Maqasid Al-Shariah and Hifz Al-Mal as the Foundation of Islamic Financial Management

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ABSTRACT

Maqasid al-Shariah represents the fundamental framework of Islamic law, aimed at promoting human well-being (maslahah) through the preservation of the five essential objectives (al-daruriyyat al-khams), including the preservation of wealth (Hifz al-Mal) (Auda, 2008). In the era of globalization, economic digitalization, and rapid financial technology development, financial management is no longer confined to technical aspects such as budgeting, saving, and investing. Instead, it requires ethical values and moral guidance to ensure sustainable financial well-being. Previous studies have demonstrated that financial literacy plays a significant role in enhancing individuals' ability to make sound financial decisions and contributes positively to financial well-being. Nevertheless, most existing studies have primarily adopted conventional perspectives and have paid limited attention to integrating the principles of Maqasid al-Shariah, particularly Hifz al-Mal, as the underlying foundation of Islamic financial management.

Accordingly, this article aims to analyse the concept of financial management from the perspective of Maqasid al-Shariah, with particular emphasis on the application of the principle of Hifz al-Mal in developing a holistic framework for Islamic financial management practices. This study adopts a qualitative approach through document analysis and a narrative literature review supported by a structured search strategy and thematic analysis. Based on the synthesis of the literature, this article proposes the Islamic Financial Management Framework based on Hifz al-Mal (IFM-HM Framework). The proposed framework contributes to the advancement of Islamic financial management theory while serving as a conceptual foundation for future empirical research and the development of sustainable Islamic financial policies.

Keywords: Maqasid al-Shariah; Hifz al-Mal; Islamic Financial Management; Conceptual Framework; Financial Well-being; Islamic Finance.

INTRODUCTION

Financial management is a fundamental element in ensuring the well-being of individuals, families, and society. In the contemporary context, the global economic landscape has undergone significant transformation due to rising living costs, inflationary pressures, labour market uncertainties, and the rapid advancement of financial technology (fintech). These developments have made financial management increasingly complex. Individuals are now required not only to manage their income and expenditure but also to make informed decisions regarding savings, investments, financial protection, debt management, and retirement planning in a more systematic manner. Consequently, the ability to manage personal finances effectively has become widely recognised as one of the key determinants of financial well-being and individual economic resilience (Lusardi & Messy, 2023; Lusardi & Streeter, 2023).

The rapid expansion of digital technology has also transformed the way individuals manage their finances. The widespread adoption of digital banking, e-wallets, investment applications, online lending platforms, and Buy Now, Pay Later (BNPL) facilities has significantly improved access to financial services while accelerating financial transactions. Although these innovations provide numerous benefits, the increased accessibility to digital credit and financing has also heightened the risks of impulsive spending, excessive indebtedness, and exposure to digital financial fraud. Consequently, effective financial management is no longer dependent solely on financial knowledge; it also requires the cultivation of appropriate financial attitudes, ethical values, and self-discipline to enable individuals to make responsible financial decisions (OECD, 2024).

In Malaysia, financial well-being remains a national priority. Initiatives led by the Financial Education Network (FEN) through the National Strategy for Financial Literacy 2026–2030 emphasise the importance of strengthening financial literacy, enhancing the financial resilience of Malaysians, and fostering responsible financial behaviour. At the same time, Bank Negara Malaysia continues to promote a sustainable financial system through the Value-based Intermediation (VBI) approach, which extends beyond economic performance by emphasising social value creation and societal well-being (Bank Negara Malaysia, 2023; Financial Education Network, 2025).

Despite these initiatives, previous studies have predominantly focused on the relationships between financial literacy, financial behaviour, and financial well-being from economic and psychological perspectives. Existing empirical evidence consistently demonstrates that financial knowledge, attitudes, and behaviours are significant determinants of individual financial well-being (Brüggen et al., 2017; Lusardi & Messy, 2023). Nevertheless, relatively limited attention has been devoted to the ethical values, moral principles, and objectives of the Shariah that underpin financial behaviour, particularly in the development of a comprehensive Islamic financial management framework.

From an Islamic perspective, financial management is not merely intended to accumulate wealth or maximise financial returns; rather, it constitutes part of humanity's responsibility as khalifah (vicegerents) in managing the trust (amanah) of wealth bestowed by Allah SWT. This responsibility is grounded in the principles of Maqasid al-Shariah, the higher objectives of Islamic law, which seek to preserve religion (Hifz al-Din), life (Hifz al-Nafs), intellect (Hifz al-'Aql), lineage (Hifz al-Nasl), and wealth (Hifz al-Mal) (Auda, 2008; Ibn Ashur, 2006). Within the context of financial management, Hifz al-Mal serves as a guiding principle that ensures wealth is acquired through lawful (halal) means, managed prudently, allocated according to legitimate priorities, invested in a Shariah-compliant manner, and utilised for the benefit (maslahah) of both individuals and society.

A review of the existing literature indicates that most studies on Hifz al-Mal have concentrated primarily on zakat, waqf, Islamic banking, Islamic social finance, and the governance of Islamic financial institutions. In contrast, studies that integrate Hifz al-Mal as a comprehensive foundation for individual financial management remain limited. Furthermore, there is a lack of conceptual research proposing an integrated framework that links the principles of Hifz al-Mal with contemporary financial management practices to support sustainable financial well-being. This gap highlights the need for further scholarly attention, particularly in addressing the challenges posed by the digital economy and the evolving financial behaviour of contemporary society.

Accordingly, this article aims to analyse the concept of financial management from the perspective of Maqasid al-Shariah, with particular emphasis on Hifz al-Mal as the foundational principle of Islamic financial management. Drawing upon a comprehensive synthesis of the literature, this study further proposes the Islamic Financial Management Framework based on Hifz al-Mal (IFM-HM Framework) as a conceptual framework integrating the principles of Maqasid al-Shariah with contemporary financial management practices. The proposed framework is expected to contribute to the advancement of Islamic financial management theory, provide a foundation for future empirical research, and serve as a practical reference for financial institutions, policymakers, and educational institutions in promoting sustainable financial well-being.

Concept of Financial Management

Financial management is a systematic process involving the planning, management, control, and evaluation of financial resources to achieve financial stability and well-being for individuals and families. At the individual level, financial management encompasses various interrelated activities, including earning and managing income, planning expenditures, managing debt, accumulating savings, making investment decisions, and establishing financial protection against unexpected risks and financial needs. Effective financial management enables individuals to meet their current financial needs without compromising their ability to achieve financial goals and fulfil future financial obligations (Lusardi & Mitchell, 2014; Xiao, 2016; Wellfren et al., 2025).

The literature indicates that effective financial management is not determined solely by an individual's level of income but also depends on financial knowledge, attitudes, and behaviours. Financially disciplined individuals are generally more likely to prepare budgets, prioritise expenditures, manage debt prudently, establish emergency funds, and plan for long-term savings and investments. Positive financial practices not only contribute to greater financial stability but also strengthen an individual's ability to withstand financial shocks and economic uncertainty. Conversely, deficiencies in financial knowledge, attitudes, and behaviours may increase financial stress and adversely affect individual financial well-being (Brüggen et al., 2017; Wellfren et al., 2025).

The development of financial technology (fintech) has also significantly transformed how individuals manage their finances and make financial decisions. The increasing use of digital banking, e-wallets, investment applications, online lending platforms, and Buy Now, Pay Later (BNPL) facilities has enhanced transaction efficiency. However, the growing use of digital financial services also requires a higher level of digital financial literacy to enable consumers to understand potential risks, evaluate available financial options, and make responsible financial decisions. Recent studies indicate that digital financial behaviour and digital financial literacy play important roles in shaping financial well-being (Mahdzan et al., 2026).

Although the concept of financial management has evolved considerably in contemporary literature, most existing approaches continue to emphasise financial knowledge and behaviour, decision-making efficiency, risk management, and the achievement of financial well-being. From an Islamic perspective, however, financial management encompasses a broader scope because the management of wealth is also concerned with the sources from which wealth is acquired and the manner in which it is utilised, protected, developed, and distributed in accordance with Shariah principles.

Financial Well-Being

Financial well-being refers to a state in which individuals are able to meet their current financial needs and obligations, are adequately prepared to cope with financial shocks, and feel confident about their future financial position. This concept has received increasing attention in the literature because financial well-being is not determined solely by income levels or asset ownership. Rather, it encompasses financial security, freedom from financial stress, the ability to maintain control over one's finances, and the capacity to achieve desired life goals (Brüggen et al., 2017; CFPB, 2017; Zhang et al., 2026).

Previous studies have demonstrated that financial well-being is influenced by various interrelated factors, including financial literacy, financial behaviour, income level, self-control, spending patterns, credit usage, savings, and financial planning. Recent empirical evidence indicates that digital financial behaviour is associated with financial well-being, while digital financial inclusion also plays an important role in enhancing the financial well-being of low-income households (Mahdzan et al., 2026; Lu et al., 2026). At the same time, the expansion of digital credit facilities such as Buy Now, Pay Later (BNPL) has introduced new challenges. Easily accessible credit facilities require financial discipline and responsible financial behaviour to prevent the accumulation of excessive debt obligations (Sumani & Yonathan, 2026). Therefore, efforts to strengthen financial well-being require a more comprehensive approach that integrates economic, behavioural, social, and value-based dimensions.

Hifz al-Mal as the Foundation of Islamic Financial Management

Hifz al-Mal (the preservation of wealth) is one of the five fundamental objectives (al-daruriyyat al-khams) of Maqasid al-Shariah, emphasizing the preservation, development, and management of wealth in accordance with Shariah principles. In Islam, wealth is not merely an economic asset intended to satisfy material needs; rather, it is regarded as a trust (amanah) bestowed by Allah SWT that must be acquired, managed, and utilized responsibly to promote the well-being of both individuals and society (Auda, 2008; Ibn Ashur, 2006).

Unlike the conventional approach, which typically measures financial success through wealth accumulation, investment returns, or asset growth, Hifz al-Mal evaluates wealth management based on compliance with Shariah principles and its contribution to individual and societal well-being. Within this framework, every economic activity must be conducted in a lawful (halal) manner, free from riba (interest), gharar (excessive uncertainty), and maysir (gambling), while upholding the principles of justice, trustworthiness (amanah), and social responsibility. This perspective demonstrates that financial achievement cannot be separated from ethical and spiritual dimensions (Kamali, 2008; Dusuki & Bouheraoua, 2011).

Based on an analysis of both classical and contemporary literature, this article argues that Hifz al-Mal can be operationalized into six key dimensions that collectively form the foundation of Islamic financial management:

Lawful Wealth Acquisition

Islam requires individuals to earn income through lawful (halal) sources. Lawful wealth acquisition determines the blessings (barakah) associated with one's earnings and serves as the foundation for all subsequent financial activities.

Wealth Protection

Wealth protection encompasses the use of legitimate financial instruments, effective risk management, sound financial documentation, takaful protection, and appropriate safeguards against digital financial crimes and cyber-related threats.

Wealth Development

Islam encourages Muslims to develop and enhance their wealth through productive economic activities such as business ventures, Shariah-compliant investments, and entrepreneurship, provided they are free from exploitation and injustice (Chapra, 2008).

Equitable Wealth Distribution

Hifz al-Mal emphasizes the equitable distribution of wealth to prevent excessive concentration. Islamic instruments such as zakat, sadaqah, waqf, hibah, and faraid serve as mechanisms to ensure wealth benefits society inclusively.

Ethical Wealth Utilisation

Islam encourages individuals to utilize wealth in a moderate (wasatiyyah) manner while avoiding wastefulness (israf) and extravagance (tabdhir). Financial expenditures should be prioritized according to the principle of awlawiyyat (prioritization).

Sustainable Wealth Management

Wealth should be managed in a manner that generates continuous benefits for both present and future generations, generating barakah (divine blessings), upholding 'adl (justice), and promoting maslahah (public interest) (Dusuki & Bouheraoua, 2011).

Islamic Financial Management from the Perspective of Hifz al-Mal

Islamic financial management refers to a systematic process involving the planning, acquisition, utilization, development, and distribution of wealth in accordance with Shariah principles. According to Chapra (2008), sustainable Islamic economic development can only be achieved when individuals practise financial management that balances personal interests with social responsibility. In Islam, wealth is not regarded as an ultimate objective but rather as a means of attaining al-falah (success in this world and the Hereafter). Furthermore, Dusuki and Bouheraoua (2011) argue that the application of Maqasid al-Shariah in Islamic finance should not be confined merely to compliance with Shariah contractual requirements but should elevate societal well-being. The rapid expansion of the digital economy has introduced new dimensions, emphasizing that financial literacy alone is insufficient; it must be complemented by the cultivation of ethical values (OECD, 2024).

Literature Synthesis and Research Gap

The literature indicates that research on financial management has expanded significantly over the past two decades. However, studies predominantly adopt a conventional financial perspective and pay limited attention to the integration of Islamic values. Within the field of Islamic finance, scholarly attention has largely focused on the development of Islamic financial institutions. Studies that explicitly integrate Maqasid al-Shariah with personal financial management remain relatively limited.

Recent bibliometric study by Kazak (2024) found that the field of Islamic Financial Management still lacks a well-established theoretical foundation. Similarly, Busari et al. (2024) identified four dominant research themes in Islamic Wealth Management: wealth creation, wealth protection, wealth purification, and wealth distribution. However, they emphasized that there is still no comprehensive framework systematically integrating these dimensions within the context of personal financial management. Furthermore, the emergence of the digital economy necessitates a more comprehensive model of Islamic financial management to ensure that financial decisions promote sustainable financial well-being while navigating risks like BNPL services and digital fraud (OECD, 2024).

In response to these gaps, this article proposes the Islamic Financial Management Framework Based on Hifz al-Mal (IFM-HM Framework).

RESEARCH METHODOLOGY

This study adopts a qualitative research approach based on document analysis and a narrative literature review supported by a structured search strategy to examine Islamic financial management from the perspective of Maqasid al-Shariah, with particular emphasis on the principle of Hifz al-Mal. This approach is appropriate for synthesising existing theories, conceptual perspectives, and empirical findings in order to identify research gaps and develop a theoretically grounded conceptual framework (Creswell & Creswell, 2023; Snyder, 2019).

To enhance the transparency and reproducibility of the literature review process, a structured search protocol was employed. The literature search was conducted across major academic databases, namely Scopus, Web of Science (WoS), ScienceDirect, and Google Scholar. The search strategy utilised combinations of keywords and Boolean operators (AND, OR) related to the principal themes of the study. The primary search string was:

("Maqasid al-Shariah" OR "Hifz al-Mal") AND ("Islamic Financial Management" OR "Islamic Wealth Management" OR "Personal Financial Management" OR "Financial Behaviour" OR "Financial Well-being").

Additional combinations of relevant keywords were used to identify literature concerning financial literacy, digital financial behaviour, sustainable financial well-being, Buy Now Pay Later (BNPL), and contemporary financial risks where these themes were relevant to the development of the proposed framework.

To ensure the quality and relevance of the literature, predetermined inclusion and exclusion criteria were applied. The inclusion criteria comprised: (i) peer-reviewed academic journal articles, authoritative academic books, and official institutional reports; (ii) publications in English and Malay; (iii) publications that directly addressed at least one of the principal themes of Maqasid al-Shariah, Hifz al-Mal, Islamic financial management, Islamic wealth management, personal financial management, financial behaviour, financial literacy, or financial well-being; and (iv) contemporary publications, particularly those published between 2020 and 2026. Seminal and classical Maqasid scholarship, together with the works of Ibn Ashur, Chapra, and Auda, was also retained because of their theoretical significance to the development and interpretation of Maqasid al-Shariah and Hifz al-Mal.

The exclusion criteria comprised: (i) non-academic and non-authoritative sources, including blogs, magazine articles, and unverified websites; (ii) publications that did not have substantive relevance to the research objectives; and (iii) studies focusing exclusively on institutional or corporate aspects of Islamic finance without sufficient conceptual or empirical relevance to personal financial management, financial behaviour, or financial well-being.

The screening process was conducted in stages. First, titles and abstracts were reviewed to determine their relevance to the objectives and conceptual scope of the study. Publications that did not satisfy the inclusion criteria were excluded at this stage. The remaining publications were subsequently subjected to full-text assessment, with particular attention given to their theoretical, conceptual, and empirical contributions to the themes of Maqasid al-Shariah, Hifz al-Mal, Islamic financial management, financial behaviour, and financial well-being. This process enabled the study to identify a focused body of literature appropriate for conceptual synthesis rather than claiming exhaustive coverage typically associated with a full systematic literature review.

Following the literature selection process, the relevant literature was analysed using thematic analysis. Drawing on Braun and Clarke (2006), the analysis involved four main stages: (i) identifying recurring concepts and themes within the selected literature; (ii) grouping conceptually related themes, particularly those associated with wealth acquisition, protection, development, distribution, utilisation, and sustainability; (iii) comparing theoretical arguments and findings across the literature; and (iv) synthesising these themes to develop the proposed Islamic Financial Management Framework Based on Hifz al-Mal (IFM-HM Framework).

Through this process, six interrelated dimensions of Hifz al-Mal were identified and conceptually synthesised: lawful wealth acquisition, wealth protection, wealth development, equitable wealth distribution, ethical wealth utilisation, and sustainable wealth management. These dimensions subsequently form the conceptual foundation of the proposed IFM-HM Framework. The structured search strategy and thematic synthesis therefore provide a transparent methodological basis for developing the framework while recognising that the present study is conceptual in nature and requires future empirical validation.

DISCUSSION

Hifz al-Mal as the Foundation of Islamic Financial Management

From a conventional perspective, financial management is generally defined as the process of optimizing financial resources through decision-making related to income generation, expenditure, savings, investment, and risk management to maximize economic returns (Brigham & Ehrhardt, 2024). In contrast, Islam views financial management from a more holistic perspective. Wealth is a trust (amanah) bestowed by Allah SWT that must be managed responsibly and utilized to achieve al-falah (success) and maslahah (public interest) (Chapra, 2008; Kamali, 2008).

This evolution demonstrates that Hifz al-Mal should no longer be interpreted solely as the protection of assets against loss or unlawful appropriation, as traditionally emphasized in classical Islamic jurisprudence. Rather, it has evolved into a comprehensive framework encompassing lawful income generation, Shariah-compliant wealth development, equitable wealth distribution, prudent utilization of financial resources, and the promotion of long-term financial well-being (Dusuki & Bouheraoua, 2011). In the era of the digital economy, the application of Hifz al-Mal has become increasingly important to combat the growing risks of excessive indebtedness, cyber fraud, and unethical financial decision-making introduced by digital banking and BNPL services (OECD, 2024).

Proposed Islamic Financial Management Framework Based on Hifz al-Mal (IFM-HM Framework)

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Based on the literature synthesis and the research gaps identified, this article proposes the Islamic Financial Management Framework Based on Hifz al-Mal (IFM-HM Framework) as an integrative conceptual framework for personal financial management. The framework positions Hifz al-Mal as the central normative foundation guiding financial decisions throughout the wealth-management process, from lawful wealth acquisition to protection, development, distribution, ethical utilisation, and long-term sustainability.

The proposed framework builds upon, rather than replaces, established perspectives in financial well-being, Islamic wealth management, and Maqasid al-Shariah. Conventional financial well-being literature provides important insights into financial knowledge, financial behaviour, financial security, and individuals' capacity to manage financial resources effectively (Brüggen et al., 2017; Lusardi & Mitchell, 2014). Islamic wealth-management literature extends this perspective by incorporating Shariah principles into wealth creation, protection, purification, and distribution (Busari et al., 2024). Meanwhile, Maqasid-based approaches provide a broader normative foundation in which financial activities are evaluated according to justice, maslahah, human well-being, and the higher objectives of Shariah (Chapra, 2008; Auda, 2008).

The conceptual contribution of the IFM-HM Framework lies in bringing these complementary perspectives together within an individual-level financial-management structure grounded specifically in Hifz al-Mal. Rather than claiming superiority over existing frameworks, the IFM-HM Framework extends the existing literature by organising six interrelated dimensions of wealth management within a unified conceptual structure and linking them to Islamic financial behaviour, financial well-being, and sustainable financial well-being. It also incorporates contemporary financial challenges, including digital financial services, Buy Now Pay Later (BNPL), excessive indebtedness, digital financial literacy, and exposure to financial fraud.

To clarify the conceptual novelty and integrative contribution of the proposed framework, Table 1 compares the IFM-HM Framework with selected perspectives from conventional financial well-being, Islamic wealth management, and Maqasid-based literature.

Table 1: Comparative Analysis of Selected Financial Management and Maqasid-Based Perspectives

Comparison Criteria	**Conventional Financial Well-Being Perspective**	**Islamic Wealth Management Perspective**	**General Maqasid-Based Perspective**	**Proposed IFM-HM Framework**
Representative literature	Brüggen et al. (2017); Lusardi & Mitchell (2014)	Busari et al. (2024)	Chapra (2008); Auda (2008)	Current study
Primary focus	Financial security, financial capability, behaviour, and individual financial well-being	Shariah-compliant wealth creation, protection, purification, and distribution	Achievement of human welfare (*maslahah*), justice, and the higher objectives of Shariah	Integration of Hifz al-Mal principles with individual financial management to support sustainable financial well-being
Level of application	Primarily individual and household financial outcomes	Wealth-management processes within the broader Islamic finance context	Broad individual, societal, and systemic orientation	Specifically structured around individual and household financial management
Core dimensions/elements	Financial knowledge, behaviour, saving,	Wealth creation, wealth	Preservation and promotion of religion,	Lawful wealth acquisition, wealth protection, wealth development, equitable

	budgeting, debt management, financial security, and financial well-being	protection, wealth purification, and wealth distribution	life, intellect, lineage, and wealth	wealth distribution, ethical wealth utilisation, and sustainable wealth management
Ethical and Shariah orientation	Ethical or religious considerations are not the primary organising principle	Explicit Shariah orientation in wealth-management activities	Strong normative orientation based on Maqasid al-Shariah	Hifz al-Mal functions as the central normative principle guiding the entire personal financial-management process
Financial behaviour	Financial behaviour is recognised as an important determinant of financial well-being	Reflected through Shariah-compliant wealth-management practices	Behaviour is guided broadly by Maqasid values and objectives	Islamic Financial Behaviour is explicitly positioned as the behavioural pathway connecting the six dimensions with financial well-being
Contemporary digital financial challenges	Increasingly addressed through financial and digital financial literacy	Not necessarily a central organising dimension	Generally addressed at a broad ethical and Maqasid level	Explicitly incorporates contemporary issues such as BNPL, digital financial literacy, excessive indebtedness, and digital financial fraud
Intended outcome	Financial well-being and financial security	Shariah-compliant and responsible wealth management	*Maslahah*, justice, and holistic human well-being	Financial well-being progressing towards sustainable financial well-being incorporating economic, ethical, social, and spiritual considerations

As shown in Table 1, the novelty of the IFM-HM Framework does not rest on the claim that its individual components are entirely new. Lawful wealth acquisition, wealth protection, wealth development, wealth distribution, ethical consumption, and sustainability have each been discussed in different strands of Islamic economic and financial literature. Rather, the contribution of the proposed framework lies in their systematic conceptual integration under Hifz al-Mal within the context of personal financial management.

The framework further extends previous perspectives by proposing a theoretical pathway through which the six dimensions are translated into Islamic Financial Behaviour, which subsequently contributes to Financial Well-being and, ultimately, Sustainable Financial Well-being. This conceptual linkage is further developed and theoretically justified in Section 4.4.

Components of the IFM-HM Framework

Drawing upon classical Maqasid scholarship and the works of Ibn Ashur, Chapra, and Auda, together with contemporary literature, the proposed IFM-HM Framework is structured around six interrelated components:

Lawful Wealth Acquisition

The first component serves as the fundamental foundation. Islam requires individuals to generate income through legitimate economic activities. Lawfully earned income influences the barakah (divine blessings) associated with wealth utilization, savings, investment, and distribution.

Wealth Protection

Wealth protection refers to safeguarding wealth against loss, misappropriation, fraud, and financial risks. In the contemporary context, it extends to digital transaction security, financial risk management, takaful protection, and preventive measures against cyber-enabled financial crimes and excessive indebtedness through BNPL (OECD, 2024).

Wealth Development

Islam encourages Muslims to develop their financial resources through productive economic activities such as entrepreneurship and Shariah-compliant investments. Wealth development should generate sustainable economic value while remaining aligned with the broader objectives of Maqasid al-Shariah (Chapra, 2008).

Equitable Wealth Distribution

This component seeks to ensure that wealth is not concentrated within a privileged segment of society. Islamic mechanisms such as zakat, waqf, hibah, faraid, and sadaqah serve as essential socioeconomic mechanisms for realizing the objectives of Maqasid al-Shariah (Dusuki & Bouheraoua, 2011).

Ethical Wealth Utilisation

Islam encourages individuals to practise moderation (wasatiyyah) while prohibiting wastefulness (israf) and extravagance (tabdhir). In the digital economy, the rapid expansion of consumerism and BNPL facilities makes prudent financial discipline crucial for maintaining long-term financial stability.

Sustainable Wealth Management

The final component is the capacity to ensure that the benefits of wealth are preserved and shared across both present and future generations. The success of financial management should not be measured solely by the growth of financial assets but also by the realization of barakah, maslahah, and the overall well-being of society.

Theoretical Linkages and Conceptual Framework

The proposed IFM-HM Framework is grounded in the premise that Hifz al-Mal functions not merely as a principle for protecting accumulated wealth but as a normative foundation that guides the entire process of individual financial decision-making. Contemporary interpretations of Maqasid al-Shariah emphasise that the preservation of wealth encompasses its lawful acquisition, protection, productive development, responsible utilisation, and distribution in ways that promote individual and societal welfare (Auda, 2008; Chapra, 2008; Dusuki & Bouheraoua, 2011). Accordingly, the six dimensions proposed in this study are conceptualised as interrelated principles that shape how individuals manage financial resources and translate Shariah values into actual financial practices.

Hifz al-Mal Dimensions and Islamic Financial Behaviour

The first theoretical relationship proposes that the six dimensions of Hifz al-Mal influence Islamic Financial Behaviour. From the perspective of Maqasid al-Shariah, financial decisions are not evaluated solely according to their economic outcomes but also according to the manner in which wealth is acquired, protected, developed, utilised, and distributed. Internalisation of these principles is therefore expected to encourage financial practices that are consistent with Shariah, including lawful income generation, prudent expenditure, responsible debt management, saving, Shariah-compliant investment, financial protection, and the fulfilment of social financial responsibilities.

This relationship is consistent with the broader Islamic financial literacy literature, which indicates that Islamic financial knowledge and Shariah-oriented values can influence financial attitudes and behaviour (Isa et al., 2024). It is also aligned with the Maqasid perspective that financial practices should move beyond formal Shariah compliance towards the realisation of ethical conduct, justice, and societal welfare (Dusuki & Bouheraoua, 2011). Thus, the IFM-HM Framework proposes that the six dimensions of Hifz al-Mal provide the normative foundation from which Islamic Financial Behaviour emerges.

Islamic Financial Behaviour and Financial Well-Being

The second relationship proposes that Islamic Financial Behaviour contributes positively to Financial Well-being. Financial well-being is generally associated with an individual's ability to meet current financial obligations, maintain control over financial resources, withstand financial shocks, and achieve confidence regarding future financial circumstances (Brüggen et al., 2017). Existing literature further demonstrates that responsible financial behaviour plays an important role in determining financial well-being because behaviours relating to saving, expenditure, borrowing, investment, and financial planning directly influence an individual's financial security and resilience (Lusardi & Messy, 2023).

Recent evidence is particularly relevant within the contemporary digital financial environment. Responsible financial behaviour has been associated with the financial well-being of PayLater users (Sumani & Yonathan, 2026), while digital financial behaviour and financial literacy have also been linked to financial well-being in Malaysia (Mahdzan et al., 2026). Within the IFM-HM Framework, Islamic Financial Behaviour extends responsible financial behaviour by incorporating Shariah compliance, moderation (*wasatiyyah*), avoidance of wastefulness (*israf*), responsible debt management, and social financial responsibility. Such practices are theoretically expected to reduce financial vulnerability and strengthen financial stability, thereby contributing to higher Financial Well-being.

Financial Well-Being and Sustainable Financial Well-Being

The third theoretical relationship extends Financial Well-being towards Sustainable Financial Well-being. Conventional conceptualisations of financial well-being predominantly emphasise an individual's present and future financial security, freedom of financial choice, ability to meet obligations, and capacity to withstand financial shocks (Brüggen et al., 2017). From the perspective of Maqasid al-Shariah, however, financial well-being can be viewed more broadly by considering not only material financial security but also ethical responsibility, social welfare, long-term sustainability, and the consequences of financial decisions for families and society.

The concept of Sustainable Financial Well-being proposed in this framework therefore represents an extension of financial well-being rather than a replacement for it. It incorporates continuity of financial security alongside responsible wealth management, intergenerational considerations, *maslahah* (public welfare), justice, and the ethical use of financial resources. This interpretation is consistent with Auda's (2008) systems approach to Maqasid al-Shariah, which emphasises multidimensional and interconnected human welfare, and with Chapra's (2008) argument that genuine development requires the integration of material progress, moral values, justice, and human well-being.

Accordingly, Financial Well-being provides the immediate economic and behavioural foundation upon which a more sustainable form of well-being may develop. When financial security is maintained through responsible and Shariah-guided behaviour while simultaneously considering ethical, social, and intergenerational consequences, financial well-being may progress towards Sustainable Financial Well-being.

Integrated Theoretical Pathway of the IFM-HM Framework

Taken together, the proposed IFM-HM Framework establishes the following conceptual pathway:

Six Dimensions of Hifz al-Mal → Islamic Financial Behaviour → Financial Well-being → Sustainable Financial Well-being

The six dimensions—Lawful Wealth Acquisition, Wealth Protection, Wealth Development, Equitable Wealth Distribution, Ethical Wealth Utilisation, and Sustainable Wealth Management—constitute the normative and operational foundation of the framework. These dimensions are proposed to shape Islamic Financial Behaviour by translating the principles of Hifz al-Mal into financial practices. Islamic Financial Behaviour subsequently contributes to Financial Well-being through more disciplined, responsible, and Shariah-aligned financial

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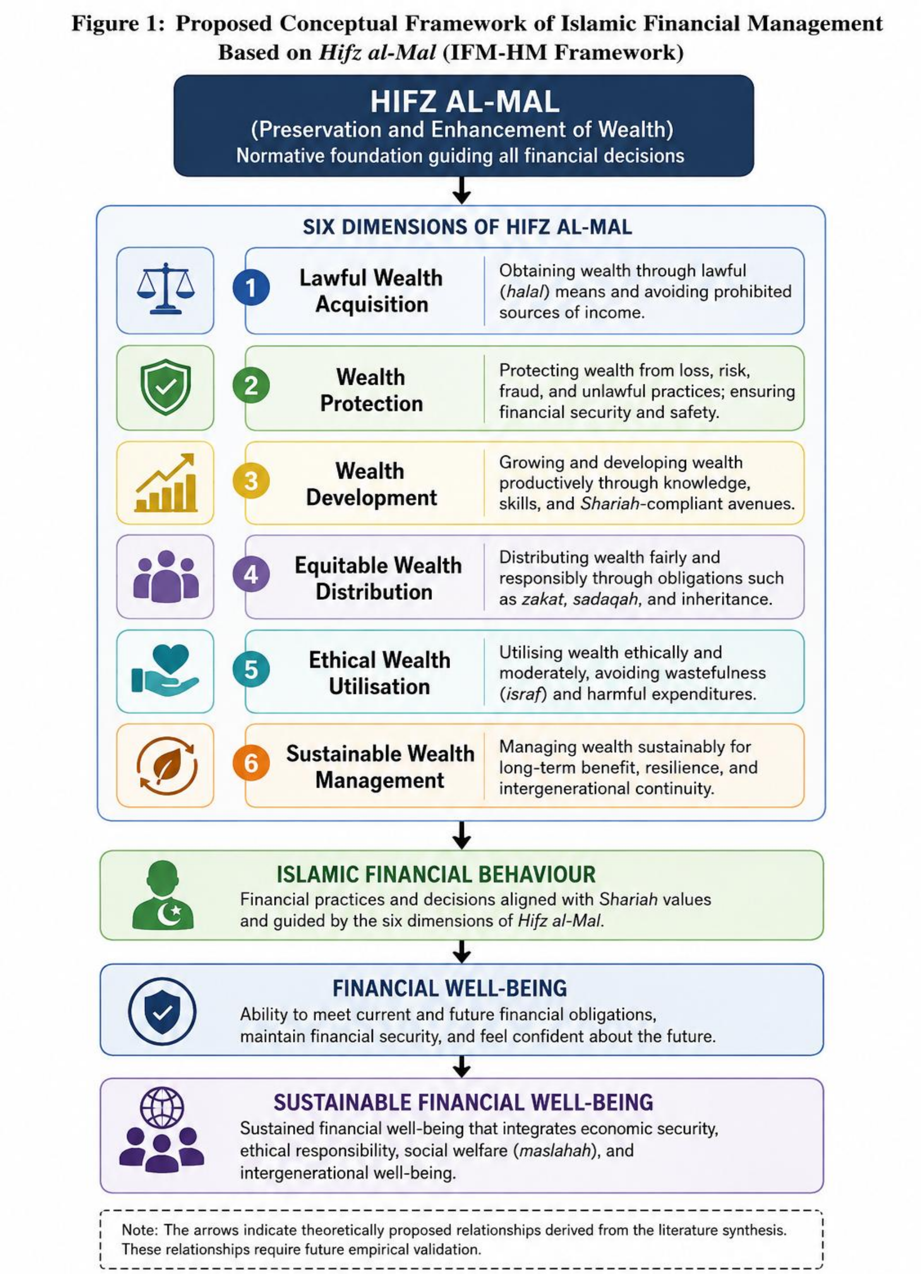
decisions. Financial Well-being is then extended towards Sustainable Financial Well-being when economic security is integrated with ethical responsibility, social welfare, *maslahah*, and longer-term considerations.

Importantly, these relationships remain conceptual propositions derived from the synthesis of existing literature rather than empirically established causal relationships. Therefore, the arrows presented in Figure 1 represent theoretically proposed relationships that require future empirical validation. Future studies may operationalise the six dimensions and examine the proposed structural relationships using expert validation, Exploratory Factor Analysis (EFA), Confirmatory Factor Analysis (CFA), and Structural Equation Modelling (SEM) or Partial Least Squares Structural Equation Modelling (PLS-SEM).

Figure 1: Proposed Conceptual Framework of Islamic Financial Management Based on Hifz al-Mal (IFM-HM Framework)

Six Dimensions of Hifz al-Mal → Islamic Financial Behaviour → Financial Well-being → Sustainable Financial Well-being



Implications of the Study

This study offers several implications from theoretical, practical, policy, and future research perspectives. From a theoretical perspective, the study extends the application of Maqasid al-Shariah, particularly Hifz al-Mal, beyond its conventional emphasis on the institutional dimensions of Islamic finance towards the domain of personal financial management. Rather than positioning the proposed IFM-HM Framework as a replacement for existing financial management or financial well-being models, the framework provides an integrative perspective by bringing together six interrelated dimensions—lawful wealth acquisition, wealth protection, wealth development, equitable wealth distribution, ethical wealth utilisation, and sustainable wealth management—within a unified conceptual structure grounded in Hifz al-Mal. This integration broadens the conceptualisation of financial management by incorporating economic, ethical, social, and spiritual considerations alongside conventional financial outcomes (Auda, 2008; Chapra, 2008; Dusuki & Bouheraoua, 2011).

The study also contributes conceptually by proposing Islamic Financial Behaviour as the behavioural pathway through which the principles of Hifz al-Mal may influence Financial Well-being. This perspective highlights that Shariah-based financial principles are expected to become meaningful for individual well-being when they are translated into actual financial practices, including lawful income generation, prudent expenditure, responsible debt management, saving, Shariah-compliant investment, financial protection, and social financial responsibility. The framework subsequently extends Financial Well-being towards Sustainable Financial Well-being by incorporating longer-term ethical, social, and intergenerational considerations. These proposed relationships, however, remain theoretical and require future empirical examination.

From a practical perspective, the IFM-HM Framework may provide a useful reference for Islamic financial institutions, educational institutions, government agencies, and community organisations in developing financial education and financial well-being programmes. Financial education based on the framework may extend beyond technical competencies such as budgeting, saving, investment, and debt management by incorporating values such as *amanah* (trustworthiness), *wasatiyyah* (moderation), responsible consumption, Shariah compliance, and social responsibility. Such an approach may be particularly relevant in the contemporary digital financial environment, where individuals increasingly encounter digital credit, Buy Now Pay Later (BNPL) facilities, online financial products, and financial fraud.

From a policy perspective, the framework may complement ongoing initiatives aimed at strengthening financial literacy, responsible financial behaviour, and financial resilience. The increasing complexity of the digital financial environment suggests that improving financial knowledge alone may not be sufficient to promote sustainable financial well-being. Financial education and consumer-protection initiatives may therefore benefit from incorporating ethical decision-making, responsible borrowing, digital financial literacy, financial risk awareness, and long-term financial planning. In Muslim-majority contexts, Hifz al-Mal may provide an appropriate value-based foundation for strengthening these initiatives while remaining aligned with the broader objectives of Maqasid al-Shariah.

Finally, the proposed framework provides several directions for future research. As the IFM-HM Framework is conceptual in nature, its six dimensions and proposed structural relationships require empirical validation before conclusions regarding their predictive or causal effects can be established. Future studies may initially undertake expert validation to refine the conceptual definitions and develop appropriate measurement items for each dimension. Exploratory Factor Analysis (EFA) and Confirmatory Factor Analysis (CFA) may subsequently be employed to assess the dimensional structure, reliability, and construct validity of the measurement instrument. The proposed relationships among the six Hifz al-Mal dimensions, Islamic Financial Behaviour, Financial Well-being, and Sustainable Financial Well-being may then be examined using Structural Equation Modelling (SEM) or Partial Least Squares Structural Equation Modelling (PLS-SEM). Further research across different demographic, socioeconomic, and cultural contexts would also be valuable in assessing the applicability and generalisability of the IFM-HM Framework.

CONCLUSION

This article examined Islamic financial management through the perspective of Maqasid al-Shariah, with particular emphasis on Hifz al-Mal as a normative foundation for personal financial decision-making. In an increasingly complex financial environment characterised by digitalisation, expanding access to credit, Buy Now Pay Later (BNPL) facilities, financial fraud, rising indebtedness, and changing consumer behaviour, effective financial management requires more than technical financial knowledge. It also requires ethical principles and responsible financial behaviour that guide how wealth is acquired, protected, developed, utilised, and distributed.

Drawing on the synthesis of classical and contemporary literature, this study proposes the Islamic Financial Management Framework Based on Hifz al-Mal (IFM-HM Framework). The framework integrates six interrelated dimensions: lawful wealth acquisition, wealth protection, wealth development, equitable wealth distribution, ethical wealth utilisation, and sustainable wealth management. Its conceptual contribution lies not in claiming that these individual dimensions are entirely new, but in integrating them systematically under Hifz al-Mal within the context of personal financial management.

The framework further proposes a theoretical pathway in which the six dimensions of Hifz al-Mal shape Islamic Financial Behaviour, which subsequently contributes to Financial Well-being and ultimately Sustainable Financial Well-being. In this conceptualisation, sustainable financial well-being extends beyond financial security by incorporating ethical responsibility, social welfare (*maslahah*), responsible wealth management, and longer-term and intergenerational considerations. The IFM-HM Framework therefore offers an integrative perspective connecting the normative principles of Maqasid al-Shariah with individual financial behaviour and well-being.

Nevertheless, the proposed relationships remain conceptual and should not be interpreted as empirically established causal relationships. Future research is required to operationalise and validate the six dimensions through expert assessment and appropriate scale-development procedures. Subsequent empirical studies may employ Exploratory Factor Analysis (EFA), Confirmatory Factor Analysis (CFA), and Structural Equation Modelling (SEM) or Partial Least Squares Structural Equation Modelling (PLS-SEM) to evaluate the measurement properties of the framework and examine the proposed structural relationships across different populations and contexts.

Overall, the IFM-HM Framework provides a theoretically grounded foundation for further research on Islamic personal financial management and sustainable financial well-being. Subject to future empirical validation, the framework may also inform financial education, Islamic financial services, and policy initiatives seeking to integrate financial capability with ethical, social, and Shariah-based considerations.

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