

Religious and Cultural Influences on Corporate Social Responsibility and Philanthropy: Insights from Islamic Finance and Business Practices

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ABSTRACT

This review paper explores the intricate ways in which religious and cultural influences shape corporate social responsibility (CSR) and philanthropy, particularly within Islamic finance. It examines the role of Islamic financial principles such as zakat, waqf, and sharia-compliance, alongside cultural factors like religiosity, community values, and gender differences, in guiding CSR practices and philanthropic behaviors. The paper also investigates how digital transformation, including Islamic fintech and crowdfunding platforms, is revolutionizing CSR and charitable activities, presenting new opportunities and challenges. Leadership, governance, and stakeholder perspectives are analyzed to understand their impact on CSR outcomes, with attention to institutional, cultural, and regulatory contexts across regions such as UAE, Malaysia, and Indonesia. The synthesis reveals that religiosity and cultural heritage significantly influence CSR engagement, reporting practices, and philanthropic motivations, fostering trust and community participation. Notably, gaps remain in cross-national comparisons and technological integration, indicating avenues for future research. Overall, the findings underscore the importance of aligning CSR efforts with Islamic ethics and cultural values to enhance social welfare and sustainable development, suggesting that future efforts should focus on digital innovations, interdisciplinary approaches, and broader geographic studies to deepen understanding and efficacy in Islamic CSR and philanthropy.

Keywords: Islamic finance, CSR, philanthropy, waqf, zakat, digital transformation, cultural influence

INTRODUCTION

Context and Importance of CSR and Philanthropy in Islamic and Cultural Settings

Corporate Social Responsibility (CSR) and philanthropy have emerged as pivotal elements shaping corporate ethics and social engagement worldwide, with distinctive characteristics in Islamic finance and culturally diverse contexts. Globally, CSR has evolved from mere charity to structured strategies encompassing Environmental, Social, and Governance (ESG) dimensions, influencing business sustainability and stakeholder relations (Jamali et al., 2024). Particularly, Islamic finance introduces unique aspects to CSR and philanthropy by integrating Shariah-compliant principles that emphasize social justice, welfare, and collective responsibility. Islamic financial institutions actively deploy instruments such as zakat (almsgiving), waqf (endowment), and sadaqah (voluntary charity) as core components contributing to social and economic development (Hassan et al., 2021; Azid et al., 2021).

Understanding CSR within Islamic contexts necessitates acknowledging the critical interplay between religion, culture, and business ethics, where religiosity deeply influences corporate and individual philanthropic behaviors. Religion acts as a normative system guiding ethical decision-making and motivates stakeholder

engagement in CSR activities, fostering community cohesion and trust (Khan, Frynas, & Wilson, 2023; Sumi, Ahmed, & Alam, 2024). This nexus is evident in regions such as the United Arab Emirates (UAE) and Malaysia, where CSR practices reflect not only global sustainability agendas but also embed charitable activities rooted in Islamic teachings and local cultural values (Jamali et al., 2024; Georgiadou, 2022). For instance, CSR in UAE companies often places significant focus on philanthropy and charity, driven by government involvement and cultural expectations, while Islamic banks accentuate Shariah-compliant ethical frameworks for their CSR disclosures and practices (Jamali et al., 2024; Zafar & Sulaiman, 2021).

Moreover, CSR communication strategies in Muslim-majority contexts are influenced by cultural sensitivities and religious nuances. Banks and corporations strategically communicate CSR commitments, balancing cause-related marketing with ethical and legal responsibilities to engage employees and customers effectively (Georgiadou, 2022; Wang & Pala, 2021). The convergence of CSR, religiosity, and cultural expectations also shapes consumer perceptions and loyalty towards ethically responsible firms, reinforcing the importance of socially conscious business models in Islamic economies (Gezahegn, Degoma Durie, & Kibret, 2024; Osman et al., 2025).

Advancements in digital technologies further transform CSR and philanthropic practices within Islamic finance, enabling innovative digital waqf platforms, crowdfunding, and mobile donation systems that cater to younger, tech-savvy Muslim demographics (Kasmon et al., 2024; Elsotouhy, Mobarak, Dakrory, Ghonim, & Khashan, 2023). These technological interventions bridge traditional philanthropic mechanisms with modern accessibility, while challenges such as trust, literacy, and regulatory frameworks remain critical factors for effective adoption (Sanusi et al., 2025; Ryandono et al., 2025).

Research Objectives and Scope

The primary objective of this review is to investigate the religious and cultural determinants that fundamentally shape CSR and philanthropy behaviors, with specific attention to the Islamic finance sector and its unique philanthropic instruments such as waqf and zakat. This focus allows a deeper understanding of how religious values, cultural heritage, and institutional frameworks intersect to influence corporate and individual social responsibility practices.

The review seeks to dissect complexities arising from different institutional contexts—ranging from developed markets engaging with global CSR standards to emerging Islamic economies where philanthropy is closely aligned with faith-based motivations (Jamali et al., 2024; Akbarnia & Suleman, 2023). Furthermore, the investigation extends to the evolving role of digital platforms in facilitating philanthropic giving, assessing both facilitators and barriers within Muslim communities (Kasmon et al., 2024; Sanusi et al., 2025).

Through synthesizing multidisciplinary perspectives, this review addresses gaps related to integrating CSR theory with Islamic ethical paradigms and cultural practices, aiming to provide actionable insights for practitioners, policymakers, and researchers. Such integrative approaches underscore the need for culturally responsive CSR strategies that respect Islamic social finance principles while contributing to broader sustainable development goals.

Collectively, this introduction situates CSR and philanthropy within an enriched framework reflecting Islamic ethical mandates, socio-cultural realities, and technological advancements, setting a solid foundation for understanding contemporary challenges and innovations in this dynamic field.

Conceptual Foundations

Defining Corporate Social Responsibility and Philanthropy in Islamic Contexts

Corporate Social Responsibility (CSR) within Islamic contexts is characterized by a multidimensional framework encompassing environmental, social, and governance (ESG) factors. Alawadi et al. (2024) emphasize these dimensions in their study of organizations in the UAE, highlighting the influence of institutional and cultural contexts on governance and CSR outcomes. Their findings illustrate the prominence of board diversity

traits, regulatory environments, and cultural norms in shaping CSR practices, underscoring the importance of an integrated ESG approach tailored to local contexts.

Similarly, Zafar and Sulaiman (2021) examine CSR disclosure practices in Islamic banks in Pakistan, revealing that CSR is often articulated through multi-dimensional ESG indicators. However, they note a general under-performance in CSR disclosures relative to global expectations, signifying challenges in transparency and systematic reporting within Islamic finance institutions.

Philanthropy and charity, key components of CSR in Islamic settings, exhibit nuanced differences in conceptual understanding and managerial implications. Kocaman, Özmen, and Erdoğan (2023) investigate the dichotomy between charity—rooted primarily in religious motivation—and philanthropy, which they identify as more secular and institutional in origin. Their qualitative study in non-Western cultural contexts reveals that, in practice, these distinctions are often blurred, and both forms of giving are broadly perceived as acts of support for the needy. However, motivations diverge, with charity grounded in faith and philanthropy linked to social responsibility and secular ethics.

Jamali et al. (2024) further underline this by comparing CSR and philanthropy practices between leading UAE companies and international firms operating locally. The research highlights that philanthropy in the UAE often integrates with charity, in part reflecting the cultural emphasis on religiously motivated giving and the prominent role of government and societal expectations. This hybrid nature influences how CSR is communicated and operationalized, particularly through dimensions extending beyond pure economic performance to encompass communal welfare and social justice.

Islamic Finance Principles Relevant to CSR

Islamic finance principles provide a robust ethical foundation aligned closely with CSR objectives, particularly through adherence to Sharia-compliance and pursuit of Maqasid al-Shariah—the higher objectives of Islamic law emphasizing social justice, welfare, and ethical governance (Azid et al., 2021). This framework demands that financial and corporate activities comply with moral injunctions, prohibiting harm and promoting equitable social outcomes.

Hassan et al. (2022) explore this intersection, illustrating how Sharia-compliant firms demonstrate enhanced environmental and social responsibility compared to conventional entities. Their data suggest that Islamic faith-based business ethics incentivize firms to engage proactively in CSR activities, particularly those addressing environmental sustainability and ethical stewardship.

Central to Islamic finance and CSR synergy are philanthropic mechanisms such as zakat (obligatory almsgiving), waqf (endowment), and sadaqah (voluntary charity), which collectively function as instruments of social welfare and poverty alleviation. Amin et al. (2025) focus on cash waqf giving decisions, revealing that attitudes, subjective norms, and perceived behavioral control significantly shape philanthropic behaviors among Muslim civil officers in Malaysia. The integration of these religious obligations within CSR frameworks reinforces the social contract between corporations and communities.

Similarly, Muneeza et al. (2024) propose innovative models combining cash waqf with takaful (Islamic insurance) to empower elderly populations in Malaysia, blending traditional philanthropy with financial protection mechanisms underpinned by Sharia principles. This innovation accentuates the evolving nature of CSR in Islamic finance, incorporating social welfare with sustainability and legal compliance.

The governance and regulatory dimensions of waqf as a philanthropic vehicle also affect CSR effectiveness. Lestari et al. (2023) develop a National Waqf Index to quantify governance efficacy and waqf performance, prioritizing regulatory frameworks as critical to scaling waqf contributions to sustainable development goals. This underscores how Islamic philanthropic instruments are institutionalized within CSR through regulatory reinforcement, facilitating transparency and impact measurement.

The role of religious education and Islamic ethics in shaping CSR attitudes extends into leadership and managerial behavior. Samad et al. (2021) demonstrate that Islamic religiosity positively influences ethical intentions in banking managers, which has implications for CSR strategy formulation and organizational ethical standards.

Collectively, these studies illuminate that Islamic finance principles underpin a CSR paradigm where ethical governance, social welfare, and economic responsibility converge, supported by religiously grounded philanthropy. They reinforce the concept of CSR not merely as corporate obligation but as a faith-inspired imperative intertwined with cultural and ethical identity, diversified through mechanisms like zakat and waqf that drive social impact beyond profit motives.

Cultural and Religious Influences on CSR

The Role of Religiosity and Cultural Heritage

Religiosity and cultural heritage deeply influence corporate social responsibility (CSR) behaviors, particularly at leadership levels within organizations. CEOs' early-life experiences and cultural backgrounds have been shown to significantly shape prosocial attitudes and CSR commitments. Xu et al. (2024) found that CEOs who experienced the Great Chinese Famine or were born in regions affected by resource scarcity tend to promote greater corporate donations, an effect intensified by the presence of similarly affected board members. This phenomenon, called the "famine effect," highlights how intrinsic religiosity and cultural memory imprint leaders with a heightened sense of social responsibility, particularly towards vulnerable populations.

Similarly, Sarker and Elnahas (2025) examined the impact of CEOs' cultural heritage and demonstrated that those originating from high power distance cultures exhibit higher CSR scores, reflecting a cultural predisposition towards greater CSR engagement. Additionally, Arioglu et al. (2024) assessed how the religiosity level of chairpersons' hometowns positively correlates with financial reporting quality, evidencing that religious cultural environments can enhance ethical governance practices.

Employee religiosity also plays a pivotal role in shaping ethical intentions and participation in CSR activities. Samad et al. (2021) observed that Islamic religiosity positively influences the attitudes of Islamic bank managers towards ethical behavior, though subjective norms may vary in predictive power. Raza et al. (2023) further expanded this dynamic by showing that employees' perceptions of CSR, coupled with personal spiritual values and moderated by Islamic work ethics, lead to higher affective commitment and job satisfaction, which in turn foster organizational citizenship behavior. This linkage underscores the integrative effect of religious values and ethical workplace cultures in strengthening CSR engagement across organizational hierarchies.

Socio-Cultural Dimensions Influencing Giving

At the community and societal level, religiosity forms a central axis influencing philanthropic behaviors such as waqf (endowment) and zakat (almsgiving). Amin et al. (2025) explored cash waqf giving decisions among Muslim civil officers in Malaysia, revealing that attitude, subjective norms, and perceived behavioral control—factors deeply embedded in religious and social context—substantially drive giving behaviors. Jatmiko et al. (2023) conducted an intergenerational study in Indonesia which found varied cash waqf engagement patterns linked to generational religiosity and knowledge levels, emphasizing the multifaceted nature of waqf participation shaped by cultural transmission and socialization.

Chourou (2023) provides a cross-country perspective, demonstrating that firms in more religious countries tend to engage more extensively in corporate philanthropy. This relationship is largely driven by managerial decision-makers aiming to align with stakeholder expectations informed by prevalent religious values. Such findings resonate with Awadh Bin-Nashwan et al. (2021), who emphasize the critical role of trust in zakat institutions in influencing compliance and donation behaviors, further tying religiosity with governance and institutional trust.

Gender and generational differences provide additional layers of complexity in philanthropic practices. Kasmon et al. (2024) examined future behaviors in digital waqf adoption, identifying digital literacy, attitude, and

technological compatibility as significant predictors of millennials' engagement with cash waqf, thus highlighting technology's intersection with generational and religious dimensions. In parallel, Umar (2023) documented that board gender diversity impacts sector-specific corporate philanthropic giving in Islamic banks in Bangladesh, particularly enhancing contributions to education sectors. These demographic factors not only affect participation rates but also shape the nature and scope of CSR and philanthropy activities across Islamic finance institutions and Muslim communities.

Examinations of CSR communication and perception further illuminate socio-cultural influence mechanisms. Georgiadou (2022) analyzed CSR expectations communicated on bank websites in the UAE, reflecting variance between domestic and global banks, with ethical and legal CSR outperforming philanthropic components in perceived importance, especially in Islamic banking contexts. Khan et al. (2021) synthesized literature across religion and entrepreneurship, underscoring how Islamic ethical frameworks inform leadership orientations, corporate cultures, and social ethics that underpin CSR in Muslim-majority contexts.

The digitization of philanthropic mechanisms introduces novel challenges and opportunities intertwined with cultural and religious contexts. Sanusi et al. (2025) highlight how digital literacy and positive attitudes promote Malaysian millennials' cash waqf contributions via digital platforms, while trust in institutions remains a hurdle. These insights reveal the evolving nature of CSR within religiously-informed socio-cultural milieus, underscoring the dynamic interplay of tradition, technology, and modern governance in shaping corporate and individual philanthropic behavior.

Collectively, the evidence points to religiosity and cultural heritage as foundational drivers of CSR engagement, influencing leaders, employees, and communities. Socio-cultural values manifest variably across demographics and are pivotal in shaping philanthropic giving, governance practices, and CSR communication, especially within Islamic finance and business frameworks.

CSR in Islamic Financial Institutions

Disclosure and Reporting Practices

Corporate Social Responsibility (CSR) disclosure in Islamic financial institutions exhibits unique challenges and patterns influenced by cultural, religious, and institutional factors. Zafar and Sulaiman (2021) investigated CSR disclosures among Islamic banks in Pakistan, revealing a generally low level of CSR reporting that falls below both the expected and average benchmarks. Their content analysis of annual reports between 2003 and 2017 highlighted significant heterogeneity, where older and larger banks tend to disclose comparatively more CSR information. Furthermore, local Islamic banks demonstrated higher disclosure levels relative to their foreign counterparts, suggesting that contextual familiarity and local stakeholder expectations may drive more transparent reporting practices.

In addition to the content and extent of disclosure, the governance frameworks within Islamic financial institutions play a pivotal role. Medias et al. (2025) conducted a stakeholder analysis of waqf innovation within Muhammadiyah, Indonesia, emphasizing that strategic engagement with empowered and legitimate stakeholders significantly influences innovative CSR activities. They underscored the importance of governance mechanisms that integrate representation from key institutional players such as boards and waqf authorities, with implications for CSR practices that align with Islamic philanthropic traditions. Enhancing the role and efficacy of CSR committees can further boost transparency and effective reporting in Islamic financial contexts (Ahmad et al., 2025).

Financial and Social Outcomes of CSR Engagement

Engagement in CSR by Islamic financial institutions not only fulfills ethical and religious mandates but is also linked to tangible financial and social benefits. Zafar, Sulaiman, and Nawaz (2021) established a significant positive relationship between CSR activities and financial performance in Islamic banks. Their analysis spanning Pakistani Islamic banks from 2003 to 2017 indicated that rather than incurring financial detriments, CSR efforts contribute instrumental returns, amplifying profitability and market positioning.

Complementing financial gains, CSR initiatives deeply affect customer satisfaction and loyalty—two critical outcomes for sustainable competitive advantage in Islamic finance. Gezahegn, Durie, and Kibret (2024) studied Ethiopian commercial banks and found that CSR greatly influences customer satisfaction, which in turn fosters customer loyalty. This mediating effect reveals that CSR forms a critical component of customer relationship management strategies, encouraging retention through ethical and socially responsible banking practices.

Similarly, Osman et al. (2025) explored CSR's role in explicating customer loyalty within Malaysian halal marts, which often intersect Islamic finance principles through shared values. They showed that legal and philanthropic CSR components positively affect service attitude and perceived quality, driving satisfaction and trust which culminate in heightened customer loyalty. The interrelation between CSR components and perceived service quality reflects the broader application of CSR beyond banking into retail sectors aligned with Islamic ethical norms.

Board and organizational governance attributes markedly influence CSR outcomes and philanthropic contributions in Islamic banks. Alawadi et al. (2024) demonstrated that institutional and cultural contexts in the UAE impact board diversity and subsequently ESG (environmental, social, and governance) performance. The study found that board functional diversity and age diversity correlate positively with ESG outcomes, implying that heterogeneous boards may be more responsive to CSR demands. This effect is substantiated by studies such as Ahmad et al. (2025), where gender diversity and board independence positively influence the magnitude and type of corporate donations, with CSR committees serving as effective moderators.

The social and religious context also plays a critical role: religiosity among managers and employees enhances ethical attitudes promoting CSR engagement (Samad et al., 2021; Raza et al., 2023). Moreover, cultural heritage of CEOs has observable long-run effects on CSR behavior and reporting (Sarker & Elnahas, 2025; Arioglu et al., 2024). These elements intertwine with governance factors to shape CSR disclosures, philanthropy intensity, and stakeholder trust.

Overall, the implications of CSR in Islamic financial institutions are multifaceted, spanning improved financial performance, enhanced customer relations, and strengthened organizational governance frameworks, all framed within Islamic ethical and social values. Understanding these dimensions is crucial for both academics and practitioners aiming to integrate CSR more holistically in Islamic banking and finance.

Philanthropy Mechanisms in Islamic Finance

Waqf: Traditional and Modernized Practices

Waqf, as a foundational philanthropic institution in Islamic finance, traditionally denotes a religious endowment, often involving real estate or land assets dedicated for perpetual social benefits. The recent evolution of waqf includes diversified models, notably cash waqf and productive waqf initiatives, which are reshaping its socio-economic impact in Muslim societies.

Cash waqf has emerged prominently as a flexible and effective instrument for mobilizing resources beyond immovable assets. Muneeza et al. (2024) propose an innovative cash waqf takaful model in Malaysia, combining cash waqf donations with takaful (Islamic insurance) principles to support the elderly, reflecting an integration of philanthropy with social protection mechanisms adhering to Shariah principles. This model exemplifies the new wave in waqf practices emphasizing sustainability and welfare beyond mere charitable giving.

Productive waqf, particularly in land development, addresses the long-standing issue of underutilized waqf properties. Ishak et al. (2025) analyze critical success factors for waqf land development in Malaysia, emphasizing governance, strategic management, donor appreciation, and sustainable agricultural use. This approach aligns waqf assets with contemporary sustainability goals, promoting food security and continuous social benefits. Similarly, Lestari et al. (2023) introduce the National Waqf Index in Indonesia, highlighting the regulatory framework as paramount in shaping waqf effectiveness alongside institutional and procedural aspects. This index serves as a governance and performance assessment tool, indicating a structured shift toward accountability and optimization in waqf administration.

The integration of waqf with financial innovations has also advanced through mechanisms such as cash waqf-linked sukuk (CWLS). Ryandono et al. (2025) employ DEMATEL-ANP methods to identify barriers hindering CWLS adoption in Indonesia, pinpointing public distrust in management, lack of professionalism, and transparency as primary challenges. Complementing this, Nisful Laila et al. (2024) provide an evaluation of CWLS's performance, revealing its efficacy in mobilizing public funds to support essential health and social projects, indicating substantial government and community benefits when governance challenges are addressed.

Furthermore, digital transformation is influencing waqf philanthropy profoundly. Kasmon et al. (2024) and Sanusi et al. (2025) investigate the determinants impacting Malaysian millennials' engagement with cash waqf via digital platforms, highlighting factors such as attitude, digital literacy, ease of use, and waqf knowledge as facilitators, while trust and perceived usefulness did not significantly influence behavior in one study, suggesting areas for institutional focus in building donor confidence. The embracement of blockchain and smart contracts, as examined by Megat et al. (2024), unveils emerging benefits in corporate waqf crowdfunding, although environmental benefits remain a misunderstood aspect limiting wider adoption.

Zakat Compliance and Motivations

Zakat, as a mandatory form of almsgiving and one of Islam's Five Pillars, plays a crucial role in redistribution and poverty alleviation. Its compliance factors and motivations have been the subject of scholarly inquiry to enhance institutional effectiveness.

Satt et al. (2025) offer insights into SMEs' zakat compliance in Morocco by identifying personal intrinsic religiosity, subjective norms, perceived behavioral control, and past behavior as significant antecedents affecting attitudes and intentions toward zakat paying. This multifaceted framework reveals the confluence of social and religious determinants influencing compliance behaviors, underscoring the importance of culturally sensitive engagement strategies.

Trust in zakat institutions is another vital determinant. Awadh Bin-Nashwan et al. (2021) examine Yemeni entrepreneurs, demonstrating trust's moderating role on the effects of religiosity, moral reasoning, and peer influence on zakat compliance, although it does not moderate the impact of perceived system fairness. This delineation points to the nuanced roles of institutional transparency and social factors in fostering compliance.

The evolution of fintech has extended to zakat payment mechanisms. Al Mustofa et al. (2025) explore risk perception factors related to paying zakat via fintech platforms among Generation Z in Malaysia, finding that privacy, security, and psychological risks do not deter giving intentions. Instead, perceived behavioral control and social influence play more critical roles, indicating the potential for technology to facilitate faith-based philanthropic acts while maintaining trust and ease of use.

Together, these studies underscore that enhancing zakat compliance involves addressing socio-cultural values, religiosity, trust in institutions, and leveraging digital innovations to align with donor preferences and behavioral expectations. Future advancements in waqf and zakat philanthropy will likely depend on harmonizing traditional religious mandates with contemporary governance, technology, and stakeholder engagement to achieve sustainable social impact.

Digital Transformation and CSR/Philanthropy

Adoption of Islamic Fintech in CSR and Philanthropy

The increasing integration of digital technologies within the Islamic finance sector has significantly influenced the ways in which CSR and philanthropic activities are conducted, particularly through innovations in waqf management and donation platforms. Digital waqf, leveraging technologies such as blockchain and crowdfunding, is emerging as a promising tool to enhance the transparency, efficiency, and reach of philanthropic contributions in Islam.

Kasmon et al. (2024) explore the determinants influencing the adoption of digital waqf platforms, combining the Unified Theory of Acceptance and Use of Technology (UTAUT) with the Diffusion of Innovation Theory (DOI).

Their study reveals that factors such as effort expectancy, compatibility, observability, and trialability significantly impact the intention to adopt digital waqf technology. Contrary to expectations, performance expectancy, social influence, facilitating conditions, and relative advantage showed limited effect, highlighting the unique considerations in the Islamic philanthropic context. The findings suggest policymakers need to tailor their strategies to emphasize ease of use, compatibility with existing practices, and visibility of technology benefits to encourage uptake among Muslim donors.

Complementing this, Megat et al. (2024) investigate the adoption of Waqftech smart contracts based on blockchain for corporate waqf crowdfunding among Malaysian enterprises. Their research finds that corporate and social predictive benefits play key roles in influencing adoption decisions, whereas perceived environmental benefits do not significantly drive adoption, likely due to misperceptions about blockchain's environmental impact. This underscores the need for enhanced awareness and education about the technology's sustainability attributes to improve acceptance and utilization.

Mobile payment solutions have also been instrumental in facilitating donations with religious purposes. Elstouhy et al. (2023) develop an integrated model combining the Information System Success (ISS) and Stimulus-Organism-Response (SOR) frameworks to analyze continuance intentions toward mobile payment for sadaqah donations in Egypt. Their quantitative findings highlight that system quality, information quality, and service quality significantly enhance customer satisfaction, which subsequently fosters engagement and delight, leading to sustained use intentions. Importantly, Islamic religiosity moderates several relationships in the model, affirming the centrality of faith and religious orientation in motivating digital philanthropic behaviors.

Challenges and Opportunities in Digital Philanthropy

Trust and literacy emerge as pivotal factors shaping the success and sustainability of digital philanthropy in Islamic contexts. Sanusi et al. (2025) examine the determinants of cash waqf contributions among Malaysian millennials through digital platforms, employing the Technology Acceptance Model (TAM). Their study identifies attitude, digital literacy, ease of use, and waqf knowledge as significant influencers of cash waqf giving behaviors, while trust in waqf institutions and perceived usefulness surprisingly do not show significant effects. This suggests that while technology accessibility and knowledge enable participation, rebuilding or reinforcing institutional trust remains an ongoing challenge for digital waqf systems.

Addressing trust issues further, Ryandono et al. (2025) analyse barriers to optimizing cash waqf-linked sukuk sales in Indonesia using DEMATEL-ANP methods. Their findings position public distrust in managers as the primary barrier, compounded by concerns over professionalism, literacy, transparency, and competitiveness. The study advocates for governance standardization, Nazhir certification (waqf managers' accreditation), and literacy initiatives as critical solutions to overcoming these obstacles, which are essential for the broader acceptance of digital waqf financial instruments that blend philanthropy with Islamic finance.

Beyond waqf, social media platforms have become influential channels for philanthropic fundraising in Muslim communities. Awadh Bin-Nashwan and Al-Daihani (2021) explore motivations behind donations through social media during the COVID-19 pandemic in Kuwait. Their study demonstrates that charitable project types, Internet technology features, social media attributes, and religiosity significantly impact donation attitudes, which mediate intentions to donate online. This highlights a synergistic effect where digital communication and religious motivation together direct philanthropic contributions effectively.

Further, Rahim et al. (2022) assess Islamic Fintech adoption among Malaysian millennials, where performance expectancy, social influence, and facilitating conditions positively affect user adoption, but effort expectancy does not. This indicates the role of peer influence and infrastructure support in shaping fintech usage for Islamic philanthropic activities, revealing opportunities for targeted interventions to expand the user base.

Overall, digital transformation offers vast opportunities for enhancing CSR and philanthropy in Islamic finance through increased convenience, transparency, and outreach. However, challenges related to trust, literacy, misconceptions, and institutional credibility must be addressed to fully leverage digital technologies' potential in fostering Islamic philanthropic culture.

Board Diversity and Corporate Governance Impact

Board diversity, including gender diversity and the presence of foreign directors, plays a pivotal role in shaping corporate philanthropy and CSR outcomes within Islamic financial institutions, especially in regions such as the UAE and Bangladesh (Alawadi et al., 2024; Amin et al., 2025; Habibu Umar, 2023). Research reveals that greater gender diversity on boards significantly enhances corporate philanthropic giving, particularly toward the education sector (Habibu Umar, 2023). This gender effect, however, displays sector-specific variance, with female board members showing insignificant influence on health and humanitarian/disaster relief sectors but positively impacting educational giving. Additionally, foreign directors have been found to exert a strong positive influence across multiple sectors of corporate philanthropic donations, underscoring the importance of diverse international perspectives in amplifying socially responsible practices in Islamic banking (Habibu Umar, 2023).

In the UAE specifically, Alawadi et al. (2024) examined how institutional contexts and board diversity traits influence ESG (Environmental, Social, and Governance) performance. Their thematic interview analysis with board members highlighted that board functional diversity—evaluated through educational and occupational backgrounds—and age diversity play significant roles in driving effective ESG outcomes. The institutional and regulatory environment, as well as culturally embedded practices, modulate how diversity translates to CSR effectiveness. Moreover, Amin et al. (2025) expanded understanding by exploring cash waqf giving decisions in Malaysia, where religiosity also emerges as a significant factor shaping governance behaviors linked to philanthropic donations, indicating the interconnectedness of religiosity, governance, and CSR engagement.

Further supporting the governance-philanthropy nexus, Ahmad et al. (2025) illustrated how corporate governance dimensions, particularly gender diversity and board independence, significantly influence corporate donation types. Their logistic regression findings showcased that governance structures actively promote in-kind giving, while in-cash donations exhibit positive yet statistically less pronounced relationships with these corporate governance attributes. Crucially, the presence of a CSR committee positively moderates the link between governance attributes and corporate donations, demonstrating governance mechanisms' critical role in operationalizing CSR and philanthropy within firms practicing Islamic finance principles.

Cultural and Institutional Contexts Affecting Governance

The UAE presents a unique institutional and cultural context where governance frameworks and CSR outcomes intersect strongly with national priorities and socio-cultural norms (Alawadi et al., 2024; Jamali et al., 2024). Jamali et al. (2024) conducted a comprehensive comparative study of CSR practices between UAE-based and international firms operating in the UAE. Their findings revealed that Emirati companies emphasize charity and philanthropy much more than their global counterparts, often due to heightened government involvement and societal expectations rooted in the region's culture. This creates a CSR environment driven less by comprehensive reporting frameworks, which often lag behind international standards, and more by culturally ingrained values reflective of Islamic ethical principles and national identity.

Alawadi et al. (2024) also underscored the influence of local institutional bodies and cultural contexts that shape board diversity effects on ESG metrics. The UAE's culturally embedded conservatism and regulatory policies jointly influence how board compositions impact firms' ESG outcomes. Boards are often influenced by prevailing cultural norms including respect for hierarchy and collectivist values, which in turn shape the functionality and responsiveness of governance in CSR.

Expanding on these observations, Shatnawi et al. (2025) identified readiness gaps in Saudi Arabia related to the deployment of advanced technological innovations with governance implications for societal acceptance of innovations. These findings parallel the UAE's institutional experiences where governance effectiveness is contingent upon the alignment of technology, regulatory frameworks, and cultural acceptance. Governance practices intertwined with cultural values in the Gulf region thus necessitate a nuanced approach that respects Islamic ethics, government interventions, and evolving corporate governance norms to ensure CSR commitments translate into tangible social and environmental benefits.

Collectively, these studies indicate that corporate governance and board diversity effects cannot be decoupled from their institutional settings and cultural milieus, particularly in Muslim-majority countries and Islamic financial sectors. Sharia compliance, religious values, and governmental roles provide a contextual backdrop that informs governance structures and philanthropic behaviors. Understanding how these layers interact offers essential insights for enhancing CSR strategies, improving governance frameworks, and leveraging leadership diversity to achieve sustainable and socially responsible corporate outcomes in Islamic finance and beyond.

This comprehensive perspective contributes to ongoing conversations about optimizing CSR governance within the unique cultural constraints and opportunities presented by Islamic socio-economic environments.

Stakeholder Perspectives and CSR Communication

Employee Engagement with CSR

Employee engagement with corporate social responsibility (CSR) is crucial in fostering organizational citizenship behavior (OCB), which refers to voluntary employee actions that benefit the organization beyond formal job requirements. Raza et al. (2023) examine this dynamic within the context of Islamic work ethics, investigating how employees' perceptions of CSR and their spiritual values impact affective commitment and job satisfaction, ultimately influencing OCB. Their findings indicate that positive CSR perceptions significantly enhance employees' emotional attachment and satisfaction with their work, which in turn promote increased discretionary behaviors beneficial to organizational functioning. Furthermore, Islamic work ethics serve as a significant moderator, strengthening the positive relationships between CSR perceptions and both affective commitment and job satisfaction. This suggests that in contexts where Islamic ethical principles are embedded, the motivational power of CSR is amplified, deepening employees' engagement and loyalty.

Complementing this, Yousaf et al. (2024) explore spiritual leadership and workplace spirituality in the Akhuwat Foundation in Pakistan, highlighting how spiritual leadership creates a work environment characterized by feelings of brotherhood and voluntary extra-role performance among employees despite monetary constraints. This environment nurtured through spiritual values aligns with the CSR ethos that transcends material rewards, fostering deeper employee engagement rooted in shared ethical and religious values. Such spiritual dimensions within organizational leadership contribute to employee well-being and proactive behavior, reinforcing the role of CSR in cultivating a committed workforce.

Azid et al. (2021) add that Islamic teachings and spiritual motivations also shape ethical intentions and behaviors among managers and employees in Islamic financial institutions, thereby influencing their CSR engagement. Such religiosity-infused behavioral patterns underscore the culturally embedded nature of CSR perceptions and their outcomes among employees in Islamic contexts.

Customer Expectations and Loyalty

Effective CSR communication directly influences customer expectations, brand trust, and loyalty, pivotal factors in competitive markets, particularly within the Muslim consumer segment. Georgiadou (2022) probes into the customer-CSR expectations communicated on banking corporate websites in the United Arab Emirates (UAE), revealing that most banks emphasize CSR dimensions related to general interest groups, customers, and community in their online disclosures. The study notes that global banks operating in the UAE tend to prioritize legal and ethical responsibilities in their CSR narratives, reflecting a broader adherence to universal CSR standards, while domestic banks depict a more customer-centric CSR approach that resonates with local values and expectations. Notably, Islamic banks displayed lesser communication around environmental responsibilities, suggesting differentiated strategic CSR messaging tailored to stakeholder priorities and resource capabilities.

This pattern of CSR communication impacting customer perceptions is substantiated by Wang and Pala (2021), who empirically demonstrate in Turkish banks that ethical and legal CSR initiatives are perceived by employees as more salient than philanthropic activities, and that the transparency and frequency of CSR communication via corporate social media enhance employee identification with CSR principles. While their focus is internal, the implications extend to customer-facing communication strategies, emphasizing the importance of consistent and transparent CSR messaging in strengthening stakeholder trust and engagement.

Expanding on these findings, Georgiadou and Nickerson (2021) explore marketing strategies employed by banks to communicate CSR in the Muslim market in the UAE. The study finds that domestic banks extensively deploy CSR marketing strategies such as cause-promotion, philanthropy, and socially responsible business practices on their websites, often aligned with government objectives and local religious-cultural values. Islamic banks primarily rely on philanthropy as a CSR communication tool, indicating a strategic focus on traditional charitable components within Islamic finance narratives. Such targeted communication strategies help shape customer expectations and contribute to building brand loyalty and trust in culturally sensitive markets.

Further reinforcing the customer loyalty dimension, Gezahegn et al. (2024) establish that CSR significantly affects customer satisfaction and loyalty in Ethiopia's banking sector, with customer satisfaction mediating this relationship. This underscores CSR's practical business value through its positive impact on customer retention and brand reputation.

Together, these studies emphasize that CSR communication tailored to cultural and religious contexts substantially influences both internal stakeholders, such as employees, and external stakeholders, including customers. Transparent, relevant, and value-driven CSR messaging strengthens stakeholder engagement, imbues organizational identification, enhances trust, and ultimately drives loyalty, constituting strategic leverage for organizations operating within Islamic and culturally diverse business landscapes.

Challenges and Barriers

Institutional and Regulatory Barriers

Institutional and regulatory barriers remain a critical challenge in the effective implementation and scaling of Corporate Social Responsibility (CSR) and waqf-related philanthropic initiatives within Islamic finance and broader social finance contexts. Muneeza et al. (2024) emphasize that legal hurdles are a significant impediment to integrating cash waqf with takaful products in Malaysia, where aligning waqf regulations with financial innovation is constrained by existing legal frameworks that lack congruence with progressive financial models. This legal misalignment complicates not only product development but also sustainability and protection goals for the elderly population.

Similarly, Lestari et al. (2023) highlight the pressing need for a structured governance framework in Indonesia through the development of a National Waqf Index aimed at optimizing governance and enhancing waqf performance. They identify the regulatory factor as the highest priority barrier affecting waqf effectiveness, followed by institutional and process issues. The absence of a comprehensive and harmonized regulatory environment leads to inefficiencies and underdevelopment of waqf assets, undermining their potential socio-economic impact.

Ryandono et al. (2025) investigate the low sales of Cash Waqf Linked Sukuk (CWLS) in Indonesia, attributing the phenomenon largely to public distrust in CWLS managers and the lack of professionalism, transparency, and literacy among investors. These barriers point to weaknesses in regulatory enforcement and institutional capability, which together hamper market confidence and the broader adoption of such Islamic financial instruments intended for social welfare funding.

Within CSR, Jamali et al. (2024) point to the lack of comprehensive CSR reporting frameworks in UAE companies compared to global corporates, which diminishes the effectiveness of CSR practices and their transparency to stakeholders. The institutional environment, including government involvement and regulatory standards, plays a dual role—sometimes facilitating CSR engagement but simultaneously creating gaps in standardization and reporting consistency. This regulatory ambiguity hampers the development of trust and long-term strategic CSR commitments necessary for impactful social responsibility.

Trust, as an institutional challenge, is further detailed by Awadh Bin-Nashwan et al. (2021) who explore zakat compliance in Yemen, finding that trust in zakat institutions significantly moderates compliance but can be undermined by perceptions of unfairness and weak institutional frameworks. The lack of trust in institutional capacities can reflect negatively on the willingness of both individuals and corporations to participate in structured philanthropic initiatives.

Socio-Cultural Resistance and Reluctance

Alongside institutional barriers, socio-cultural resistance constitutes another profound area of challenge, particularly regarding public engagement with digital philanthropy and CSR activities communicated via social media. Noura and Ayari (2024) conduct an exploratory study on Muslim Sunni attitudes toward social media campaigns promoting organ donation, finding significant reluctance rooted in content that does not resonate with the religious, cultural, and social sensibilities of the target audience. They note that campaigns that ignore culturally relevant narratives or fail to address religious beliefs effectively encounter avoidance and skepticism despite potential health benefits.

Azid et al. (2021) observe similar challenges related to cash waqf in Malaysia, identifying behavioral intentions among managers that are influenced by political pressures, moral obligations, and perceived control but also highlighting the absence of comprehensive attitudes to fully embrace cash waqf within corporate philanthropy. The blending of personal moral considerations with societal expectations shows the complexity in altering philanthropic behaviors, where socio-cultural norms may resist shifts toward more institutionalized giving models.

Socio-cultural dynamics are also addressed by Jatmiko et al. (2023) through intergenerational studies revealing how religiosity and knowledge vary among age groups, affecting cash waqf intention in Indonesia. Generational traits influenced by cultural and religious education either facilitate or mediate philanthropic participation, showing that resistance or acceptance is not monolithic but stratified along social lines.

Sanusi et al. (2025) focus on Malaysian millennials and digital cash waqf, highlighting that trust and digital literacy influence engagement. Here, socio-cultural resistance appears in the form of skepticism regarding digital platforms and institutional effectiveness, complicating adoption despite generally positive attitudes towards digitalization. Their findings underscore the importance of culturally anchored awareness campaigns and education to bridge the trust deficit in digital philanthropy.

Adding to this, Ryandono et al. (2025) analyze the barriers to optimizing cash waqf linked sukuk and again emphasize public distrust and low literacy as major socio-cultural obstacles. They also stress the necessity for transparent governance and effective communication to counteract resistance stemming from misunderstandings and misinformation within beneficiary communities.

Finally, broader cultural and religious influences on CSR and philanthropy practices point to an intrinsic connection between faith, communal values, and giving behaviors. Chourou (2023) presents cross-country evidence showing that corporations in more religious societies tend to donate more, primarily driven by managerial responsiveness to stakeholder expectations embedded in local culture and religious norms. This underscores the challenge of aligning institutional mechanisms with deep-rooted socio-cultural contexts to encourage sustained philanthropic engagements.

Collectively, these studies illustrate that addressing the intertwined institutional and socio-cultural barriers requires a multi-faceted approach. Legal and governance reforms must be coupled with culturally sensitive communication strategies and education initiatives to foster trust and engagement among all stakeholders in Islamic finance-related philanthropic activities and CSR.

Methodological Considerations

Common Research Methods

Research on corporate social responsibility (CSR) and philanthropy in Islamic finance and business contexts has employed a diverse range of methodological approaches to capture the complexity of religious, cultural, institutional, and behavioral determinants. Qualitative methods remain prominent, particularly thematic analysis and content analysis, which allow for deep exploration of contextual and cultural nuances. For instance, Barton and Goh (2025) conducted a systematic literature review of 'last chance tourism' employing rigorous thematic analysis supported by software tools like NVivo and Excel to mitigate bias. Similarly, Ishak et al. (2025) undertook focused group discussions and thematic analysis to identify critical success factors for waqf land

development, illustrating how qualitative methods are essential to unpack institutional and operational challenges in Islamic philanthropic mechanisms.

Surveys and structured questionnaires are widely used to quantitatively assess attitudes, intentions, and behaviors related to CSR and philanthropy. Structural equation modeling (SEM), including Partial Least Squares (PLS-SEM), is frequently applied to test hypothesized relationships among behavioral constructs derived from theories such as the Theory of Planned Behavior and Technology Acceptance Model. For example, Sanusi et al. (2025) utilized the Technology Acceptance Model with PLS-SEM to examine determinants influencing Malaysian millennials' engagement in digital cash waqf, and Elstouhy et al. (2023) integrated SEM to analyze continuance intention toward mobile payment platforms for sadaqah, incorporating Islamic religiosity as a moderating variable.

Content analysis also plays a critical role, particularly in understanding CSR disclosures, communication strategies, and thematic emphases within Islamic banking and corporate websites. Studies like those by Georgiadou (2022) and Jamali et al. (2024) employed content analysis tools such as MAXQDA and SPSS for thematic classification of CSR reports and website content to evaluate how CSR is communicated to stakeholders across different institutional settings.

Mixed-methods studies enrich the field by combining qualitative insights with quantitative rigor. For instance, Sumi et al. (2024) used a mixed-methods approach to investigate how Islamic teachings influence environmental CSR practices in Bangladesh, integrating interview-based qualitative findings with questionnaire surveys to validate emergent themes statistically.

Integration of Theoretical Frameworks

The application of theoretical frameworks is pivotal in structuring research on CSR and philanthropy, providing robust lenses through which behaviors and practices can be interpreted. The Theory of Planned Behavior (TPB) is widely adopted to understand the intention-behavior link, especially in donation and participation in waqf activities. Pitchay (2021) applied TPB to explore managerial intentions toward cash waqf donations in Malaysia, emphasizing how attitudes, subjective norms, and perceived behavioral control significantly shape giving behaviors. This is reinforced by studies such as Amin et al. (2025) examining cash waqf among Malaysian Muslim civil officers and Awadh Bin-Nashwan et al. (2021) investigating socially motivated online donations.

The Technology Acceptance Model (TAM) complements TPB, especially in studies that assess digital philanthropy adoption, such as the use of waqf crowdfunding platforms (Kasmon et al., 2024) and mobile payment systems for sadaqah (Elstouhy et al., 2023). TAM helps elucidate how perceived ease of use and perceived usefulness influence attitudes and intentions toward digital financial tools within Islamic philanthropy.

CSR theories and stakeholder theory underpin much of the descriptive and explanatory analysis of corporate practices. Jamali et al. (2024) utilized stakeholder theory as a guiding framework to analyze CSR thematic content in UAE firms, highlighting how stakeholder expectations shape environmental, social, and governance (ESG) disclosures. Studies have also examined the moderating roles of institutional and regulatory frameworks, such as the impact of government involvement noted by Jamali et al. (2024) or board diversity influences (Alawadi et al., 2024).

Complementarily, some studies integrate Islamic ethical frameworks, including Sharia compliance and Maqasid al-Shariah principles, to analyze CSR behaviors from a faith-based perspective. Hassan et al. (2022) and Azid et al. (2021) emphasize these religious underpinnings, arguing that alignment with Islamic ethical values significantly influences corporate social responsibility initiatives and philanthropic activities.

Overall, the methodological landscape in Islamic CSR and philanthropy research is characterized by methodological plurality, combining qualitative depth with quantitative precision, supported by a strong integration of behavioral and institutional theories. This multifaceted approach enables a comprehensive understanding of the complex socio-religious fabric influencing CSR and philanthropy in Islamic finance and business.

Empirical Insights from Case Studies

Regional Focus Studies

Multiple empirical studies have deepened understanding of Corporate Social Responsibility (CSR) and philanthropy in specific Islamic cultural and regional contexts such as the United Arab Emirates (UAE), Malaysia, Indonesia, Pakistan, and Bangladesh. These regions are characterized by distinct religious and institutional frameworks shaping CSR adoption and practice.

In the UAE, Jamali et al. (2024) conducted a comparative content analysis of CSR strategies between leading local companies and global multinationals operating in the UAE. Their findings revealed that UAE firms emphasize charity and philanthropy more strongly and benefit from significant government involvement. However, they also noted gaps such as the lack of standardized CSR reporting frameworks, contrasting with global firms which tend to adopt more comprehensive disclosure practices. Similarly, Georgiadou (2022) explored how customer CSR expectations are communicated by UAE banks through corporate websites, showing that global banks emphasize ethical and legal responsibilities, whereas domestic banks focus more on customer-centric CSR dimensions. These studies highlight how institutional and cultural contexts in the UAE shape CSR communication strategies and priorities.

Moving to Malaysia, research by Muneeza, Kunhibava, Mohamed, and Mustapha (2024) developed a novel cash waqf Takaful model to empower elderly citizens, combining Islamic charitable endowments with insurance principles for sustainable social protection. This model addresses socio-economic challenges specific to Malaysia's aging population, intersecting CSR with social finance. Moreover, Sanusi et al. (2025) studied cash waqf engagement among Malaysian millennials, identifying digital literacy, ease of use, and positive attitudes towards waqf knowledge as important drivers of giving behavior through digital platforms. Such findings illustrate the growing role of digital innovation in CSR and philanthropy linked with Islamic values.

In Indonesia, waqf practices demonstrate complex challenges and innovative responses. Lestari et al. (2023) proposed a National Waqf Index to improve governance and performance assessment of waqf institutions at multiple levels. Ryandono et al. (2025) identified barriers hindering cash waqf linked sukuk adoption, including public distrust and lack of transparency. Meanwhile, Ishak et al. (2025) studied waqf land development for sustainable agriculture, emphasizing critical success factors to unlock waqf's potential in food security. These empirical contributions underscore the multifaceted governance, regulatory, and socio-economic challenges faced in Islamic philanthropy in Indonesia.

In Pakistan, Khan, Sahoo, Lim, and Dana (2022) systematically reviewed the role of religion in entrepreneurship and business, noting the significant influence of Islamic principles on business ethics, CSR, leadership, and organizational culture. Additionally, Yousaf et al. (2024) explored spiritual leadership in Pakistan's Akhuwat Foundation, showing how spiritually empowered leadership creates workplace environments that enhance employee well-being and voluntary engagement, reflecting intrinsic CSR motivations grounded in religiosity.

Bangladesh research includes studies like Umar (2023), which examined how board gender diversity and the presence of foreign directors influence philanthropic giving by Islamic banks, finding sector-wise nuances in effects on donations related to education and healthcare. Hassan et al. (2023) provided empirical evidence on the causal nexus between CSR expenditures and financial performance in Bangladeshi banks, demonstrating that superior financial performance drives greater CSR spending, highlighting an instrumental business case for CSR in emerging markets.

Sector-Specific CSR Studies

Empirical work across sectors illustrates contextualized CSR practices and outcomes, especially in banking, ICT, halal businesses, and education.

In the banking sector, Gezahegn, Durie, and Kibret (2024) revealed that CSR positively influences customer satisfaction and customer loyalty in Ethiopian commercial banks, mediated by customer satisfaction, emphasizing the strategic role of CSR in competitive service sectors. Similarly, Zafar, Sulaiman, and Nawaz

(2021) established a significant positive relationship between CSR and financial performance in Islamic banking in Pakistan, supporting CSR as an investment with financial returns rather than mere cost.

Within the ICT multinational corporations context, Battikh et al. (2025) conducted a comprehensive content analysis of disaster response CSR activities, uncovering a concerning decline over time in engagement toward developing countries, despite increased disaster frequencies. This geographic disparity underscores the evolving challenges in transnational CSR commitments and the need for policy realignments in global ICT philanthropy.

Halal businesses, embodying CSR's ethical and religious dimensions, were examined by Osman et al. (2025), who found that legal and philanthropic CSR components influence consumers' perceptions of service quality and satisfaction, ultimately impacting brand trust and loyalty at halal marts in Malaysia. Such findings indicate that CSR strategies aligned with religious values reinforce customer loyalty in niche markets.

In education, Jamali et al. (2024) point to waqf's significant role in funding higher education institutions in Pakistan, with private awqaf acting as substantial funding sources supplementing traditional financial models. This integration of Islamic philanthropy with education financing contributes to sustainability and capacity building in the academic sector.

Together, these empirical insights from diverse regional and sectoral contexts enrich understanding of how Islamic values, cultural contexts, institutional frameworks, and digital innovations shape CSR and philanthropy practices. They reveal challenges such as regulatory gaps, trust deficits, and communication nuances, while also illuminating drivers of CSR engagement, spanning leadership religiosity, youth digital adoption, and organizational governance.

Future Research Directions

Integration of Religion and CSR Education

The growing intersection of religion and corporate social responsibility (CSR) presents significant opportunities for advancing CSR education from a culturally sensitive and cross-cultural perspective. Kim (2024) highlights the imperative to re-envision CSR education in multicultural contexts, especially in Asia, where students perceive CSR differently from Western-centric frameworks like Carroll's CSR pyramid due to cultural sensitivities. This suggests future studies should focus on developing CSR curricula tailored to diverse cultural and religious sensibilities, effectively blending global CSR standards with local normative values. Additionally, Georgiadou (2022) emphasizes the importance of CSR communication strategies in Muslim-majority contexts, underscoring the need for research on how CSR messaging can be adapted to resonate with Islamic ethical frameworks and customer expectations. Further research could explore teaching methodologies that integrate Islamic ethics and religiosity within CSR education frameworks, fostering deeper understanding among students and practitioners about the ethical imperatives and societal responsibilities embedded in Islamic finance and business. Moreover, existing work such as Pitchay (2021) and Samad et al. (2021) illuminate the role of religiosity in shaping behavioral intentions related to charitable giving and ethical business conduct, meriting academic inquiry into how religious values can be holistically incorporated into management education to cultivate corporate leaders who are both socially responsible and culturally aware.

Intersection of Digital Technologies and Islamic Philanthropy

Digital transformation represents a frontier area with substantial potential to innovate traditional Islamic philanthropic mechanisms such as waqf, sadaqah, and zakat. Kasmon et al. (2024) and Megat et al. (2024) provide crucial initial insights into how blockchain, smart contracts, crowdfunding, and artificial intelligence technologies affect waqf adoption and management. However, the literature signals the need for further multi-dimensional research analyzing not only technological adoption but also trust, literacy, regulatory frameworks, and cultural perceptions influencing the uptake of digital philanthropy platforms (Sanusi et al., 2025; Ryandono et al., 2025). Elstouhy et al. (2023) contribute by exploring mobile payment systems for sadaqah donations, highlighting the moderating role of Islamic religiosity in users' continuance intentions, thereby illustrating the intertwining of technology acceptance with spiritual values.

Future investigations should extend to the design and evaluation of digital philanthropic tools that are both Shariah-compliant and user-friendly, taking into account user demographics such as age, religiosity, and digital literacy. Additionally, longitudinal studies assessing the social impact of digital waqf and crowdfunding platforms are essential to establish empirical evidence for their sustainability and effectiveness. There is also a gap in research on regulatory challenges and governance standards for digital Islamic philanthropy, which need addressing to foster public trust and encourage wider participation.

Expanding Cross-National Comparative Studies

Although the influence of religiosity on corporate philanthropy and CSR has been substantiated in various contexts (Chourou, 2023; Satt et al., 2025), comprehensive cross-national studies remain scarce, particularly those integrating Islamic socio-cultural variables. Chourou (2023) demonstrates that firms in more religious countries donate more, influenced by managers adapting to stakeholder preferences, yet the mechanisms of these influences vary across national settings.

Future research should focus on systematically examining how differing institutional, cultural, and religious landscapes shape CSR behaviors and philanthropic giving across countries, delving into Muslim-majority and non-Muslim-majority contexts alike. This includes assessing how cultural heritage and religious affiliations of corporate leadership impact CSR strategies, as evidenced by Xu et al. (2024) and Sarker and Elnahas (2025), who emphasize the lasting effects of CEO religiosity and cultural heritage on CSR outcomes.

Furthermore, there is a need to explore demographic factors such as generational and gender differences in philanthropic engagement (Kasmon et al., 2024; Umar, 2023), which may exhibit variations linked to cultural norms and economic development levels. Expansion of such comparative research can offer enriched understanding that informs multinational corporations and policy makers in designing culturally attuned CSR programs that resonate across diverse markets.

Interdisciplinary and Multidisciplinary Approaches

The complex nexus of religion, culture, business ethics, and finance demands integrative research frameworks that transcend disciplinary siloes. Khan et al. (2021) advocate for technology-empowered systematic literature reviews that combine theological insights, economic models, social science theories, and business management to comprehensively analyze religion's role in entrepreneurship and CSR.

Emerging studies in waqf governance and Islamic social finance (Lestari et al., 2023; Muneeza et al., 2024; Widiastuti et al., 2022) reinforce the value of integrating legal, financial, and ethical considerations to optimize philanthropic outcomes. Likewise, scholarly calls for standardizing measurement frameworks (e.g., Waqf indexes) underscore the interdisciplinary demands combining quantitative modeling with qualitative cultural understanding.

Future research should embrace methodologies that incorporate ethics, economics, organizational behavior, law, and information technology to fully elucidate how Islamic principles can harmonize with modern CSR practices and digital innovation. Collaborative research involving scholars from Islamic studies, finance, management, and technology disciplines will foster development of robust models that can support sustainable social finance systems aligned with Maqasid al-Shariah and the UN Sustainable Development Goals.

In sum, addressing these future research directions promises to deepen scholarly understanding and practical application of CSR and philanthropy in Islamic and culturally heterogeneous environments, sustaining ethical business practices in an increasingly digitized and globalized world.

CONCLUSION

Religious and cultural influences profoundly shape CSR and philanthropy practices within Islamic finance, with mechanisms such as zakat, waqf, and adherence to sharia principles guiding social responsibility and charitable activities. The review underscores the role of religiosity, cultural heritage, and community values in motivating giving behaviors and fostering trust and social cohesion. The integration of digital technologies, including

Islamic fintech solutions and crowdfunding platforms, presents new opportunities to expand the reach and effectiveness of CSR and philanthropy, although challenges related to trust, literacy, and regulatory frameworks persist. Leadership and governance, particularly board diversity and cultural contexts, significantly impact CSR outcomes, highlighting the importance of stakeholder engagement. Despite substantial progress, gaps remain in cross-national comparisons, technological adoption, and interdisciplinary research, which are crucial for future advancements. Overall, aligning CSR practices with Islamic and cultural values offers significant potential to promote social welfare and sustainable development, with future research needed to explore innovative digital approaches and broader regional insights.

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