

# Islamic social business: Choice for a Muslim Entrepreneurial career

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## Abstract

Social business has been described as a distinct business philosophy related to the creation of a sustainable benefit of a society adapted to the enduring profit or non-profit operating system to solve the social problems of disadvantaged people. The religious motivation of social business can be a choice that can contribute to the development of a prosperous society that serves the disadvantaged and helps them to abolish interest-based social business. A social enterprise's motivation and goal vary from micro to hybrid involvement when implementing traditional conceptual policies centered around an interest-based business model. Thus, the current study shows a philosophy of social business in Muslim countries that incorporate scientific skills in the light of Islamic values to solve social problems. Most Muslim countries use the Islamic banking system to explain and practice Islamic social business, which is the not perfect method to use social business. Social enterprises are independent, run by communities or individuals, and not governed by the state, with profits being distributed for societal benefit. Islamic social enterprise has received very little attention, but it has immense potential in the economy. This article explores the structure of Islamic social enterprises using Bangladesh as a reference point and observes Islamic social initiatives' effectiveness to improve economic growth. Based on other case studies, it has been concluded that the Government of Bangladesh should encourage Islamic social enterprises to expand and reach their scale with different legal and regulatory frameworks. Islamic social enterprises should work with micro-funding to eradicate interest-based social enterprises. Recent studies will help emerging Islamic social enterprises promote new forms with scholars' social business literature participation.

**Keywords:** Islamic social business; Islamic social enterprise; social capital; Islamic social enterprise regulation; Islamic finance observation.

## 1. Introduction

Social Entrepreneur is an interesting observation for many scholars, business professionals, policymakers, and non-profit organizations. The social enterprise is recognized as an organization with specific social objectives that perform its primary function. While optimizing social and environmental benefits, social business increases overall profits. Bangladesh's Nobel Laureate Professor Muhammad Yunus introduced the concept of social business. It is usually described as an entrepreneurial practice with an underlying social purpose (Austin et al., 2006) that later became a significant global economic phenomenon in the world (Mair and Marti, 2006). Social business is defined as a different business model whose goal is to generate a positive value for society through a conventional profit or non-profit business

management approach to solving disadvantaged people's social problems. Social enterprises continue to expand to address environmental pollution, impoverishment, and ethnic inequality problems (Gonin et al., 2013).

Microfinance is the most popular discussed social business in the modern economy. The microcredit system gives small loans to poor people to invest in productive assets to improve their living standards. It is basically an interest-based Social business. In the Islamic view, interest-based social business is not allowed in society. But social business is the right path to reduce poverty and economic growth. With the following Islamic law, Muslim entrepreneurs can do social business, which can be considered Islamic social business. According to Islamic law, doing business to solve social problems and traditionally earn benefits is accepted, but interest-based business is not allowed to raise revenue.

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Most recent studies show that social entrepreneurship has focused exclusively on a profitable business viewpoint. The Islamic economy's framework is focused on a social consciousness that prohibits the production of isolated wealth. Unity, justice, social and economic equality are some of the essential principles of Islamic society. Although Islam allows an individual to enrich himself or even promote himself, it attaches great importance to entrepreneurs' social duties (Shahzad, 2009). Islamic entrepreneurship is an entrepreneurial initiative centered on society and a natural method for overcoming the issues of economic inequity, income accumulation, and social divisions (Alam et al., 2015). The social enterprise industry's well-being nature is more in line with Islamic Social Finance's underlying values, including Zakat, Waqf, Sadaka (Sadaka-e-Jaria), and Korje-Hasana (Payable loan without interest), which are naturally inclined to address social challenges such as poverty alleviation and economic growth.

Islamic social enterprise has received relatively little coverage, but it has huge potential from an economic point of view. This paper discusses this inequality and investigates how Islamic Social business can successfully grow the economy using Bangladesh as a reference point. Based on various case studies, the government of Muslim countries should establish a separate legal and regulatory framework to increase Islamic social enterprise-scale and scope. Regarding the Holy Quran, the financing, cost, and management of a social company will meet the needs as the underlying needs in the minds of the stakeholders. Islamic social business can be the first choice of every Muslim country. Malaysia and Indonesia set up these companies with their own funding. In Bangladesh, a few Islamic social enterprises are using microfinance systems without interest to eliminate interest-based social enterprises. The present research will therefore help in the development of new avenues involving academics in social literature as well as in the cultivation of existing Islamic social business.

## 2. Literature review

### 2.1 Social Enterprise

The international economic situation of countries is increasingly changing, with formal and informal amendments to agreed values and, in some cases, a comprehensive review of traditional theoretical processes as a result of the broad movement of individuals, products, resources, and ideas across borders. Nobel laureate Professor Yunus came forward to introduce the Social

business concept to emerging economies by solving social problems. A social enterprise is an organization that pays no dividends and reinvests all its income to strengthen its social purpose (Yunus, 2007). The social enterprise is a typical organization in the social economy (Hudon & Huybrechts, 2017). Social enterprise has two purposes: meeting the principle of profit maximization and addressing social and environmental sustainability purposes, which includes reinvesting in the community (Kim & Lim, 2017). These two purposes are aimed to be fulfilled simultaneously, as both allow profit gain in a market economy (Wry and York, 2017). Social enterprises are businesses that trade for a social purpose. Fisac and Moreno-Romero (2015) state that the social enterprise concept has been remained a matter of debate, with its core values being to perform certain business activities to maximize profits and use it to better communicate social factors. Greblikaite (2016) observed that two-legged phenomena called entrepreneurship and culture are the foundation of social enterprise. Regulatory authorities have renewed interest in ensuring proper governance and sustainability, taking into account social business organizations' commitments to strengthen society's social, economic, and environmental regeneration (Haugh, 2005). As a result, this emerging sector is undergoing a transformation that enhances the opportunity for individual, community entrepreneurs as well as global programs to transform consumers into suppliers to facilitate the production of social values. Czischke et al. (2012) state that Social enterprise is often applied in related terms such as social market, business for community purpose, a non-profit organization, etc. It should also be prominent from the caring field need an intrinsic earnings output in order to ensure continuity of performance. It is helpful to see social enterprises as an umbrella term capturing a wide range of organizational types, operating in different areas of the economy. Some operate in private markets similar to other businesses (Steiner & Teasdale, 2019).

### 2.2 Islamic social enterprise

According to the doctrine of all the religions of the world, including Islam, Christian, Buddhist, Hinduism, the system of interest is prohibited, hated, and disgraced because it is one of the processes of exploiting society's peoples. As a religion, Islam is a philosophy that has a very detailed understanding of treasury issues. In Islam, Al-Quran and Al-Hadith claim that getting rich is a good mentality. However, encouragement to

succeed with greater continuity must be extended so that all defined actions in Islam must be combined with ethical principles. From the very beginning, there has been a lot of uncertainty between social enterprise and Islamic social enterprise, which leads to the general use of this term to describe a variety of different things. In Islam, a central aspect of the Islamic economy is entrepreneurship. Mohiuddin (2017) describes that Islamic social enterprise as entrepreneurial socially missioned commitments that comply with the laws and principles of the Shari'ah and establish a balance between material and moral performance. Social entrepreneurs focus on skills that build capacity, block losses, and improve the social well-being of society. This aspect of providing benefits to the common good has a strategic relationship with Islam, and its values are inherent in the Shari'ah. Ramadani (2016) discussed that Islamic entrepreneurship and management play an important role in promoting Islamic cultural values. According to Molla et al. (2015), in contrast to the international economic environment, those who want to be Islamic social entrepreneurs need to continuously improve their economy, mainly for the benefit of society, where they usually earn a benefit in the Islamic way. The Islamic social business framework is based on social consciousness that ignores selfish wealth creation, eradicates poverty, and provides a solution to social problems (Aziz & Mohamad, 2016a). Islam prioritizes Islamic charitable organizations' activities, including Sadaka, Zakat, Korje-Hasana, and Waqf, as Islamic funds management. The Islamic finance industry, which is deeply rooted in Islamic law, will undoubtedly have a far-reaching impact on the modern financial system in the coming years (Hassan, 2019).

### 3. Method

In qualitative research, for field observation and text interpretation, the principle of truth is not clarified and refuted (Bogdan and Biklen, 2003). The concept of value methods assumes that situations must be in their definition (Robson, 2011). This study is comprehensive and included in the literature to meet the unsatisfactory demand of social enterprise according to the Holy Quran's values. Thus, this study seeks to initiate a creative approach to social business activities centered on scriptural theory. In this research, in order to compile verses on various business problems, the Noble Qur'an is being used in rural villages considering the micro-finance system. In conjunction with the expected objectives, the

theoretical model has been developed. Thus, the analysis took an all-encompassing mode to verify the classical assumptions and consider it as an observation. Social entrepreneurs should learn from the Holy Quran to manage, finance, and contribute.

### 3.1 Research Limitations

Although it has been discussed before, it has not yet been taken practically from many Muslim countries. Due to the mixed up of social business and Islamic law, Islamic social enterprise is not clear to everyone now. For that, Muslim scholars have to give a clear scientific idea about the Qur'an and Islamic business. Some Muslim countries apply Islamic invest management in their Islamic business through the banking system in the Islamic perspectives, but it is not the way of social business. The social enterprise is independent and run by communities or individuals for societal benefit. It is not yet evident in society how the Islamic social business is going from a theoretical perspective. But the business is that it will bring welfare to society. Some social organizations from some Muslim countries like Malaysia, Indonesia, and Bangladesh, have started doing Islamic social business following Islamic law.

### 3.2 Theoretical Framework

The issue of Islamic social business should start from the guidance of the Holy Qur'an as a guideline to create a prosperous and economically established population designed for the disadvantaged people according to the theoretical framework, which considers an overall goal of eradicating interest-based social business. On the other hand, this study's proposed framework tends to give direction to modern ways of social business, as the existing social enterprise centers on entrepreneurship driven by man-made concepts with limitations.

The proposed Islamic social business will raise funds from four sources, including Waqf, Zakat system, Sadaka (Sadaka-e-jaria), and Korje-Hasana. The funds raised would then be invested in a managed organization that the social corporation finds effective and attractive for solving social problems. Also, disadvantaged people will earn a significant share to use for their economic independence. According to the structure of Islamic social business, it has been noticed that no interest has been accepted like other microfinance institutions. Islamic social entrepreneurs can invest in their own managed social business or partnership with disadvantaged entrepreneurs on the condition

of equal distribution of losses and profits. According to the Holy Qur'an, the goal of Islamic social business is to eliminate existing interest-based

social business and to increase the performance of Islamic social entrepreneurs by solving and resolving social problems.

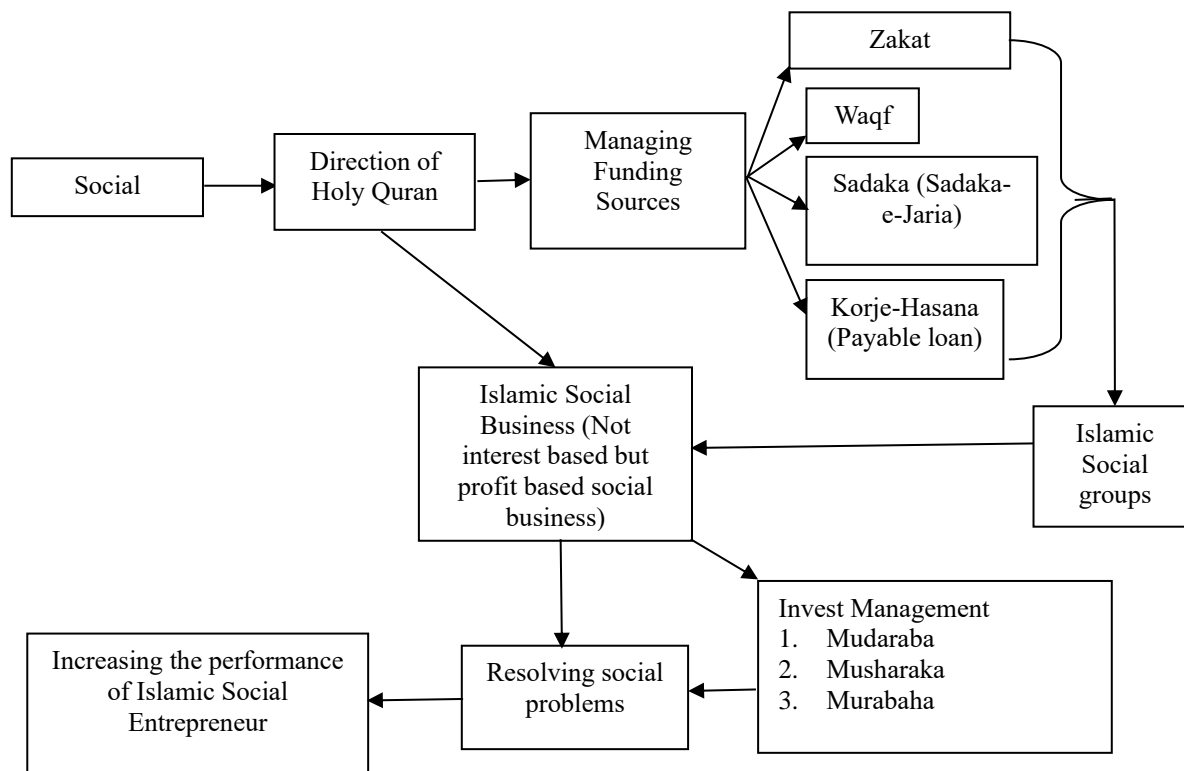


Figure 1: Conceptual Framework of Islamic social Business

#### 4. Analysis

Social Business involves economically rooted enterprising activities intended to promote social welfare, putting the period of suffering to a halt and empowering economic and physical drawbacks. Traditional social companies undoubtedly contribute to economic growth, resolve specific social problems and maintain an interest-based commitment in the economy. Since interest payments, take-ups, and interest-related practices are prohibited in Islam, including official labor or being a guarantor, and an alternative approach is needed for stakeholders seeking to prevent interests-related businesses. In Islam, an alternative solution is required. The funding, expenditure, and management of social enterprises in the Holy Quran are necessary to address the needs of stakeholders.

##### 4.1 Islamic Funding

According to Islamic belief, people have two periods here and there. Subsequent survival depends on the behavior of the world. Thus, believers are currently looking to the future to mitigate any physical or financial contribution to the

cause of Allah for mankind. For the purpose of the salvation of man, properties such as assets, resources, and other possessions are to be used for the pleasure of Allah as the purpose of heaven in the future. Funding is important to help disadvantaged or marginalized people. However, all fundraising should also be taken from sources legally recognized by Islamic Sharia law, as Allah Ta'ala does not encourage any illegal income. Support for Islamic social business, categorized according to four accounts, is to invest for the sake of Allah: Zakat, Waqf, Sadaka, and Korje-Hasana. Islamic social enterprise's purpose is to make sure a balanced long-term economic growth through the Islamic Fund where the poor will become the owner of a small business (Islam et al., 2017).

##### 4.1.1 Zakat

The first source, known as Zakat, is the development of funds needed for Islamic social enterprise. It is the primary source of charity. Islam has taught people to take care of others, especially the needy, through a ritual called "Zakat." Zakat is a fixed amount that is obligatory for every Muslim for

a year or more, a certain amount of gold, ornaments, property, commercial property, crops, or animals that are payable at the cost of 2.5% as a charity for the poor. Substantial amounts of money need to be financed to sustain social projects. If a Muslim does not pay Zakat or obey it, then it will be considered Haram. As a result, Allah cannot approve of it as a good deed, while a Muslim must reach the heavens by good deeds.

Conscious Muslims do not spread this figure by paying Zakat but paying money to a single-family or a recognized person. Assume that the transfer of Zakat for the purpose of reinvestment on behalf of the poor or disadvantaged people together is deposited in the zakat fund (Owoyemi, 2020). It certainly would be a huge sum of money in this situation. Traditional social corporations are financed by donors, whereas Islamic social companies may raise money from a number of sources, such as eligible individuals with ornaments, land, gold, crops, commercial assets, livestock. They may also collect funds for this purpose.

According to the Holy Quran, the following kinds of people are allowed to obtain funds from Zakat: (i) Fuqaraa (who does not own the wealth of Nisab), (ii) Masakeen (extremely poor), (iii) Aamileen (collector of Zakat), (iv) Muallafatul Quloob (newly converted Muslim who had to give up his/her wealth), (v) Ar-Riqaab (slave-free), (vi) Ibnus-Sabeel (traveler in need of financial assistance), (viii) (Dawah to Islam).

At present, Zakat is divided into three ways; (i) the distribution of Zakat directly to the disadvantaged by individuals and companies; (ii) the distribution of Zakat by individuals and corporations to organizations and charitable institutions; and (iii) the allocation of pay by individuals to states and governments. It is also provided to the poor segment of society directly through the government. However, through charitable organizations, some Muslim country governments distribute Zakat to poor people (Aziz & Mohamad, 2016b).

#### 4.1.2 Waqf

Waqf is an Islamic principle that ensures the perpetuation of sacred funds by individuals who are entitled to make donations to social charities, and the funds received from it are again donated to the foundation. Waqf is the contribution of rich people to Islam for charity. Usually, people donate houses or land plots, even cash, for charity. Waqf is the act of giving special thought and profit or product to charity in order to possess the poor or other

positive things. In general, Waqf is used to establish and run Masjid, to support orphan livelihoods and education, to establish Islamic institutions, etc. (Zidani, 2010). Waqf funds are usually owned and organized by charitable trusts. These funds should be used for the welfare of humanity (Abdullah, 2018). The sustainability of waqf profits compared to the preservation of assets for future beneficiaries includes rational asset management and effective distribution of assets for investment purposes. Such technological productivity can contribute to further improvement in the beneficiaries' earning benefits (Obaidullah, 2016). The Western world has also adopted the Waqf program as a solution to socio-economic problems (Iman and Mohammad, 2017).

#### 4.1.3 Sadaka (Sadaka-e-Jaria)

Muslims need to donate from Islamic fundamental sources. There are passages in the Qur'an that people are devoted to charity. Another potential source for Islamic social entrepreneurs is the donation of land, currency, or other property as a fund. Muslims believe that they will be rewarded for good deeds after death, whether they contribute to the welfare of humanity once or for the needy or disadvantaged in the way of Allah. In Muslim culture, a one-time grant is called a Sadaka, a grant that allows a donor committee or authority to relate to schools or mosques that serve or promote Allah's land, savings, or other property. These potential sources will be used to fund social enterprises to help the poor. Sadaka is a financial instrument that can reduce poverty and enhance human development in society (Parveen, 2017)

#### 4.1.4 Korje-Hasana (Payable loan)

Korje-Hasana is an interest-free facility where there is no profit from the person or organization providing the offer. However, the original amount must be returned within the specified time. Korje-Hasana can be used in Islamic social enterprises as a secondary source for fundraising (Aderemi, 2020). Korje-Hasana has been regarded as the substitute of social loans (Ali et al., 2019). The central bank can pursue Korje-Hasana based monetary policy on financial support instead of interest-based facilities for other organizations (Selim et al., 2020). In return, investors believe that Allah's grace will reward them. Korje-Hasana is, therefore, a powerful source of Islamic social business funding. Since it must also be paid, this method of financing can effectively follow an Islamic financial institution.

### 4.2 Islamic invest management

Islamic social business offers partners to the poor and disadvantaged. The goal of Islamic social business is to help them reduce poverty and increase their standard of living. The goal of conventional social business is to solve social problems along with financial activities. Social business based on interest is the main problem in society. Islamic social business helps poor people through sustainable fundraising and allocation to solve social problems and eliminate interest-based social business from society.

#### 4.2.1 Mudaraba

Mudaraba is an investment arrangement for Islamic social business according to Islamic Shariah. In Mudaraba, the owner is the first party who invests the capital, and the manager is the second party who provides the skills, labor, and time (Sapuan, 2016). In Mudaraba, the profit will be shared through communication between the two parties. The loss will be borne by the owner, but if the loss is caused by the wrongdoing of the director, he will have to bear the burden (Nidaussalam, 2016). In short, Mudaraba is a partnership between labor and capital where one partner provides the entire capital, and the other party provides the labor, skills, and time to run the business. In the Mudaraba system, the owner controls the management system as the authority, and the beneficiary acts as an agent. At some point with this system, the managers or beneficiaries will become the owners.

#### 4.2.2 Musharaka

Musharaka is a joint venture business (Ali & Hussain, 2017). Islamic social business can be run by the Musharaka system, where profits and losses will be shared. Gaining profit from interest is not acceptable in Islam. Musharakah, however, allows entrepreneurs to make real profits by trading in a predetermined proportion (Nurul Alam, 2016). Musharakah Islamic social business is a long-term financing activity. This will continue until the partners agree to finish it. For example, A wants to start his own business but has limited capital, and then he can ask B for funds to invest in the business. Then both parties would come to an agreement to start a business in the portion of profit and loss. Musharaka can be used by poor people in small ventures like agri-products, fruit shops, vegetables, grocery shops, etc.

#### 4.2.3 Murabaha

Murabaha is an important financial system of Islam. The main purpose of Murabaha is to conduct

financial activities for purchase without being involved in paying interest. Murabaha is referred to as the growing financing of Islamic social business (Aydin, 2015). It is an Islamic finance structure where the cost and markup of assets are decided through agreements between investors and beneficiaries. Here, the markup takes the place of interest. Murabaha incorporates a profit markup financing system into transactions instead of interest (Miah & Suzuki, 2020). Investors and beneficiaries agree on costs and markup, which can be paid in installments. For example, if a poor person wants to buy a small shop for business. Investors will then buy the store for the poor person to start his business. Beneficiaries can pay investors in installments through some profits.

### 5. Islamic social enterprises in Bangladesh

Yunus is the founder of the concept of social business. As a Bangladeshi, he started social business activities in Bangladesh with the aim of solving social problems and improving economic growth. The microcredit system has become Dr. Yunus' famous social business model. From an Islamic point of view, existence microfinance is an interested-based social business that is not permitted by Islamic Sharia law. In the broadest sense of the word, several market models generating profits or traditional thematic profits, or social entrepreneurship are generated in a variety of top social corporations. There is often a variation of practice between innovative and more popular forms based on conventional religious forms. Several Islamic social organizations in Bangladesh are engaged in social business with the following Islamic values. For example, Social Islami Bank Limited is a commercial bank but uses Waqf to spend money to increase income for poor beneficiaries under Islamic law. The most important example of a market-driven social enterprise run by Islami Bank is the Islamic Banking Hospital, which still follows Islamic principles. As it works in the current capitalist market, the cost of using the service and providing medical services is reasonable. Muslim Aid is a social enterprise in Bangladesh run by Islamic Sharia. Zakat is being used in market-driven forms by Muslim Aid Bangladesh. The purpose of this initiative is to create social projects, improve the quality of life, provide training to start the business instead of providing free funds, food and clothing. In Bangladesh, there are not enough Islamic social enterprises. The above debate may indicate that certain social business models, including Islamic law, are considered Islamic social business in

Bangladesh. In Bangladesh, Islamic social enterprises are familiar with the methods used to promote the commercial form of social projects such as Waqf and Sadaka. However, it is also necessary to realize the full capacity and innovative use of the different instruments and ensure better market results. Traditional Social enterprises in Bangladesh should come forward to operate social business as per Islamic law to abolish interest-based social business.

From this study, we can understand that most Islamic countries use Islamic funds and management as a social business to solve social problems. But it is not the right way to do social business. Islamic social science researchers should come forward to explain social business scientifically from the perspective of Islam. It is also noted that traditional microfinance interest-based social business is eradicating poverty as well as creating more poverty in society. In order to create value in the society, Islamic culture should be given priority in the Muslim society so that it is possible to develop the community by solving all the societal problems through a particular rule. Religion has a lot of influence on the rules and regulations of society. Suppose the business run according to Islamic law. In that case, there will be no fraud and corruption. The disadvantaged people of the society will get importance, and not only the society but also the economic development will be possible.

## 6. Conclusions and recommendations

Many national and international non-governmental organizations and social enterprises have solved widespread inequality and social problems. A small fraction of global charities is donor-driven and persistent, not guaranteeing their long-term growth or survival. Of course, successful and prosperous Islamic social projects will be effective in solving social problems. However, there is no precise definition of the model for Islamic social enterprises, and the growth of the sector is complicated by philosophical barriers. Malaysia and Indonesia started with their own financial support. In the perspectives of the Nobel Qur'an, Muslim Aid took a small step to put an end to poaching or interest-based social business in Bangladesh. This study will support existing Islamic social initiatives and lead to the growth of new forms. The goal of Islamic social business is to create a prosperous microeconomic growth that has a lasting impact on the macro-economy through Islamic funds. Thus, the same funds will promote a diversified and economically soluble climate.

The limitations need to be discussed in detail, and Islamic social business needs to be introduced in all Muslim countries. Social entrepreneurs have to start their businesses by raising funds through the Islamic way. In order to compete with profitable businesses in the international market, one has to manage the company with honesty and fidelity. At the same time, every Muslim has to practice Islamic invest management. For this, the government, as well as rich and established entrepreneurs have to come forward. In order to solve the problems of society, it is necessary to establish Islamic social business by accumulating the social values of the existing entrepreneurs and keeping the Islamic law the same. In the meantime, all women and men entrepreneurs should come forward. If the micro-credit system is introduced according to Islamic law, it will be possible to abolish the interest-based microfinance system.

The Bangladeshi government needs to establish a sustainable, integrated, and proactive system to ensure the best output of many Islamic social enterprises. This means that in the light of Islamic social corporations regulated by Islamic Sharia law, a special administrative and legal system with separate financial arrangements is required. Special licenses should be given to Islamic social groups to work successfully. In fact, in their national development strategies, the government needs to take Islamic social initiatives more seriously and guide them. Since the structure is conceptual, a proper Islamic governance system and funding for Islamic marketing are required. Potential problems can be discussed through longitudinal studies focusing on the Islamic perspective's theoretical scientific paradigm, as a social enterprise is still at the stage of application from an Islamic perspective. A considerable amount of work is needed to ensure its development and maturity. More research and study need to expand the concept of Islamic social business to build a sustainable economic model for the future. The following suggestions are recommended to emerge the concept of Islamic social business:

1. **Islamic social groups:** In the world, Islam has been considered the second-largest religion. Almost all over the world, Muslim communities exist. Each and every wealthy Muslim person should build their network in society. According to Islamic Shariah, it can collect funds from some sources, such as Zakat, Sadaka, Waqf, and Korje Hasana. Islamic social groups can distribute the funds to poor people, provide training, and establish their own businesses. Islamic social groups also help the government to collect

- funds and distribute them to poor people to start-up business in the market.
2. **Raise fund-collecting by Islamic fund:** According to Islamic law, a wealthy Muslim person has to give Zakat and other funds for the sake of Allah's grace. Suppose every rich Muslim people give Zakat and other funds properly, then through Islamic social business, it will be easy to reduce poverty and improve poor people's economic condition. Saudi Arabia, Kuwait, Qatar, and other countries rich people can contribute to Islamic funds by collecting funds properly.
  3. **Separate law and regulatory framework:** According to Islamic Sharia law, a new law and regulatory framework should be created for the formation of a government of Islamic social business. Islam does not grant any illegal wealth, especially interest-based social business. Islam teaches us without interest-based social business, and it may be possible to make a profit. Islamic practitioners and apprentices should evaluate Islamic generosity with the idea of being a social entrepreneur as a mature philosopher. Islamic social institutions must adhere to the norms and ethical standards of Islamic jurisprudence in addition to organizational diversity.
  4. **Training institution:** Through the Islamic social business, entrepreneurs can build training institutions to train new entrepreneurs and understand the concept of Islamic social business. This training institute will teach them how to collect funds properly and distribute them for Islamic social business as per Islamic law. Without proper knowledge about the market, it is very difficult to compete in a competitive market for new entrepreneurs. Institute of Islamic Banking and Insurance (IIBI) is a perfect example of an Islamic training institute. It is located in England and established to create a broader base of knowledge and understanding of the Islamic financial system and help to exchange information between the Islamic and other traditional financial systems through training, research, Islamic professional education, seminars, and conferences.
  5. **Establish Mudaraba, Musharaka, and Murabaha:** Islamic social business runs the business with money instead of run money with the business. Islam suggests some way to do business as per Shariah, such as Mudaraba, Musharaka, and Murabaha. These are the paths to enhance business with Islamic law. These approaches show entrepreneurs to do business with honesty and dignity in society and increase

economic growth. Mudaraba means a shared venture between capital and labor. In Mudaraba, profit will be distributed between investors and clients while investors have to carry the whole loss. Musharaka is a partnership business. Every partner has to invest equally in this partnership business. A predetermined ratio will distribute the profit, and loss will be borne according to invest ratio. In Murabaha, the client requests the investor to buy goods and products for him. On payment of the price, which includes markup benefit as per contract, the client will receive the goods and products. The price and benefit will be disclosed separately in this mode of investment. Every Islamic social entrepreneur should practice these approaches to solve social issues, increase economic growth and increase their own and enterprise performance efficiently and effectively.

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