CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

Chapter 2 of this research discusses past literatures on the concept of sustainability and practices for healthcare, healthcare institution development in Malaysia from the Islamic perspective, social-based and waqf-based healthcare institutions and related theories. At the end of this chapter, the conceptual framework of this research is presented and discussed briefly.

2.2 Historical Roots of the Sustainability Concept

The Our Common Future report published by WCED is considered as the starting point for most current discussions on the concept of sustainable development (Mebratu, 1998) which emerged from the increasing awareness of an imminent ecological crisis (Du Pisani, 2006). However, the early evolution of the sustainability term itself had already begun since the Greco-Roman era (see Finley 1956; Edelstein 1967; Dodds 1985; Nisbet 1980; Burkert 1997; Du Pisani, 2006). It was derived from Hebrew and Christian expression theologies on the linear conception of time, which describes the direction of a directed event, changing the way of thinking about history and progress (Von Wright 1997; Crombie, 1997). This encompasses millennialism, utopian ideas, and a sense of the importance of improving upon this world in preparation for the next life, leading to the establishment of two crucial concepts: awareness of the cumulative advancement of culture and a belief in a future golden age of morality on this earth (Nisbet 1980; Du Pisani, 2006). This theological expression proves that religious factors can be either an environmentally degradable agent or an uncontrolled repository of ecological wisdom (Mebratu, 1998).

In the beginning, the idea of progress has become an underlying force of the sustainability concept, as illustrated by this quotation: "Sustainability is the idea of a moving civilization which will continuously move to the desired direction" (Du Pisani, 2006). However, this original progressive goal had moved towards achieving world glory as a priority, which has motivated humans to be more competitive in the market in order to achieve maximum economic production (Mitcham, 1995; Crombie, 1997). The culmination of the idea in Western civilization (1750-1900) has witnessed the works of Turgot, Condorcet, Saint-Simon, Comte, Hegel, Marx, Spencer and others as the dominant idea (Du Pisani, 2006). However, the realization of the Great Idea of Progress through new science and improved technology only begun in 1963 by French scientists who evinced that the relationship between progress and modern as well as empirical and exact science can be consolidated, prompting the belief that perceptions of science are the golden path leading to the strong desire of humans to dominate over nature (Nisbet, 1980; Von Wright, 1997; Du Pisani, 2006).

This new idea of progress was a progressively "secularized heir to the Christian ideal of salvation" (Von Wright, 1997), which had transformed the idea of advancement in a divinely-ordained desirable direction to a promised land beyond the grave that promises a better life on Earth warranted by scientific and technological development (Mitcham, 1995; Crombie, 1997; Du Pisani, 2006). Faith, meanwhile, was seen as universal in intellectual circles (Du Pisani, 2006). Thus, economics had been isolated from the environment and society; economists believed that if the economics could be delivered well and right, other societal interests would follow (Smythe, 2014).

This belief had witnessed the rise of the industrial revolution in the 18th and 19th centuries, and had changed the views of human society and its progress towards economic growth and material advancement (Du Pisani, 2006), leading people to think that only things produced by the industry and sold on the market have value. This thought had caused humans to compete against each other in dominating the natural order and to radically transform it into consumer goods which, eventually, would only ravage the environment in the pursuit of maximum economic production (Worster, 1994). The industrial revolution became more vibrant after the discovery of coal and commercial use of petroleum, both of which increased work efficiency. Additionally, humans and animals were released from the burden of economic production (Du Pisani, 2006; Smythe, 2014).

In fact, some Western scholars optimistically believed that scientific and technological progress will lead humanity towards moral perfection. This belief became a guide to the progress of mankind towards a more perfect state of individual freedom (Nisbet 1980; Von Wright 1997). On the contrary, some scholars held a less optimistic view, in that industrial capitalism is an unequal blessing; the benefits and rewards of the global economic system would flow primarily to industrial countries, widening the gap between the rich and poor societies, in addition to creating uneven distribution of wealth and the rise of environmental degradation issues caused by the exploitation of raw materials on an unprecedented global scale, leading to growing concerns about sustainability (Goudie, 1986; Boyden, 1997; Du Pisani, 2006)

The demand for raw materials and its impact on the environment have been a constant issue throughout human history, urging economists and scientists alike to call for sustainable practices to maintain the everlasting youth of the earth (Du Pisani, 2006). The first oil spill event at Santa Barbara had caused environmental degradation in the region, which invited the attention of immediate and global societies. As a result, the sustainability concept was introduced in 1969 by the US government in their National Environmental Policy Act (NEPA) (Stofleth, 2015). Since then, the term 'sustainability' has been accepted and recognized as a mainstream concept. During the United Nations Conference on the Human Environment in Sweden in 1972, both industrial and developing nations have agreed to outline the 'right' of every member in the community to acquire a healthy and productive environment, consisting of the rights to get enough food, shelter, access to clean water, and family planning (Du Pisani, 2006).

The terms were officially announced by the head of the World Commission on Environmental and Development (WCED) in 1987. These terms are also known as the "Brundtland Report", in conjunction with the name of its chair, former Norwegian Prime Minister Gro Harlem Brundtland (Jenkins, 2013). This report has hitherto been a major source of sustainability development definition (Olsen, 1998). The report highlights, among others, the needs of the current and future generations for natural resources to survive. It proposes fair distribution to all nations by promoting economic growth, fair distribution, environmental maintenance, and equal societies, all of which are placed under the three key components of sustainable development: economic, environmental and social (Du Pisani, 2006).

The historical roots of the sustainability concept above has shown that all issues threatening the sustainability of this earth can be traced to ancient times, such as the growing population, increasing consumption born from the industrial revolution, and the concern for the depletion of crucial resources such as wood, coal, and oil. These issues have boosted public awareness on sustainability and the need to use resources in a sustainable way. The WCED declaration in 1987 on sustainability development was the first step in introducing the concept to the mainstream, which sees sustainability as an inclusive and ambiguous concept that brings society's ecological dependency into a moral relation with its economic and political systems (Jenkins, 2013; Jenkins, & Chapple, 2011).

2.3 Definition of Sustainability Concept

A review of past studies on sustainability found that more than half (Scheirer, 2005) and up to 65 percent (Stirman et al., 2012) of sustainability studies did not propose a definition for sustainability. Rather, they referred to the definitions of Shediac-Rizkallah and Bone (1998) or Scheirer (2005). However, articles on the history of sustainability, such as Du Pisani (2006), Mebratu (1998), Von Wright (1997), Nisbet (1980) and Smythe (2014) indicated that the word sustainable originated from the Latin word *sustenere*, which means to hold up. It has been adopted and used in English since 1290 (Redclift, 1993). The term only appeared in the Oxford English Dictionary during the second half of the 20th century (Du Pisani, 2006) and has been defined as "able to be maintained at a certain rate or level", "conserving an ecological balance by avoiding depletion of natural resources", or "able to be upheld or defended" (Oxford Dictionary). Etymologically, the word sustainable carries an interesting and important implication for the way the word is used, where sometimes ‘sustaining’ can mean “supporting a desired state of some kind”, or conversely, “enduring an undesired state” (Du Pisani, 2006). The verb ‘to sustain’ carries a passive connotation, while the adjective ‘sustainable’ is used in an active sense (de Vries, 1989). Meanwhile, in French, the term sustainability means *durabilite* or durable, which is literally synonymous with the word ‘lastingness’ (Van Zon, 2002:20-22).

Scholars have proposed a number of terminologies associated with sustainability, such as ‘keeping alive’, ‘continuing’, or ‘enduring’ (Murray & Cotgrave, 2007); survival, continuation, maintenance, institutionalization, incorporation, integration, routinization (Olsen, 1998; Scheirer & Dearing, 2011); and confirmation, maintenance, and durability (Savaya et al., 2008). Past literature has suggested some key concepts of sustainability, such as interdependence and equity, integrity and maintenance of the system, long-term survival, and limits (Shriberg, 2002), and continuum of work methods, goal attainment, and process development (Enquist et al., 2008; Buchanan, Fitzgerald, Ketley, Gollop, Jones, Lamont & Whitby, 2005). Although there are several distinct differences between these terms, sustainability is nonetheless often reflected as the continuous use of components and program activities for the achievement of program, organizational or institutional goals; the outcomes of these goals can be enjoyed continuously by targeted groups and are often seen from the life cycle of the program’s development, implementation, assessment, maintenance, and sometimes related to the distribution of benefits to others (Scheirer, 2005; Scheirer & Dearing, 2011; Livit & Wandersman, 2004; Pluye, Potvin, Denis, & Pelletier, 2004; Scheirer, 1990; Chinman & Wandersman, 1999).

As a whole, the sustainability concept aims to ensure a balanced development between the competing growth and the awareness and responsibility towards economic, environmental, and social limitations (Aziz, Manab & Othman, 2016). Thus, in the context of economic viability, sustainability may refer to the income-generating program of a developing country, the growth and maintenance of a "green" economy, or the maintenance of a natural biological community in an ecologically steady state (OECD, 2011). In the aspect of project or program sustainability, Stefanini and Ruck (1992) defined the term sustainability based on Brinkerhoff (2002) who described it as the outcome of goods or services that can provide sustainable benefits or values to the community to such an extent that they are ready and willing to provide time, resources and political support to maintain the services or goods in achieving the long-term outcomes. He also described it as a set of processes that take place during the earlier stages of the life cycle of a project, which may include decisions during the initial project planning or adoption, as well as organizational support and financial strategies during the implementation. The outcomes of the project are usually affected by these processes and the environmental context (Scheirer, 2005).

However, a project or program will only be sustainable if sustainability is an integral part of an organization (Savaya, Elsworth & Rogers, 2009; Goodson, Murphy Smith, Evans, Meyer & Gottlieb, 2001; O'Loughlin, Renaud, Richard, Gomez & Paradis, 1998) and organizational decision making (Beery et al., 2005). Since the internal performance relating to the criteria of efficiency, effectiveness, and equity are the ingredients for a successful project or program (Savaya et al., 2009), it cannot be seen as a static condition, but rather as an ongoing input-output process (Stefanini & Ruck, 1992). This observation is particularly true for a social project or program, which is usually a complex phenomenon affected by a potentially wide range of predictors (Olsen, 1998). From the view point of corporate organizations associated with an ecological vision, sustainability has been described as sustainable economic activities or businesses that are generated without polluting the environment (Atkinson, 2000). Sustainability report has emerged as a new trend in corporate reporting. It is compiled along with the company's financial, environmental, and social performances in a single report, and has been voluntarily adopted and published by corporations (GRI, 2002b; Azapagic, 2004; Krajnc & Glavič, 2005). The purpose of this report is to gain bottom-line benefits (Enquist, Edvardsson, & Petros Sebhatu, 2007) and transform the mindset and commitment of an organization, as well as its key stakeholders, concerning performance (Laszlo, 2003; Waddock & Bodwell, 2007).

Eco-efficiency, socio-efficiency, eco-effectiveness, socio-effectiveness, adequacy, and equity of ecology are some important principles of sustainability that need to be fulfilled and applied by a firm (Dyllick & Hockerts, 2002). To achieve balance, firms and managers will have to abandon the traditional strategic view of focusing only on profit and financial performance, and instead employ an alternative vision that is based on interactions with diverse stakeholders, working to their interests and monitoring the environmental impact of the firms' activities (Smith, 2012). At the same time, organizations or institutions must constantly be innovative, transparent, committed, accountable, and responsible for their actions and manners (Mehra, 2010) to ensure sustainability. Some studies related to organizational sustainability focused on the sustainability performance of sustainable organizations (Sebhatu, 2009), measurement of the progress of companies towards sustainable development systems and university ranking (Krajch & Glavic, 2003; 2005), and sustainability practices in organizations' facilities management (Hasim, Pullen & Sivam, 2012).

Despite attempting to define sustainability since 1974, the extant literature has yet to reach a standardized definition that encapsulates the concept (Santos et al., 2013). In certain sectors, the term will need more clear and specific definitions (Olsen, 1998). Nonetheless, the variety of definitions suggests that sustainability is a complex, multifaceted phenomenon (Savaya et al., 2009). Although there are some nuanced differences among these terms, they all usually refer to the continual use of program components and activities beyond their initial funding period, and sometimes to continuation of desired intended outcomes (Shediac-Rizkallah & Bone, 1998; Olsen, 1998). From a dynamic or evolutionary perspective, the ongoing development also suggests that there is no 'one correct' generic definition for this term, as it carries different meanings in different organizational contexts and at different times (Thomson et al., 2009). Nevertheless, all the terms have progressively evolved from a theoretical understanding of a concept into a meaningful action (Hasim, 2014). If the term is defined too narrowly, the organization risks failing the test of economic viability (Durst & Newell, 2001).

The present modern financial and economic systems have threatened and challenged the activities of companies, businesses, economies, countries, and even human beings (Santos et. al, 2013). Thus, the main goal of the sustainability process is to ensure the continuous improvement of everyday business decisions and future activities by integrating all elements (economic prosperity, environmental health, and social progress) in the management framework (Shah, 2007) of a business, program, organization or institution, and even in the development strategy. Economic performance alone is not enough to holistically manage sustainability issues; the elements of environmental and social performance should also be integrated in the management framework (Schaltegger &

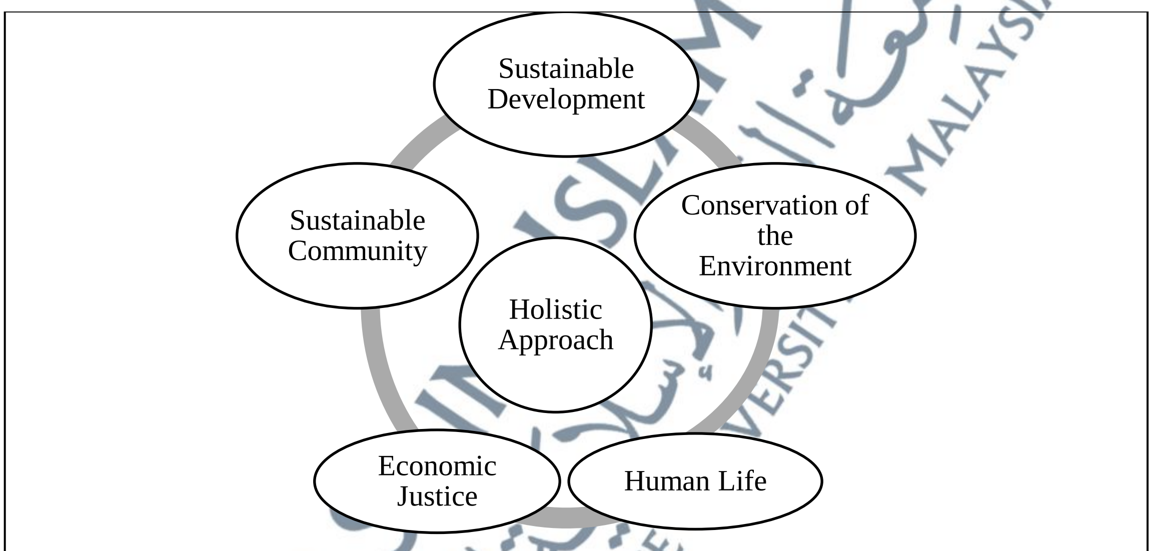
Wagner 2006; Epstein & Roy, 2003). Besides that, the non-economy aspect should also be identified by any program, institution, or organization (Sebhatu, 2009) as it has been proven to be effective and will help the institution or organization to continue existing for the long run (Savaya et al., 2008). The three domains of sustainability need to be given attention in a balanced measurement by maintaining the natural foundation of life, and this calls for the distribution of goods and fair opportunities through effective performance and organizational efficiency in using natural resources (Hasan, 2006). Thus, a social-based healthcare institution, including Waqf, should redefine its purpose, perhaps stating its mission in broader terms. Failure to identify issues related to sustainability will affect the implementation and outcomes of any programs, institutions, or organizations, especially those involving public interests such as health and education development.

2.3.1 Sustainability from the Islamic Perspective

The concept of sustainability is not new in Islam. There are many quotes from the Quran and Hadith mentioning the concept. These quotes refer to the wise utilization of natural resources and emphasize the importance of maintaining balance in the ecosystem that has been created perfectly by Allah SWT (Matali, 2012). In fact, mainstream conventional literature has yet to agree upon the term sustainability due to its novelty. The researcher is still trying to assimilate the dynamism of the process of change which could not abandon the concerns, needs, interests, and positions that are relatively new, as the discipline and philosophy is growing as we learn to understand its broader implications in many aspects of our lives (Hasan, 2006). Islamic scholars have explored the concept of sustainability in a method different from the conventional view (Dariah, Salleh, & Shafiai, 2016). Sustainable development has been defined as a multi-dimensional process that puts a balance between economic, environmental, and social goals by using resources effectively, without compromising the quality of the environment in which the resources are acquired (Muhammad Nouh, 2012) and without neglecting the spiritual needs which has been neglected by new Western ideas of progress.

Both material and non-material interests are equally important in the process of development through the maintenance of long-term economic growth, realization of equity between generations in the use of natural resources, and prevention of a possible increase in pollution to maintain the current environmental quality (Hasan, 2006). Islamic scholars have proposed a sustainability development concept that incorporates the spiritual aspect as a pillar. Religion becomes one of the sustainability factors in three ways: i) through the value it offers, ii) through its potential role in ecological, social, and political activism, and iii) through its capacity in enabling self-development (Narayanan, 2013; Dariah, Salleh, & Shafiai, 2016). Past research findings by Hossain (2014) and Becceheheti and Borzaga (2010) revealed that the concept of sustainability development is consistent with religious belief. Being religious helps increase economic growth and sustain environmental and economic developments.

These findings were also supported by J. M. Harris (Baharuddin, 2017) who stated that it is impossible to achieve sustainable development without religious input, and a sustainable way of life can be gained only through Shariah worldview, goals, and ethics. Development is also needed to achieve maslahah (Hasan, 2015). Thus, to ensure sustainable development, human beings as the khalifah (vicegerent) on earth must ensure the efficient and effective use of resources (Dariah, Salleh, & Shafiai, 2016). Formed from but a humble piece of clay, Allah has placed mankind above even angels by blessing them with knowledge. He bestowed upon them the responsibility to flourish the earth with development and to benefit from its returns (Muhammad Nouh, 2012). Humans, thus, must manage those resources in a sustainable manner to ensure a sustainable society and to fulfill the interests of future generations (Dariah, 2016). Ansari, Jamal and Oseni, (2012) offered an illustration of a holistic approach (Figure 2.1) that shows the interaction of each feature to ensure a sustainable society in Islam.



Source: Dariah (2016) & Ansari et al. (2012)

Figure 2.1: Holistic Approach for Sustainable Society in Islam

As a universal religion, Islam emphasizes that the responsibility to sustain this earth is not limited only to its adherers but also to mankind as a whole. This responsibility is part of their duty as God Almighty's representatives on Earth (Hasan, 2006). The term khalifah is not only limited to leaders at the macro-level, but also includes micro-level leaders in households and firms. Each level also complements the other (Nik Hassan, 2017). The holistic approach, through the integration of sustainable development and community, economic justice, human life, and conservation of the environment can only be achieved through the implementation of khalifah.

Allah has commanded any human that became a khalifah in this universe to implement trust (amanah) in developing this planet, in accordance with the provisions of the Quran and the teachings of Prophet Muhammad SAW (Sunnah). Both stipulate that current needs must be met without jeopardizing the rights of future generations, and mankind is prohibited from utilizing and benefitting from natural resources selfishly (Muhamad Nouh, 2012). Development is expressed in the Qur'an and Hadith as "architecture and construction" as described in the following Quranic verse and Hadith:

....هُوَ أَنشَأَكُم مِّنَ ٱلْأَرْضِ وَٱسْتَعْمَرَكُمْ فِيهَا فَٱسْتَغْفِرُوهُ ثُمَّ تُوبُوٓا۟ إِلَيْهِ......

> "…It is He who hath produced you from the earth and settled you therein. So seek His forgiveness and turn to Him in repentance…"
>
> (Al-Quran.Surah Hud 11:61)

Anas ibn Malik reported that the Prophet, may Allah bless him and grant him peace, said,

> "If the final hour comes while you have a palm-cutting in your hands and it is possible to plant it before the hour comes, you should plant it."
>
> (Hadith. Sahih Al-Albani)

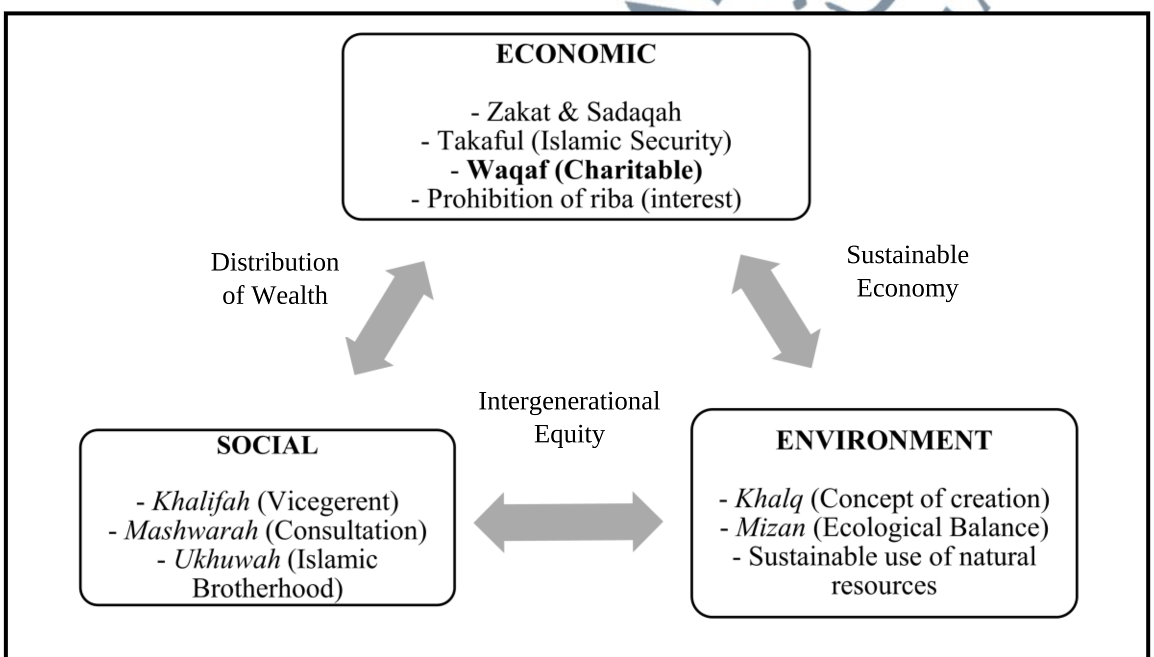
According to Hasan (2006), the main objectives of Islamic law is, broadly, "to promote the well-being of all mankind, which lies in safeguarding their faith (din), their human self (nafs), their intellect (aql), their posterity (nasl), and their wealth (maal)". Achieving those objectives must involve the elements of wisdom, mercy, and justice.

Hence, Islam encourages its believers to be strong, materially and morally, to achieve sustainability objectives. Therefore, the concept of wealth (maal) creation and redistribution cannot be separated (Çizakça, 2011; M.Salleh et al., 2014). The concept of economic growth in Islam emphasizes fundamental needs (nafs) and discourages wasteful spending for the sake of future generations (nasl). This concept is in harmony with the concept of sustainability, as Hasan (2006) argued:

> "The insistence of Shariah on preservation of the progeny is intended for ensuring inter-generational equity in the distribution of wealth and prosperity, conservation of resources, and sustenance of the environmental, all links of one chain."
>
> (Hasan, 2006)

In achieving maqasid shariah (goals of the Shariah), dynamic interactions between socioeconomic processes and environmental priorities are required. The Quran proposes moderation and balance (Hasan, 2006) in accumulating and distributing wealth. In addition, the principle of distributive justice in Islam also suggests that each member of the society has an obligation to other members, manifested by the allocation of benefits of a society or the economic system to all members of that economic system (Wilson, 2007). The principle refers to what society or a larger group owes its individual members; in other words, society has an obligation towards its highly-needy members (Laczniak & Murphy, 2008).

Imam Al-Ghazali in his *Kitab Adab al-wal kasb -ma.ash* has emphasize on the classical Islamic system of philosophy, tadbir al-manzil that comes under the division of al-.ikmat al-.amaliyya (practical philosophy) concluded that the economics (management of the household), ethics (management of the self) and politics (management of society) are interconnected, grounded in, and directed by the same core of ethico-moral values and principles (Setia, 2013) and the actions of all civilized societies evince that men are also motivated by altruistic motives (Khan, 1989). However, Islamic view on man was contradict with the secularism that describe man as selfish by nature (Nik Hassan, 2017). Islamic teaching states that prosperity and happiness are not only achieved through materialistic means, but also good deeds (Norazita Marina Abdul Aziz, 2016; Djeffal, 2014; Altarawneh & Lucas, 2012; Kamla, Gallhofer, & Haslam, 2006; Haniffa & Hudaib, 2004; Haniffa, 2002). Thus, Islam encourages its believers to be altruistic and selfless, even in times of difficulty (Khan, 1989).



Source: Dariah (2016) & Ansari et al., (2012)

Figure 2.2: Essential Features of Sustainable Development in Islam

The Islamic economic model proposes the use of resource sharing and financial contributions of waqf and *zakat* to aid the poor and the marginalized (Yayla, 2011). Both have a paramount value in an Islamic society, and have been practiced since the early histories of Islamic civilization. The dedication of waqf institutions towards philanthropic activities has contributed to the development of Islamic civilization (Khan, 1998). Figure 2.2 shows the relationship between the three elements of economic, social, and environmental. The economic element acts as the intermediate target of life and should be conducted in just, the social element is viewed as a representation of social capital, and the environmental element needs to be managed sustainably because it is an economic resource and ensures the survival of every life on earth, including human (Ansari et al., 2012; Dariah, 2016).

Therefore, the ingredients for sustainable development proposed by Islamic teachings are more comprehensive than those suggested by the Bruntland Report. As described by Al-Mawdudi in his thought translated by Lerman (1981), Islam is a dynamic power from its very nature, as explicitly stated in the Qur'an, universal in spirit, for which this religion is for all human beings. In Islam, religion refers to the code of human life, but Western refers to it as a personal belief with nothing to do with practical human life. The same goes in economics; Islamic teaching prioritizes halal food and the concept of alms and waqf while rigidly outlawing riba, whereas Western economic perspective centered only on benefits and profits. Thus, framework of sustainability in the Islamic worldview focuses on generating an equitable economy and a better society and world that is worth living for present and future generations (Hasan, 2006). These objectives can be realized by insisting on the importance of spiritual needs, in addition to material needs. According to Baharuddin (2017), religion plays a vital role in ensuring justice for the environment and human by promoting ethical behavior and teachings such as Akhlak, law or fiqh, and maqasid shariah.

Islamic teachings stress and warn that human greed will entice humanity to disturb the proportions and tilt the balance (Hasan, 2006), as alluded to by the following verses of the Quran:

أُولَٰئِكَ الَّذِينَ اشْتَرَوُا الْحَيَاةَ الدُّنْيَا بِالْآخِرَةِ ۖ فَلَا يُخَفَّفُ عَنْهُمُ الْعَذَابُ وَلَا هُمْ يُنْصَرُونَ

> "Those are the ones who have bought the life of this world [in exchange] for the Hereafter, so the punishment will not be lightened for them, nor will they be aided.".
>
> (Al-Quran. Surah Al-Baqarah 2:86)

ٱلَّذِى خَلَقَ سَبْعَ سَمَٰوَٰتٍ طِبَاقًا ۖ مَّا تَرَىٰ فِى خَلْقِ ٱلرَّحْمَٰنِ مِن تَفَٰوُتٍ ۖ فَٱرْجِعِ ٱلْبَصَرَ هَلْ تَرَىٰ مِن فُطُورٍ

> "[And] who created seven heavens in layers. You do not see in the creation of the Most Merciful any inconsistency. So return [your] vision [to the sky]; do you see any breaks?"
>
> (Al-Quran. Al-Mulk 67:3)

These verses offer some principles and guidelines related to the sustainability concept from an Islamic viewpoint. They comprise the principles of adl (justice), mizan (balance), wasat (moderation), rahmah (mercy), amanah (trustworthiness and custodianship), taharah (spiritual purity and physical cleanliness), haq (truthfulness and rights), and ilm nafi' (usefulness of knowledge and science) (Matali, 2012). The principle of adl (justice) governs the relationship between human and other living creatures, as mentioned in a hadith of Prophet S.A.W:

> "The earth is a mosque for you, so wherever you are at the time of prayer, pray there".
>
> (Hadith. Sahih Bukhari, 335)

al-Jayyousi (2016) proposed another sustainability development framework. He emphasizes on the nation of earth's construction (emmaret al-ard or al-kawn) with a core circle that represents a good life (hayat tayebah), influenced by four components that constitute as progress: justice (adl), excellent (ihsan), family-community values (arham), and limited mischief and corruption (fassad). This framework is conceptually similar with that of Ansari et al., (2012), which suggests Islamic value as a feature for every pillar of sustainable development.

Since humankind is appointed by Allah as the custodian or steward of the planet, they are prohibited from damaging the environment out of avariciousness (Matali, 2012). Allah SWT has created this earth with balance; human beings and the universe exist in an equilibrium, interrelated and mutually complementing (Akhtar, 1996). Human being is encouraged to treat the earth like a mosque, which means treating the natural world with full respect and in a just and fair manner (adl) (al-Jayyousi, 2016). Al-Quran describes the environmental equilibrium with such words as 'adl', 'qadar', and 'mouzoon'. The earth and ecosystem have functioned within its limitations and tolerance (Dariah, Salleh, & Shafiai, 2016), and thus resources should be utilized with efficiency and effectiveness (Aziz, Abdul & Mariyah Ulfah, 2010) for the sustainability of the universe. The Quran has said regarding this matter:

ظَهَرَ الْفَسَادُ فِي الْبَرِّ وَالْبَحْرِ بِمَا كَسَبَتْ أَيْدِي النَّاسِ لِيُذِيقَهُمْ بَعْضَ الَّذِي عَمِلُوا لَعَلَّهُمْ يَرْجِعُونَ

> "Corruption has appeared on land and sea because of what the hands of men have earned, that He (God) may make them taste a part of that which they have done, in order that they may return (by repenting to God and begging His Pardon)".
>
> (Al-Quran. Ar-Rum 30:41)

According to Matali (2012), for human to be adl (justice), they need to apply the principle of mizan (balance) in governing their wealth. It entails that they should be fair not only to the social and economic relationships among mankind, but also to the environment, especially in ensuring the equilibrium of nature, wise use of resources, and life cycle of all species. After all, every creation is made to exist in a perfect, harmonious balance (mizan), as the Quran mentions:

خَلَقَ الْإِنْسَانَ ۰ عَلَّمَهُ الْبَيَانَ ۰ اَلشَّمْسُ وَالْقَمَرُ بِحُسْبَانٍ ۰ وَّالنَّجْمُ وَالشَّجَرُ يَسْجُدَانِ ۰ وَالسَّمَآءَ
رَفَعَهَا وَوَضَعَ الْمِيْزَانَ ۰ اَلَّا تَطْغَوْا فِى الْمِيْزَانِ ۰ وَاَقِيْمُوا الْوَزْنَ بِالْقِسْطِ وَلَا تُخْسِرُوا
الْمِيْزَانَ ۰ وَالْاَرْضَ وَضَعَهَا لِلْاَنَامِ

> "…He has created man. He has taught him speech and intelligence. The sun and the moon follow courses (exactly) computed. And the herbs (or stars) and the trees both prostrate to Allah. And the Firmament has He raised high, and He has set up the Balance of (Justice), in order that you may not transgress (due) balance. So establish weight with justice and fall short not in the balance. It is He who has spread out the earth for (His) creatures…"
>
> (Al-Quran. Surah Ar-Rahman 55:3 – 10)

To achieve both justice and balance in the economic system, mankind needs to ensure that economic resources are organized, utilized, and managed not only through the implementation of an efficient management system but also through the guidance of ethical principles that synthesize ethics and economic pursuits (Nik Hassan, 2017). Therefore, Islamic teaching always stresses out the notion of equity, social justice (adl), public involvement (shura), and the deep concern for future generation (Beekun, 1997) as the way to achieve sustainability. Losing the social compass means losing the essence of Islamic teachings which may lead to ecological degradation (fasad) and social isolation (Norazita Marina Abdul Aziz, 2016). Besides that, mankind is also encouraged to be wasat (moderation). The word "wasat" means the most just, the best (in goodness), the top choice, the finest, the best (in quality), and the most honorable. It involves choosing the moderate path in economic planning, social conduct, scientific pursuits, ideological views, and material, water and energy consumption (al-Jayyousi, 2016; Matali, 2012). As a custodian or khalifah of the earth, mankind must be moderate in their consumption. Overconsumption will increase waste and disrupt efficient resource utilization, as more resources are required to meet the market demand (Matali, 2012). The Quran proposes:

وَلَا تُسْرِفُوٓاْ ۚ إِنَّهُۥ لَا يُحِبُّ ٱلْمُسْرِفِينَ

"…But waste not by excess, for God loves not the wasters…."

(Al-Quran. Surah Al-A'raf 7: 31)

According to Nik Hassan (2017), wastage is a disease that begins from an individual's habits. However, when the community complies with it, it will then become a detrimental factor for the society's development. In order to attain the blessings and mercy of Allah S.W.T, human have to obey, devote, and perform accordingly as His servant and live moderately (wasat) (Norazita Marina Abdul Aziz, 2016; Kamla, 2009; Haron Din, 1992; Gambling & Karim, 1986). Therefore, to ensure that wealth is governed with adl and wasat, human should be amanah (trustworthiness and custodianship), as humankind is a trustee appointed by the Creator for all of the earth's assets (al-Jayyousi, 2016; Norazita Marina Abdul Aziz, 2016). Amanah is directly linked to the principle of khalifah (steward or vicegerent) of the earth, as humans are gifted with unique abilities such as thought, knowledge, speech, and the wisdom to make appropriate decisions that can sustain the earth (Matali, 2012). Meanwhile, ihsan and zuhd are a significant concept in Islam considered as the driving factor that leads to human stewardship, responsibility, and excellence (Haniffa, 2002), which in turn will promote conservation and the rational use of resources (Norazita Marina Abdul Aziz, 2016). As the vicegerent of this earth, human should always be reminded that the Creator is the True Owner, and all other creations have the right to inhabit the earth:

وَاِذْ قَالَ رَبُّكَ لِلْمَلٰۤىِٕكَةِ اِنِّيْ جَاعِلٌ فِى الْاَرْضِ خَلِيْفَةً ۗ قَالُوْٓا اَتَجْعَلُ فِيْهَا مَنْ يُّفْسِدُ فِيْهَا
وَيَسْفِكُ الدِّمَاۤءَۚ وَنَحْنُ نُسَبِّحُ بِحَمْدِكَ وَنُقَدِّسُ لَكَ ۗ قَالَ اِنِّيْٓ اَعْلَمُ مَا لَا تَعْلَمُوْنَ

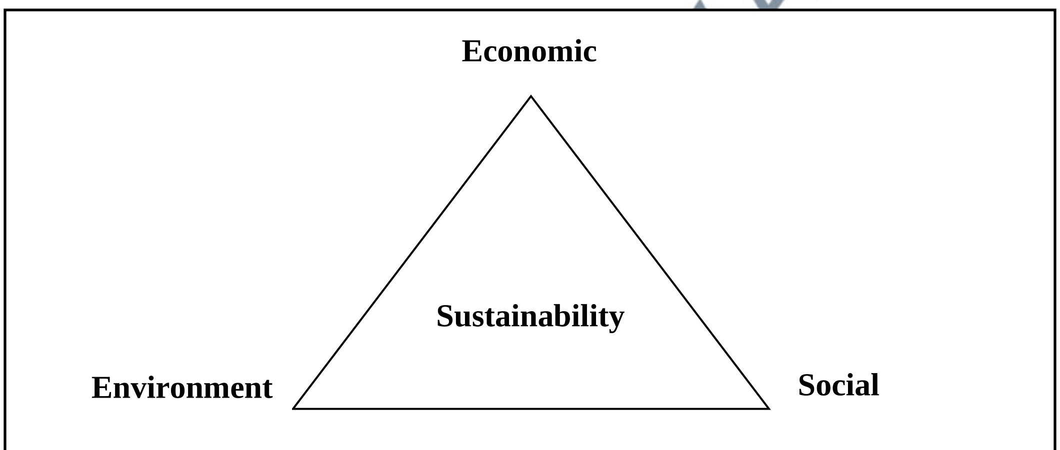
> “And [mention, O Muḥammad], when your Lord said to the angels, "Indeed, I will make upon the earth a successive authority."[1] They said, "Will You place upon it one who causes corruption therein and sheds blood, while we exalt You with praise and declare Your perfection?"[2] He [Allah] said, "Indeed, I know that which you do not know."
>
> (Al-Quran, Surah Al-Baqarah 2:30)

The implementation of the above discussed basic principles will lead to mercy (rahmah), which is a part of Islamic sustainability principles. Islam encourages human to be compassionate in all aspects of relationships, not only with humans but also other living things, including animals, plants, and insects. Compassion will help human to fulfill rights (haq) in all affairs that related to the rights of others (humans, animals and plants) (Matali, 2012). From an Islamic viewpoint, thus, sustainability requires the fulfilment of both spiritual and material needs. Sustainability development necessitates the highlighting of mankind’s relationship with Allah S.W.T (Hablunminallah) and other living creatures, human (Hablunminannas) or otherwise (Hablunminalbi-ah) (Norazita Marina Abdul Aziz, 2016; Mohd Shukri Hanapi, 2002). The economic element in Islam is the intermediate target of life and should be conducted with just (adl) and moderation (wasat). The social element is viewed as the interaction with the brotherhood or as a source of social capital, while the environmental element is a mandate (amanah) that must be sustained. These interrelationships are essential in obtaining blessings and mercy from Allah S.W.T (mardhatillah) (Norazita Marina Abdul Aziz, 2016; Hamid, Craig & Clarke, 1993; Khan, 1989).

2.3.2 Sustainability Framework

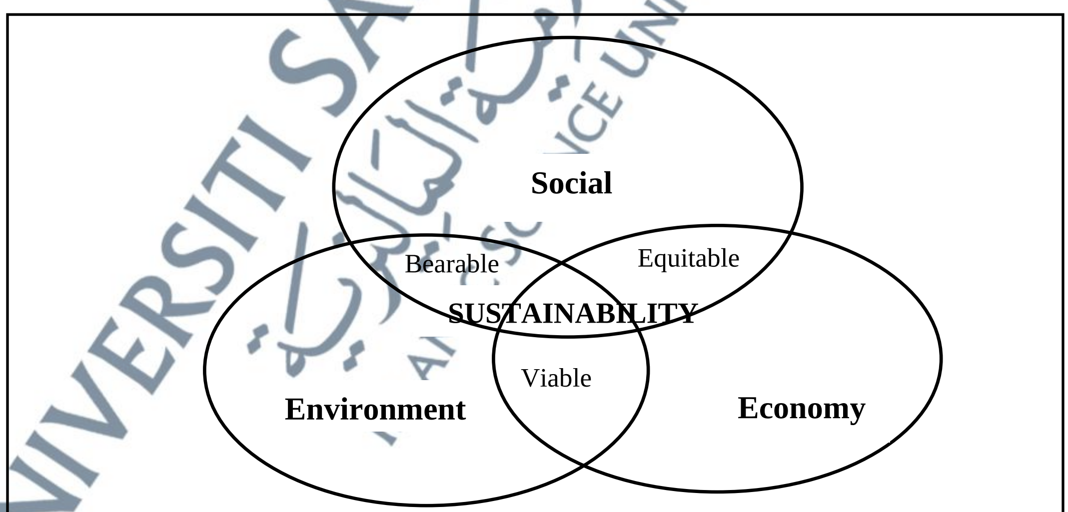
The most common sustainability framework is a three-pronged diagram that integrates economic, social, and environmental factors to aid planning and decision making. It is sometimes illustrated as a triangle (Figure 2.3) or Venn diagram (Figure 2.4), highlighting the need to keep multiple priorities in mind in order to achieve sustainability (Elkington, 1994 ; Davidson, 2009). This framework has been used for more than twenty years since its introduction in 1980s. A different approach is yet to be introduced in building a human society that ensures the long-term well-being of both human and other species (Smythe, 2014).Thus, sustainability framework is needed to plan, manage and evaluate to ensure the continuous improvement of the activities and maintain health outcomes at a population level (Olsen, 1998).

Before the establishment of this framework, the three elements of sustainability were considered as independent of each other. This assumption is paved by neo-liberal economic governance that dismisses the importance of public relations with the natural and social world, and assumes that the integration of the elements cannot be realized (Hall & Klitgaard, 2012). Neoliberalism believes that economic rights, especially production, will be followed by other people's interests. This belief is driven by a progressive new idea brought about by secular Christian teachings that had deviated from its true purpose and placed the achievements and glory of the world as a priority. They encouraged people to become more competitive in the marketplace to achieve maximum economic production (Du Pisani, 2006). This view opposes that of Islam, whose goal is to achieve success in the next life.



Source: Smythe, 2014

Figure 2.3: Sustainability Triangle Diagram



Source:Smythe, 2014

Figure 2.4: Sustainability Venn Diagram

However, concerns over poverty and environmental degradation have urged scholars and policymakers to reintegrate economic, social, and environmental issues. This urgency is backed by the view that the economy is a prism to understand society, compared to the narrow view of common neoliberal economy (Smythe, 2014). Due to this reason, Karl Polanyi argued that the economy is also a form of society, as it exists in the context of a human society (Daly & Farley, 2011). His statement is supported by Kenneth Boulding, who maintained that economy belongs in social science, since changes in the economy will also lead to changes within the society (Smythe, 2014).

The reintegration of economic, environmental, and social elements in the sustainability development framework has been first graphically defined as a three intersecting spheres, dimensions, domains, or pillars by the economist René Passet in 1979, and subsequently modernized graphically by the UN in 2006 (Kongoli, 2016). Some scholars recognize these three pillars as ecology, economy, and equity (UN, 2014). Although the principles and pillars of sustainable development have been identified, experiences of many countries showed that there are practical difficulties in integrating the three dimensions and in putting the concept into operation (Noorbakhsh & Rajan, 1999). Thus, some scholars have proposed fundamental changes in the ideology, transformation of cultural attitudes and behavior, paradigm shift, and institutional reform supported by appropriate political and institutional structures (Dariah, 2016).

Since sustainability itself relates the “inner limits” of human needs to the “outer limits” of Earth’s resources, the establishment of a sustainable framework should include, integrate, and try to harmonize the responses between the economy, human interest, and biophysical systems by assuming the limitations and abilities of those systems (Jenkins, 2013; Jenkins & Chapple, 2011). To harmonize and balance economic, social, and environmental factors, Islamic teaching suggests integrating spiritual components derived from its principles as a guiding force since they are consistent with the beliefs (Dariah, 2016). Islam itself has provided a more sustainable economic platform or tools, as illustrated in Figure 2.2. Among the tools included is the use of waqf as the intermediate target of life that must be performed with justice. Concerning the social element, social capital represents as a resource for waqf, which is viewed in accordance with the message of brotherhood, whereas the environmental element is a trust (amanah) that must be managed sustainably.

2.4 Healthcare Institution Development

2.4.1 Healthcare Development in Malaysia

Healthcare services in Malaysia first emerged with the establishment of the mining industry in the 19th century. At the time, most of the hospitals were built in Perak. Their objective was to provide healthcare services for workers in the mining industry (Strategic Plan Ministry of Health Malaysia, 2015). Even after sixty years of independence, the nation's healthcare delivery system continues to progress, achieving remarkable improvements and gained international recognitions for providing multiple accesses to healing, recovery, prevention, and promotion of care (WHO, 2012c). These accesses consist of an extensive network of facilities for primary care, an effective rural healthcare system, well-distributed secondary level hospitals, highly specialized tertiary care at the regional level, and success in health promotion and preventive strategies (Juni, 1996; 2014).

The excellence of the Malaysian healthcare system led to the recognition of the system as among the best. It is able to provide fair healthcare services at a high standard and relatively low medical expenses (Shepard, Savedoff & Pua, 2002). The government's healthcare expenditure amounts to 4% of the GDP, while other countries with similar health status attainment spend an average of 6-7 percent of their GDP (WHO, 2012). The services provided by the Ministry of Health (MOH) is about 82 percent of inpatient care and 35 percent of ambulatory care, while the private sector contributes about 18 percent of inpatient care and 62 percent of ambulatory care (Hussein, 2009). Under the current system, more than 90 percent of the population could easily access medical aid at health facilities. For those living in more remote areas, an extensive support system of mobile health units and subsidiary clinics are available.

With broad access to healthcare, increment in medical manpower to population ratio, and efforts in addressing and combating new diseases, the health status of the society has improved. This improvement can be seen in the reduction of mortality rates for certain risk groups, longer life expectancies in birth, and successful control of communicable diseases (Juni, 1996). Compared to 1970, public healthcare facilities have shown significant improvements. Table 2.1 shows the number of public and private hospitals that are currently operating in Malaysia.

Table 2.1: Healthcare Facilities in Malaysia, 2019 (as of 31st December)

Sector	**No**	**Official Beds**
Public Hospital	144	42,936
Private Hospital	208	16,469

Source: Ministry of Health Malaysia in Health Facts (2020)

Core to the sustainability and equity of the healthcare systems is reliable access to human, capital, and consumables resources, all of which require a stable, secure, and well-created and managed financial resources (Juni, 1996). To achieve sustainability in healthcare systems, a dramatic change in the part of organizational performance against the economic, environmental, and social elements, categorized as the triple bottom lines, is necessary (Elkington, 1998). Failing to achieve sustainability in the healthcare system will prevent it from having a lasting impact (Sarriot, Winch, Ryan, Edison, Bowie, Swedberg & Welch, 2004) and cause considerable concerns to the bodies that initiate and implement the social programs (Savaya et al., 2008), especially when they are funded by social financing tools such as waqf.

2.4.2 Healthcare Development from the Islamic Perspective

In Islam, Al-Quran is the main source of all inspirational knowledge. Muslims consider it as the word of Allah (God), revealed by Him to the Prophet Muhammad SAW. The second source is ‘Hadith’ or ‘Sunnah’, which is the recorded, authenticated sayings and traditions of the Prophet Muhamad SAW (Hussain Nagamia, 2003). Both sources stress the importance of hygiene, health, and healthcare:

يَٰٓأَيُّهَا النَّاسُ قَدْ جَآءَتْكُم مَّوْعِظَةٌ مِّنْ رَّبِّكُمْ وَشِفَآءٌ لِّمَا فِى الصُّدُوْرِ وَهُدًى وَّرَحْمَةٌ لِّلْمُؤْمِنِيْنَ

“O mankind, there has come to you instruction from your Lord and healing for what is in the breasts and guidance and mercy for the believers.”

(Al-Qur’an. Surah Yunus 10:57).

وَنُنَزِّلُ مِنَ الْقُرْاٰنِ مَا هُوَ شِفَاۤءٌ وَّرَحْمَةٌ لِّلْمُؤْمِنِيْنَۙ وَلَا يَزِيْدُ الظّٰلِمِيْنَ اِلَّا خَسَارًا

> "And We send down of the Qur'ān that which is healing and mercy for the believers, but it does not increase the wrongdoers except in loss."
>
> (Al-Qur'an. Surah Al-Isra 17:82).

> "Allah has not sent any disease without sending a cure for it...."
>
> (Hadith:al-Bukharī).

While Islamic medicine emerged with the spread of Islam in Mecca and Medina since the 7th century (Saniotis, 2012), historical records indicated that even prior to the arrival of Islam, healthcare centers or health centers were influenced by religious messages. These centers were an appendage of religious institutions and monasteries administered by welfare agencies and charities under the bishops; some were even funded by the people (Turner, 1995, Lev, 2005; Al-Ansari, 2013). The arrival of Islam had transformed medical treatment from superstition- and mysticism-based traditions to a more scientific and advanced treatment system akin to the present system (Razali, 2015).

Islamic medicine brought by the Rasullullah s.a.w was based on the concept of tawhid, that is, the oneness of the absolute God, as revealed in the first half of the shahadah (testimony of faith) (la 'ilaha' illa Allah: there is no god but Allah). Islamic cosmology emphasizes that the hierarchy of existence depends on One with His commandments ('kun', Arabic for 'to') and creation is a divine grace (rahman) and has the characteristics of al-fitra (natural order) (Saniotis, 2012). The Quran and Hadith have become a healing source not only for physical illnesses, but also for psychological and spiritual distresses (Ahmed, Mohammed, Faosiy & Daud, 2015). In fact, preserving health is a priority emphasized in the concept of Maqasid al-Shariah (the goals of Shariah), which must be realized to preserve the social order of the community and ensure its progress by promoting the well-being and virtue (salah) of human beings (Ahmed, Mohammed, Faosiy & Daud, 2015). Maqasid al-Shariah has placed health and healthcare as one of the main objectives in protecting the element of life. Besides faith, intellect, posterity, and property, the preservation of life is also an indispensable element of the maqasid that enables mankind to achieve a good social and individual life.

According to Ahmed, Mohammed, Faosiy and Daud (2015), Al-Imam al-Ghazali classified the components of social welfare into three levels: necessities, complements, and embellishments. Muslim scholars unanimously agree that the primary goal of the Shari'ah is to serve the interests of all human beings and protect them from harm (Dusuki & Bouheraoua, 2011). Thus, anything that insures the safeguarding of these fives elements and serves the public interest is desirable. To preserve life, survive, and protect against harm, it is necessary for mankind to obtain all basic needs such as food, healthcare, clothing, shelter, transport, and education (Chapra, 2000; Ogunbado, 2011). Moreover, good health is one of the main determinants of economic growth and a component for the well-being of the population (Scheil-Adlung, Carrin, Juetting & Xu, 2006). Better health means higher survival rates for infants and children, which in turn increases labor force participation for adults and improves labor productivity (Ahmed, Omar & Ogunbado, 2015). Healthiness, thus, has a significant positive impact on sustainable economic growth and social development. Through the improvement of healthcare facilities, it will help the healthcare institutions to improve, thus enhancing and protecting the life and health of the society as improving social welfare is one of the main objectives of shariah (Shariff, Mohtar & Jamaludin, 2018).

Though development in the health sector has existed since the days of the Roman Empire (Aljunid, 2015), the idea of a hospital as an institution for patient treatment only existed after the presence of Islam (Razali, 2015 & Hussain Nagamia, 1992). Islamic history records that waqf eases the difficulty faced by the destitute and the poor, in addition to promoting social welfare of Muslim communities at large (Ahmed, Mohammed, Faosiy & Daud, 2015). According to Ibn Ashur (1998), poverty strikes people who have no access to education, healthcare, daily sustenance, and so on; as such, they could not be expected to be a productive and meaningful part of the Ummah. As said in the Quran:

ۗوَمَنْ اَحْيَاهَا فَكَاَنَّمَآ اَحْيَا النَّاسَ جَمِيْعًا

> "...And whoever saves one[3] - it is as if he had saved mankind entirely.."
>
> (Al-Quran. Surah Al-Ma'idah 5:32)

This verse elaborates that to ensure the sanctity of human beings, the effort to provide and establish good healthcare facilities and well-trained healthcare practitioners is part of the steps towards ensuring that proper healthcare measures are taken. Furthermore, the value of human life is important as emphasized in the following hadith narrated by 'Abdullah bin 'Amr which said:

> "I saw the Messenger of Allah circumambulating the Ka'bah and saying: 'How good you are and how good your fragrance; how great you are and how great your sanctity. By the one in whose hand is the soul of Muhammad, the sanctity of the believer is greater before Allah than your sanctity, his blood,and his wealth, and to think anything but good of him."
>
> (Hadith. Ibn Majah 3931).

The Hadith shows that improving and preserving life and health is the definitive objective of the Shari'ah (Shariff, Mohtar & Jamaludin, 2018). Therefore, the Prophet

Muhammad SAW encouraged his companions to create waqf to meet the various social needs of Muslim communities and societies. Through waqf, cooperation and mutual support from both family and society can be realized (Kamali, 2008).

2.5 Healthcare Sustainability

Since the decline of Third World economies in the 1980s, mainly in sub-Saharan Africa, interests in studying sustainability and health development began to increase. The economic impact has led to high debts, economic structural adjustment programs, shrinking donor funding, and government allocations in the health sector (Olsen, 1998; Abel-Smith, 1992). The presence of good healthcare facilities will allow the community to achieve optimal levels of health, which will indirectly contribute to increased daily routines such as school attendance and individual productivity in the workforce, as well as increase infant and child survival rates, which will indirectly contribute to human capital development (Ahmed, Mustafa & Ogunbado, 2015; Lamiraud et al., 2005).

These outcomes will indirectly determine the level of individual ability to achieve their life objectives and influence human life satisfaction and society well-being, in addition to being a benchmark for the economic growth of a country. Thus, balancing patients' needs, economic concern, and environmental costs is critical in ascertaining the development and sustainability of healthcare institutions, organizations, or programs (Jameton & McGuire, 2002). Since the concept of sustainability for organizational change has varying definitions (Elkington, 1998), a holistic management framework which integrates environmental and social performance with economic or business performance is needed (Johnson 2008; Schaltegger & Wagner, 2006; Epstein & Roy, 2003).

Edwards (2001) defined health economics as a discipline of economics that studies how scarce resources can be used to meet the needs of patients. The main function of the health production sector is healthcare services, and among the factors involved in health production are the economic, environmental, and social aspects. Healthcare sustainability is ultimately the manifestation of a complex web of interrelations between health concerns, stakeholders, resources, and actions that is analogous to an ecosystem, in which the degree to which the components of the system are connected and aligned indicate system equilibrium (Gruen, Elliott, Nolan, Lawton, Parkhill, McLaren & Lavis, 2008).

Table 2.2 presents a review of literature that focuses on the conceptualization of healthcare sustainability. Analyses on the sustainability concept lend to a better understanding of the concepts and applications in certain contexts, as well as promote consensus on the interpretation of the phenomena (Hupcey & Penrod, 2005). Most sustainability studies in healthcare usually focus on specific health intervention programs. The most inclusive framework for summarizing available empirical studies is the works of Shediac-Rizkallah and Bone (1998; 2003), Scheirer, (2005), Scheirer and Dearing, (2011), and Fleiszer, Semenic, Ritchie, Richer and Denis (2015). Meanwhile, Olsen (1998) and Sarriot et al. (2004) focused on the analysis of sustainable healthcare framework for private not-for-profit services and non-government organizations. Frameworks for healthcare sustainability with similar components have also been recently suggested by Johnson et al. (2004) for interventions in the substance abuse prevention field; Mancini, Marke and Lydia (2004) for family support programs; Savaya et al. (2009) for the sustainability of social programs, and Katz et al. (2014) for the sustainability of stakeholder-driven HIV programs.

Table 2.2: Conceptual Definition of Healthcare Sustainability

Authors	**Working Definition**	**Context or Domain/Type of Literature**
Claquin (1989); Shediac-Rizkallah & Bone, (1998)	"capacity to maintain service coverage at a level that will provide continuing control of a health problem"	Healthcare program
UNICEF (1992)	"the ability of the system to produce benefit valued sufficiently by users and stakeholders to ensure enough resources to continue activities with the long-term benefits"	Health system
LaFond (1995)	"the capacity of the health system function effectively over time with a minimum of external input"	Health system
(Jameton & McGuire, 2002); (Elkington, 1998)	"A healthcare which balances the patient care considerations, environmental costs, and affordability in its design, provision of services, and purchase disposal of equipment and supplies. This approach is very similar to the well-established "Triple Bottom Line" division of sustainability into social, economic and environmental consideration."	Healthcare organization and programs.
Olsen, (1998)	"A health service is sustainable when operated by an organizational system with the long-term ability to mobilize and allocate sufficient and appropriate resources (manpower, technology,information and finance) for activities that meet individual or public health needs or demand."	Non-profit and government healthcare organization
Johnson, Hays, Center & Daley (2004)	"..the process of ensuring an adaptive prevention system and a sustainable innovation that can be integrated into ongoing operations to benefit diverse stakeholders"	Sustainability for healthcare innovation
Mancini &Marek (2004)	"The capacity of programs to maintain a focus consonant with its original goals and objectives, including the individuals, families, and communities it was originally intended to serve"	Healthcare program
Sarriot et al., (2004)	"Contribution to the development of condition enabling individuals, communities and local organization to express their potential, improve local functionality, develop mutual relationships of support and accountability and decrease dependency on insecure resources."	Primary healthcare project by NGO
Alliance for Natural Health, (2008); Smith (2012)	"A complex system of interacting approaches to the restoration, management and optimization of human health that has an ecological base, that is environmentally, economically and socially viable indefinitely, that functions harmoniously both with the human body and the non-human environmental, and when which does not result in unfair or disproportionate impacts on any significant contributory element of the healthcare system"	Healthcare system/ institution
Savaya et al.,(2009)	"…sustainability as the fate of the program following termination of financial support received from the foundation."	Social program

Sustainability assessment in the health sector faces various challenges. They include the lack of a strong conceptual framework for sustainability (Sarriot et al., 2004), lack of long-term research funding programs (Bowman, 2011; Davies & Edwards 2013), complexity of sustainability phenomenon (Greenhalgh et al, 2012; Stirman et al., 2012), latency of the period between the implementation of an innovation and the emergence of its impact (Pluye et al., 2004; Shediac-Rizkallah & Bone, 1998) and the need for longitudinal, multi-way studies, and multiple research (Buchanan et al., 2005; Goodman & Steckler, 1989; Stirman, et al., 2012). An example of one such study is McMillan's (2013) concept analysis, which used Rodger's evolutionary method to address the role in sustainability movements.

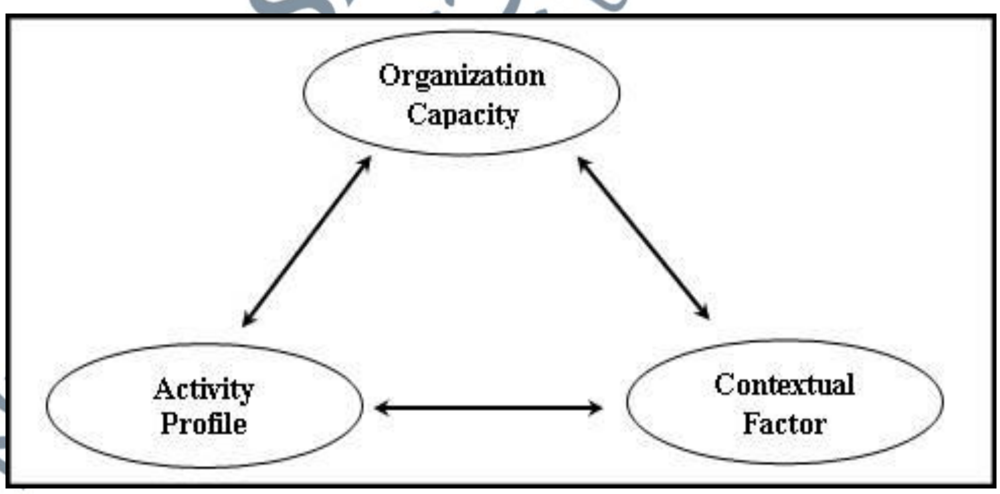
However, there are several articles, such as the work of Smith (2012), that focused on sustainable healthcare organizations in Norway. Additionally, there is also the research by Martin, Currie, Finn and McDonald (2011) which focused on the medium-term sustainability of organizational innovations in the national health service. The influence of sustainability with full implementation and customization to suit the local context and life cycle of innovation that is compatible with the mission, capacity, and operational procedures of the organization will reflect the life cycle of innovation and is a key factor for long-term sustainability (Scheirer & Dearing, 2011). Basically, the underlying concept for sustainability science is the concept of ecosystem, where living organisms are always involved in a set of interactions between elements that form the environment in which it exists. In the healthcare system, among its ecosystem elements are population, program components, and program drivers located within the context determined by various sociocultural, political, and geographic and health systems characteristics, besides resource availability (Gruen et al., 2008)

2.5.1 Definition for Sustainable Healthcare

Much like sustainability, the definition of sustainable healthcare varies; each healthcare institution, organization, and related literature proposes its respective understanding of the concept. Among the earliest definition of sustainability for the health sector was proposed by Claquin (1989). He defined it as the "capacity to maintain service coverage at a level that will provide continuing control of a health problem". Leading development agencies, in defining sustainability, emphasize health benefits as the heart of the sustainability process (Shediac-Rizkallah & Bone, 1998). In 1992, UNICEF, in their policy review document, used a definition proposed by the International Development Management Centre (University Maryland) which is "the ability of the system to produce benefit valued sufficiently by users and stakeholders to ensure enough resources to continue activities with the long-term benefits". The definition emphasizes patient and stakeholder benefits (Olsen, 1998).

Several years later, LaFond (1995), in addressing the shortcomings of the traditional healthcare system, proposed his own definition of sustainability. He defined it as "the capacity of the health system to function effectively over time with minimum external input". His definition focuses on the capacity of national health systems to secure sufficient resources locally through an efficient and effective resources management and to place less emphasis on outside donors. Since the focus of this research is social-based healthcare institutions that will continue to rely on outside donors, the minimum term external input is introduced to the definition, with the notion that healthcare institutions can become self-reliant in places other than financing.

Besides that, Olsen (1998) has proposed a more detailed definition for sustainability in the health sector. This definition groups the determinants of sustainability into three main categories: 1) organizational context i.e. factors in the environment which cannot normally be manipulated by the health organization but have an impact on the function of service, such as political and socio-economic situations or political administrative framework, 2) activity profile i.e. related to the kind of services offered or activities carried out, which reflect the technology and level of care, and 3) organizational capacity i.e. the organization's capability to carry out a set of tasks. Figure 2.5 shows Olsen's framework. He defined sustainability in healthcare as one that is operated by an organizational system with the long-term ability to mobilize and allocate sufficient and appropriate resources (manpower, technology, information and finance) for activities that meet individual or public health needs or demand (Olsen, 1998).



Source: Olsen (1998)

Figure 2.5: The Cluster for Analyzing Sustainability

Organizational capacity represents the capacity that needs to exist in local organizations in order to maintain essential services and activities. It refers to a range of functions that are necessary to the life of an organization, its administration, and its ability to perform its mission (Lafond et al., 2002). Organizational viability relates not only to financial viability, but also to other essential types of support and relationships which an organization depends on to fulfill its mission. It is not self-reliance, which is an optimistic and ambiguous concept at best, but a rational profile of organizational dependency, or interdependency, in a given institutional environment (Sarriot et al., 2004). Organizational capacity and viability are two overlapping concepts. They are distinguished from each other because differences in programmatic efforts will enhance one or the other. To increase the viability of an organization, efforts of another kind will be necessary to improve its financial autonomy and integration within a societal network to access knowledge and human resources. The nature of the organization concerned with this dimension will vary contextually, depending on how the local system has been defined, be they the Ministry of Health (MOH) structures at the facility or district levels, local NGOs, or community-based organizations (CBOs).

Community or Social Ecological Conditions address the conditions in the community and social ecological system entailing (1) Community Competence/Capacity, which refers to overlapping elements affecting the community such as cultural acceptance of positive changes, social cohesion, collective efficacy and so on which can be observed under the umbrella concept of community competence (Cottrell, 1983) and (2) Ecological, Human, Economic, Political, and Policy Environment, which include a number of elements within the environment of the local system, consisting of national and regional policies, economic and political environment, environmental or ecological conditions, and human development situation.

These elements are frequently outside of a project's scope of intervention, but represent important transitional stages of development which NGOs cannot ignore. Since the definition of sustainability for healthcare institution is still unclear, some literature has associated sustainable healthcare systems or institutions with 'sustainable hospital', 'ecologically sustainable hospital' practices', 'sustainable healthcare', or 'greener healthcare', without differentiating the words and meanings (Smith, 2012; HCWH, 2011). One of the most recent definitions of sustainable healthcare was proposed by the Alliance for Natural Health (ANH):

> "A complex system of interacting approaches to the restoration, management and optimization of human health that has an ecological base, that is environmentally, economically and socially viable indefinitely, that functions harmoniously both with the human body and the non-human environmental, and when which does not result in unfair or disproportionate impacts on any significant contributory element of the healthcare system"
>
> (Alliance for Natural Health, 2008)

Even though the definitions of sustainability for health system differ widely, the core principles derived from these concepts are intended to improve sustainability by reducing wastefulness and improving the quality of healthcare. These efforts can be achieved through the implementation of a better system (Lindsey, 2010). In general, the framework or implementation for sustainable healthcare shares similar components with the generic sustainability framework, in that it requires the balancing of patients' needs, economic concerns, and environmental costs. Extensive multidimensional research on healthcare sustainability has brought various approaches in planning and monitoring the concept. For example, in the perspective of health promotion, sustainability is seen as maintaining health benefits over time, focusing on organizational changes and innovations, and the delivery of ongoing health programs which can be measured by the longevity of independent projects, or how well the programs become institutionalized in the healthcare organization or institution, social system, and society. From the perspective of community development, sustainability is seen as the ability of societies or individuals to maintain behavioral changes towards a healthy lifestyle (Gruen et al., 2008)

2.5.2 Elements for Sustainable Healthcare

The traditional healthcare system is patient-centered and focuses only on internal aspects, minimally taking into account community involvement. It also usually excludes environmental aspects from the definition of 'community' (Jameton & McGuire, 2002). However, in achieving sustainability, an entity needs to focus on three main elements which are people, profit, and planet (Elkington, 1998). The involvement of a healthcare organization or institution in diseases treatment has given the largest impact to the environment in terms of activities and costs associated with disposal procedure, which tend to accumulate through the routine activities (Jameton & McGuire, 2002).

In the perspective of healthcare organization, with a specific focus on private not-for-profit, non-profit (NPO), or non-government organizations (NGO), Olsen (1998) suggested that the assessment of the three components of viable organization as well as managerial and technical expertise and necessary resources is necessary to determine sustainability. He emphasized that the most crucial factor for an organization's sustainability is the management strength of the existing system. Meanwhile, Savaya et al.

(2009) proposed a new factor for the healthcare program sustainability framework introduced by Shediac-Rizkallah and Bone (1998). Previously, Patrizi, Gross, and Freedman (2006) added the role of funding bodies into this framework. In their healthcare program sustainability framework, Shediac-Rizkallah and Bone (1998) listed three major factors that can influence sustainability. They are as follows:

1. **Project design and implementation:** This factor relates to the resources available for the project, such as human resources, which comprise staff training or expertise building (Savaya et al., 2009); financial resources and strategies; time period for the project to reach its fruition; implementation activities determining the use of resources (Shediac-Rizkallah & Bone, 1998); program theory; program flexibility, which refers to the ability of a program to change according to the circumstances; and program evaluation and demonstrable effectiveness whereby the programs should not only accomplish its objective, but also must be able to document its success and disseminate the proof to its stakeholders (Savaya et al., 2009; Mancini & Marek, 2004; Steadman et al., 2002; Shediac-Rizkallah & Bone, 1998).
2. **Factors within the Organizational Setting:** This factor relates to the organizational and managerial structure and process, such as organization stability and flexibility, managerial support and flexibility (Savaya et al., 2009), and program champions or leadership i.e. influential individuals who promote the program in the organization and community (Savaya et al., 2009; Fagen, 2001; Goodson et. al, 2001; Mancini & Marke, Lydia, 2004; Scheirer, 1990; Smith et al., 1993; Stedman et al, 2002). Such champions usually have a relatively high position in the organization, and have the

ability and authority to make necessary compromises and negotiations (Shediac-Rizkallah & Bone, 1998). The factor also relates to the integration of the program's goals with those of the host organization (Stephen et al., 2005).

3. **Factors in the Broader Community:** This factor relates to community involvement, which can be observed from the cooperation of community bodies with the program organizer, political legitimation, and socio-economic context. The final item relates to ecological factors, such as the availability of resources or the existence of competing organizations (Savaya et al., 2009; Shediac-Rizkallah & Bone, 1998).

Savaya et al. (2009) added that all the above factors should be reflected in actions and processes in order to enhance sustainability. However, the sustainability framework for long-term funded organizations, especially non-profit ones, is different from the framework of healthcare programs. For such organizations, the framework should be viewed from the context of organizational behavior or organization development, due to the possibility that the organization or program's sponsors may also consider the sustainability of both activities and organization (Scheirer, 2005; Livit & Wandersman, 2004). To sustain, an organization or institution should balance between these three elements: 1) the needs of patients, 2) economic concerns, and 3) environmental costs with long-term objectives that are more of immediate concern and responsibilities (Jameton & McGuire, 2002). Kessinger et al. (2000) emphasized the importance of ethical principles, similar to the concept of sustainability proposed in Islam, where healthcare providers should conduct their clinical practices and procedure with fairness, without exploitation, and without harming the ability of the ecosystem to support the needs of future generations.

In the context of sustainable development, the Canadian Public Health Association (CPHA) has identified five key components to achieve the sustainable development objective. They are technical sustainability, social sustainability, political sustainability, financial sustainability, and sustainability management (Scheirer & Dearing, 2011). However, UNICEF used the term cultural sustainability in place of social sustainability. Although it looks similar, the use of the term is still different (Unicef & World Health, 1992). Some other conceptual frameworks have suggested several principles that contribute to sustainability by looking at the interactions and assessments on frameworks that need to be maintained and programmed by the institution, depending on the aspects of program design, organizational attributes, and contextual factors. Contextual factors include local health policy, social, cultural and environmental characteristics.

Some frameworks address the interactions between programs and key stakeholders, or evolution planning for these interactions from time to time, either by integrating a health program into established structures, strengthening the institutions, and ensuring adaptability, as an approach in assessing targets for intervention or strategies to promote sustainability (Gruen et al., 2008). However, the most common elements of sustainability usually used in past research are the three widely-accepted elements that define sustainability (GRI, 2002b; Krajnc & Glavič, 2005). The three elements have been applied in a wide variety of fields. Besides that, the purpose of selecting these three elements is to create an aggregate measure to easily compare between the sustainability assessments of different healthcare institutions. Using an aggregate measure gives both simplified and quantified information on the sustainability performance of each healthcare institution (Krajnc & Glavič, 2005)

2.5.2.1 Financial Sustainability Element

Financial elements cover all aspects of economic interactions, including the traditional measures used in financial accounting (GRI, 2002b) to identify the impact of the company or institution's activities on the economic well-being of stakeholders and the local system at national and global levels (Krajnc & Glavič, 2003). A sustainable financial element should be able to produce goods or services on a continuous basis, maintain levels of governance and external debt, and avoid extreme sectorial imbalances that can harm its environmental ecosystem or industrial production (Baharuddin, 2017). Financial resources for a social-based or philantrophy healthcare usually come from many sources, such as donor funding, government budgets, and multilateral institutions, all of which are influenced by economic conditions and tax (Gruen et al., 2008).

In order to sustain and remain viable especially in the case of older not- for- profit organizations, they need to adapt to the rapid changes in the financial and social environment where some of the suggestions include to adopt new strategies (Otieno, 2012). This is because some of these organizations, especially those related to religion and are faith-based, tend to be preoccupied more with promoting their sacred mission and focusing on their beliefs and values rather than adhering to accountability templates associated with the commercial and public sector structures (Goodin, 2003; Cadge & Wuthnow, 2006; Clemens, 2006). According to Minow (2003) and Hardy and Ballis (2013), faith-based organisations adopt an inward focus that is not always compatible with the values of the civic society that is outwardly focused as they "blur the boundaries between the public and private, secular and religious, non-profit and for profit enterprises" which cause the accountability practices for these organizations to come as a "sore spot" and raise “new anxieties” (Mashaw, 2006).

In fact, such organizations are less noted for an audit due to too little information about their commercial activities and how their profits impact their philosophy, values, and ultimately the nature of their accounts and accountability (Froelich, 1999). Some of the example of this faith-based organization is a sanitarium which is a hybrid organisation that operates both as church department and multi-million dollar business organization that used trustee structures to achieve status as religious charity, a key arrangement that enables the organisation to avoid formal reporting (Hardy & Ballis, 2013). Recent literature findings in accounting and accountability studies also found that account submission in religious settings often tend to be motivated by factors beyond commercial and public accountability, and failing to generate accounts that are compatible with formal reporting (Rose-Ackerman, 1996). It also sometimes conflate substance with form, and do not immediately conform to the basic features of accountability (Hardy & Ballis, 2013). However, there are certain religious institutions which do provide voluntary reports but of which occur outside of the regulatory environment which became a critical lens into these organisations and their support of accounting and accountability (Weber, 2001). Thus, this observation resonates within the third sector and especially in relation to the accountability practices of church-run businesses and other public-private partnerships that straddle the sectors and blurring the boundaries between profit and not-for-profit (Minow, 2003; Goodin, 2003).

Thus, Lukman, Krajnc and Glavič (2010) suggested several economic principles that need to be identified by the institutions, such as: 1) environmental accounting, which relates to environmental auditing, 2) eco-efficiency, which emphasizes the production process and services, and 3) ethical investment, or socially responsible investment, which relates to the financial instruments (mortgages, bank account, investment, or utilities) that favor environmentally-responsible corporate practices through workforce diversity and product safety and quality. Other past literature also suggest that, to achieve financial sustainability for these institutions, they not only need to adopt accountability practices but must also have: 1) a careful planning on donors and grantees for eventual cutbacks in funding, 2) the ability to identify costs and set realistic fees, 3) an entrepreneurial spirit in seeking alternative sources of funding, and 4) the ability to diversify services (Shediac-Rizkallah & Bone, 1998).

2.5.2.2 Environmental Sustainability Element

Generally, environmental sustainability elements cover the activities or performance of an institution or entity that involve the aspects of renewable resources, resources minimization, source reduction, recycling, reuse, repair, regeneration, recovery, purification, or any activities that involve preventive and control principles (Lukman et al., 2010). These activities apparently influence the company's activities on living and non-living natural systems including ecosystems, land, air, and water (Krajnc & Glavič, 2003). Thus, institutions or organizations need to be aware of not only the external environment in which they operate, but also their internal environment that can be described as anything beyond the control of the organization; these may include clients, customers, competitors, labour market, regulatory agencies and scientific communities.

Although environments are fixed, they can change their position, influence and texture and so on; thus, organizations need to respond and this can only occur when there is a shared mental model of impact of the environment upon the organization. Porter had listed out several forces of industry competition which are: 1) the threat of new entrants, 2) the bargaining power of customers and suppliers, and 3) the threat of substitutes among current competitors. While Pearce and Robbinson (2003) stated that the remote environment which consists of external factors such as political, economic, social and technological factors, and dynamics usually disregard the firm's operating conditions shaping the external environment of the organization. Although political and economic conditions are closely linked, they both influence some of the environmental forces that influence the organization. Among the economic factors include taxation, level of government spending, disposable income, inflation, and employment growth rate. Meanwhile, the political factors include government policies / regulations, political trends, taxes and government structures (Otieno, 2012).

Therefore, to achieve environment equilibrium, organizations or institutions should avoid over-exploiting the renewable resources system or environmental sink function, which looks at biodiversity maintenance, atmospheric stability and ecosystem functions (Baharuddin, 2017). The use of environmental metrics will provide a balanced view of the environmental impact of inputs (resource use), output (emissions, effluents, and waste), and products and services (IChemE, 2002). The environmental turbulence will be informed by the operating factors that influence the direction and actions of a firm, its organizational structures and internal processes for the external environment punctuated with the industry environment that is associated with the nature and degree of competition within the industry. Furthermore, in a dynamic environment, the organization should apply novel strategies that are based on decision-making creativity (Jennings, 2004) and are aligned with their source, situation and purpose (Johnson, 2008).

The process of achieving a dynamic environment involves the process of aligning the organizational strategy with the business environment faced by the organization while the overall corporate strategy objective is needed to position the organization to perform its mission effectively and efficiently. Further advances in this argument also add that for an organization to achieve their goals and objectives, they need to adapt to their environment and this can be done by adjusting what the organization has to offer and the market demands (Pierce et al, 1997). Besides that, organizational achievement of superior efficiency, quality, innovation and responsiveness enables them to create superior value and attain competitive advantage (Hill & Jones, 1992). Thus, in order to survive in this dynamic environment, organizations need to formulate strategies to deal with emerging environmental challenges and respond appropriately to the competitive environment so as to remain viable.

Among the three indicators of sustainability, the environmental measures of performance are the most developed and have achieved the highest degree of consensus among experts (Azapagic, 2004) in sustainability research. According to Smith (2012), environmental sustainability requirements and elements should be based on the themes derived from the establishment of standards for environmental management systems, such as ISO 14000 and EMAS (OECD, 2001; Krajnc & Glavič, 2003). As in the context of healthcare institutions, hospitals are institutions where healthcare services are offered in the form of in-patient, out-patient and emergency services (Shariff, Mohtar & Jamaludin, 2018). As the world is continually evolving, it is important for organisations to continuously adjust their activities in order to thrive. Institutions involved in healthcare provision should establish a framework to respond to changes in their environment in order to assess their performance in the sector where the external environment is punctuated by the industry's surroundings (Ansoff, 1980).

2.5.2.3 Social Sustainability Element

In the institutional context, the social sustainability element in the institution refers to the institution’s engagement with its employees, suppliers, contractors, and consumers, as well as its impact on society in general (IChemE, 2002). Generally, societal principles comprise a number of items, including social responsibility, health and safety, ‘polluter pays’ (taxation), and reporting to stakeholders (Lukman et al., 2010). The first important interaction for sustainability in the health program is the bidirectional relationship between population health and the program implemented in the population (Gruen et al., 2008). In the organization or institutional context, social sustainability is about the working environment that includes responsibilities and standards used by the institution. However, the indicators used to analyze social sustainability for institutions or organizations in the healthcare sector are usually selected by identifying the key performance aspects that affect employees, patients, and the community. Positive programs that affect the health of the population are more likely to be sustained (Krajnc & Glavič, 2005), and engagement is more important when its involves institutions or organizations that are established on religious, cultural, and volunteer principles (Jameton & McGuire, 2002).

2.5.3 Measurement for Sustainable Healthcare

An organization's performance measurement is seen as systematic business processes that need to be integrated effectively into the operations of the company's strategic planning (Elkington, 1998). The role of performance measurement itself is to evaluate the efficiency and effectiveness of the company's actions in order to achieve the organization's goals (Neely, 1999) for the short- and long-run. Besides that, the central element of sustainability itself usually relates to continuous benefits, consistent achievement of goals, lasting improvement in positive outcomes, and continued perception of accomplishment (Shediac-Rizkallah & Bone, 1998; Buchanan et al., 2005; Bowman, 2011). Others have characterized sustainability simply as 'heightened issue salience'. The effectiveness of an institution's role will guarantee its sustainability (Goodman & Steckler, 1989). A program can only be considered as effective if it is highly visible in the community and worth to be maintained through the dissemination of information of the activities and early evaluation results (Bracht & Kingsbury, 1990).

Even so, some sustainability researchers have suggested using organizational performance evaluations to measure the level of organizational or institutional sustainability in managing environmental and social aspects during the provision of quality services (Smith, 2012). However, depending only on organizational performance measurement is still not enough to grant an organization the sustainability label. In addition, enterprise efficiency is not necessarily the result of a proper and efficient management (Svirina, Shishonok, Vastchenko, Zalesskaya, Karolik, Miadvedz, & Lisovskaya., 2009). Any organizations that have a good short-term performance evaluation using accounting figures and other annual balance sheet information would not necessarily have met their medium- and long-term sustainability goals (Baumgartner & Ebner, 2010). The current challenges faced by an organization or institution in the economic environment leads to the question of how to identify, manage, and measure the sustainability performance of businesses, organizations, or institutions in order for these entities to keep being relevant and to improve based on sustainability needs (Sebhatu, 2009; Epstein & Roy, 2001; Johnson, 2008; Waddock & Bodwell, 2007; Schaltegger & Wagner, 2006).

Moreover, the element of sustainability is not fixed; it keeps changing (Hubbard, 2006) because it is a continuous measurement that cannot be assessed by performance alone. Its measurement should extend beyond that to include reducing energy use and waste or protecting the ecology through recycling (Epstein & Roy, 2001; Schaltegger & Wagner, 2006). Measuring a sustainable health institution, organization, or program requires a planning and evaluation approach that can guide programmatic and management decisions (Sarriot et al., 2004). The measurement for sustainable organizations or institutions needs to include the assessment of economic and non-economic factors in a quantitative, or at least qualitative, approach (Sebhatu, 2009). However, indicators that cannot be clearly measured, such as non-economic factors, will be challenging and difficult to improve upon; thus, the first step in progressing towards sustainability measurement is the identification of operational indicators (Böhringer & Jochem, 2007). Besides that, the indicators for sustainability measurement should also offer information on the social and environmental conditions of an institution, organization, or program in an easily manageable format (Sarriot et al., 2004).

Since there may be a wide variability in what can or should be sustained by an institution, program, project type, setting, or resources, there is a clear need to develop an operational definition for sustainability before laying the groundwork for sustainability research. Previous studies have followed a similar procedure. For example, some researchers have defined sustainability as a set of processes that take place during the earlier stages of the life cycle of an institution, organization, or project. Such definition may include the decision-making process during initial project planning or adoption, as well as organizational support and financial strategies during implementation (Scheirer & Dearing, 2011). Meanwhile, the American public health literature demonstrates sustainable health as a greater focus on 'institutionalization', which is a more static definition (Shediac-Rizkallah & Bone, 1998; Johnson et al., 2004). The process towards sustainability usually occurs during the earlier phases of the establishment as well as the environmental context that will determine the outcome of sustainability which can be measured through the degree of sustainability, as recommended by Chovav and Weinstein (1997).

However, the process of sustainability needs to be well defined by concluding present challenges in planning research or evaluation on this topic. Without explicit definition, it will influence the outcome variables along with the measure of the hypothesis, resulting in a failure to accumulate or disconfirm findings on the predictors of sustainability (Scheirer & Dearing, 2011). Besides that, sustainability indicators are needed to plan what is to be sustained, how or by whom, and how much and when. These indicators can serve as sustainability objectives that will be monitored. Among the sustainability factors of healthcare institutions, organizations, or programs are the availability of resources, which include staff and financial resources, and determining the sufficient number of resources to implement an activity.

Besides that, an institution that is built based on ‘mutual respect’ with the funding agencies may be more sustainable compared to an institution that is not (Bossert, 1990; Bermejo & Bekui, 1993). This is because the 'participation' approach between the locals and service providers is tailored to the development of the institutions, unlike health project approaches that have short-term objectives and frames and thus are less suitable with community participation (Shea, 1992) or a consensus on how best to serve the society. In general, the short-term horizon of governments and funding agencies due to a crisis mode of operations, short budget cycles, and internal political pressures, has negatively affected the process of sustainability (Bamberger & Cheema, 1990). Institutions are accountable to donor agencies, which demand swift and visible evidence of their investments. These requirements are in conflict with the long-term needs of the recipient communities. Available research has shown that for an institution or organization to be sustained, it needs to receive continuous funding. A health program that receives a grant for three years would not have enough time to achieve institutionalization. Funding should extend to a period of up to five years to enhance institutionalization prospects (Goodman & Steckler, 1989).

The most prominent financial factor in healthcare sustainability is the need for external donor support, since healthcare institutions usually depend on one or two sources of national funding, which are: 1) host country government support, or 2) beneficiary support through cost-recovery mechanisms (Bossert, 1990). Besides that, there has been increased reliance on community financing as a funding source due to the decline of government resources and the global recession of the 1980s (Abel-Smith & Dua, 1988; Gertler & Gaag, 1990). Other than that, trained employees (professional and paraprofessional) are more likely to be sustained than those without. Those who are trained can continue to provide benefits, train others, and form a constituency in support of the institution (Bossert, 1990).

Previous researchers assumed that sustainability is not just a concept or the process of implementation (Shediac-Rizkallah & Bone, 1998), but also a degree that is not necessarily in a steady state. As maintained by Chovav and Weinstein (1997), there are five levels of sustainability, which are: 1) full continuation of the program, 2) partial continuation, 3) implementation of the program in another locale, 4) implementation of the programme in a modified form, and 5) full cessation of the program. In the last two decades, a wide range of methods and initiatives have been developed to measure the different performances of organizations, including principles of sustainability measurement, sustainability accounting, sustainability reporting initiative, and other economic measurements (Smith, 2012). Krajnc and Glavič (2003) suggested a sustainability measurement method that uses a mathematical model to determine the composite sustainability index, which will enable the comparison of sustainability performance between companies in a specific sector. This model was based on Saaty's (1995) Analytic Hierarchy Procedure (AHP) method, which reduces the number of indicators by aggregating them into a composite sustainability development index (ICSD).

Another sustainability assessment method (Ramachandran, 2000) is the Triple Bottom Line (TBL) approach, which is used to measure performance in relation to stakeholders who have both indirect and direct relationships to the firm (Smith, 2012; Hubbard, 2009). Other methodologies include Corporate Sustainability Reporting, Environmental Management System, Corporate Citizenship, Corporate Social Responsibility (CSR), Environmental Health System (EHS), and Sustainable

Environmental Auditing (SEA) (Smith, 2012). The World Business Council for Sustainable Development (WBCSD, 1997), Global Reporting Initiative (GRI, 2002b), ISO, and EMAS standards are also among the sustainability assessment methodologies that have been used in the development of environmental system standards (OECD, 2001).

These management tools for sustainability measurement have been reported to be more proactive than other traditional management systems, providing a more holistic view of economic, environmental, and social aspects (Welford, 1996). However, using numerous sustainability indicators in measuring sustainability performance will only lead to difficulties in making business decisions and comparisons between companies. As such, the use of a composite sustainability development index will help reduce the number of decision making criteria that need to be considered by institutions (Krajnc & Glavič, 2005). Since this research involves social-based institutions, a qualitative approach is hence used as suggested by Krajnc and Glavic (2005) who stated that for some aspects of sustainability, qualitative descriptions may be more appropriate for societal aspects. The main aspects of sustainability that usually reflect the most widely accepted approach to defining sustainability (GRI, 2002b) are the economic, environmental, and societal group of indicators. However, despite all the mentioned measurements, there is still a lack of methodologies that can measure the non-economic aspect especially in the context of sustainability for social-based institutions, relating to the engagement between the social sector and society through philanthropic and volunteerism activities.

2.6 Social-based Healthcare Institution

Social-based healthcare institutions are a part of private healthcare providers established on the social economy objective, which aim to provide healthcare services for all levels of society. This section will discuss the definition of social economy, its institutional type and structure, and how this type of institution can achieve sustainability.

2.6.1 Social Economy Definition

Social economy is known as the third sector, and is commonly synonymous with non-profit activities and voluntarism. Initiatives in this area are, on the one hand, focused on reactions to the mass-production system crisis. On the other hand, they also respond to a burdened welfare state (Moulaert & Ailenei, 2005) which, due to inadequate public funding, cannot meet the needs of the poor (Weerawardena et al., 2010). Social economy can achieve the goals of both sectors through voluntary, non-profit, and cooperative approaches that are formally independent from the state. The market activities of the sector are the means for achieving social development goals that transcend the market demand (Moulaert & Ailenei, 2005).

This third sector of economy represents a wide range of initiatives and organizational forms, that is, a hybridization of market, non-market (redistribution), and non-monetary (reciprocity) economics, showing that "the economy is not limited to the market, but includes principles of redistribution and reciprocity". Under the third sector, organizations are usually guided by the principle of not making profits as the overriding motivation of their activities (Moulaert & Ailenei, 2005; Wolpert & Reiner, 1985). Lévesque, Malo, and

Girard (1999) in Moulaert and Ailenei (2005) conceptualized social economy in the following quote:

> "…there exists a third sector, different from the traditional public general interest serving and the private market sectors that combines: formal and informal elements at the level of organization (market, state, volunteering, self-help and the domestic economy), market and non-market oriented production and valorization of goods and services, monetary and non-monetary resources at the level of funding."

The sector encompasses both the philanthropy economy of private assistance and the economy of public services. It sits in the middle of both sectors and is more known as the solidarity economy among economists (Moulaert & Ailenei, 2005). As for the normative of health economics, the welfare concept is the core to the normative and behavioral assumptions and provides the theoretical basis (Coast, 2004; Mannion & Small, 1999; 2005) where the main focuses are on the societal objectives concerned with the maximization of human health (Coast, 2004). The term social-based healthcare institution in this research is derived from the concept of social economy that has been used in institutional practice since 150 years ago (Moulaert & Ailenei, 2005). The term was derived from the ancient roots of Egyptian corporations, Greek funds for the organization of ritual funerary ceremonies, and Roman colleges of craftsmen (Defourny & Develtere, 1999). However, as Tuckman, Chang and Sonnevi (2006) pointed out, while "mission is the soul of non-profit organizations, money is the facilitating agent that enables them to carry out their work". A constant tension in non-profit organisations is to ensure money making activities do not take priority over mission goals. Tuckman, Chang and Sonnevi (2006) employed the term "mission drift" to describe this tension specifically in relation to non-profit organizations whose income has a large commercial component.

2.6.2 Social-based Healthcare Institution

The social-based healthcare institution, or provider, refers to any healthcare organizations or institutions that focus on the health maximization of the society through the implementation of welfare economics, or non-welfare approaches, to achieve the goal of serving the needs of society (Coast, 2004). Usually, the institution is run and managed by a non-profit organization (NPO), which may be a non-government body (NGO), social enterprise, foundation, or waqf-based institution. In the United States, NPO refers to any entity that is legally prohibited from disbursing profits to its shareholders or managers. This organization can be classified as commercial i.e. earning most of its revenue through operations, or donative i.e. relying primarily on outside sources of funding (Hansmannt, 1980). The purpose of NPO is usually to serve public health and safety, education, charity, the provision of food, clothing and shelter, labor, sports, politics, religion, advocacy, philanthropy, fraternity, business support, and civil rights (Lyons, Wijkstrom & Clary, 1998).

Since social-based healthcare institutions fall under the category of private healthcare provider, it often suffers from broad generalizations and polarizations. It has been described as a flexible, autonomous, innovative, and cost-effective institution, or viewed as a system that is unplanned, duplicated, inefficient, or alternative to the failed public healthcare system (Green, 1987; Roemer, 2013). The structure for all these organizations or institutions may be different, but they share a common aim and objective, which is to serve the community at large in solving, ameliorating, and providing an alternative for unfortunate groups such as the poor and homeless to obtain basic needs such as food, education, and healthcare services (Juni, 1996).

These organizations or institutions usually provide some healthcare services for a specific group, including emergency ambulatory and relief services, rehabilitative services, reproductive health services, Down's syndrome, cancer, autism, thalassemia, intellectual disabilities, cancer and hospice care, community-based psychosocial and rehabilitation center, and even traditional medicine. Among the providers for those services are the Red Crescent Society, St. John's Ambulance, Lion's Club, and Family Planning Association (Juni, 1996). Some of these organizations have been operating for decades, while others nearly or more than a century (Moulaert & Ailenei, 2005). According to Green (1987), in the healthcare sector, there are seven broad groupings of non-state organizations, which are:

1. **Religious organizations:** Health organizations under this category are usually church-related and are recognized as the longest established organization that provides funding. The relationship between health institutions and religious organizations has always implied a religious motive. This motive manifests itself in different ways, depending on religion and denomination. Some organizations perceive health services as a vehicle for proselytization. The healthcare services offered are often multi-dimensional, and involve hospital-based services with outreaching satellite clinics of either a mobile or permanent nature. They are always associated with vertical disease programs and are extensively involved in training their staff.

2. **International (social welfare) NGOs:** Consist of various international NGOs, usually based in developed countries and involved in the provision of healthcare. The

relationship between the central office and the country-based office varies, and so does the scope of activities. The organization is seen as outreaching branches carrying out the central policy (e.g. Oxfam) to those who have an affiliated relationship (e.g. Red Cross and Red Crescent Societies). These NGOs are primarily involved in fund raising activities, rather than direct service provision, and central funding for local branches. Examples of this subgroup are service clubs such as Lions Clubs and Rotary International, which have commonly shared international aims, but local organizations.

3. **Local (social welfare) NGOs:** They deal with broad community development and more specific issues, focusing especially in issues of the locale. Their restricted funding base implies that most of them are unlikely to be involved in the direct provision and management of health and, in particular, hospital care; however, through pressure group activities, they may be highly influential in general policy formulation.

4. **Unions and trade and professional associations:** These organizations have the protection and promotion of their constituents as a primary motive. Their present role within the field of health activities is limited. The present extent and strength of such groups is still generally small.

5. **Other non-profit making organizations:** These organizations provide services outside the public sector, but their access is limited to certain groups or individuals on non-financial grounds. Occupational health services, for example, often have a

substantive input to the overall health sector, and may be regarded as non-profit making in themselves.

6. **Non-profit making (but pre-paid) healthcare:** This sector, comprising organizations modeled on American group healthcare, such as Health Maintenance Organizations (HMOs), is still relatively rare in many developing countries, requiring a minimum concentrated population base with adequate income.

7. **Private sector:** The last group comprises for-profit organizations, which may be locally based, or part of a wider international corporate structure. Though this sector as a whole is presently a major element in the total healthcare system of many developing countries, its main emphasis lies in the area of individual private medical and nursing practices and the provision of drugs, rather than in the organization of hospital care.

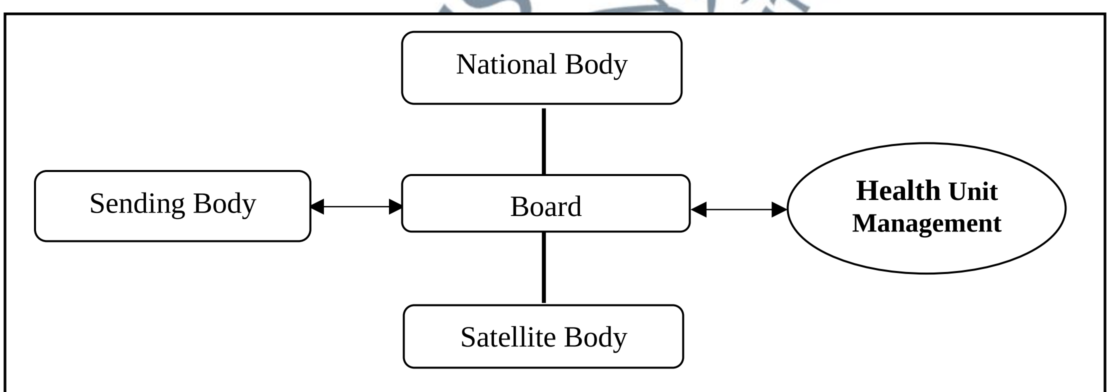
Robinson and White (1997) listed several factors behind the existence of these types of organizations or institutions: 1) the motivation stems from the community members' spontaneous efforts for an organization that aims to create an independent space outside the control of the state, which means escaping from political oppression, to improve their own living conditions, 2) external assistance provided by international church organizations, private voluntary organizations, and official aid donors which boosted the resources available to indigenous non-profit organizations, and 3) the government itself has fostered the growth of the voluntary sector by contracting out public services and by increasing the involvement of churches and non-governmental organizations in official development programmes (Salamon, 1994).

Minow (2003), Goodin (2003) and Hardy and Ballis (2013) reported that religious movements are key players in non-profit sectors such as churches for Christian believers traditionally operating schools, hospitals and aged care facilities. This movement was generally practiced by the pious Protestants as an act of fulfilling their duty to God and not as an opportunity to accumulate wealth where, ultimately, religious movements influenced the development of material culture (Weber, 2001). The author also adds that, among the irrational elements of religion, it has a powerful force in applying psychological motivation to influence action because belief and action do not exist independently of one another. In a world increasingly inclined towards technical and instrumental knowledge, it is forming a unity.

2.6.3 Social-based Institution Sustainability

For a social-based institution, sustainability means being able to survive so that it can continue to serve its constituency; be able to fulfill its commitments to its clients, its patrons, and the community in which it operates, and that the stakeholders can depend and place their trust in its commitment to serve the needy and to deliver on the promise of its mission, in addition to the fulfillment of important societal needs (Weerawardena et al., 2010). An organization is identified as enduring if it has existed for five or more years and be successful in terms of accreditation and peer nomination as charity and service provider (Weerawardena et al., 2010).

A wide range of strategies has been suggested in past literature for sustaining the health sector, such as user charges and community management as reflected in the Bamako Initiative, management reforms, designing of a public health package and strengthening of donor assistance, compulsory health insurance for the workforce, and increasing effectiveness and minimizing the cost of primary healthcare (Olsen, 1998; Abel-Smith, 1992; Knippenberg, 1990). To enhance revenue, some strategies suggested by the past literature include the reduction of costs, increased volunteerism and productivity (Weisbrod, 1998; Cnaan & Goldberg-Glen, 1991; Handy & Srinivasan, 2004), and solicitation of in-kind donations (Snavely & Tracy, 2000). To sustain a social-based healthcare institution or organization, the understanding of the ecosystem is vital. Olsen (1998) has come out with a framework (see Figure 2.6) that highlights the contextual factors for a non-profit healthcare institution or organization, which consists of health unit structure, support functions, some sort of governing board, and other units within the organization.



Source: Olsen, 1998

Figure 2.6: The Organizational System, Private Not-For-Profit Service

In the case of health missions, the foreign or sending body and its representative is needed. Each social-based institution or organization has its own unique structure of establishment and different broad groupings. Thus, some adjustments on the framework is needed (Olsen, 1998) to suit the different organizational environment and establishment context. Besides the type of institution or organization setting, coordination of services or activity profiles, and organizational capacity factors that have been detailed before, another factor that needs to be included is the relationship between healthcare institutions and district or central health authorities or systems. This additional relationship is emphasized in the above framework and by past research to measure the sustainability of either public or private healthcare institutions as a part of the health sector's contextual factors. In the context of this research, it refers to the role of the Ministry of Health which acts as a sufficient capacity provider for coordination and central or district level regulations to achieve optimum integration between private and public providers.

Olsen (1998) also recommended that social-based healthcare institutions consider localization processes that involve multiple approaches to different factors, such as: 1) structural relationship between the organizations involved, 2) transfer of decision-making power, and 3) a sustainable cluster model that will help the healthcare institution or organization to survive. This localization process is an adaptation process for services or products offered by an institution or organization to a specific location or market. According to Olsen, the institutional capacity through ownership and administration is important. He also added three important changes that need to be addressed in considering structural relationships namely financial provisions, the provision of expatriate personnel, and the process of transferring immovable property. While some external agencies may want to take control, the concept of partnership for institutional development and joint action implies that the transfer of power in many cases can and should precede the separation of external resource inputs.

Other than that, similar to for-profit institutions, social-based institutions also need to apply marketing strategy in promoting their operations. Those operating under welfare economic principles need to incorporate non-welfare approaches such as commercializing core healthcare programs to help them achieve their objectives and rely less on donations and grants (Shapiro, 1973; Kotler, 1979; Dees, 1998; Razali, 2015; Zunaidah & Abd Halim, 2016). Funds for social institutions are usually acquired through earned income, governmental support, and private donations (Bryson, Gibbons & Shaye, 2001; Valentinov, 2008). As such, the literature has proposed some strategies that institutions must adopt to gain financial sustainability such as commercially generated revenues (Lyons, Wijkstrom & Clary, 1998), application of business principles in fundraising (Chetkovich & Frumkin, 2003; Dart, 2004; Goerke, 2003), employing relationship marketing (Block, 1998; Money, Money, Downing & Hillenbrand, 2008; Remley, 1996; Selladurai, 1998), identity-based donations (focusing on the salience of the donors' identity within the relationship) (Arnett, German & Hunt, 2003; Callero, 1985; Callero, Howard & Piliavin, 1987; Lee, Piliavin & Call, 1999), and within- and cross-sector strategic alliances (Berger, Cunningham & Drumwright, 2004).

Several strategic responses to deal with competitive challenges have been suggested such as adopting an entrepreneurial posture (Weerawardena & Mort, 2012: Sharir & Lerner, 2006), innovative practices (Weerawardena & Mort, 2012; McDonald, 2007), and market orientation (Padanyi & Gainer, 2002; Liao, Foreman, & Sargeant, 2001; Macedo & Pinho, 2006; Nicholls, 2008; Nicholls & Cho, 2006). In fact, some researchers advocate the need to fundamentally redefine the purpose and mission of social-based institutions, especially for NPOs, to deal with environmental challenges effectively (McDonald, 2007).

However, religion-based organizations traditionally find it hard to adopt basic skills in marketing (Busenitz, McDaniel & Lau, 1991) where current research shows that this organization fails to differentiate between Islamic and western marketing approaches (Arham, 2010; Saeed et al., 2001) despite evidence that the religion factor plays an important role in affecting consumer behavior and marketing practices (Razali, 2015; Saidi, 2009; Angledis & Ibrahim, 2004). Therefore, Varey (2010) suggested replacing capitalism with a system in which responsible and sustainable marketing is endeavored. The economic system should be transformed into a welfare marketing philosophy (Salleh et al., 2014; Varey, 2010), where it is more suitable for the philanthropy concept.

2.7 Waqf-based Healthcare Institutions

Waqf is one of the economic sources in social economy, yet it has its own uniqueness compared to other forms of philanthropy. The differences between waqf and other social-based institutions will be discussed in this subsection, along with the definitions of waqf, waqf in Maqasid Shariah, and waqf-based healthcare institutions and sustainability aspects.

2.7.1 Waqf Definition

Etymologically, the word waqf (وَقف) is derived from the Arabic verb waqafa (وقف), which means to stop, to halt, to cease movement (Al-Ansari, 2013), to hold, to confine, or to prohibit (Kahf, 2003). The Dewan Bahasa dictionary defined waqf as something given for public use or for a purpose related to Islam, which means 'freezing' the property rights for certain benefits associated with that property such as land or building. 'Ceasing' or 'to stop' means 'surrendering' the ownership of the property as a whole to the original owner i.e. Allah SWT (Razali, 2014).

In Shariah terminology, waqf is defined as holding certain property and preserving it for the confined benefits of certain philanthropy, and prohibiting any use or disposition of it outside of that specific objective. This definition relates to non-perishable property of which benefit can be extracted without consuming the property itself (Kahf, 2003). The meaning signifies irrevocable dedication of a portion of one's wealth for the purpose of expending its usufructs to legitimate causes or charitable and righteous ends with the overriding objective of getting closer to God (Mahmud & Shah, 2010). Waqf is a form of wealth submission, where the asset is being held from personal use and the benefit is given to other people or the society according to the wish of the owner of the asset (Rahman, 2009).

When declared as a waqf property, the asset is put under injunction from any form of transaction including sale, inheritance, *hibah* (grant), and *wasiyyah* (will). Its physical source should remain intact and unchanged (Mohd Zakaria et al., 2012) and only the benefits associated with the asset are used for general or specific philanthropic purposes (Rahman, 2009). Although the term waqf itself is not directly mentioned in the Quran, the practice of waqf is synonymous with charity, as waqf is a form of philanthropy that uses fixed assets for charitable purposes (Laldin et al., 2006). Some verses in the Quran, such as verses 265 and 274 of Al-Baqarah and quotes by Aleppan Ḥanafī jurist al-Kāsānī (Al-Ansari, 2013), have described the practice of waqf as a voluntary sadaqa (charity). The two Quranic verses and the Al- Kāsānī's quote are as follows:

وَمَثَلُ الَّذِيْنَ يُنْفِقُوْنَ اَمْوَالَهُمُ ابْتِغَآءَ مَرْضَاتِ اللّٰهِ وَتَثْبِيْتًا مِّنْ اَنْفُسِهِمْ كَمَثَلِ جَنَّةٍۢ بِرَبْوَةٍ اَصَابَهَا
وَابِلٌ فَاٰتَتْ اُكُلَهَا ضِعْفَيْنِۚ فَاِنْ لَّمْ يُصِبْهَا وَابِلٌ فَطَلٌّ ۗوَاللّٰهُ بِمَا تَعْمَلُوْنَ بَصِيْرٌ

> “And the example of those who spend their wealth seeking means to the approval of Allah and assuring [reward for] themselves is like a garden on high ground which is hit by a downpour - so it yields its fruits in double. And [even] if it is not hit by a downpour, then a drizzle [is sufficient]. And Allah, of what you do, is Seeing.”
>
> (Al-Quran. Surah Al-Baqarah 2:265)

اَلَّذِيْنَ يُنْفِقُوْنَ اَمْوَالَهُمْ بِالَّيْلِ وَالنَّهَارِ سِرًّا وَّعَلَانِيَةً فَلَهُمْ اَجْرُهُمْ عِنْدَ رَبِّهِمْۚ وَلَا خَوْفٌ
عَلَيْهِمْ وَلَا هُمْ يَحْزَنُوْنَ

> "Those who spend their wealth [in Allah's way] by night and by day, secretly and publicly - they will have their reward with their Lord. And no fear will there be concerning them, nor will they grieve."
>
> (Al-Quran. Surah Al-Baqarah 2:274)

الوقف صدقة جارية في سبيلا لله تعالى

“Al-Waqf ṣadaqa jāriya fī sabīl Allāh taʿālā”

Islam has encouraged Muslims to be give alms as a way of showing obedience to Allah s.w.t through the verses of Al-Quran, surah Ali Imran 3:92:

لَن تَنَالُواْ ٱلْبِرَّ حَتَّىٰ تُنفِقُواْ مِمَّا تُحِبُّونَۚ وَمَا تُنفِقُواْ مِن شَىْءٍ فَإِنَّ ٱللَّهَ بِهِۦ عَلِيمٌ

> “Never will you attain the good [reward][1] until you spend [in the way of Allah] from that which you love. And whatever you spend - indeed, Allah is Knowing of it.”
>
> (Al-Quran. Surah Ali-Imran 3:92)

Whilst in the verse of Al-Hadid 57:18, one that gives a “loan” to God will receive a reward in multiples:

إِنَّ الْمُصَّدِّقِيْنَ وَالْمُصَّدِّقٰتِ وَاَقْرَضُوا اللّٰهَ قَرْضًا حَسَنًا يُّضٰعَفُ لَهُمْ وَلَهُمْ اَجْرٌ كَرِيْمٌ

"Indeed, the men who practice charity and the women who practice charity and [they who] have loaned Allah a goodly loan - it will be multiplied for them, and they will have a noble reward."

(Al-Quran. Surah Al-Hadid 57:18)

All these verses indicate the necessity of charity, for reward is the centre of the Islamic doctrine and is promised for those who spend in God's path. The metaphoric use of ṣadaqa as a transaction or loan that gains interest motions towards the concept of waqf or continuous charity, which is emphasized in the analogy made between ribā and ṣadaqa (Al-Ansari, 2013) in Al-Baqarah 2:276 below:

يَمْحَقُ اللّٰهُ الرِّبٰوا وَيُرْبِى الصَّدَقٰتِ ۗ وَاللّٰهُ لَا يُحِبُّ كُلَّ كَفَّارٍ اَثِيْمٍ

"Allah destroys interest and gives increase for charities. And Allah does not like every sinning disbeliever."

(Al-Quran. Surah Al-Baqarah 2:276)

Based on the description of the above verses of the Al-Quran, waqf is an act of endowing the ownership of a property in a halal way, and one of the best platforms of giving in order to gain a reward from Allah SWT (*ajran 'adzima*) (Laldin, 2012). Islamic scholars have reported that waqf is a form of motivated charity practiced by Rasullullah s.a.w and was prioritized by the Prophet's companions (Al-Ansari, 2013). Some Muslim scholars agree that although it is not obligatory, waqf is regarded as a mukmilat (perfection) due to its role of fulfilling *daruriyyah* (essential) needs. Among the leading examples by Rasullullah s.a.w in waqf practices was the construction of social infrastructure on the basis of waqf, such as the building of the first mosque (Masjid al-Quba) in Madinah in 622 on a parcel of waqf land endowed by two orphans (Mahmud & Shah, 2010). Additionally, the Prophet also endowed orchards for the needy and the poor (Al-Ansari, 2013).

The majority of jurists regard waqf as a recommended good act (*tabarru' mandub*), as its raison d'etre is contributing to righteous philanthropic causes (*jihat al-birr/ wujuh al-khayr*), as recommended by the Quran and Sunnah. Waqf comprises two types: 1) philanthropic waqf (*khayrn*), which refers to the perpetual dedication of the capital and income of an asset for philanthropic purposes, although later on it will be dedicated to a specific group, and 2) family waqf (*ahli or dhurri*), which refers to the dedication of one's asset in favor of one's self and children, although later it will be dedicated to philanthropic causes (Mahmud & Shah, 2010).

Waqf is an act of voluntary charity bounded by the principles and guidelines of Shariah. Before it can be labelled as such, waqf must fulfil four pillars (rukn), which are: 1) people who give waqf (*waqif*), 2) people who receive waqf (*mawqūf ʿalayh*), 3) endowment (*mauquf*), and 4) pledge (*sighah*) (Razali, 2014; Al-Ansari, 2013). Waqf should be made willingly, and the receiver should be clearly defined or mentioned in the waqf pledge to avoid future problems. Besides that, the endowment should not be bound to a certain period (Laldin, 2012). A trustee (*mutawalli, nazir* or *qayyim*), either an individual or institution, must be appointed to administer and manage the waqf property. For a special waqf, in which the property is intended for a particular purpose, the waqif may appoint himself or his beneficiaries, as appropriate (Razali, 2015). Meanwhile, for a general waqf i.e. endowment without any specific purposes, only the authorities are allowed to appoint a trustee to manage the property (Mohd Daud Bakar, 1999).

2.7.2 Waqf in Maqasid Al-Shariah

The purpose of Shariah is to bring well-being and goodness to humans. Thus, the objectives, or Maqasid, of Islam is to safeguard the interests and needs of people in the world and Hereafter (Laldin et al., 2006). It is a system of ethics and values covering all aspects of life (e.g. personal, social, political, economic, and intellectual) which cannot be separated or isolated from Islam's basic beliefs, values, and objectives, reflecting the holistic view of Islam (Dusuki & Abdullah, 2007). Shariah is the inspired code of God that controls human behavior aimed at liberating man from his own desire to become a true servant of God (Mahmud & Shah, 2010). It contains rules and regulations that determine the lawful and unlawful conduct of Muslims' lives aimed at protecting these benefits and providing facilities for the perfection of human life on earth by regulating the affairs of individuals and communities in life to uphold justice, mercy, wisdom and mutual good in human affairs (Shariff, Mohtar & Jamaludin, 2018).

Maqasid al-Shariah is a composite of two words, which are maqasid and al-Shariah (Mahmud & Shah, 2010). The word maqasid itself is the plural form of the Arabic word maqsad, which means purpose, aim, or objectives of an action (Kamali, 2012). In Islam, this word signifies the purposes of the Shariah, which is the realization of the interests of Allah's servants (*masalih al-ibad*). Meanwhile, the word Shariah represents the total sum of laws and principles that are ordained by Allah and promulgated through His Prophet to mankind (Mahmud & Shah, 2010), obtained from the sources of Al-Quran and the Sunnah. Maqasid al-Shariah represents the objectives and rationales of the Shariah (Dusuki & Bouheraoua, 2011), which relate to all aspects of life including political, social, economic, religion, and cultural (Laldin et al., 2006). Since the objective of divine law itself covers every aspect of human existence, the indicators of education and health are among the important aspects of human development that must be measured to determine the level of well-being (Oladapo & Ab Rahman, 2016). Maşlaḥah is the core of the Maqāsid Shari'ah itself which has been agreed by the majority of Islamic scholars to ensure that peace in society is maintained and that steady and healthy progress is also achieved (Shariff, Mohtar & Jamaludin, 2018). Through Shari'ah, public welfare can be safeguarded, justice upheld and crime or corruption prevented with the aim of eliminating animosity and cultivating friendship, love and kindness amongst human beings (Shariff, Mohtar & Jamaludin, 2018).

Basically, the purposes of Shariah law are to fulfill the happiness of the individual and society, to preserve the law, and to further prosper the world to achieve the highest level of perfection, goodness, progress, and civilization. These objectives are accomplished through the four major Shariah essentials: 1) *Jalb al-Masalih* i.e. achieving importance in life, 2) *Dar al-Mafasid* i.e. rejecting harm arising in society, 3) *Sadd al-Dharar* i.e. preventing bad interests, and 4) *Taghayyur al-Zaman* i.e. acknowledging that needs change as time progresses. Al-Shatibi emphasized in his book, *al-Muwafaqat Fi Usul al-Shariah*, that "in addition to preserving the benefit or human interest in living the world, Shariah also aims to preserve the human interest after their death". Imam al-Ghazali stated that human interests (masalih), which is the underlying objectives of the Shariah, consist of two faces: dini i.e. religious values or human interests in the hereafter and dunyawi i.e. human interests pertaining to this world (Mahmud & Shah, 2010). According to Al-Shatibi, who closely followed al-Gazali's taxonomy, there are three main classifications of maslahah namely necessities (*daruriyyat*), needs (*hajiyyat*), and embellishments (*tahsiniyyat)*. Daruriyyat involves the protection of the basic necessities of society which includes faith, life, intellect, posterity, and wealth. The absence of these elements may lead to the destruction of society. Hajiyyat refers to complementaries that facilitate the necessities in order to avoid hardship, distress, and predicament. Though the non-existence of the elements does not lead to destruction, it would create hardship in people's lives. Finally, tahsiniyyat denotes the interests that lead to the enhancement of manners and mores of the society (Laldin et al., 2006). The absence of tahsiniyyat would neither lead to destruction nor hardship to society (Dasuki & Abdullah, 2007).

As for the concept of Shari'ah compliance in healthcare services, it can be defined as healthcare services offered by healthcare institutions which cater to the needs of Muslim patients and of which must fulfill the specific requirements based on Maqasid al-Shari'a which means the whole "eco-system" of the healthcare institution that consists of its management, services, products and facilities offered and the fulfillment of the religious duties of their staff, patients and visitors according to the Shari'ah principles (Zawawi & Othman, 2018). Therefore, a healthcare institution seeking to achieve Maqasid Shariah must ensure that it has a management team which understands the concepts and requirements of the service and facilities needed to meet the requirements of a Shariah-compliant healthcare center. The establishment of this hospital should begin with a set of guidelines that must be in line with Shari'ah compliance that covers the aspect of quality hospital management processes combined with Islamic financial management systems and management responsibilities entailing the care of hospital facilities, patient care, customer service, human resource and the management of F&B as well as drugs administration (Kamaruzzaman, 2013). In the context of Malaysia, the management of Shariah-compliant hospitals need to meet the standards stipulated under the Malaysian Standard MS

1900:2014 which provides guidelines for a Shariah-based quality management system (Zawawi & Othman, 2018).

Meanwhile, waqf is an act performed by someone to prove his love for good and humankind in general, and the Islamic brotherhood in particular (Laldin et al., 2006). According to Ibn ‘Ashur, waqf is one of the major components of donations (sadaqat), of which *raison d’etre* is to ease the difficulty faced by the destitute and poor, on top of realizing other social objectives that need to be taken care of (Mahmud & Shah, 2010). Waqf is a tool of the Islamic economy to fulfill the Maqasid Shariah. The needs of the community will determine where the waqf property is channeled. As explained by al-Dahlawi, "waqf is among the types of contract of ‘*tabarru*’”, which comes from the word tabarra'a, meaning donation, gift, or charity. In Islamic commercial law, tabarru’ is defined as a unilateral declaration of unilateral intention, which is considered as a contract (Laldin et al., 2006). This characteristic distinguishes waqf from other charity practices. Among the events involving waqf practices during the time of Rasullullah s.a.w and his companions that showed the fulfillment of community needs was the waqf of a date palm by Saidina Umar. This practice is narrated in the following Hadith:

> Umar r.a asked the Prophet, “O Messenger of Allah, I have some land in Khaibar better than any property I ever owned. What do you suggest that I do with it?” The Prophet (SAW) said, “If you like, you can give the land as waqf and give its fruits in charity.”
>
> (Hadith. Al-Bukhari (5/354, no 2737, Muslim (3/1255,no 15/1632)

The hadith shows how Rasullullah s.a.w taught Muslims to generate, transfer, and expand the property that they have (Razali, 2014). Through waqf, the principle of *al-birr* (virtue), which is part of the religion’s teachings, can be achieved by safeguarding the closest people and the poor (Mahmud & Shah, 2010). Waqf holds two economic approaches, which are: 1) the ability of the property to be invested, and 2) the way to use the property through its investment outcome (Razali, 2014). Through waqf, the five daruriyyah (basic necessities) that must be preserved can be achieved, in addition to maintaining hajiyyah (needs) and tahsiniyyah (embellishments) (Laldin et al., 2006). Since the role of waqf in Shariah is to preserve daruriyyat, hajiyyat, and tahsiniyyat, waqf investment, continuous monitoring of waqf assets, and replacement of waqf assets (istibdal) must be prioritized (Dusuki & Abdullah, 2007). Waqf itself encompasses the daruriyyah element of wealth protection (hifz al-mal). This element usually relates to the concept of a comprehensive community treasury covering elements of natural capital, humanity, business, and financial capital (Laldin et al., 2006).

In order to sustain, waqf properties must be preserved. Preservation includes the protection of the asset from harm and destruction, illegal occupation, freedom from corruption, ensuring transparency and accountability, and fulfillment of conditions stipulated in the waqf agreement (Ibrahim & Khan, 2015). Hifz al-mal collectively means the need for people to perform the kifayah trust of preserving, safeguarding, and managing nature in the context of economic and financial development, in line with Shariah goals and requirements. This protection includes the preservation and management of waqf property in accordance with the rules adopted in property management (Laldin et al., 2006). The objectives of waqf preservation itself is to safeguard the perpetuity of waqf by ensuring that the economic activities are sustainable, efficient, economically-viable and profitable, provide equitable distribution of wealth, and contribute to the construction of civilization (AlMubarak, 2016).

2.7.3 Waqf-based Healthcare Institution

The function of waqf as a catalyst and source of funding for socio-economic development has impelled the non-Islamic community to adopt the model, which is later known as endowment, foundation, public trust, public land trust, environmental trust fund, planning estate, or philanthropic organization (Razali, 2014). This type of institutional practice has used the term 'social economy' to evaluate various relevant concepts in analyzing the dynamics of social economics and its contribution, in the attempt to understand social innovation in the contemporary globalized economy and co-concept development since the past 150 years (Moulaert & Ailenei, 2005). History has proven that the institution of waqf acted as a source of funding and had contributed to the socio-economic development during the reign of the Ottoman Caliphate. Through the contribution of waqf, every basic need and infrastructure development for the Muslim community during that time were fulfilled. From the perspective of Maqasid Shariah, the provision of hospital facilities or health centers can be categorized as hajiyyah, which is to achieve the necessity of life-saving (Laldin et al., 2006). Among the remarkable roles of waqf in developing a country is the fulfillment of society's basic needs, as illustrated in the quotation below (Bahaeddin Yediyildiz, 1996):

> "Waqf institutions provided many social services which according to the moderns view of state, had the character of public services. Indeed, constructing infrastructures such as roads, bridges and irrigation system; welfare services such as building hospitals and caring for the poor and needy; educational and cultural services such as opening schools, libraries and universities, providing grants to the students and paying salaries of teachers; religious services such as constructing mosques and paying the salaries of the men of the religion were all undertaken by the waqfs."
>
> (Bahaeddin Yediyildiz, 1996)

The history of waqf-based healthcare services in Muslim societies had begun since the time of Prophet Muhammad SAW. Before hospital buildings existed, the Muslim society had used mobile dispensaries to treat patients. The idea of having a mobile dispensary was taken from the history of the Khandaq battle, where Rasullullah s.a.w ordered the injured Sa'id bin Mu'az to be taken into a separate tent to receive better treatment. Meanwhile, Ummi Rufaidah binti Sa'ad, the first female Muslim nurse, was assigned to take care of patients during the war at that time (Razali, 2015; Jan, 1996). According to Hussain Nagamia (2010), the idea of hospital buildings as a treatment institution for patients only existed after the arrival of Islam. The religion has introduced three types of medical facilities namely mobile dispensaries, hospital building and emergency treatment center. Before the advent of Islam, sanatoria and inns managed by priests were used as treatment centers, while the methods used were prayers and hypnosis (Mohamed, Daud, & Ab Rahman, 2017; Razali, 2014). However, the arrival of Prophet Muhammad SAW changed the traditional treatment process into a modern one, using a scientific system akin to that of the present day (Razali, 2014). Healthcare facilities are part of society development that has been funded by waqf since the glorious era of Islam.

Among the earliest hospitals built on the concept of waqf were the Ghulam Badr Hospital in Baghdad, Baghkami Hospital, built by Amir 'Abd al-Hassan Bagh (Yukham) in Turkey, Ikshidid Hospital in Egypt, built by Turkish Kafur al-Ikhshid, a hospital built by Muizzuddawala ibn Buwayh in Baghdad, Hospital Marakish in North Afrika, Hospital Adudi in Baghdad, Hospital Nuri founded by Raja Nur al-Din Zanji, and Hospital Mansuri founded by al-Mansur ibn Qulawun in Cairo, Egypt (Mohamed, Daud & Ab Rahman, 2017; Al-Ghazal, 2007). Every waqf hospital had its own waqf properties to finance the costs of operations, which included the salaries of the doctors, while the administration of waqf properties was placed under the supervision of a superintendent, a position held by the authorities of the state or the caliph. During that time, waqf hospitals not only provided treatment services to the patients, but also served as a teaching hospital for medical students as well as a place for exchanging scientific knowledge and medical development (Razali, 2015). The hospital served every patient regardless of their socio-economic background. Razali (2015) recorded the condition of the hospital during Sultan al-Mansur ibn Qulawun's (880H/1281M) administration in Cairo, Egypt as follows:

> "This hospital must treat and care for all patients, men or women so that they are fully recovered. Costs incurred by the hospital whether patients come from near or far, locals or outsiders, strong or weak, high or short, rich or poor, employed or unemployed, blind or not blind, sick or insane and educated or illiterate. There is no requirement for consideration and payment; all free. All services are provided only because of Allah, the Most Beneficent."
>
> (Razali, 2015)

The success of waqf hospitals in providing good service to all segments of society, regardless of their socio-economic backgrounds, had encouraged each member of the society to endow his or her property for hospital facilities. From the waqf activities, the administration of the hospital had successfully earned 1 million dirhams in income (Razali, 2015). This example shows that the existence and glory of waqf hospitals in Islamic history were driven by the support and stability of waqf institutions, where the fund was used to carry out humanitarian projects to help reduce the burden of the society (Mohamed, Daud, & Ab Rahman, 2017). The authors also stated that some Islamic historians that have recorded and discussed about the contribution of waqf in funding healthcare services and their contribution to society during that era are Sharif Kaf al-Ghazal, Salim Ayduz, Husain

F. Nagamia, Nurdeen Deuraseh, Ali Celik, Omur Elicioglu, Syed Ibrahim, and Omer Duzbakar. Waqf-based healthcare during that time not only provided free healthcare services for the society, covered maintenance and hospital expenses, and gave a small stipend to the patients, but was also capable in producing medical experts. At that time, waqf hospitals served as a teaching hospital for medical students, and as a medium for the exchange of scientific knowledge and medical development. These functions were documented by Hussain Nagamia (1992) in Razali (2015):

> "All the hospitals in Islamic lands were financed from the revenues of pious bequest called waqf. Wealthy men, and especially rulers, donated property as endowments, whose revenue went towards building and maintaining the institution. The property could consist of shops, mills, caravanserais, or even entire villages. The income from an endowment would pay for maintenance and running costs of the hospital, and sometimes would supply a small stipend to the patient upon dismissal. Part of the state budget also went towards the maintenance of a hospital. The services of the hospital were to be free, though individual physicians might charge fees."
>
> (Razali, 2015)

The success of waqf hospitals was driven by a number of critical success factors. These determinants included the professional management, which can be seen in resources allocation. Fully-utilizing waqf assets, the hospitals were able to generate income to fund the costs of healthcare and avoid wastage and negligence of the asset (Mohammad Alias, Muhammad Shamsir Mohd Aris & Mohd Yunus Abdullah, 2015; Farhat Nazirul Mubin, 2015).

2.7.4 Waqf Institution Sustainability

Since the lexical definition of waqf is to hold, and the endowment continues perpetually, waqf inherently demands the element of sustainability. As described by Islamic law, waqf is a special type of sadaqah in which profit will be generated from a donated asset (Babacan, 2011; Ali, Rahman, Ahmad, & Mahdzan, 2015). It is categorized as a voluntary charity characterized by perpetuity (Sadeq, 2002). Besides perpetuity, waqf also holds the characteristics of benefit repeatability, voluntarism, permanence, non-perishable property, and irrevocable dedication of a portion of one's wealth (cash or in kind) to Allah SWT (Mohd Zakaria et al., 2012).

Perpetuity, irrevocability, and inalienability are the three distinctive features that make waqf a unique method compared to other types of philanthropy. The asset held for waqf could not be disposed of and terminated by the shareholders, as Shariah prohibits the disposal of Waqf assets through either sale or transfer of ownership (M.Salleh et al., 2014). Even though the original purpose of waqf is gone, the benefits of the waqf property can still be used for other charitable purposes, and the property remains in the domain of the waqf (Dafterdar, 2011). Waqf has been institutionalized since the early 8th century. However, before the institutionalization, it served as a private endowment between two entities i.e. the endower and the beneficiary (Al-Ansari, 2013). However, the majority of Islamic scholars agree that the establishment of waqf institutions has been developed and practiced since the time of the Prophet. Among the first waqf institutions that existed at that time was the Quba Mosque, which was constructed in 662 (Razali, 2014).

The arrival of Islam has brought changes to endowment institutions in that they have become more systematic. For example, in 736, these institutions were registered and administered under a specific department (Tawba Ibn Namir's dīwān) and overseen by a qāḍī (judge). Waqf affairs were centralized under the government or *qāḍī* (judge), who was appointed as the administrator of waqf institutions. This new system contrasted the old one, in which waqf property was placed under the supervision of private individuals (Lev, 2005; Al-Ghazal, 2007). Since then, many dīwān (department of waqf) were established, administrated by judges. These departments existed across the Muslim world, such as in Iraq, Syria, Ḥijāz, and Egypt (Al-Ansari, 2013).

Waqf's systematic management and administration system during the glorious Islamic civilization had made waqf as the best economic tool to ensure socio-economic and environmental security, besides acting as a driver in contextualizing the notion of social welfare by highlighting value-based organizations (Yayla, 2011). According to M.Salleh et al. (2014), the waqf system has six advantages, which are: 1) integrating the property into amal jariyah (good deeds that are rewarded perpetually), ensuring that the endower keeps receiving rewards even after his death through the benefits given by the waqf property and the prayers from the beneficiaries, 2) advancing the well-being of Muslim societies through the good deeds in the service of Allah (fi sabilillah), 3) reducing government expenditure and costs (for any public infrastructure funded by waqf), 4) helping to promote a healthier national economy with more effective wealth-distribution system, 5) promoting the spirit of voluntary contributions, which will reduce tax burden, and 6) promoting a cross-contribution of waqf and the development of social networks that are driven by welfare and well-being goals.

Besides that, waqf also acts as an institutionalized pooling akin to the concept of Islamic solidarity (takaful), where its role is to distribute private resources with the goals of building capacity, sustainable financing, and expertise for long term socio-economic benefits (Chepkwony, 2008). Unfortunately, the traditional waqf management that is still practiced by some current waqf institutions is less prominent and could not be sustained

(M.Salleh et al., 2014). These traditional waqf-based institutions do not invest; hence, they are unable to create wealth, causing the waqf assets to deplete (Çizakça, 2011).

Waqf had become less prominent and sustainable as a result of the British occupation, during which many waqf assets were taken over by the colonial government. This situation had led to moral decline in the mutawalli's role, leading to the mismanagement of waqf lands. Noor, Ali, Abdullah and Tahir (2014) explained that during the time, many waqf assets and properties were occupied illegally; most assets had been neglected, misused, and even lost. As such, Omar Abdullah (2000) proposed that Islamic institutions should be administrated through institutional innovation (ijtihad) and governance transformation in order to sustain. Waqf-based institutions today need to have a transformative service, which offers revolutionary, innovative actions or methods that offer sustainable values in the form of equitable solutions to the society's pressing needs through value co-creation services (M.Salleh et al., 2014). Cajee (2007) also stressed that the mutawalli should implement good governance practices because of its potential to be a critical success factor in revitalizing waqf-based institutions. The management of waqf should be guided by a Code of Conduct, or at least a Code of Ethics, to enhance the management's accountability, to offer a better understanding to waqf administrators of the scope of work and waqf principles, to work more effectively in the shuratic (consultative) process, and for the mutawalli to act with integrity in managing the property of waqf (Masruki & Shafii, 2013).

It is important for waqf management schemes to have a governing body, which refers to a council, board of directors, and board of trustee to oversee its collection, wealth-creation, and income redistribution processes, in addition to transforming its management system into a better and more effective management procedure and operational structure

(M.Salleh et al., 2014). To ensure the organization or institution's sustainability in the market environment, the business entity is also urged to change its practice from emphasizing on consumer sovereignty in 'transactional' marketing paradigm into a well-being marketing philosophy. Waqf managers' ethics and responsibilities go beyond that towards their shareholder and owners (Sirgy, 2008). It is due to the principle of marketing itself, as a management function, that connects an organization with its external environment which covers the relationship with the existing and future customers, source of financing, and other institutions (Razali, 2015; Lovelock & Weinberg, 1984).

Thus, to ensure the sustainability of waqf institutions, it is not enough to rely solely on the three distinctive features of waqf which are perpetuity, irrevocability, and inalienability. On top of the Shariah prohibition of the disposal of waqf assets through either sale or transfer of ownership and enforcement towards the existing laws, the waqf institution itself must change its marketing strategy and management system towards more effective and efficient management procedures by implementing good governance practices. Furthermore, the implementation of a good management and marketing system is more important for non-profit organizations, especially for philanthropic institutions such as waqf as it will help this type of organization to manage its resources, produce a better output, minimize pressure (Herron, 1997), and produce effectiveness and efficiency in its management (Razali, 2015). Waqf-based institutions should be managed with the concept of tawhid based on the principles taught in the Al-Quran and Prophetic narrations which emphasize four criteria namely the spiritual, ethics, realistic, and humanity (Sula & Kartajay, 2006) which are the main principles of Islam (Rice, 1999).

2.8 Theoritical Underpinings

This subsection discusses the relevant theories that would serve as building blocks for the research (Merriam, 2016). As with most qualitative research, the purpose of underpinning theories is not to predict the outcome, but to identify current boundaries and knowledge. Theories also act as a guide during data collection and data analysis, especially when interpreting the meaning of the collected data (Nur Sa'adah, 2016). Most qualitative studies on the sustainability of institutions, organizations, or programs, especially those in the field of healthcare seldom discuss the underpinning theories. This is because the studies have a narrow conceptualization of sustainability (i.e., routinization or institutionalization) and rarely present existing theories for sustainability research (Scheirer & Dearing, 2011; Shediac-Rizkallah & Bone, 1998). To guide this research, the institutional theory (IT), stakeholder theory (SHT) and leadership theory (LST) were adopted.

2.8.1 Institutional Theory

The institutional theory was adopted for this research as it is consistent with the role of institutions as a tool for implementing the sustainability development agenda. Chapters 8 and 38 of Agenda 21 directly mention the institutional aspects of sustainable development. Additionally, other chapters assigned clear tasks to institutions, such as the establishment of organizations to promote sustainable development (Pfahl, 2005). Oxford Dictionary defines institution as "an organization founded for a religious, educational, professional, or social purpose", distinguishing it from the meaning of other organizations. Hospital itself is defined as a healthcare institution that provides medical care and treatment to people. Overall, this theory deals with how the organizational structure receives acceptance from the community (Tilling, 2004). The social world comprises institutions with rules and practices that will shape the action and structure of organizations (Meyer & Rowan, 1977). In other words, these institutions adhere and adapt to social order and rarely deviate from "norms" (Nur Sa'adah, 2016). Therefore, the theory suggests that organizations form their structure due to cultural factors, for example isomorphism, the tendency of institutions to resemble each other caused by a constraining process (Clegg, Kornberger & Pitsis, 2015).

Studies on institutional forms are necessary as they will shape human-action frameworks that guide individual behavior in different contexts, combine individual behavior with community-oriented values, and lead social and political societies (Parsons, 1978). From a social sciences perspective, a broad understanding of institutions is particularly relevant as it facilitates better analysis of how formal and informal regulations contribute to the coordination of social and political relations (Ostrom, 2009). North (1991) illustrated the difference between an institution and organization: "If institutions are the rules of the game, organizations are the players who play the game according to the rules". An organization is generally defined as entities with legitimate personalities and staff who, on their behalf, enforce organizational rules and implement its goals. While for the institution, its not limited to the functions of the organization, especially in the context of where the term "institution" is established (Pfahl, 2005). The role of institutions in society itself is to help individuals to make decisions in everyday life by offering orientation when interpreting other people's actions and determining the role of a person in a particular social context.

Institutions exist in various political settings to perform various public tasks that usually appear to be associated with differences in individual behavior and decision making. Only through social activity will institutions become effective, normative, quasi-automatic, permanent, and predictable as the institution is said to be an indicator of change: as the collective effort to transform, renew, or leave institutions (North, 1991). A change in value or identity will force the institution to change and act forever as an intermediary element that coordinates human action. In order to sustain, institutions must conform to the rules and belief systems prevailing in the environment because institutional isomorphism, both structural and procedural, will earn the organization legitimacy (Dacin, 1997; DiMaggio & Powell, 1983; Meyer & Rowan, 1977). Thus a sustainable institution refers to the activities of a particular institution that facilitate decision making and implementation of sustainability policies. Institutional sustainability must be evaluated as a basis to build public support towards the institutions, which is described as a cyclical relationship to protect and enhance public and private assets of the institutions and institutional development (Pfahl, 2005).

This cyclical relationship can be described as a social engagement between the institution and its eco-system especially with its stakeholder. The concept of togetherness has become a priority in dealing with societal moral values and communal involvement, especially in supporting social welfare within the prioritized society (Norazita Marina Abdul Aziz, 2016; Moore & Gino, 2013; Narvaez & Lapsley, 2009; Halpern, 2001). Besides that, institutions must also shape and respond to major changes that will unfold over the next 50 years: urbanization, technological innovation, economic growth, shifting social values, changing scarcities of environmental and natural assets, and stronger linkages among nations (World Bank, 2003). Institutional strength is defined as institutions that are well-integrated, have strong leadership, and of which goal structures are consistent with their project goals (Shediac-Rizkallah & Bone, 1998). Thus, to fulfill these expectations, institutions must identify specific needs and problems at an early stage by integrating citizens in information generation, initiating a feedback process to decision makers, and fostering a permanent learning process. The relationship between the institution and its peers is not one-way. Only high quality institutions—those that are able to pick up signals related to change, balance interests, and effectively implement decisions—can contribute to economic growth and sustain (Pfahl, 2005)

2.8.2 Stakeholder Theory

The Stakeholder Theory (SHT) defines stakeholder as "any person or group who may make a claim on the attention, resources, or output of an organization, or which may be affected by the organization". It describes any person or group who may have an impact on the structure and operations of institutions (Vantilborgh & Van Puyvelde, 2018). This theory indirectly emphasizes the accountability of organizations towards various stakeholders in society (Hung, 1998). From the Islamic perspective, SHT focuses on the role of institutions in the economic system, which is to maximize the well-being of all stakeholders rather than shareholder returns, as stakeholder management leads to improved financial performance (Vantilborgh & Van Puyvelde, 2018).

Heath and Norman (2004) proposed that SHT could be divided into two categories. The first is explanatory SHT, which refers to the theory that describes and explains how companies or institutions and their managers act: "Managing stakeholder relationships, rather than to manage input and output, can provide an adequate model for understanding what the company or institution is doing…”. The second is strategic SHT, which refers to the theory of how to allocate resources efficiently and manage stakeholder relationships, which will lead to a positive outcome for the institution. Through this theory, it helps organizations to focus on various stakeholders to whom they are accountable (Beekun & Badawi, 2005; Phillips, 2003) and on whom their success and sustainability depend (Beekun & Badawi, 2005; Phillips, 2003; Freeman, 1994) such as the employees, management, owners/financiers, customers, suppliers, and the public, as equitable (Freeman & McVea, 2001).

From an Islamic perspective, SHT is seen as congruent with the views of Freeman and McVea (2001) and Goodpaster (1991) which also recognize the right of the firm owners/financiers to make a profit as well as the firm’s multi-fiduciary responsibilities towards its stakeholders, even though it may not supposedly be equal. A fiduciary relationship emphasizes on the manager's act in performing its primary obligation or duty which is the duty of loyalty and care for the benefit of the stakeholders. The relationship between the firm or institution towards its stakeholders can be described as *arham* from the Islamic perspective. *Arham* is a family-community value which refers to the social networks from family to neighborhood and the global human community at large (al-Jayyousi, 2012; Dariah, 2016). SHT from the Islamic perspective is an attempt towards broadening the perception that a firm does not serve only one dominant interest; rather, firms are required to meet the interests and demands of multiple parties to ensure their reputation, which in turn ensures competitive advantage in the market and ultimately long-term profitability and sustainability (Dusuki, 2008).

Stakeholders may entail suppliers, trade associations, customers, and so forth. The owners/financiers and employees (including management) form the most prioritized group of stakeholders, while the least prioritized group includes all external parties. For non-profit organizations, their donors and clients are also included as external stakeholders (Vantilborgh & Van Puyvelde, 2018). These external stakeholders include funders, beneficiaries, and suppliers. Funders and beneficiaries will jointly support the organization, and the benefits generated by the organization will be channeled back towards public welfare (Van Puyvelde et al., 2011). Ben-Ner and Van Hoomissen (1991) also argued that some stakeholders have the ability to influence the objective of a non-profit organization in which they have an interest. Stakeholder control can correct market and government failures and satisfy consumer demand. This type of stakeholder relationship can also be modeled as a principal-agent relationship (Hill & Jones, 1992). They concluded that most non-profit organizations will be formed only if stakeholders can exercise control over the organization and ensure that it performs according to their needs within economic feasibility constrains (Vantilborgh & Van Puyvelde, 2018).

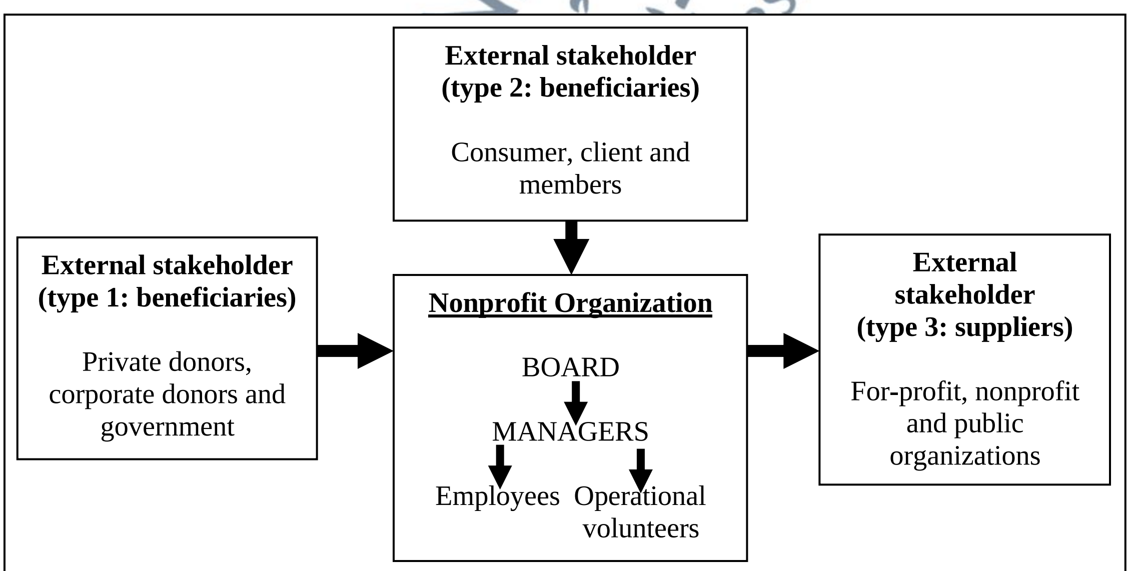
In SHT, managers act as the agents for all stakeholders (Hill & Jones, 1992). Since the organization must be managed in the interests of all stakeholders whether internal, external, or interface (Savage, Nix, Whitehead & Blair, 1991; Vantilborgh & Van Puyvelde, 2018), addressing the needs and rights of all stakeholders is a useful way for developing the socially-responsible behavior of managers (Dusuki, 2008; Maignan & Ferrell, 2004). The theory also questions the managerial capitalism concept i.e. that managers work to achieve stockholders' interests in exchange for control of the business. On the other hand, Islam suggests for the manager to act as a trustee, which is considered an act of worship or *ibadah*. Indeed, the act of worship in Islam is all-inclusive (Beekun & Badawi, 2005; Al-Faruqi, 1992). Furthermore, guided by a proper relationship with God, one's daily interactions and transactions would be inspired by the values of truthfulness, firmness, fairness, respect for the law, kindness, forbearance, tolerance, and uprightness instead of deceit, haughtiness, class consciousness, ostentation, insubordination, envy, jealousy, backbiting, and self-aggrandizement (Dusuki, 2008; Hasan, 2002).

Islam explicitly asserts that the introduction of moral reasoning may contribute to an organization's effectiveness rather than undermine it. The emphasis upon man's role as God's trustee and upon work as worship form Islam's stakeholder approach to business, which itself is anchored in a multidimensional Islamic ethical system. Several criteria are of relevance when examining the Islamic ethical system from the stakeholders' perspective: justice and balance, trust, and benevolence. Justice as described by *'adl* and *qist* means maintaining the balance between the needs of the body, mind, and soul while providing everyone and everything their due. Islam's approach to the stakeholders' perspective can be easily seen in how the firm relates to its primary stakeholders (shareholders/owners and employees) and its derivative stakeholders (suppliers, buyers/customers, debtors, competitors, and the natural environment). Table 2.3 summarizes the relationship between a firm and its key stakeholders according to Islam as stated by Beekun and Badawi (2005) while Figure 2.7 illustrates the principal-agent relationship between the institution and its various stakeholder.

Table 2.3: Islam's Emphasize on Key Ethical Issues by Stakeholder

Relationship	**Stakeholder(s)**	**Issues**
Relationship of the firm to its stakeholders	Shareholders	Safeguarding and fructifying the investments; transparent and ethical business transactions in permissible (halal) business ventures
Relationship of the firm to its employees	Employees	Hiring and firing; emphasis on competence and fair working conditions; rejection of sexism; wages and working condition; privacy
Relationship of employees to the firm	Firm	Conflicts of interest; secrecy; honesty; skills training and qualifications
Relationship of the firm to derivative stakeholders	Suppliers	Cost of inputs; transparent production process; provision of halal products/services
	Buyers	Hoarding and price manipulation; quantity and quality of goods sold; selling strategy; use of riba in financing sales
	Debtors	Repayment terms
	Competitors	Fair competition
	The Environment	Use does not imply abuse; stewardship

(Source: Beekun & Badawi, 2005)



(Source: Van Puyvelde, Caers, Du Bois, & Jegers, 2012).

Figure 2.7: Non-Profit Principal-Agent Relationship

2.8.3 Leadership Theory

Leadership is a complex phenomenon that involves leaders, followers, and situations. It has various perspectives and definitions (Bass & Stogdill, 1990; Hoy, Miskel, Nelson & Tulloh, 1996; Deanne & Hartog, 2001; Stout-Stewart, 2005). Its aim is to engage in a systematic process to create a condition that enables the team to be effective (Varela, 2013; Ginnett, 1996). It is a vital process as it involves relationships and exchanges between leaders and followers (Northouse, 2010). It is a dynamic process based on mutual influence and shared goals with the intention of change (Fitzpatrick & Collins-Sussman, 2012). Therefore, to understand the meaning of leadership, only followers have the right to determine it (Meindl, 1995) because leadership cannot exist without them (Hollander, 1993; Kellerman, 2008). It does not only involve for-profit and public sector organizations, but also non-profit organizations (Gina Grandy, 2012; Ronquillo, 2011).

Although both the Western and Islamic perspectives agree that leadership is a process of interaction between leaders, followers, and situations (Jabnoun, 1994), there are still differences between the two. Western leadership theory views leadership as focusing on more individualistic goals by separating aspects of leadership into individual and professional lives. The Islamic leadership perspective, while also focusing on the same purpose, requires heavy focus on the community, encompassing both social and psychological contracts that represent trust (*amanah*). It focuses on doing good deeds for Allah, the Muslim community, and humanity (Kader, 1973), and links the relationship between leaders and followers with the Hereafter in accordance with the obligations set forth by the Quran and the Sunnah. In Islam, there is no distinction between these leaders and followers; it lays down the rules of human conduct that encompasses all spheres of human life, as stated by Iqbal and Sheikh (2001):

> “.....Religion is not a departmental affair. It is neither mere thought, nor feeling, nor action but it is an expression of the whole man...."

As a whole, this leadership theory, which perceives leadership as a process, is about how to influence an organized group towards accomplishing its shared goals (Varela, 2013; Williams, 2011) and motivating people-driven actions in a planned fashion for the purpose of accomplishing the leader’s plan (Crosby, 1996). Kay (1996) conceptualized leadership as a process of creating and sustaining meanings in negotiation with, and influenced by, others and a “sense-making” process involving “a multi-dimensional process of social interaction, creating and sustaining acceptable meanings of issues, events and actions”. This process of “sense-making” around shared understandings and meanings involves vision setting, interpretation and take-up, and influence and credibility. Gemmil and Oakley (1992) defined leadership as:

> ‘........a social process of dynamic collaboration, where individuals and organisation members authorize themselves and others to interact in ways that experiment with new forms of intellectual and social meaning....’

Islamic teaching adds that leadership represents a psychological contract between a leader and his followers, thus entailing the process of inspiring and coaching voluntary followers and dialogue to fulfill a clear shared vision (Altalib, 1993; Chowdhury, 2002) and success (Varela, 2013; Jabnoun & Rasasi, 2005). In the leadership process, leaders will do their best to guide their followers, protect them, and treat them justly (Beekun & Badawi, 1999; Ahmad & Ogunsola, 2011). Both leaders and followers in Islam surrender to the same Shariah obligations. These obligations guide them towards respectable moral activities and a process of communication that aim to strengthen their relationship and establish a strong sense of togetherness in order to achieve organizational objectives. They will be motivated through Shariah and are thus constantly in the act of *ibadah*. However, leaders in Islam are not free to act as he chooses, nor does he submit to the wishes of any group. He must act only to implement Allah's laws on earth, as the Quran says:

وَجَعَلْنٰهُمْ اَىِٕمَّةً يَّهْدُوْنَ بِاَمْرِنَا وَاَوْحَيْنَآ اِلَيْهِمْ فِعْلَ الْخَيْرٰتِ وَاِقَامَ الصَّلٰوةِ وَاِيْتَاۤءَ الزَّكٰوةِۚ وَكَانُوْا لَنَا عٰبِدِيْنَ

> "And We made them leaders guiding men by Our command and We sent inspiration to do good deeds, to establish regular prayers, and to practice regular charity; and they constantly served us only"
>
> (Al-Qur'an. Al-'Anbyā' 21:73)

Leadership is an important ingredient and enabler to assist the management in ensuring continuous improvements in an organization (Mawdudi, 1984). There are different kinds of leadership styles, depending on organizational situations (Varela, 2013). The Western leadership concept emphasizes such attributes as experience, expertise, and decision-making skills to achieve tasks and goals and fulfill self-interest. However, it does not focus on the values and ethics of the leader (Abbasi et al., 2010). In the context of non-profit organizations, leaders will lead a group of unpaid followers (volunteers), an extremely valuable human resource within such organizations, who regularly work alongside paid employees (Varela, 2013; Worth, 2009). Leadership in non-profits is particularly complex because it requires a diverse range of skills and abilities, including a high tolerance for ambiguity, advocacy, fundraising and grant writing, financial management, and managing and motivating employees (Carlson & Schneiter, 2011;

Hoefer, 2011). Many current Western theories of leadership are derived from an individual level of analysis and follow the psychological approach to leadership (Schedlitzli & Edwards, 2014). The success and nature of Western leadership has been treated as a top-down influence process, which describes how leaders change their followers' vision and values to achieve a predefined goal.

In the leadership model of third sector organizations, the manager leads upwards (managing governance), downwards (harnessing resources and running an organization effectively), and outwards (representing the organization) (Kirchner, 2007). Its relationship building is associated with the "social collective" (Dobbs, 2004). This is similar to the Islamic leadership concept, which emphasizes the community and humankind. Additionally, non-profit organizations are value-based organizations that require leaders who are able to maintain the tradition (mission) while balancing the need for innovation (Farruggia, 2011; Hoefer, 2011; Miller, 2002; Murphy, 2011). Since power is very widespread in non-profit organizations, leaders must strive to manage the interests of many stakeholders (Collins, 2005; Moore, 2002; Van Brackle, 2011).

Western theories are classified according to their focus on either the leader or followers (Rost, 1991), and they entirely focus on worldly actions. On the other hand, the Islamic leadership perspective places more emphasis on the hereafter. Nonetheless, both perspectives use a theory (*aqly* component) that emphasizes situation, effectiveness, and leader-follower interactions, which provide a framework for discussing, organizing, and analyzing leadership (Rost, 1991; Jabnoun, 1994; Beekun & Badawi, 1999). According to Parry (2004), the four aspects of the social process of leadership are optimizing, resolving uncertainty, enhancing adaptability, and promulgating a vision. In this regard, leadership in the context of organizational improvement and change becomes a collective, rather than an individual, responsibility (Hodges, 2016; Raelin, 2015). It is the interactions between the leaders and their followers that matter, not what each individual does (Howieson & Hodges, 2014).

Focusing on the "social collective" relationship is important in measuring the performance of non-profit organizations because it evaluates whether their activities produce positive impact to the society. Non-profit organizations are expected to benefit their stakeholders and society. Therefore, they must ensure that the donors' contributions are spent effectively to enhance donor satisfaction and confidence (Polonsky & Grau, 2011). Leadership should be the mainstay of a non-profit organization, commanding substantial authority and assuming primary responsibility to ensure its success (Herman & Heimovics, 1990). These strategic leaders must be able to develop the vision, mission, strategy, and culture of the organization. Above all, they should monitor progress and changes in the environment to ensure that the strategy is focused, relevant, and valid. Empirical research findings have shown that strategic leadership guides organizations to generate strategic goals and missions that have succeeded in improving organizational performance (Gill, 2011; Goffee & Jones, 2006).

The objectives of the organization can only be achieved through strategic leadership. Organizational leaders must have the ability to create and recreate reasons for the organization's continued existence (Herman & Heimovics, 1990). However, since non-profit organizations are relatively small, its leadership is personally involved in virtually all aspects of the organization, from strategic planning to employee supervision (Kearns, Livingston, Scherer & McShane, 2015; Riggio & Orr, 2004; Dargie, 1998). Leaders of non-profit organizations should also focus on the creation and delivery of public value, besides providing general support to the organization (Moore, 2000), considering that their missions are often ambiguous and contradictory, and the organizations generally do not have sufficient resources (Behn, 1998). Hopkins (2010) said:

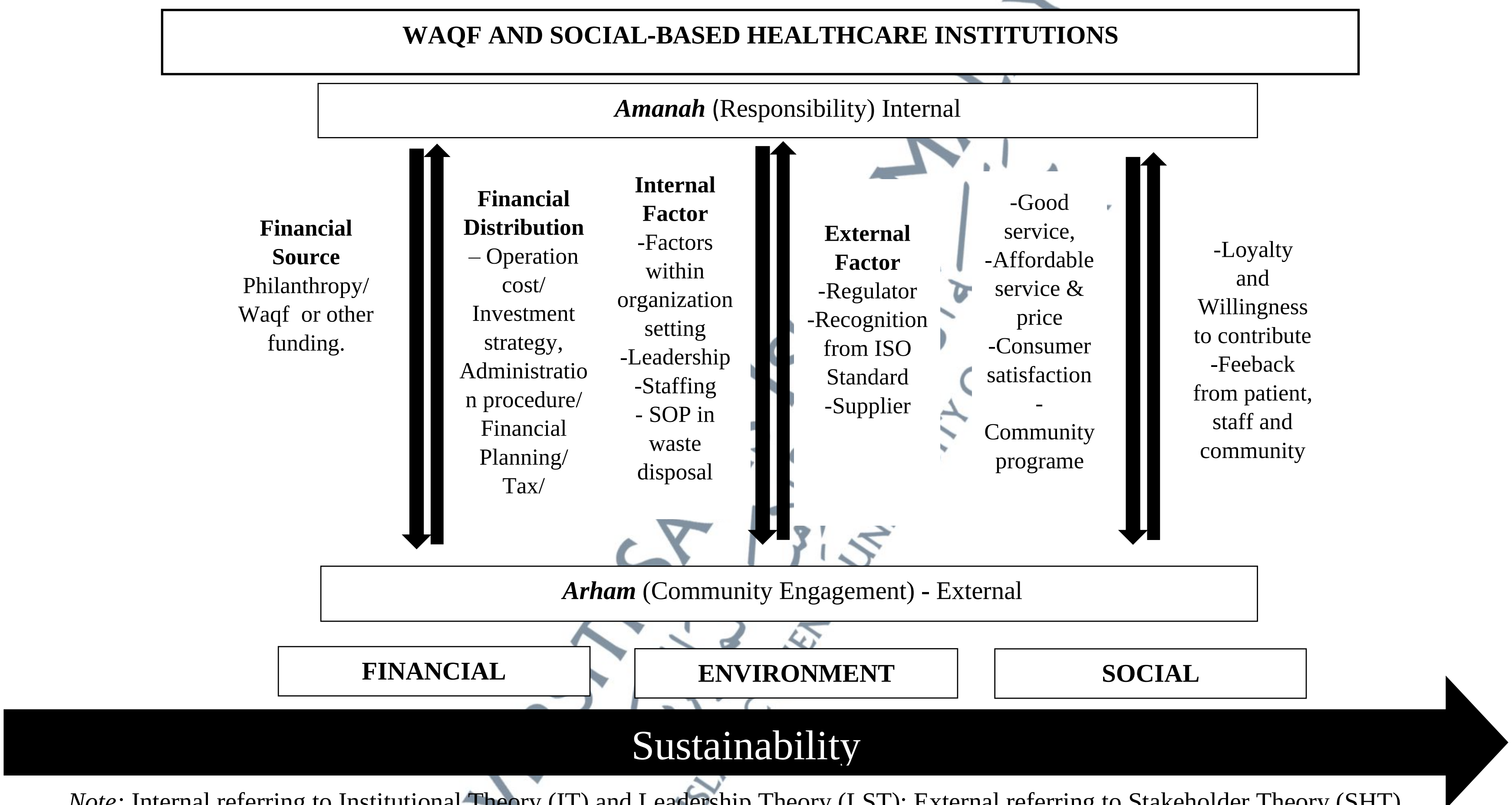
> "…Good leadership is vital given the complex and dynamic third sector environment. While many of the qualities required of leaders in the third sector are similar to those leading in other sectors, there are distinct skills and behaviours needed to be successful in the sector as a result of its multiple stakeholder relationships and challenges that are qualitatively different from the public and private sectors"
>
> (Hopkins, 2010)

Leaders in non-profit organizations also need to influence the governance of the organization through their partnership with the board of directors and their special relationship with the chair and other leaders of the board (Heimovics & Herman, 1989; Herman a& Renz, 1998). They must constantly diagnose the needs and motivations of their followers and accordingly adjust their leadership styles (Kearns, Livingston, Scherer & McShane, 2015; Hershey & Blanchard, 1977; Myers et al., 1998; Perry et al., 2006). The leadership literature has listed several qualities of a good non-profit organization leader: positive vision, inspiring core values, emotional intelligence, courageous, engaging and inclusive leadership style (Bilimoria & Godwin, 2005), integrative and speculative thinking, driven and persistent, strong value-base, focused, wide networking (Chambers & Edwards-Stuart, 2007), passionate, having a strategic perspective, wide networking and influence, humble, team motivating, resilient, self-confident, visionary and inspirational communicator, and involving others in decision-making (Cormack & Stanton, 2003). Kakabadse and Kakabadse (2008) asserted that a board chair must embody trust and integrity for the success of the board, while Carver (2011) opined that a successful leader must demonstrate strong values like integrity.

Being an effective leader will help them to build trust and, if they are truly transformational leaders, help the organization to continuously adapt to changes (Bennis & Nanus, 1985). According to Metcalf and Benn (2012), to achieve sustainability, leaders must recognize that organizations operate in a wider complex adaptive system that interconnects the dynamic environmental, economic, and social systems within which businesses are embedded as agents. They also argue that leaders have an interpretive role in the complex adaptive system. Essentially, leaders and leadership are likely to be the element of the organization that "makes or breaks" its adaptivity to the complex adaptive system that surrounds and interacts with it. This means that the internal strengths of an organization are important to successful strategy. History and experience of the competitive environment helps to shape the organization itself. Part of the process is the interpretation of resource functionality and use by managers.

2.9 Conceptual Framework

Based on the above underpinning theories, the early assumption of conceptual framework for the present study was developed (Figure 2.8). The institutional theory (IT), stakeholder theory (SHT), and leadership theory (LST) were adopted to explain the sustainability practices of social-based healthcare institutions. Institutional theory was adopted because it serves as a tool for implementing and promoting sustainable development as outlined in Agenda 21.



Note: Internal referring to Institutional Theory (IT) and Leadership Theory (LST); External referring to Stakeholder Theory (SHT)

Figure 2.8: Early Assumption of Conceptual Framework for Waqf and Social-based Healthcare Sustainability

This theory explains the basic form of an institution, hypothesizing that organizational structures are shaped by different organizational cultures (Clegg, Kornberger & Pritsis, 2015). To sustain, organizations must conform to the rules and belief systems prevailing in the environment because institutional isomorphism, both structural and procedural, will earn the organization legitimacy (DiMaggio & Powell, 1983; Meyer & Rowan, 1977; Dacin, 1997; Deephouse, 1996; Suchman, 1995). The stakeholder theory (SHT) and leadership theory (LST) explain the basic process of institutional development. The stakeholder theory (SHT) emphasizes the accountability of the organization towards its various stakeholders in society, who may have an impact on their structure and operations. This theory helps organizations to focus and identify its various stakeholders (Beekun & Badawi, 2005; Phillips, 2003), including external stakeholders like funders and beneficiaries who support the organizations, so that the benefits generated by the organizations can be channeled towards public welfare (Van Puyvelde et al., 2011).

Since managers act as agents for all stakeholders (Hill & Jones, 1992), the leadership theory (LST) was adopted to explain the leadership process in social-based healthcare institutions. The manager must manage the organization in the interests of all stakeholders (Morgan et al., 1997), whether internal, external, or interface (Savage, Nix, Whitehead & Blair, 1991; Vantilborgh & Van Puyvelde 2018). Thus, the needs and rights of all stakeholders must be addressed to develop socially-responsible behavior of managers (Dusuki, 2008; Maignan & Ferrell, 2004). This theory explains the relationships and exchanges between leaders and followers (Northouse, 2010) based on mutual influence and shared goals (Fitzpatrick & Collins-Sussman, 2012). The leader or manager must influence an organized group to accomplish shared goals (Varela, 2013; Williams, 2011) and motivate people-driven actions, in a planned fashion, for the purpose of accomplishing the leader's plan (Crosby, 1996).

Although both Western and Islamic leadership perspectives agree on the process and relationship in the leadership theory, the Islamic leadership theory places more emphasis on the community. It encompasses both social and psychological contracts that represent trust (*amanah*) and obligation to benefit the Muslim community and humankind (Kader, 1973). It links the relationship between leaders and followers with the Hereafter in accordance with the obligations set forth by the Quran and the Sunnah. The leadership model for third sector organizations build its relationship towards the social collective (Dobbs, 2004), which is similar to the Islamic leadership concept that emphasizes community and humankind. Non-profit organizations are value-based organizations that require leaders to maintain the tradition (mission) while balancing the need for innovation (Farruggia, 2011; Hoefer, 2011; Miller, 2002; Murphy, 2011).

The institution also needs to adapt to changes and be influential. Institutional sustainability must be judged based on public support, which is described as a kind of "cyclical relationship" to protect and enhance public and private assets for institutions and institutional development (Pfahl, 2005). This relationship is illustrated in the conceptual framework of this research. However, cyclical or engagement relationships between institutions and its external stakeholder can only be achieved through the implementation of effective and efficient management systems by applying accountability and transparency practices as the fundamental principles in the institution or organization's management system. Additionally, the institutions should have the ability to respond to major changes in technological innovation, economic growth, social values, and scarcities of environmental and natural assets.

Moreover, sustainability itself is about dealing with the performance of both upstream and downstream customers in the value chain, and to achieve the harmonization and balance between the economic, social, and environmental elements. Islam requires an institution or organization to incorporate the spiritual elements that originate from the religion's teachings, such as the principles of *Ihsan* and *'Adl*. Therefore, the institutional theory, stakeholder theory (SHT), and leadership theory (LST) from both conventional and Islamic perspectives, as well as the sustainability framework for healthcare proposed by Olsen (1998), serve as the backbone for this research.

2.10 Research Gap

A review of previous literature on the concept and framework of sustainability from Islamic and conventional perspectives, healthcare development, sustainability of healthcare institutions, waqf and social-based healthcare institutions, and three basic theories for this research had provided some insight into the study's research gap. A research gap will lead to the understanding of "what ought to be desired" (the desirable) which may not coincide with "what is actually desired" (the desired) which in turn and may not be the same as "the actual practices" (Sulaiman, 2005; Rose Ruziana Samad, 2018). Based on the discussion of the literature review, we concluded that waqf institutions sustained in the past not only because of the principles held by waqf itself i.e. perpetuity, irrevocability, and inalienability, but also due to the fact that waqf was administrated systematically under a specific department and its affairs were centralized under the government or *qāḍī* (judge) practiced across Muslim countries such as Iraq, Syria, Ḥijāz, and Egypt (Al-Ansari, 2013).

Since waqf is a form of wealth submission where the asset is being held from personal use and the benefit is given to other people or society according to the wish of the owner of the asset (Rahman, 2009), it thus serves as the best economic tool to ensure socio-economic and environmental security (Yayla, 2011; Afifuddin & Siti Nabiha, 2010). Waqf itself is a source of public fund that eases the difficulty faced by the destitute and the poor through the establishment of basic facilities for the society such as education, healthcare, daily sustenance, and so on (Ahmed, Mohammed, Faosiy & Daud, 2015). Waqf also acts as a driver in contextualizing the notion of social welfare by highlighting value-based organizations (Yayla, 2011; Afifuddin & Siti Nabiha, 2010). To ensure its sustainability, waqf has been institutionalized since the early 8th century (Al-Ansari, 2013).

However, in the context of the reality today, what is actually desired differs from what has actually been practiced. Waqf has became less prominent and sustainable as a result of the British occupation, where many waqf assets were taken over by the colonial government. Furthermore, some current waqf institutions manage waqf property traditionally and unable to create revenue because it is less prominent and could not be sustained (M.Salleh et al., 2014). In fact, for waqf-based healthcare institutions in Malaysia, they are still new compared to other social-based healthcare institutions and are still struggling to sustain. Thus, the purpose of this research is to gain a better understanding of not only the structure of waqf-based healthcare institutions and their sustainability practices, but also of other social-based health institutions in terms of their establishment background and philosophy, as well as the sustainability practices that have enabled them to remain sustainable and resilient to this day. Waqf healthcare institutions could adopt any relevant strategies that are suitable by having an in-depth understanding of other social-based healthcare institutions. But before the sustainability practices could be understood, researchers need to have a clear understanding of the structure of background and philosophies that underlie the establishment of each social-based healthcare institution.

Typologically, social-based healthcare institutions are placed under the private healthcare provider category, which comprises waqf and other social-based healthcare institutions (NGOs, foundations, and other non-profit institutions). As mentioned by Al-Junid (2015), there are at least three types of healthcare organizations based on the objectives of establishment namely public provider, private for profit and private not for profit. Although social-based healthcare institutions can be categorized as private not-for-profit institutions, they often suffer from broad generalizations causing them to be neglected by the government despite being beneficial for the society. As for waqf-based healthcare institutions, can the structure of their establishment be categorized under the seven broad groupings of non-state organizations as mentioned by Green (1987) or should waqf be added as a new category in the grouping?

In terms of sustainability practices, the elements of sustainability which consists of financial or economy, environmental and social need to be balanced and this can only be achieved through the effective use of resources without compromising the quality of the environment in which the resources are acquired (Muhammad Nouh, 2012) and without neglecting spiritual needs. Both material and non-material interests are equally important to achieve sustainability. Thus, previous research has suggested a wide range of strategies in sustaining the health sector, aside from urging to increase revenue (Weisbrod, 1998;

Cnaan & Goldberg-Glen, 1991; Handy & Srinivasan, 2004), which include soliciting in-kind donations (Snavely & Tracy, 2000) and incorporating a non-welfare approach such as commercializing core healthcare programs.

As for environment and social sustainability strategies, the understanding of the health ecosystem is vital for social-based healthcare institutions or organizations to sustain. As suggested by the stakeholder theory, even though the firm owners/financiers are allowed to make profits, the firm also has multi-fiduciary responsibilities towards it stakeholders i.e. by performing its primary obligations or duties which entail the duty of loyalty towards the institution (*amanah*) and the duty of care for the benefit of the stakeholders (*arham*). The process of leadership in institutional setting is important to influence an organized group towards accomplishing its shared goals (Varela, 2013; Williams, 2011) and motivating people-driven actions, in a planned fashion, for the purpose of accomplishing the leader's plan (Crosby, 1996).

Furthermore, a preliminary study on the literature review for waqf that was conducted prior to this study from 2006 to 2016 shows that the research on waqf healthcare has only captured one percent of the overall issues discussed by the waqf scholars during that time period (Atan & Johari, 2017). The lack of sustainability research for healthcare institutions focusing on social-based settings, particularly under waqf institutions, evokes the need to delve deeper into it as social-based healthcare institutions are not only associated with public funds during their early establishment, but also frequently misunderstood among the community as they are classified as a private healthcare provider, causing it to receive no attention or assistance from the government and being forced to survive on its own despite its significant contribution to society, particularly the poor.

2.11 Conclusion

Chapter 2 of this research has highlighted several past studies on the concept and features of sustainability including its definition, elements of sustainability, and its measurement, whether in the general context of organizational study or from the perspective of the health sector. This chapter also discusses the past literature on sustainability and healthcare development from the Islamic perspective, including the development of waqf-based healthcare institution. Even though researchers have not reached an agreement on the definition of sustainability itself, the concept and definition of sustainability nonetheless refers to the continuation, keeping alive, and routinization of an entity, organization, or institution. Western scholars have proposed three main pillars of sustainability, which consist of the elements of finance, environmental, and social. Muslim scholars have also agreed to these pillars; however, they found two patterns that need to be integrated in each pillar namely spiritual injection and Islamic value.

The definition and concept of sustainability from the Western perspective only emphasizes the aspect of material fulfillment and neglected the aspect of spirituality. As a result, to sustain any entity either in the aspect of development or institution, Islam emphasizes the role of ethics in managing the resources besides balancing between the elements of economic, environmental, and social concerns. The development of healthcare institutions to fulfill the basic needs of the protection of life is congruent with the Maqasid Shariah. It is the responsibility of a part of the society and the government to provide healthcare facilities as an attempt to serve the interests of all human beings and protect them from harm. The ability of waqf to fulfill these needs has been recorded throughout the history of Islam. Many hospitals, healthcare facilities, and humanitarian projects have been funded using waqf. This achievement is driven by the support and stability of waqf institutions. However, today, the existence of waqf-based healthcare institutions is lagging behind other social-based healthcare institutions. To sustain, past researchers have suggested for waqf-based institutions to implement a good governance structure, an Islamic management system based on the concept of tawhid, and Islamic marketing strategies that emphasize on the four criteria that form the concept of tawhid namely spiritual, ethics, realistic, and humanity.