**What Can Waqf Organisations Learn from Non-Profit Organisations on Accountability? A Proposal for Social Impact Measurement**

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**Abstract.** Waqf organisations are not only known as a religious organisation, but also as a non-profit organisation (NPO) that are responsible and accountable to manage endowment funds and properties of the donors (waqif) to address socio-economy issues. Despite their growing prominence, they have not yet achieved their fullest potential in exerting their accountability to stakeholders. This could be attributed to the limited disclosure on how they measure and report their social impact and values. Disclosing appropriate information on the impact of waqf can garner support and increase confidence from the public to continue to invest in waqf. This paper attempts to investigate how waqf organisations can learn from NPO’s experience in the adoption of performance measurement systems (PMSs) that address the issue of accountability to their stakeholders. On the back of these issues, this study attempts to propose the need for social impact measurement (SIM) to measure performance to enhance organisations’ accountability towards their stakeholders. The study adopts an integrative or critical review of the literature in areas of accountability, PMS for NPOs and waqf organisations, and analysing the missing link that waqf organisations can learn from the practice of NPOs, particularly in the introduction of SIM. It is hoped that this paper is able to provide significant insight on the importance of SIM to be introduced in waqf organisations in efforts to discharge accountability to all stakeholders.

**Keywords:** Non-profit organisation (NPO), third-sector organisation (TSO), waqf organisation, performance measurement system (PMS), social impact measurement (SIM)

1. Introduction

Waqf is one of the Islamic financial instruments known for its contribution in developing Islamic nations in the past, meeting the basic survival needs of the poor and needy despite in a mostly informal structure (Mahomed, 2017). Under waqf, an owner dedicates an asset, either movable or immovable, for permanent societal benefit, while the beneficiaries perpetually enjoy its usufruct and/or income. In recent years, waqf organisations are also known as non-profit organisations (NPOs) that take responsibility and accountability in managing endowment funds and properties in Muslim countries (Adnan et al., 2013). NPOs are considered an alternative approach initiated by a group of people to meet the needs and solve issues of specific groups in the community and represent many types of organisations. These organisations include educational institutions such as universities and schools, religious institutions, healthcare centres, local, state and federal governments, non-governmental organisations (NGOs), charitable institutions, trade unions, humanitarian aid agencies, foundations, cooperatives, civil rights organisations, political organisations and parties, and others that include volunteers and the third sector (Frumkin, 2005; Moxham, 2009; Valentinov, 2011).

Waqf organisations are highly influential to the society and economy, and therefore can no longer be perceived as simply religious organisations (M. N. M. Arshad & Haneef, 2016; Islahi, 2003; Sadeq, 2002). Despite the growing importance and expectations given to waqf organisations, they have not yet achieved their fullest potential in exerting their accountability to stakeholders (R. Arshad & Zain, 2017; Yaacob, 2006). According to D. Ibrahim & Ibrahim (2013), waqf organisations in Malaysia have been facing recurring issues on accountability and have even received recommendations from the country’s Auditor General’s office to continuously make efforts to improve the management and development of waqf. According to Mujahid & Adawiah (2019), the unrealised potentials and lack of trust towards Islamic social finance (ISF) institutions, including those of waqf organisations, are due to the limited disclosure on how Islamic finance institutions measure and report their social impact and values. Disclosing appropriate information on the impact of waqf can be used as a means to garner support and increase confidence from the public to continue to invest in waqf (A. Ramli et al., 2018).

Many organisations have used various performance measurement systems (PMSs) to discharge their accountability to their stakeholders. Some of the PMS frameworks which have been adopted or proposed for waqf organisations are similar to those for NPOs and public administration. One of the most prevalent PMSs in practice is the Balanced Scorecard (BSC). It looks into four measures namely financial, customers, internal processes and learning and growth. As time evolves, A. Ramli et al. (2018) proposed a Shariah-based waqf performance measurement model by integrating the BSC framework with Shariah principle. In another study, Noordin et al. (2017) developed a contingency framework for assessing performance of waqf institutions to include three important elements namely, input, output and outcome; as well as four significant performance dimensions relevant to waqf organisations namely efficiency, social effectiveness, maqasid shariah, and sustainability and growth. The authors also then proceeded to draw eight necessary steps that can serve as guidelines for waqf institutions in designing their own comprehensive PMS.

This paper looks into how waqf organisations can learn from NPO’s experience for the adoption of PMS. This may potentially address the issue of accountability to their stakeholders. While addressing these issues, this study attempts to propose the need for social impact measurement (SIM) to measure performance to enhance organisations’ accountability towards their stakeholders. The study adopts a thorough and critical review of the literature in areas of accountability, PMS for NPOs and waqf organisations and analysing the missing link that waqf organisations can learn from the practice of NPOs.

This paper is structured as follows. Section two thoroughly reviews related works of literature about accountability, PMS and SIM in NPOs. Section three describes the methodology used for this study. Section four analyses the data and presents the research findings, which includes relating the concept of conventional accountability with Islamic accountability, the missing link in PMS in waqf, and a proposal for SIM for waqf organisations. Finally, section five presents the conclusion of this research and suggestions for future study.

1. Literature Review
	1. Accountability in Non-Profit Organisations (NPOs)

Accountability is defined as the fact or state of taking responsibility for one’s decisions or actions whereby one can explain when the need arises (Oxford)). It is the means by which individuals and organisations report to a recognised authority (or authorities) and are held responsible for their actions (Edwards & Hulme, 1996). The concept encompasses the relationship between accountor and accountee (Cameron, 2004; Gray & Jenkins, 1993; S. H. B. M. Ibrahim, 2000; Rahman, 1998). In addition, accountability also means that organisations make a commitment to respond to and balance stakeholder needs in its decision-making processes and activities, and commit to deliver (Lloyd et al., 2007). This is deemed important particularly for NPOs in maintaining public confidence and financial support by giving an account of their activities. According to Ebrahim (2003), accountability should not be seen as a reactive response to pressure such as regulation but should also be a proactive effort in sustaining public confidence in the sector (Ebrahim, 2003).

Accountability can be demonstrated through many ways, including financial reporting and non-financial reporting such as social impact measurement (SIM) reporting. The level of accountability differs depending on the type of stakeholders, their interests, and the type of organisation. According to Edwards & Hulme (1996), NPOs could either have “downwards accountability”, which refers to the organisations’ partners, beneficiaries, employees, and advocators; or “upwards accountability”, which refers to their trustees, contributors, and respective local authorities. Ebrahim (2003) has suggested that accountability involves many parties, namely the donors interested in the fund utilisation and management, the beneficiaries who are the receiver of the services, and the internal stakeholders within the organisation itself.

* 1. Performance Measurement in Non-Profit Organisations (NPOs)

The overview in Section 2.1 on accountability becomes the backbone of performance measurement in NPOs due to the pressure to be accountable to various stakeholders. Cameron (2004) considers accountability the foundation of management and governance of any organisation. In recent years, NPOs have drawn attention from society, particularly in the west, mainly due to the increased demand and motivation by the people in searching for alternative avenues to contribute to the society (Ebrahim and Rangan, 2010). This development and acceptance of similar organisations, including third sector organisations (TSOs) into the mainstream economy require systematic monitoring mechanisms to ensure their accountability in performance social activities (Hyndman & Jones, 2011).

Performance measurement systems (PMS) in NPOs are not quite the same as in for-profit organisations. In fact, they could be even more complex given their focus on social mission and values, which considers not only organisational efficiency and viability, but also the social impact of the organisation (Treinta et al., 2020). Ospina et al. (2002) recognise that many of the PMS tools, models and frameworks have been developed with for-profit companies in mind, which may or may not be suitable for NPOs. However, despite the challenges, NPOs continue to find ways to put in place a reliable PMS for their stakeholders. NPOs, similar to TSOs, are under immense pressure to portray great governance and prove their capability to convert funds into impactful activities while avoiding unnecessary wastages. At the end of the day, donors are not only interested to find out about the quality of their activities, but rather how efficient are NPOs in using those funds to meet the intended purpose. PMS generally can transform an organisation’s strategy and mission into measurable key performance indicators that oversee organisational decisions (Lima & Costa, 2008; Waal, 2007).

Treinta et al. (2020) in their recent study on design and implementations of PMS in NPOs concluded a framework that puts together the main factors that influence the design-implementation aspects of PMS. This framework was identified via an exhaustive bibliometric and network analysis of literature review. Design-implementation factors are reclaimed from a content analysis of the paper set, where the most frequent terms were classified into three main groups: (i) social factors; (ii) stakeholder-related factors; and (iii) managerial factors. Accountability is The summary of this finding is shown in the figure below:



**Fig 1**: Framework for the factors that influence the design-implementation of performance measurement (Source: Treinta et al. (2020))

* 1. Social Impact Measurement in Non-Profit Organisations (NPOs)

Recent discussions on the advancement of charity bodies have revolved around capturing and measuring their social impacts and values to the public (Arvidson & Lyon, 2014; Polonsky & Grau, 2010; Teasdale et al., 2012; Westall, 2009). This includes the introduction and emphasis put on social impact measurement (SIM) system in NPOs.

SIM, in general, is designed to identify changes in social impacts that result in the activities of the organisation or stakeholder (Epstein & Yuthas, 2014). Most organisations usually measure the outputs produced, for example, the number of meals served to underprivileged children. However, SIM assesses the ultimate impacts of those outputs on the society and the environment, for example, the quality of the meal to children’s health.

TSOs have long adopted performance measurements for their organisations due to the great pressure received to demonstrate their good governance and ability to manage charitable funds, as well as being a means to discharge their accountability in order to ensure continued receipt of funding, thus safeguarding the sustainability of their operations (Noordin et al., 2017). Performance measurement in TSOs has initially been dominated by quantitative methods, mainly concerning the practice of financial reporting. However, this has evolved over the years to include non-quantitative methods too.

Some keywords that have been used to conceptualise the construct of SIM include social value (Moss et al., 2011; Santos, 2012), social performance (Husted & Salazar, 2006; Mair & Marti, 2006; A. Nicholls, 2008), social returns (Emerson, 2003), social return on investment (Hall et al., 2015; J. Nicholls et al., 2009), and social accounting (A. Nicholls, 2009), which, although similar, could represent distinct constructs.

Maas & Liket (2011) had categorised social impact measurement methods adopted by various NPOs into the following:

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| **(Social) Impact measurement methods** |
| 1. Acumen Scorecard
2. Atkinsson Compass Assessment for Investors (ACAFI)
3. Balanced Scorecard (BSc)
4. Best Available Charitable Option (BACO)
5. BoP Impact Assessment Framework
6. Center for High Impact Philanthropy Cost per Impact
7. Charity Assessment Method of Performance (CHAMP)
8. Foundation Investment Bubble Chart
9. Hewlett Foundation Expected Return
10. Local Economic Multiplier (LEM)
11. Measuring Impact Framework (MIF)
12. Millennium Development Goal scan (MDG-scan)
13. Measuring Impacts Toolkit
14. Ongoing Assessment of Social Impacts (OASIS)
 | 1. Participatory Impact Assessment
2. Poverty Social Impact Assessment (PSIA)
3. Public Value Scorecard (PVSc)
4. Robin Hood Foundation Benefit-Cost Ratio
5. Social Compatibility Analysis (SCA)
6. Social Costs-Benefit Analysis (SCBA)
7. Social Cost-Effectiveness Analysis (SCEA)
8. Social e-valuator
9. Social Footprint
10. Social Impact Assessment (SIA)
11. Social return Assessment (SRA)
12. Social return on Investment (SROI)
13. Socio-Economic Assessment Toolbox (SEAT)
14. Stakeholder Value Added (SVA)
15. Toolbox for Analysing Sustainable Ventures in Developing Countries
16. Wellventure Monitor
17. IRIS+
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**Table 1**: Social impact measurement methods adopted from Maas & Liket (2011)

According to Maas & Liket (2011), several methods have been developed by, or for, NPOs or NGOs such as SROI, OASIS, SCBA and LEM. Other methods like SRA, ACAFI, TBL, MIF, and BACO are more prominent in for-profit companies. Some methods can be adapted in other organisations that they are initially intended for, as can be seen with the SROI. It was initially developed for NPOs but for-profit companies are benefitting from this method too. Meanwhile, according to Gonul & Senyuva (2020), some of the most used SIM methods in social enterprises that are not in the table above are Cost-Benefit Analysis or lately called Social Cost Benefit Analysis, Social Accounting and Basic Efficiency Resource (BER) Analysis. Due to the nature of subjectivity of SIM depending on the mission of each organisation, the methods can be used interchangeably.

While NPOs do not like to compete against each other for funds, they must put in efforts to communicate the impact and value derived from their activities to remain sustainable in receiving funds from donors (Arvidson & Lyon, 2014). As such, NPOs must be aware of how their donors assess their social value, including the non-financial benefits to wellbeing across multiple stakeholders (Cunningham & Ricks, 2004). Besides donors, the pressure from authorities becomes another factor why there is a growing interest amongst NPOs to measure their social impact in order to receive recognition of being accountable to all parties.

1. Research Methodology

This study undertakes an integrative or critical review of the literature to obtain secondary data. In general, a literature review allows the researchers to build a solid foundation for the study by exploring the concept of accountability, performance measurement and SIM in NPOs. Drawing from the experiences of NPOs gathered from literature in NPO sector, this paper’s objective is to explore and provide a thorough and critical review of accountability and PMS in waqf organisations to identify areas in the current practice that need further enhancement. This includes the proposal of SIM as a means to measure performance to enhance the accountability of the organisations towards its stakeholders. For newly emerging topics such as SIM in waqf organisations, the purpose of such integrative review is not to cover all articles ever published on the topic but rather to gain insights and combine perspectives from various fields to create initial or preliminary conceptualisations and theoretical models (Snyder, 2019).

1. Findings and Discussions
	1. Accountability and Performance Measurement in Waqf Organisations: Lessons from NPOs

The idea of conventional accountability described in the literature review aligns with Islam. Accountability in Islam continues to enhance what has already been promoted by conventional accountability. In addition to the worldly and material status often focused on by the West, Islamic accountability comes with a realisation that everyone will be answerable to Allah in the Hereafter (Masruki & Shafrii, 2013). Islam believes that accountability stems from the concept of amanah (trust) and khalifah (vicegerent). A man’s primary accountability should be to answer to Allah as narrated in the second chapter of the Quran, verse 284 which means: “To Allah belongs all that is in the heavens and on earth, whether you show what is in your minds or conceal it, Allah will call you to account for it”, while a man’s secondary accountability is towards is other human beings based on the contract established between them (Sulaiman et al., 2009). Expanding this concept to waqf organisations, the relationship between the waqif (donor) and the mutawalli (trustee) is ultimately built upon this concept of accountability in Islam, aimed at ensuring the intended impact of social services are responsibly and adequately made. The financial and non-financial resources given to the mutawalli to meet this goal is a form of trust that waqf management must uphold as a khalifah, which will be accounted for in the Hereafter. Furthermore, Kamarubahrina et al. (2019) is of the opinion that this expectation for transparency and accountability becomes more pertinent due to the trend in waqf management which has moved from land to cash waqf and even to digital money.

Since waqf’s nature and primary purpose is similar to NPOs to benefit the society (Ihsan & Ayedh, 2015; N. M. Ramli & Muhamed, 2013), waqf organisations may adopt and apply similar concept and measurement of performance for NPOs. Due to limited literature on performance measurement in waqf, Noordin et al. (2017) had drawn similarities between the waqf and TSOs specifically in terms of their fundamental vision, foundation principles, deliverables, end goals, growth as well as the development and challenges faced by both with regards to PMS.

Generally, prior studies had focused on measuring the performance of waqf organisations based on the adoption of quantitative methods such as financial accounting and ratios (Abdul Rahman et al., 1999; Ihsan & Ibrahim, 2011; Shaikh et al., 2019; Siraj, 2012; Sulaiman & Zakari, 2015) and balanced scorecards embedded with shariah principles (A. Ramli et al., 2018). This is to ensure that all activities performed are Shariah-compliant and assessed based on the Shariah principles. However, more researchers have also begun to consider qualitative or non-financial elements in measuring performance. For example, besides looking at just financial perspective like financial ratios, R. Arshad & Zain (2017) also considered non-financial aspects in measuring the performance of waqf organisations in Malaysia like input, output and outcome. In another study, R. Arshad et al. (2018) proposed an additional perspective of the non-financial measurements by including relevant perspectives of network. The proposal was inspired by a study by Chongmyoung Lee & Nowell (2015) on PMS for NPOs who identified inputs, organisational capacity, outputs, outcomes, public value accomplishments and network/institutional legitimacy as the perspectives that can be adopted to measure and conceptualise the performance of NPOs. Noordin et al. (2017) also attempted to look at qualitative methods of PMS in waqf. In their study, they had 1) conceptually designed a contingency framework for assessing the performance of waqf institutions based on the elements of input, output and outcome, on four dimensions of Maqasid Shariah, efficiency, social effectiveness and, sustainability and growth; and 2) outlined guidelines for waqf organisations to design their own comprehensive PMS. Similarly, R. Arshad et al. (2018) proposed for waqf organisations to measure their performance based on non-financial measurements by including relevant perspectives of input, output, outcome and network. The proposal was inspired by a study by Chongmyoung Lee & Nowell (2015) on PMS for NPOs who identified inputs, organisational capacity, outputs, outcomes, public value accomplishments and network/institutional legitimacy as the perspectives that can be adopted to measure and conceptualise the performance of NPOs.

* 1. The Missing Link in the Current PMS of Waqf Organisations

Despite the importance and expectations given to waqf organisations, they have not yet achieved their fullest potential in exerting their accountability to stakeholders (R. Arshad & Zain, 2017; Yaacob, 2006). According to Mujahid & Adawiah (2019), the unrealised potentials and lack of trust towards Islamic social finance (ISF) institutions, including those of waqf organisations, are due to the limited disclosure on how Islamic finance institutions measure and report their social impact and values.

One way to address this is for waqf organisations to exercise transparency to discharge accountability to the stakeholders through social impact measurement (SIM). Unfortunately, as discussed in Section 4.1 earlier, the performance of waqf organisations has been conventionally and predominantly assessed using quantitative methods. While the quantitative approach is essential, the performance measurement of waqf organisations should also focus on other qualitative measures, through which emphasis is given on realising their social mission and thereafter, communicating the social value that the organisation creates in a clear and consistent manner. These qualitative approaches have also started to gain more attention in recent years. Disclosing appropriate information on the impact of waqf can be used as a means to garner support and increase confidence from the public to continue to invest in waqf (A. Ramli et al., 2018). Failure to do so may result in a significant reduction in waqf assets with an unwanted impact on the socio-economic development of the Ummah (R. Arshad et al., 2018).

The concept of perpetuity in an important element in waqf in order to be able to generate continuous income for the needy and solve socio-economic issues. A good plan and governance are indeed crucial to discharge accountability to various stakeholders including donors and beneficiaries (N. M. Ramli & Muhamed, 2013). In Malaysia, the role of waqf has received remarkable attention from the government. This is demonstrated in several special allocations in the country’s 9th to 12th Malaysia Plans, as well as in the establishment of Department of Awqaf, Zakat and Hajj under the Prime Minister’s Office in 2004. The department’s primary mission is to strengthen the institutions of Awqaf, Zakat and Hajj for socio-economic development through governance and service delivery system. However, despite the recognition given, M. N. M. Arshad & Haneef (2016) and Noordin et al. (2017) argue that waqf could still be under-recognised in the mainstream economy, and potentially underestimate its true potentials. The absence of a systematic method to measure, demonstrate and communicate its social impacts could be one of the possible reasons for this lack of recognition (Noordin et al., 2017). Not only that. waqf organisations are still not able to demonstrate whether or not they are achieving their fundamental purpose of existence (maqasid waqf) based on higher objectives of shariah (maqasid shariah). As such, waqf organisations are expected to exert transparency and accountability to stakeholders with regards to their performance in achieving the underlying objectives of waqf, which cover the overall maslahah (benefits) for the society. This includes the preservation of waqf assets, ie. ensuring the good condition of waqf properties (A. A. M. Ibrahim & Khan, 2015); and safeguarding the perpetuity of waqf by ensuring the sustainability of economic activities, equitable distribution of wealth and contribution to the growth of civilisation (Al-Mubarak, 2016).

Waqif have long been pressuring for a comprehensive performance measurement system for waqf from the mutawalli, or waqf managers and operators (Noordin et al., 2017). This is to ensure that they properly discharge their responsibility and accountability in managing the waqf assets to benefit the intended beneficiaries. The lack of a systematic tool has contributed to the inability to measure social impact of waqf as well as the incapability to analyse areas that need improvement. This call of action is also consistent with the growing realisation that there is a demand for better ways to account for the social, economic and environmental value that results from financial activities (J. Nicholls et al., 2009) including one for waqf institutions (Noordin et al., 2017). A SIM framework may prevent the risk of diverting these instruments from their original purpose and may provide a comprehensive measurement of financial and non-financial indicators.

Today, there is an increasing realisation for waqf as a potential tool to contribute to a just society. According to Sadeq (2002), waqf has the potential to eradicate poverty by not only sustaining non-profit generating activities in social aspects such as health and education, but also increasing access to physical facilities, resources and employment. According to (Ebrahim, 2003), the notion of accountability is inseparably intertwined with the notion that accounting should supply a range of information to satisfy user needs. This information shall not be limited to only financial information, but also non-financial.

* 1. The Need for Social Impact Measurement (SIM) in Waqf Organisations

As mentioned in Section 2.3, SIM helps to identify the social impacts as a consequence of the activities by the organisation (Epstein & Yuthas, 2014). Waqf organisations have been known to measure the collections and spendings, ie. input and output, but the actual impact remains unknown. Based on the authors’ critical analysis of the literature, no studies on SIM in waqf organisations have been done so far and therefore it is imperative for it to be introduced and discussed now.There are many reasons for social impact to be measured by organisations. According to Epstein & Yuthas (2014), measurement of impact allow for the following:

**Figure 2**: Reasons for Impact Measurement (Source: Epstein & Yuthas (2014))

**Measure for learning.** The measurement allows for organisations to understand their performance level and validate whether or not their assumptions of certain activities and strategies lead to the desired results. According to Mujahid & Adawiah (2019), the fundamental reason of existence and purpose of Islamic finance is to create sustainable social impact that provides betterment for the whole universe (rahmatan lil‘alāmīn). The authors argue that the ‘formalist conundrum’ of Islamic finance has restricted the role of Islamic financial institution (IFI) practices to focus on Shariah-compliance, whilst neglecting its social value and purpose. Therefore, they must measure their performance and test the assumptions of whether or not they are fulfilling their fundamental values to confirm if their actions have created positive social impact.

**Measure for action**. Once the above is understood, the organisation can guide their actions and decide on necessary changes or interventions to improve the impact. Waqf organisations will have to be clear in describing the constructs and what they represent, thus translating the underlying maqasid shariah into actionable and measurable results. This clarity will help them understand what is being measured and decide which metrics to use. Thereafter, organisations may report their impact internally, which helps them communicate what is valued within the organisation and align priorities of the organisation.

**Measure for accountability.** Finally, SIM allows for an important measure of accountability, which is the main focus of this paper. Stakeholders, either as a funder or beneficiary, are interested in the impact made by the organisations. SIM verifies the impact achievement and provides stakeholders with an opportunity to assess their funding or investments based on their satisfaction. Reporting impact can also increase the trust of stakeholders in waqf organisations, leading to an enhanced relationship and collaboration between them in the future. The more values they could see from the impact reporting, the more motivated they will be to participate in the funding of the organisations. R. Arshad & Zain (2017) also agree that the impact measurement will assist waqf organisations to discharge their accountability to the relevant stakeholders. The results of the measurement will demonstrate to stakeholders the success or failure of organisations in achieving their intended goals (Helmig et al., 2014). Furthermore, the impact measurement will also display the effectiveness and efficiency of relevant administrators in utilising the appropriated resources (R. Arshad et al., 2018).

Finally, the introduction of SIM in waqf organisations is timely now more than ever due to the need to measure and verify their social impact to the society as part of fulfilling its fundamental objectives. As stated by Mujahid & Adawiah (2019), SIM is a great tool to test whether ISF organisations have contributed positively towards society and to verify whether they are fulfilling the fundamental reason for their existence. The traditional unidimensional yardstick which focuses only on financial measures is no longer sufficient. SIM will assist waqf organisations to identify where they stand, where they want to be (their goals), and how to get there. In addition, SIM will produce strategic assets for institutions by collecting relevant data (Reynolds et al., 2018) and help to set informed benchmarks for further developments (R. Arshad et al., 2018).

1. Conclusion

Despite the growing demand for a proper accountability on performance of waqf organisations by different types of users, it is found that the current practice has not been standardised and does not cover its entire aspects of performance as a religious as well as a voluntary organisation. Therefore, this paper aims to draw lessons from the concept of accountability and the adoption of performance measurement of NPOs that waqf organisations can learn from. This study also goes through a thorough and critical review of the literature on performance measurement of waqf institutions in order to identify areas in the current practice that need to further enhancement in the area of accountability. It is found that relying solely on financial reporting and accounting ratios is not enough to exert accountability to its stakeholders, forcing NPOs and waqf organisations to look deeper into the quality of their services and its impacts on society beyond just financial performance. Finally, an emphasis of introducing SIM in waqf organisations is made to enhance the accountability of the organisations towards its stakeholders.

Various analysis tools for assessing social performance and impact have been explored and developed in the academic world. Still, little effort has been put to measure social impact in waqf organisations. While this paper may be a good start for more researchers to realise the need for SIM, it is only the beginning to many more possible research areas. This paper is done through a critical review of existing literature with no provision of empirical evidences. Thus, considering the idea put forth by Epstein & Yuthas (2014) as a basis, future studies may want to explore how SIM can be designed through a viable impact measurement framework and roadmap by identifying their social and environmental objectives to relevant stakeholders, setting performance metrics and targets related to these objectives, monitoring and managing the performance against the targets set and reporting the performance to relevant stakeholders. Future studies could also include the comprehensive design of SIM framework to include key information from multiple sources including interviews with waqf operators especially to explore their current social impact measurement (if any), identify key impacts and metrics and challenges of adoption of SIM in waqf organisations.

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