

A Model of Sharia Educational Management: Advancing Sustainable Islamic Financial Inclusion

Harjoni Desky^{1*} Nur Asiah² & Asmah Savitri³

^{1,3} Ekonomi Syariah Fakultas Ekonomi dan Bisnis Islam, Institut Agama Islam Negeri Lhokseumawe. Jl. Medan Banda Aceh, Alue Awe, Muara Dua, Kota Lhokseumawe, 54352. Aceh Indonesia.

²Universtias Islam Negeri Raden Intan Lampung, Lampung, Indonesia.

Jalan Letnan Kolonel H Jl. Endro Suratmin, Sukarama, Kec. Sukarama, Kota Bandar Lampung, Lampung 35131

Abstract

The low level of Islamic financial literacy remains a significant barrier to inclusive and sustainable development within Muslim-majority societies, particularly in Indonesia. Despite the rapid growth of Islamic financial institutions, public understanding and access to these services remain limited. This study aims to develop a model of Sharia educational management that systematically enhances Islamic financial inclusion through value-based education. Using a qualitative approach with case studies in community-based Islamic institutions, the research collects data through interviews, documentation, and focus group discussions with educators, Islamic finance practitioners, and community leaders. The study identifies key managerial components—curriculum design, stakeholder engagement, digital literacy integration, and value-driven leadership—essential in promoting inclusive financial behavior rooted in Islamic ethics. Results show that institutions adopting this model experience higher community participation in Islamic financial services, increased trust in Sharia-compliant products, and improved financial decision-making aligned with *maqashid al-shariah*. The findings offer practical insights for Islamic educational institutions, policy-makers, and financial industry stakeholders seeking to bridge the literacy gap. This model contributes to a more inclusive Islamic finance ecosystem while reinforcing financial behavior's spiritual and ethical foundations.

Keywords: Islamic Financial Inclusion, Sharia Educational Management, *Maqashid al-Shariah*, Financial Literacy, Value-Based Education

Introduction

This study investigates the role of Sharia educational management in enhancing sustainable Islamic financial inclusion, particularly within Muslim-majority communities in Indonesia. The author concurs with previous findings that low financial literacy hinders inclusive economic development (Demirgüç-Kunt et al., 2018). However, the author challenges the prevailing assumption that financial literacy can be improved solely through conventional education models. Instead, this research asserts that a value-based, Sharia-compliant educational management model is essential to fostering financial behaviors aligned with Islamic principles. The study further disagrees that digital innovation alone can address inclusion gaps without foundational ethical education (Mohieldin et al., 2011).

While several studies have addressed Islamic financial literacy, few have proposed an integrative educational management model that embeds *maqashid al-shariah* as its core value system (Ahmed, 2013; Dusuki & Abdullah, 2007). Existing literature tends to treat financial education and Islamic management as separate domains, creating a gap in understanding how educational systems can serve as vehicles for financial inclusion rooted in spiritual and ethical values. This article aims to bridge this gap by offering a

conceptual and empirical model that positions Sharia education as a tool of knowledge transmission and a strategic function in inclusive economic empowerment.

According to the 2022 OJK report, Islamic financial literacy in Indonesia remains at only 9.14%, despite a growing Islamic finance industry valued at over IDR 2,375.8 trillion (OJK, 2022). Moreover, research by Bank Indonesia (2023) highlights that more than 60% of Muslims still prefer conventional financial services due to a lack of understanding of Sharia-compliant alternatives. This suggests a disconnection between financial growth and community empowerment, exacerbated by the lack of integrated Sharia-based education in formal and non-formal institutions.

Compounding the issue, rapid digital transformation has not fully translated into improved inclusion. Although digital Sharia fintech platforms are expanding, their adoption among underserved populations remains limited, mainly due to weak foundational knowledge and trust issues (Pradhan et al., 2024). These findings highlight that technological access alone does not guarantee equitable participation in Islamic financial systems without educational interventions grounded in values and context.

Given these challenges, this article presents an urgent call to reformulate educational strategies in Islamic management. The novelty of this research lies in its development of a value-oriented management model that incorporates stakeholder-based governance, spiritual leadership, and curriculum innovation as drivers of Islamic financial inclusion. It contributes to Islamic educational management and the broader discipline of Sharia-compliant financial systems, offering an integrative framework for academic discourse and policy development.

Materials and Methods

This study adopted a qualitative research design under the constructivist paradigm to develop a Sharia educational management model that enhances Islamic financial inclusion. The qualitative approach was chosen due to its strength in uncovering complex social phenomena, particularly those involving values, beliefs, and cultural practices (Creswell & Poth, 2018). It allows researchers to explore how Islamic educational institutions manage and deliver financial literacy programs rooted in maqashid al-shariah.

The research was conducted across three provinces in Indonesia: Aceh, West Java, and West Nusa Tenggara. These areas were purposively selected based on their active roles in Islamic education, diversity in socio-economic development, and varying levels of community involvement in Islamic finance. The institutions studied include pesantren, Islamic community centers, and educational programs connected with Islamic microfinance. This multi-site strategy supports contextual variation and enhances data richness (Patton, 2015).

Table 1. Research Sites and Participants Distribution

| Location | Type of Institution | Number of Participants | Data Collection Techniques |
|--------------------|--|------------------------|--|
| Aceh | Pesantren, Community Education Centers | 7 | In-depth Interviews, FGDs, Document Analysis |
| West Java | Pesantren, Islamic Financial Centers | 6 | In-depth Interviews, FGDs, Document Analysis |
| West Nusa Tenggara | Islamic Financial Literacy Programs | 8 | In-depth Interviews, FGDs, Document Analysis |

Table 1. Distribution of research sites, types of institutions, number of participants, and data collection techniques used in this study

Data collection techniques included in-depth interviews, focus group discussions (FGDs), and document analysis. A total of 21 key informants were interviewed, including Islamic school principals, financial literacy trainers, curriculum specialists, and regulators in Islamic finance. FGDs involve students, teachers, and community members in gaining a broad perspective on financial behavior and trust in Islamic

financial products. Meanwhile, document analysis reviewed training modules, Sharia curriculum, and policy reports (Bowen, 2009).

The data collection process was carried out from August 2024 to January 2025. All interviews and FGDs were recorded (with consent) and transcribed for analysis. Document sources were sorted and coded using thematic analysis, and triangulation was applied to ensure data credibility by comparing insights across interviews, FGDs, and documents (Lincoln & Guba, 1985). Member checking was also performed by sharing preliminary findings with selected participants to ensure accuracy and integrity.

Table 2: Data Collection Techniques and Purposes

| Data Collection Technique | Purpose | Focus of Data |
|----------------------------------|---|---|
| In-depth Interviews | To gain deep insights into Sharia education practices | Role of educational leaders in Islamic financial inclusion |
| Focus Group Discussions (FGD) | To explore community views on Islamic finance | Community perceptions, attitudes, and understanding of Islamic finance |
| Document Analysis | To analyze existing curricula and training modules | Curriculum structure, integration of Sharia values in financial education |

Table 2. Data collection techniques, their purposes, and research focus for developing the Sharia educational management model.

Data analysis followed Braun & Clarke's (2006) widely used thematic analysis framework, which involved six steps: data familiarization, code generation, theme identification, theme review, theme definition, and report writing. NVivo 12 software supported the systematic coding process, enabling the classification of patterns related to Islamic financial values, educational leadership, and community inclusion. Using software ensured analytical transparency and traceability (Silver & Lewins, 2014).

This study used elements of grounded theory methodology (Corbin & Strauss, 2015) to develop the conceptual model. The open coding phase revealed themes such as "Sharia-integrated curriculum," "value-driven leadership," and "trust-based stakeholder collaboration." Axial coding organized these elements into a cohesive theoretical framework describing how educational management can be a strategic tool for Islamic financial empowerment.

Ethical considerations were strictly maintained throughout the research process. Ethical clearance was obtained from the Islamic University's ethics board. Participants provided informed consent, and identities were anonymized to protect confidentiality. Additionally, the research adhered to Islamic ethical principles, particularly amanah (trust), 'adl (justice), and mas'uliyah (responsibility), which are crucial in conducting research in Islamic communities (Hassan, 2011).

This methodological structure enabled the study to map existing practices and develop an empirically grounded and value-oriented model. By incorporating diverse data sources, multi-regional representation, and Islamic ethical standards, the research offers robust insights and practical relevance to scholars, educators, and policy-makers in Islamic educational management and inclusive Sharia finance.

Results and Discussions

Results

The study identified three core dimensions in developing a Sharia Educational Management Model that supports inclusive Islamic finance: Integration of Sharia Financial Literacy into Educational Curriculum. Educational institutions in all three research locations have begun incorporating Islamic financial literacy materials into extracurricular and formal curricula. However, the depth and consistency vary. In Aceh, pesantren integrated zakat, savings, and halal consumption topics within fiqh lessons, while in West Nusa Tenggara, financial education was limited to periodic seminars.

Leadership and Institutional Commitment. Strong leadership was critical in shaping the educational direction and prioritizing Islamic financial literacy. Institutions with proactive leaders—especially those with backgrounds in Islamic finance—were more likely to design sustained and value-based financial literacy programs. This was observed clearly in a pesantren in West Java that partnered with Islamic microfinance institutions (IMFIs) to develop a community-based savings program.

Community Engagement and Trust in Islamic Finance. Community responses revealed that trust and literacy levels remain fragmented while awareness of Islamic finance grows. FGDs highlighted a disconnect between institutional education and daily financial behavior. Many community members still prefer informal financial practices due to familiarity, accessibility, or lack of understanding of Sharia financial principles.

Discussion

These findings align with and extend the arguments of Hassan and Aliyu (2018), who emphasized that Islamic financial inclusion is not solely a matter of access but also of values-based education that fosters understanding and trust. As observed in this study, integrating Sharia financial literacy in formal education is a significant step toward actualizing *maqashid al-shariah* in economic behavior, especially the protection of wealth (*hifz al-mal*).

The importance of leadership corroborates Northouse’s (2018) leadership theory, which states that effective leaders can drive cultural and systemic change in educational institutions. In the Islamic context, such leadership must be *amanah*-oriented, visionary, and committed to communal benefit (*maslahah*). The study finds that leader-driven institutions were more impactful, as Sulaiman et al. (2020) found that Sharia-based leadership influences ethical decision-making and curriculum direction.

The results suggest a knowledge-trust gap in Islamic financial services regarding community trust. While products exist and are available, the lack of grassroots understanding weakens uptake. This supports Demirgüç-Kunt et al. (2022), who assert that low financial literacy, particularly in rural Muslim communities, is one of the biggest obstacles to financial inclusion.

Critically, this study proposes that the educational institution becomes a strategic actor in the financial inclusion ecosystem, not just as a place of learning, but as a driver of ethical financial transformation. This view expands the traditional role of Islamic education beyond theology and jurisprudence, positioning it as an economic empowerment engine rooted in Sharia values. To clarify this research's scholarly positioning and contribution, Table 3 presents a comparative overview between previous studies and the novelty offered by this integrative model.

Table 3: Comparison of Previous Research and the Novelty of This Study

| Previous Research | Main Focus | Limitations / Gaps | Contribution of This Study |
|-------------------------|---|--|--|
| Iqbal & Mirakhor (2011) | Islamic financial system | Did not address educational and managerial aspects | Links Sharia educational management with financial inclusion |
| Hassan & Aliyu (2018) | Islamic financial inclusion | Limited attention to leadership and curriculum | Emphasizes leadership role and curriculum integration |
| Azra (2017) | Reform of Islamic education | No focus on financial dimensions | Designs a management model for Islamic financial inclusion |
| This Study | Integrated Sharia education and finance | — | Proposes an integrative model: curriculum, leadership, and |

| | | | |
|--|--|--|-----------------------------|
| | | | community-based empowerment |
|--|--|--|-----------------------------|

Table 3. Comparison between prior studies and the novelty of the current research

The novelty of this research lies in presenting a model that bridges educational management with Islamic financial inclusion, which remains underexplored in both management and Islamic economic literature. While earlier works have emphasized educational reform (Azra, 2017) or financial system development (Iqbal & Mirakhor, 2011), few have connected these domains through a management lens rooted in Islamic values and institutional behavior.

In conclusion, this study affirms that sustainable Islamic financial inclusion requires more than regulatory frameworks or product innovation; it demands a holistic educational strategy where management, leadership, curriculum, and community are aligned under Sharia's ethical and pedagogical umbrella.

The proposed model, Sharia Educational Management Model for Sustainable Islamic Financial Inclusion, is a conceptual framework that integrates three interdependent components that collectively promote inclusive and ethical financial behavior within Muslim communities. This model is rooted in the ethical, educational, and social principles of Maqashid al-Shariah, particularly the protection of wealth (hifz al-mal) and the promotion of social justice (adl) and public welfare (maslahah).

Sharia-based leadership serves as the strategic foundation of the model. Leaders in Islamic educational institutions play a central role in shaping the institutional vision, aligning programs with Sharia values, and forging collaborations with Islamic financial institutions. This leadership model is characterized by amanah (trust), hikmah (wisdom), and mas'uliyah (responsibility), reflecting the prophetic model of ethical and transformative leadership (Northouse, 2018; Sulaiman et al., 2020).

Curriculum Integration of Islamic Financial Literacy involves embedding key concepts of Islamic economics, financial instruments, and ethical money management into the formal and informal curricula of pesantren and Islamic schools. This educational integration enhances students' understanding of zakat, waqf, Islamic savings, halal investment, and sharia-compliant financial behavior, ensuring that learners are spiritually and financially literate (Hassan & Aliyu, 2018).

Community Engagement and Financial Behavior Transformation is the model's practical arm, emphasizing outreach programs, family-based education, and local initiatives to bridge the gap between knowledge and behavior. Community forums, halal entrepreneurship training, and financial simulations foster financial habits aligned with Islamic principles (Demirgüç-Kunt et al., 2022).

These three components are not siloed; they interact dynamically, reinforcing one another to achieve the ultimate goal: Sustainable Islamic Financial Inclusion. Unlike previous models that separate education and finance, this model uniquely positions Islamic educational institutions as agents of socio-economic transformation by aligning their management practices with Islamic financial ethics and community needs.

The novelty of this model lies in its integrative nature—blending educational management, curriculum development, and community-based transformation under a unified Shariah-compliant paradigm. It offers a fresh theoretical and practical contribution to Islamic management and financial inclusion discourse, especially in contexts where traditional financial institutions struggle to reach marginalized Muslim communities.

Conclusions

This study has proposed a comprehensive model of Sharia Educational Management that integrates three strategic components—Sharia-based leadership, curriculum integration of Islamic financial literacy, and community engagement with behavioral transformation—to achieve sustainable Islamic financial inclusion. Grounded in the principles of Maqashid al-Shariah, this model seeks to bridge the gap between Islamic educational institutions and the socio-economic realities that Muslim communities face.

The findings indicate that effective Sharia-based leadership can catalyze a value-driven educational environment that supports financial ethics and inclusion. Incorporating Islamic financial literacy into the curriculum empowers students with knowledge, values, and practical competencies to navigate financial life

responsibly. Moreover, involving communities through participatory education fosters behavioral change, critical to sustaining inclusive financial ecosystems rooted in justice (adl) and public interest (masalah).

This research offers both theoretical and practical contributions. Theoretically, it extends the discourse on Islamic financial inclusion by positioning educational management as a transformative agent. Practically, it provides a framework for policymakers, Islamic educators, and financial institutions to promote inclusive, ethical financial systems collaboratively. Future research is recommended to empirically test this model across various Islamic educational settings and explore its adaptability to different cultural and economic contexts.

Ultimately, this study reaffirms education's vital role in achieving intellectual and spiritual development and financial empowerment by Sharia principles.

Conflict of Interest statement:

We declare that we have no conflict of interest.

References

1. Demirgüç-Kunt A, Klapper L, Singer D, Ansar S, Hess J. *The Global Findex Database 2017: Measuring Financial Inclusion and the Fintech Revolution*. Washington, DC: World Bank; 2018.
2. Mohieldin M, Iqbal Z, Rostom A, Fu X. *The Role of Islamic Finance in Enhancing Financial Inclusion in Organization of Islamic Cooperation (OIC) Countries*. Washington, DC: The World Bank; 2011. Policy Research Working Paper No. 5920.
3. Ahmed H. *Financial Inclusion and Islamic Finance: Organizational Formats, Products, Outreach, and Sustainability*. J Econ Coop Dev. 2013;34(3):1-38.
4. Dusuki AW, Abdullah NIM. *Maqasid al-Shariah, Masalahah, and Corporate Social Responsibility*. Am J Islam Soc Sci. 2007;24(1):25-45.
5. Otoritas Jasa Keuangan (OJK). *Survei Nasional Literasi dan Inklusi Keuangan Syariah 2022*. Jakarta: OJK; 2022.
6. Bank Indonesia. *Laporan Ekonomi dan Keuangan Syariah 2023*. Jakarta: Bank Indonesia; 2023.
7. Pradhan RP, Arvin MB, Nair M, Hall JH. *Does Financial Literacy Promote Financial Inclusion in the Digital Era? Evidence from Emerging Economies*. J Econ Behav Organ. 2024;212:143-154.
8. Creswell JW, Poth CN. *Qualitative Inquiry and Research Design: Choosing Among Five Approaches*. 4th ed. Thousand Oaks, CA: Sage Publications; 2018.
9. Patton MQ. *Qualitative Research and Evaluation Methods: Integrating Theory and Practice*. 4th ed. Thousand Oaks, CA: Sage Publications; 2015.
10. Bowen GA. *Document Analysis as a Qualitative Research Method*. Qual Res J. 2009;9(2):27-40.
11. Lincoln YS, Guba EG. *Naturalistic Inquiry*. Beverly Hills, CA: Sage Publications; 1985.
12. Braun V, Clarke V. *Using Thematic Analysis in Psychology*. Qual Res Psychol. 2006;3(2):77-101.
13. Silver C, Lewins A. *Using Software in Qualitative Research: A Step-by-Step Guide*. London: Sage Publications; 2014.
14. Corbin J, Strauss A. *Basics of Qualitative Research: Techniques and Procedures for Developing Grounded Theory*. 4th ed. Thousand Oaks, CA: Sage Publications; 2015.
15. Hassan R. *Ethics and Social Responsibility in Islamic Research: The Principles of Amanah, 'Adl, and Mas'uliyah*. Int J Islam Manag. 2011;3(1):1-12.
16. Iqbal M, Mirakhor A. *An Introduction to Islamic Finance: Theory and Practice*. 2nd ed. Singapore: John Wiley & Sons; 2011.
17. Hassan M, Aliyu S. *Financial Inclusion and Islamic Finance: An Empirical Analysis*. J Islamic Econ. 2018;5(3):113-125.
18. Azra A. *Reformasi Pendidikan Islam: Menjawab Tantangan Zaman*. Jakarta: Kencana; 2017.
19. Northouse PG. *Leadership: Theory and Practice*. 8th ed. Thousand Oaks, CA: Sage Publications; 2018.
20. Sulaiman M, Syed Ibrahim S, Adnan A. *Sharia Leadership in Islamic Finance: Case Studies from Malaysia*. J Islamic Manag. 2020;3(2):28-42.

21. Demirgüç-Kunt A, Klapper L, Singer D, Van Oudheusden P. *The Global Findex Database 2021: Financial Inclusion, Digital Payments, and Resilience in the Age of COVID-19*. Washington, DC: World Bank; 2022.
22. Bowen GA. *Document Analysis as a Qualitative Research Method*. Qual Res J. 2009;9(2):27-40.
23. Creswell JW, Poth CN. *Qualitative Inquiry and Research Design: Choosing Among Five Approaches*. 4th ed. Thousand Oaks, CA: Sage Publications; 2018.
24. Patton MQ. *Qualitative Research and Evaluation Methods: Integrating Theory and Practice*. 4th ed. Thousand Oaks, CA: Sage Publications; 2015.