3. Average Unit Cost for Procurements/Services (desired downward trend): An indicator of benefiting from unified purchasing and Expansion advantages. Average Time for Decision-Making and Implementation Before/After Partnerships (downward trend): An indicator of the efficiency of joint governance and the reduction of complexities. Ratio of Timely Data Exchange and Compliance with Quality Standards: Measures the maturity of the information infrastructure and data governance.
4. Innovation Indicator: Number of new scalable or replicated solutions/projects adopted that are expandable or duplicate by more than one entity.
5. Human Resources Indicators: Employee satisfaction level and turnover rate for qualified personnel (upward trend).
6. Donor and Partner Trust: Share of unrestricted funding and reduction in the stringency of funding conditions.

May Allah's blessings and peace be upon Muhammad, and upon his family and companions.

- In the field of legislative and regulatory empowerment: Collaborate with relevant authorities to develop supportive legal frameworks for cooperation that protect waqf assets and facilitate joint governance, accompanied by financial/tax incentives that encourage alliances—particularly cross-border ones—and standardized contract templates for local and international cooperation.

Third: Proposed Success Measurement Indicators:

Key performance indicators serve as an objective and concise tool for monitoring progress in transitioning from the «isolated islands» approach to a more efficient, impactful, and sustainable integrated approach. These indicators encompass operational, knowledge-related, human, and governance dimensions, thereby supporting decision-making, institutional learning, and stakeholder accountability.

To ensure their validity and reliability, indicators are formulated to be specific, measurable, realistic, and time-bound, with a defined baseline and annual quantitative targets, as well as a clear data source, measurement frequency, and responsibility assigned to each indicator.

Fourth: Proposed Measurement Indicators:

1. Ratio of Joint Programs to Total Programs: A measure of the degree of integration and coordination among entities.
2. Ratio of Joint Financing to Total Annual Funding: Reflects the depth of partnerships and the feasibility of resource consolidation.

- In the field of transparency and data sharing: Adopt a unified disclosure policy using concise report templates, and launch a shared data portal with standardized criteria for information exchange and agreed-upon impact indicators. This will reduce uncertainty and strengthen trust.
- In the field of shared infrastructure and support services: Establish shared service centers (for procurement, legal services, auditing, and impact measurement) to reduce cost and enhance efficiency, leveraging unified purchasing and standardized compliance procedures.
- In the field of partnerships and governance: Adopt standardized partnership models using contracts and/or memoranda of understanding that specify contributions, decision-making mechanisms, and dispute resolution procedures, together with governance bylaws for joint projects.
- In the field of training and capacity building: Develop practical programs for trustees and executive teams covering partnership management, negotiation, risk management, contracts, and impact measurement, along with professional accreditation and leadership development pathways to ensure the sustainability of skills.
- In the field of co-financing and innovation: Design joint financing mechanisms (alliance funds and matching grants) and support incubators/accelerators for scalable collaborative projects based on clear selection criteria for impact and feasibility.

7. The "isolated islands" pattern manifests negative human impacts that affect satisfaction, morale, and a sense of belonging, which are evident in the difficulty of attracting and retaining qualified personnel.
8. The "isolated islands" pattern leads to an increase in the fragility of financial and operational sustainability, due to the loss of opportunities for alliances, joint investments, and income diversification.
9. Under the "isolated islands" pattern, the achievement of major, cross-institutional goals is hindered due to the absence of coordination and governance for joint projects.
10. Furthermore, under the "isolated islands" pattern, risks are amplified, and trust levels among donors and partners erode. This results in more stringent funding conditions or a reluctance to engage in joint financing.

In summary:

The findings confirm that the «isolated islands» strategy generates ongoing hidden costs and constrains developmental impact, whereas an integrated approach promises greater efficiency, broader impact, and stronger sustainability.

Second: Recommendations:

- In the field of institutional coordination and openness: Establish formal communication channels among endowments and designate clear points of contact, along with periodic coordination meetings, regular exchange of reports and lessons learned, and initiate a joint program index to prevent duplication and reveal integration opportunities.

which represents a complex response to intertwined factors. The most prominent of these are:

1. the emphasis on protecting the Endower's stipulations, legal and regulatory complexities, weak trust and risk management, deficiencies in governance and institutional readiness, a short-term strategic horizon, divergence in mission and programs, resource constraints, fragile information infrastructure, and accumulated negative experiences from previous collaborations.
2. The "isolated islands" pattern leads to the fragmentation of efforts and duplication of programs, dissipating resources and preventing the equitable distribution of benefits.
3. The "isolated islands" pattern is associated with reductions in efficiency and increases in cost, resulting from a failure to capture the benefits of scale and rising transaction costs (coordination, procurement, reporting, and compliance).
4. The "isolated islands" pattern causes a decline in productivity by draining resources into parallel, non-converging pathways.
5. The "isolated islands" pattern constrains institutional learning and innovation due to weak knowledge sharing and the absence of joint learning platforms, thereby reducing the scalability and replicability of solutions.
6. The "isolated islands" pattern leads to isolation from expertise, which contributes to delays in program improvement and slows down evidence-based decision-making informed by comparative data.

and feedback along with mechanisms for continuous learning and improvement. This enhances accountability and increases the trust of donors and beneficiaries.

6. Training and Capacity Building:

Equip trustees and executive teams through practical training programs covering partnership management, negotiation, risk management, contract drafting, and impact measurement; alongside establishing professional certification pathways and leadership development programs to ensure the enhancement and sustainability of these skills.

7. Co-Financing and Innovation:

Establish joint financing funds for alliances among waqf institutions, adopt matching grants that incentivize partner contributions, and launch incubators and accelerators for scalable joint projects.

8. Impact Measurement and Monitoring:

Adopt a unified impact measurement framework and shared key performance indicators, conduct semi-annual reviews for learning and corrective action, and link funding to results to ensure sustainability and continuous improvement.

Results, Recommendations, and Proposed Measurement Indicators:

First: Results:

The study reveals the prevalence of the «isolated islands» pattern among a significant segment of independent waqf institutions,

2. Enhancing Waqf Partnerships:

Establish programmatic federations and alliances with clear, measurable objectives, supported by memoranda of understanding that specify contributions and decision-making mechanisms. Additionally, create shared service centers (for procurement, legal services, auditing, and impact measurement) to reduce costs and enhance efficiency.

3. Legislative and Regulatory Empowerment:

Adopt a clear framework of laws and regulations that safeguard waqf assets when entering into partnerships and facilitate joint governance by defining contributions, authorities, decision-making mechanisms, oversight, and dispute resolution. This should be complemented by regulatory and financial incentives that encourage the formation of alliances (such as exemptions, reduced fees, and matching funds), along with the issuance of standardized contract templates for cooperation both domestically and across borders.

4. Digital Transformation and Data Sharing:

Adopt unified impact databases and indicators, establish a portal for information exchange among endowment institutions, and implement policies for data governance (accessibility, quality, privacy) to reduce uncertainty and improve decision-making.

5. Building Trust and Transparency:

Adopt unified disclosure standards for financial and programmatic data, conduct regular independent audits and publish their results, provide public dashboards displaying performance and impact indicators, and establish clear channels for receiving complaints

- Inability to Achieve Large-Scale, Cross-Entity Institutional Goals: The absence of coordination and governance for joint projects among endowment institutions leads to the stalling of large-scale (national/regional) initiatives and hinders the unification of standards and the measurement of impact at the systemic level.

5. Negative Impacts in the Field of Reputation and Risk:

- Heightened Exposure to Risk: Weak transparency and the absence of mutual review among endowment institutions lead to repeated mistakes and delayed detection of deviations, thereby increasing the likelihood of failures as well as operational and compliance violations.
- Erosion of Donor and Partner Trust: As institutional credibility declines, opportunities for co-financing diminish, and more stringent conditions (additional reports, guarantees, usage restrictions) are imposed. Some partners may even refrain from engaging in future collaborative initiatives.

Fourth: Proposed Measures to Address the Negative Impacts of this Strategy:

To overcome the negative impacts of this strategy, a number of practical solutions can be proposed:

1. Institutional Communication and Openness:

Establish formal and regular communication channels among waqf (endowment) institutions (points of contact, coordination meetings, and joint bulletins), and exchange reports and lessons learned to enhance transparency and build trust.

- Hindrance of innovation: The absence of joint learning platforms, research partnerships, and open databases among endowment institutions weakens the ability to develop new, scalable, and replicable solutions.
- Isolation from expertise: Institutions miss out on benefiting from the experiences of successful endowments and commonly used impact measurement tools, thus delaying the improvement of their programs and the making of evidence-based decisions.

3. Negative Impacts in the Field of Human Resources:

- Decreased Satisfaction and Morale: Employees feel that their efforts do not make a difference in the institution's overall performance, leading to a decline in their motivation and sense of belonging.
- Erosion of Human Capital: Difficulty in attracting and retaining qualified personnel in closed, limited-horizon work environments.

4. Negative Impacts in the Field of Governance and Sustainability:

- Decline in Developmental Impact: Resources are dispersed across small, fragmented initiatives, preventing the widespread distribution of benefits and hindering the ability to reach the largest possible number of beneficiaries.
- Fragility of Financial and Operational Sustainability: Endowments miss opportunities to grow their resources and diversify their income sources through alliances, joint investments, and unified support services. This increases their dependence on a single funding source and amplifies risks.

Thirdly: The Negative Effects of the Isolated Islands Strategy on Waqf (Endowment) Institutions:

Although independence may be considered an advantage in some cases, the continued operation under the logic of isolated islands leaves cumulative negative effects that impact efficiency, governance, and developmental impact. Among the most prominent of these are:

1. Negative Effects in the Field of Operations and Efficiency:

- Fragmentation of efforts and duplication of programs: Initiatives are repeated across multiple entities without coordination or integration, leading to the distribution of resources across similar activities and preventing the equitable distribution of benefits.
- Decreased efficiency and increased cost: When operating in isolation, an institution fails to benefit from economies of scale (lower unit cost) and, conversely, bears additional costs for coordination, procurement, reporting, and compliance. This prolongs procedures, reduces efficiency, and raises overall costs.
- Diminished productivity: Human and financial resources are drained in parallel, non-converging tracks, leading to a decline in output relative to inputs.

2. Negative Impacts in the Field of Knowledge and Innovation:

- Weak knowledge sharing: Inadequate channels for exchanging information between Waqf (Endowment) institutions limit mutual learning and prevent the dissemination of good practices among institutions.

(education, health, relief, etc)- lead to gaps in conceptualization and methodological differences in defining objectives and methods of impact measurement. This weakens the ability to reach consensus and coordinate and limits the potential for alignment and integration between them.

7. Resource and Capacity Constraints:

Resource and capacity constraints -manifested in limitations of specialized human capital, tight budgets, and the multiplied burdens of compliance and governance when cooperating- lead to reducing, rationing, or postponing the engagement of Waqf (Endowment) institutions in partnerships. This is due to the additional administrative and temporal costs imposed by these constraints.

8. Weak Information Infrastructure and Data Sharing:

Weakness in the information infrastructure -manifested in the absence of shared databases and unified standards for information exchange and joint impact assessment- hinders coordination among waqf entities and amplifies uncertainty regarding the expected returns and feasibility of partnerships.

9. Reputational Risks and Negative Past Experiences:

Negative experiences in previous partnerships—such as delays in completion and conflicts over quality standards—heighten the perception of reputational risks. Consequently, caution and sensitivity toward forming new alliances increase, and those responsible tend either to refrain from them or to subject them to more stringent conditions.

3. Weak Trust and Risk Management:

Anxiety over the misdirection of resources or conflicting priorities erodes trust between Waqf (Endowment) institutions. This reinforces a tendency toward caution, avoidance of partnerships, and a shift towards independent operational arrangements.

4. Deficiencies in Governance and Institutional Readiness:

Deficiencies in governance and institutional readiness—manifested in the absence of flexible organizational structures, weak or non-existent clear delegation regulations, and a shortage of qualified teams for negotiation and alliance management—lead to increased coordination costs and amplify the complexities of cooperation between parties. Consequently, cooperation becomes more costly and complicated than independent operation.

5. Narrow Strategic Horizon and Preference for Short-Term Gains:

A narrow strategic horizon and the prioritization of quick gains -by focusing on limited local programs and immediate results- reduce structured investment in learning networks and long-term partnerships. This leads to a contraction in strategic orientation, weakens the accumulation and exchange of knowledge, increases the institution's isolation, and deepens the mentality of insularity and singularity.

6. Divergence in Mission, Reference Framework, and Programs:

Differences in mission, frame of reference, and operational programs among Waqf (Endowment) institutions -resulting from the plurality of jurisprudential schools and the variation in service priorities

entities working in the charitable and developmental field. This has led to transforming many Waqf (Endowment) institutions into isolated islands within their surroundings, operating within narrow frameworks and relying solely on their own resources.

Second: The Motivations of Waqf (Endowment) Institutions for Adopting This Strategy:

There are a set of interrelated factors that explain why some Waqf (Endowment) institutions resort to isolated work, the most prominent of which are:

1. Preserving independence and fulfilling the purposes of the endower:

Some Waqf (Endowment) institutions maintain the independence of their decision-making to ensure strict adherence to the endower's purposes and to safeguard them from external interpretation or influence. Consequently, they tend to adopt a high degree of independence in decision-making and prefer singular governance models that minimize partners' impact on their strategic direction, avoiding the inclusion of parties who might alter the course or priorities.

2. Legal and Legislative Reasons:

The complexity of regulations and the absence of clear legislative frameworks for organizing cooperation between Waqf (Endowment) institutions lead to increased legal and procedural «transaction costs.» This prompts their administrators to prefer independent operation, as it is less risky and less exposed to complications.

Strategy»[1], which is based on working in isolation, relying on limited resources, and self-enclosure without beneficial communication or coordination with other investors in the Waqf (Endowment) field[2].

And in this article, we will discuss the concept of this strategy, analyze its effects on Waqf (Endowment) work, and then present practical proposals for transforming it into a strategy of cooperation and openness, which enhances the developmental and social impact of Waqf (Endowments).

First: The Concept of «Isolated Islands Strategy» in Waqf (Endowment) Work:

Isolated Islands: A term used to describe institutions or entities that operate independently, without communication or coordination with others, even if they are working in the same field.

On the level of Waqf (Endowment) institutions, this strategy manifests in weak communication channels and an absence of coordination and partnerships; whether among the Waqf (Endowments) themselves, or between them and official and civil

(1) Also known as (Silo Mentality), it refers to a state in which each team or department within an institution operates in isolation from others, without communication or cooperation

(2) Dr. Tariq Abdullah argues that the decline of Waqf (Endowments) and the diminishment of its civilizational impact stems—among the most prominent reasons—from its fragmentation, disintegration, and lack of communication between its components. Whether concerning family (descendants') Waqf or charitable Waqf, the transformation of Waqf (Endowment) institutions into "isolated islands" has made interconnection between them an impossible process, especially given their large numbers and the complexity of their problems. See: Abdullah, Tariq (1442 AH), *What Ongoing Charity Conceals*, General Secretariat of Awqaf, Kuwait, 1st Edition, p. 42

Waqf (Endowments) and the Isolated Islands Strategy

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Introduction

Waqf (Endowments) stand as one of the most prominent developmental and social instruments in Islamic civilization, having contributed throughout the ages to financing education, healthcare, pilgrim care, and serving the poor and needy. Since the beginning of Islamic history, Waqf (Endowments), like other service institutions, have faced challenges and issues in every era that contribute to the weakening of their performance and the decline of their developmental impact. With contemporary changes, the expansion of Waqf (Endowments), and their diversification in type and scale, Waqf (Endowment) institutions have encountered more complex challenges, which have had a direct reflection on their performance and outputs. To confront these challenges, Waqf (Endowment) institutions have turned to operating under what is known as the «Isolated Islands