 (Leadership)	0.107	9.346
IV2 (Culture)	0.094	10.688
IV3 (HR Capabilities)	0.349	2.862
IV4 (Stakeholder)	0.257	3.898

Model Fitting

From table 4.7, the model summary shows a low R² value which is less than 60%. A high R² value interprets the variation in the response variable (Financial Stress) that can be explained by the independent variables. In this case for Financial Stress, it can be concluded that 57% of the variation in Good Governance is explained by the Independent Variables.

Table 4.7 Model Summary for Multiple Linear Regression

Model Summary	Sig.
R	0.755
R ²	0.570
Adj R ²	0.437
Durbin Watson	1.847
P - value (ANOVA)	0.020

** P-value significant at 0.05

Based on the ANOVA result, the p-value which is less than significant value (0.05) indicates that the model is significant. The Durbin-Watson statistic lies in the range 0 to 4. A value of 2 or nearly 2 indicates that there is no first-order autocorrelation. Since the value of Durbin Watson for the model is between the ranges, it can be concluded that there is no autocorrelation.

Table 4.8 Model Coefficients for Multiple Linear Regression

Independent Variables	Financial Stress	
	β	Sig.
Constant	1.701	0.122
x ₁ (Leadership)	0.233	0.646
x ₂ (Culture)	0.035	0.955
x ₃ (HR Capabilities)	-0.662	0.118
x ₄ (Stakeholder)	0.911	0.034**

** P-value significant at 0.05

Based on the table above, only variable Stakeholder (sig. = 0.034**) has a significant effect towards Good Governance since the p-value is less than significant level of 0.05. IV1 Leadership, IV2, Culture and IV3 HR Capabilities shows no significant effect towards dependent variable, Good Governance. Hence, we can model the equation as below:

$$y \text{ (Good Governance)} = 1.701 + 0.911 \text{ (Stakeholder)}$$

From the equation, we can conclude that:

$\beta_0 = 1.701$. When all the predictor variables are held constant, the DV (Good Governance) will be 1.701, which if using the likert as references, it would be closer to 2 which explains Disagree (2).

$\beta_4 = 0.911$. For every 1 unit increase in Stakeholder, the DV (Good Governance) will increase by 0.911.

Hence, the finding specifically answers the research objective as discussed below.

DISCUSSION

This study set out to explore and assess good governance practices within orphanage centres, using a mixed-method approach that combined qualitative narratives from in-depth interviews with Kuang and Serendah, and quantitative data from a structured questionnaire distributed across 22 YIDE-affiliated orphanage centres. The

integration of these two methodological strands offers a holistic understanding of how governance is conceptualized and operationalized in these care institutions.

Convergence in Leadership as a Governance Pillar

Both the qualitative narratives and quantitative findings underscore leadership as a central pillar of good governance. Qualitative data revealed that effective leadership was demonstrated through collaborative decision-making, behavioral interventions, and student leadership development. This aligns with the quantitative finding where leadership positively correlated with good governance ($r = 0.579$, $p < 0.05$), though it did not emerge as a statistically significant predictor in the regression model.

This suggests that while leadership is perceived as essential for daily operations and shaping institutional culture, its direct impact on broader governance outcomes may be mediated through other variables such as stakeholder engagement and culture. It also indicates that the relational and motivational roles of leadership, as captured in the qualitative narratives, may not be fully measured by the quantitative indicators used, warranting future refinement of the survey constructs.

Stakeholder Engagement as a Statistically and Practically Significant Driver

Among all variables examined, stakeholder engagement emerged as the only statistically significant predictor of good governance in the regression analysis ($\beta = 0.911$, $p = 0.034$). This is strongly supported by qualitative data that emphasized active collaboration with parents, schools, alumni, and sponsors. Serendah and Kuang described strategic and consistent communication practices—including the use of social media, alumni surveys, and inter-institutional partnerships—that strengthened trust, legitimacy, and resource mobilization.

The alignment between the qualitative insights and statistical significance reinforces the argument that trust-based stakeholder networks are not ancillary but integral to the governance architecture of orphanage centres. These findings support prior research on stakeholder management in non-profits, emphasizing the importance of relational accountability and mission alignment (Dan, 2020; Connolly & Hyndman, 2013).

Organisational Culture: Strong Presence, Complex Measurement

Qualitative data emphasized how culture—embedded through daily routines, religious practices, and structured learning environments—reinforces discipline, inclusivity, and values-driven behavior. Kuang and Serendah illustrated how culture is co-created by leadership and staff, shaping both academic expectations and moral development.

Quantitatively, culture showed a moderate positive correlation with governance ($r = 0.607$, $p < 0.01$) but was not a significant predictor in the regression model. This discrepancy may stem from the complex, contextual nature of culture, which is more effectively captured through qualitative narratives than survey metrics. The data suggest that culture operates as an intervening variable, reinforcing governance indirectly through leadership, stakeholder engagement, and staff behavior.

Human Resource Capabilities: High Importance, Low Statistical Impact

Narrative data from both centres emphasized the importance of human capital strategies—from recruitment and KPI evaluations to continuous training and role alignment. Despite this, quantitative findings revealed no significant correlation between HR capabilities and governance outcomes ($r = 0.359$, $p > 0.05$).

This disconnect might reflect a misalignment between perceived importance and actual governance impact or the possibility that the benefits of HR strategies are mediated over time rather than immediately visible in governance assessments. Furthermore, resource constraints—as highlighted in the interviews—may dilute the operational impact of HR strategies despite their strategic value.

Synthesizing the Mixed-Method Insights

The integrated findings from both strands of data suggest that stakeholder engagement is the most robust predictor of governance effectiveness, both statistically and narratively. Leadership and culture are consistently highlighted as interconnected drivers, influencing institutional behavior, morale, and strategic clarity. Meanwhile, HR capabilities, while critically discussed in interviews, may require more nuanced measurement to capture their long-term impact.

This synthesis also illustrates the added value of the mixed-method design. Qualitative insights provide context, nuance, and depth—especially in capturing values, motivations, and operational realities—while quantitative data lend generalizability and empirical rigor. Together, they validate that governance in orphanage centres is multidimensional, requiring alignment across leadership, culture, stakeholders, and staff capacity.

CONCLUSION

This study investigated corporate governance practices in orphanage centres, employing a mixed-methods approach—comprising in-depth interviews with two centres and a questionnaire survey across multiple institutions affiliated with YIDE. The aim was to identify the key governance drivers and understand how qualitative insights align with quantitative outcomes.

Quantitative findings revealed stakeholder engagement as the strongest predictor of governance effectiveness, with a statistically significant coefficient. Leadership, organizational culture, and human capital showed positive correlations but did not emerge as significant predictors in regression analysis.

Qualitative narratives corroborated and deepened these results:

- Stakeholder engagement manifested through active parent, alumni, and school collaboration, reinforcing trust, credibility, and resource access.
- Leadership and culture, while not statistically dominant, were central themes in interviews—evidenced by participatory decision-making, spiritual discipline, academic standards, and student empowerment.
- Human capital strategies were described responsively through targeted recruitment, performance measurement, training, internship programs, and adaptive staff roles.

Therefore, even though stakeholder involvement was found to be the strongest statistical indicator, its efficacy is strengthened by supportive culture, enabling leadership, and adaptive human capital, demonstrating how governance aspects work together to design greater outcomes for orphans.

Implications for practice include prioritizing stakeholder platforms (e.g., alumni networks, school partnerships, parental engagement) while strengthening leadership development, cultural rituals, and HR systems—especially through capacity-building and sustainable staffing models.

Limitations of this study include reliance on self-reported survey data, a modest regression sample size, and potential measurement gaps—particularly in capturing nuanced governance dimensions like leadership and culture. Future research should refine quantitative instruments, expand the sample pool, and explore longitudinal impacts of governance initiatives. Besides, future research could explore measurable indicators of “good governance” within orphanage contexts to facilitate policy implementation

By illuminating the relational, cultural, and structural dynamics of governance in orphanage centres, this research contributes to Islamic non-profit accountability discourse and offers practical guidance for enhancing institutional transparency, trust, and effectiveness.

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