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Islamic social finance as a catalyst for growth among B40 single-motherpreneurs in Malaysia

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Abstract

The study aims to explore the challenges faced by single-motherpreneurs in Malaysia and assess the potential of Islamic social finance (ISF) in addressing these obstacles. The research provides insights into how these financial instruments can support economic empowerment and overcome challenges. The study employed a qualitative approach, conducting in-depth interviews with 12 single-motherpreneurs from the B40 community across various Malaysian states. The data were analyzed using content analysis with NVivo software. The study identifies five main themes of challenges faced by single-motherpreneurs in Malaysia, including financial difficulties, time management constraints, lack of support and resources, market competition, and socioeconomic pressures. The study found that ISF emerges as a potential solution, providing tailored products and support systems that can empower single-motherpreneurs and address their specific needs. Through targeted training, financial assistance, and innovative products, ISF can play a transformative role in enhancing the economic viability and resilience of single-motherpreneurs. The originality of this research fills the gap in the existing literature by examining the intersection of single-motherpreneurship and ISF practices in Malaysia. It offers a nuanced perspective on how ISF can empower single-motherpreneurs economically and socially. The study contributes to the broader discourse on women's entrepreneurship and financial inclusion by highlighting the potential of ISF to address the unique challenges faced by this demographic.

Keywords: Women entrepreneurship, woman empowerment, B40 community, Poverty alleviation, financial inclusion, NVivo

1.0 Introduction

The global recognition of the vital woman contributions make to economic growth and social development has led to a substantial increase in the empowerment of women in entrepreneurship in recent years. However, among this group, single-motherpreneurs represent a particularly resilient yet underserved demographic facing unique challenges. This is added to the fact that the topic of single motherhood and divorce, particularly within Malay society in Malaysia, has long been considered taboo. Against all odds, single mothers are compelled to seek employment in order to provide financial support for their family. They find it impractical to maintain a standard 8 a.m. to 5 p.m. office schedule due to the responsibility of childcare for their children. Due to the escalating expenses associated with child care, enrolling their children in daycare will no longer be a viable option for them, as it would incur additional financial obligations. The optimal circumstance for single mothers would be to be able to work flexible hours from

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home while simultaneously caring for their children and generating income. Thus, one potential course of action is for them to pursue motherpreneurship, which would enable them to work remotely or from home.

2.0 Problem Statements

Nevertheless, prior research has demonstrated that these solutions are not completely devoid of limitations. Single-motherpreneurs continue to encounter numerous obstacles and problems that impede their progress, resulting in a diminished sense of morale. One of the main financial challenges that single-motherpreneurs face is the burden of being solely responsible for providing for their family (Dhaliwal, 2021). For single mothepreneurs, financial constraints are often a major obstacle to starting and expanding their businesses (Zulkhibri, 2016). Other challenges highlighted are lack of educational attainment, lack of skills, lack of social networks, and conflicts in coping with work-family responsibilities (Onileowo, 2021; Topimin et al., 2019; Mat et al., 2023).

Malaysia, a country known for its strong Islamic finance industry, offers a potential solution to these difficulties by applying Islamic social finance concepts. Islamic finance offers alternative financial products that adhere to Islamic principles, such as profit-sharing partnerships and interest-free loans, which can provide single-mothepreneurs with access to much-needed capital without compromising their religious beliefs. In addition, through philanthropic social finance principles such as Islamic microfinance, zakat, waqf, and sadaqah, it is believed that the challenges faced by single-motherpreneurs can be mitigated. Thus, the objectives of this study are, first, to identify challenges faced by single-motherpreneurs in Malaysia; second, to examine the existing products of Islamic social finance in facilitating the livelihood of single-motherpreneurs; and lastly, to assess the potential of Islamic finance in overcoming the challenges faced by single-motherpreneurs. The study fills a significant research gap by focusing on the intersection of single-motherpreneurship and Islamic social finance in Malaysia, an area that has been relatively underexplored. While previous research has discussed challenges faced by single-motherpreneurs and the principles of Islamic finance (Dhaliwal, 2021; Zulkhibri, 2016; Onileowo, 2021; Topimin et al., 2019; Mat et al., 2023), there is a lack of comprehensive analysis on how Islamic social finance can directly support and empower this demographic. The novelty of this study lies in its detailed examination of existing Islamic social finance products and their potential to address the specific needs of single-motherpreneurs.

3.0 Literature Review

3.1 Overview of Islamic Finance Principles and Instruments

Islamic finance is founded upon the principles of Shariah and prioritises ethical and equitable practices that adhere to religious tenets. It is based on principles derived from Sharia, which clearly prohibit the charging or receiving of interest (riba), engaging in transactions with uncertain consequences (gharar), participating in gambling activities (maysir), and investing in activities that are considered illegal (haram). In contrast, it promotes the adoption of risk distribution, asset security, and ethical conduct in financial transactions (Kammer et al., 2015). Islamic finance aims to advance socio-economic development while adhering to religious principles.

Hussain, Shahmoradi, and Turk (2015) further identified three fundamental principles that govern Islamic finance: the principle of equity, the principle of participation, and the principle of ownership. The concept of equity ensures fairness for all parties involved in a contract by prohibiting riba' and excessive uncertainty (gharar). Secondly, the principle of participation enables the contracting parties to gain the benefits (profits) derived from their capital contribution. However, the acquisition of profits requires a corresponding level of risk-taking. The profitability gained is dependent upon the asset's performance or the project's productivity, thereby illustrating the interrelated relationship between financing activities and actual economic activities (Hussain, Shahmoradi, and Turk, 2015). Thirdly, the principle of ownership. Islamic finance emphasises on asset ownership before a transaction is effectuated. This is to adhere to the Shariah ruling concerning the prohibition of selling items that we do not possess. Establishing a clear ownership is crucial in order to exercise one's entitlement to a specific commodity or asset. These three principles of equity, participation and ownership are embedded in the Islamic financial instruments.

3.2 Entrepreneurship Challenges Faced by Single-Motherpreneurs

While entrepreneurship is often a path to economic empowerment, single-motherpreneurs face unique challenges due to balancing parenthood with business demands. The term single-motherpreneurs refers to women who are both single mothers and entrepreneurs. This include women who are divorced, widowed, separated, or never married, and who have primary responsibility for raising their children and family while simultaneously managing and operating their own businesses (Onileowo, 2021; Topimin, Fabeil, & Abdullah, 2019). These individuals often pursue entrepreneurship as a means to achieve financial independence, provide for their families, and attain greater flexibility in balancing work and childcare responsibilities. Previous studies have highlighted the multifaceted challenges faced by single-motherpreneurs across various countries, revealing both common and unique hurdles they encounter in their entrepreneurial journeys (Dhaliwal, 2021; Zulkhibri, 2016; Onileowo, 2021; Topimin et al., 2019; Mat et al., 2023). The findings across different cultural and economic contexts show the resilience of single-motherpreneurs as they strive to balance business demands with familial responsibilities. Despite the diverse environments, certain challenges such as financial constraints that limit their ability to launch or sustain a business. Without a second income, they struggle to access startup capital, affecting their ability to secure suitable business premises (Duffy & Sedlacek, 2007; Topimin, Fabeil, & Abdullah, 2019). These constraints are exacerbated by challenges in securing loans or investments due to perceived higher risk associated with their familial responsibilities (Ratten & Jones, 2020). This can lead single-motherpreneurs to seek financial assistance from family and friends, as found in a study by Topimin, Fabeil, and Abdullah (2019). In addition, the escalating cost of essential goods and services in recent years has disproportionately intensified the financial strain on single mother entrepreneurs (World Economic Forum, 2022)

Moreover, the demands of balancing business with childcare can lead to time constraints and emotional strain (Anderson & Genicot, 2012). Neglecting one of them could bring significant damage to the family's life in terms of financial and parenting. Additionally, societal stigmatization and prejudice towards single-motherpreneurs can hinder their ability to effectively contribute to society (Rusyda et al., 2011; Topimin, Fabeil, & Abdullah, 2019). A lack of business knowledge, skills, and experience further impedes their success, highlighting the need for enhanced human capital (Topimin, Fabeil, & Abdullah, 2019; Onileowo, 2021). Without sufficient support and resources, single-motherpreneurs may face significant barriers to growing their businesses and achieving long-term sustainability.

Given the multifaceted challenges faced by single-motherpreneurs, there is a pressing need for concerted efforts to support this demographic. Developing alternative financial products tailored to their unique circumstances can help minimize their burden and empower them to thrive in their entrepreneurial journeys.

3.3 Economic Empowerment through Islamic Social Finance

Islamic social finance offers a promising avenue for the economic empowerment of single-motherpreneurs by providing them with access to essential resources and support. For instance, Balogun, Bustamam, and Johari (2014) emphasize the importance of Islamic microfinancing in empowering women entrepreneurs in Nigeria. This suggests a global potential for similar support systems across different countries and contexts. Nasir, Ishak, and Jamaluddin (2023) find that single mothers can achieve entrepreneurial success when provided with proper training, funding, and monitoring. Islamic crowdfunding through instruments such as mudharabah, infaq, and qard can support single-motherpreneurs based on their business projects and entrepreneurial history.

Islam and Ahmad (2020) highlight the significant potential of Amanah Ikhtiar Malaysia (AIM), an Islamic microfinance institution, in empowering women. AIM focuses on offering product-related socialization and education, particularly concerning Musyarakah and Mudharabah contracts and entrepreneurial training. Additionally, Bello (2022) explores how property waqf, cash waqf, and corporate waqf enhance women's economic empowerment by facilitating the growth of physical, financial, and human capital—key elements for entrepreneurial success.

Salim, Yatim, and Zahid (2024) discuss the moderate effectiveness of AIM's microfinancing program in economic, digital, and psychological empowerment indicators. The program has also shown high levels of social empowerment. These findings underscore the need for targeted strategies to improve microfinancing programs and enhance policy formulation for the empowerment of single-motherpreneurs. Hence, Islamic social finance instruments such as zakat, waqf, mudharabah, qard, and microfinance hold great promise for supporting single-motherpreneurs by facilitating access to capital, training, and other vital resources, ultimately helping them achieve economic empowerment and resilience.

3.4 Potential of Islamic Finance in Overcoming Single-Motherpreneurs' Challenges

To better understand how Islamic social finance can act as a Catalyst for growth among b40 single-motherpreneurs in Malaysia, it is important to assess how the role of Islamic finance in overcoming single-motherpreneurs' Challenges. Overall, Islamic finance mechanisms offer unique potential for addressing the specific challenges faced by single-motherpreneurs through their emphasis on social justice, risk-sharing, and ethical considerations. Islamic finance, particularly through instruments like Islamic microfinance and crowdfunding, has emerged as a viable solution to the multifaceted challenges faced by single-motherpreneurs.

One example, Jamaluddin et al. (2022) highlight that mudharabah-based crowdfunding models offer a practical solution to common challenges faced by single-motherpreneurs, particularly limited access to capital. By enabling home-based business operations, this model provides flexibility that accommodates caregiving responsibilities. The profit-sharing mechanism inherent in mudharabah contracts also minimizes financial risk, making it accessible for women with limited assets or irregular income.

Besides, Islamic microfinance initiatives are recognized for their comprehensive approach to empowering women entrepreneurs in the B40 category. Ruslan et al. (2024) emphasize that these initiatives go beyond credit provision, integrating financial literacy, mentorship, and business development support. Unlike conventional financing, Islamic microfinance applies risk-sharing and ethical principles, offering a more inclusive and supportive financing model suited to the structural barriers often experienced by single mothers, such as limited collateral, gender-based discrimination, and lack of networks.

Moreover, broader Islamic social finance tools, such as zakat, waqf, and Islamic crowdfunding, can be mobilized to address structural challenges including financial exclusion, lack of business capital, and market access. These instruments create opportunities for targeted assistance through integrated and sustainable support mechanisms (Adlina at al. 2022). Nonetheless, issues such as weak governance frameworks and inconsistent implementation continue to limit their full potential (Thaidi et al. 2023). There remains a pressing need for tailored Islamic finance solutions specifically designed to meet the needs of single-motherpreneurs, particularly in enhancing long-term resilience and economic mobility.

4.0 Methodology

The study employed a qualitative research approach, involving in-depth interviews with 12 single-motherpreneurs from the B40 community across various states in Malaysia. Participants were recruited using a snowball sampling technique (Mortelmans, 2007), starting with a formal request to the Women Development Centre (Pusat Pembangunan Wanita) in each state. The selection criteria required participants to be (i) single mothers (widowed, divorced, or never married), (ii) classified within the B40 income group, and (iii) actively operating a micro or small enterprise for at least six months. This ensured that respondents had sufficient entrepreneurial experience to provide meaningful insights. The diverse backgrounds and business experiences of the 12 single-motherpreneurs provided a rich data set for the research. The interviews were conducted using semi-structured questions, allowing for a practical and flexible approach to gather participants' experiences, attitudes, and opinions. This method also enabled the researchers to explore new and emerging issues through open-ended questions (Wilson, 2014). Once the interviews were transcribed, the data were analyzed using thematic analysis methods with the aid of NVivo Software. This approach allowed for a systematic and objective assessment of verbal data, facilitating the identification of specific challenges faced by single-motherpreneurs.

After identifying these challenges, an in-depth content analysis was conducted to examine the existing products of Islamic social finance and assess the potential of Islamic finance in overcoming the challenges faced by single-motherpreneurs. This process helped to generate insights into how Islamic social finance can support the economic empowerment and resilience of this demographic. Demographic information and types of businesses were also analyzed, as shown in Table 1.

Table 1 Demographic Information of the Single-Motherpreneurs.

No	Name	State	Nature of business
1.	Puan A	Kedah	Kuih Frozen (karipap & samosa)
2.	Puan B	Kedah	Food: fried food incl. pisang goreng and cucur & traditional kuih muih
3.	Puan C	Kedah	Small restaurant (buffet only)
4.	Puan D	Kedah	Food: nasi lemak & service: house cleaning service
5.	Puan E	Kedah	Food- kuih for breakfast (no self-owned stall) & agriculture (bendang)
6.	Puan F	Kelantan	Food- assorted puding kuih & cake (no self-owned stall)
7.	Puan G	Selangor	Food- Roti Jala and Agent Snek Berpantang (no self-owned stall)

Table 1: Continued

8.	Puan H	Kedah	Small restaurant (masakan panas only)
9.	Puan I	Kedah	Small restaurant (masakan panas & buffet)
10.	Puan J	Kelantan	Service: sewing clothes
11.	Puan K	Kelantan	Service: sewing clothes and & bag
12.	Puan L	Kelantan	Service: sewing clothes

5.0 Result and Discussion

In the rapidly evolving landscape of entrepreneurship, there exists a group often overlooked yet remarkably resilient: single-motherpreneurs. In Malaysia, these women serve as exemplars of determination and perseverance, balancing the responsibilities of parenthood with the demands of business ownership. However, their journey is not without its trials. From facing financial constraints to time constraints and lacking adequate support systems, single-motherpreneurs encounter numerous challenges that can hinder their path to success.

With statistics still unclear regarding the exact number of single-motherpreneurs, it is evident that the majority of the global female population, including single mothers, is involved in entrepreneurship, namely almost 5% (Global Entrepreneurship Monitor, 2017). This trend is reflected in developing countries such as Malaysia, where the number of single mothers has almost doubled in the past decade, from around 130,000 in 2010 to almost 250,000 in 2018 (Ministry of Women, Family and Community Development [KPWKM], 2014). Moreover, it cannot be denied that the important role of women entrepreneurs in driving economic development, including in Malaysia, is very important. Their contributions include innovation, job creation, poverty alleviation, tax revenue generation, and improving overall prosperity in the economy.

5.1 Challenges Faced by Single-Motherpreneurs

Based on insightful discussions with twelve people who are deeply involved in the business world, Table 2 provides an outline of the difficulties faced by single mothers who are also entrepreneurs in Malaysia. The diverse range of issues revealed highlights the complex nature of the obstacles encountered by these resilient business owners. Financial constraints include things like growing raw material prices, inadequate funding, and high costs of goods, which are major obstacles to long-term economic viability. The difficulties single mothers face in fulfilling their personal responsibilities, such as covering their children's tuition and medical costs, also highlight the delicate balance that single mothers in business must maintain between their obligations to their families and their businesses. Furthermore, time management constraints are apparent, with the pressing demands of entrepreneurship often competing with the limited hours in a day. Further barriers for business growth and productivity are the lack of reliable support systems and necessary resources, such as machinery. The obstacles experienced by single-motherpreneurs are further compounded by market dynamics, which are defined by pricing competition, customer-related issues, and market instability. Socioeconomic considerations also add to the complexity of managing the entrepreneurial landscape; these include rising living expenses and growing needs.

Table 2 Overview of Challenges Faced by Single-Motherpreneurs in Malaysia.

Category	Challenges	Definition
Financial Challenges	Rise in prices of raw materials	The increase in the cost of essential materials required for production or operation.
	Insufficient capital	Inadequate funds available to invest in the business or cover operational expenses.
	High cost of goods	Expenses associated with producing or purchasing goods for resale are disproportionately high.
	Challenges in paying school fees	Difficulty in affording educational expenses for children, including tuition fees and related costs.
	Challenges in paying clinics	Struggles to afford healthcare expenses for oneself or family members, including medical consultations and treatments.
Time Management	Time constraints	Limited availability of time to effectively manage and operate the business due to other responsibilities or commitments
Lack of Support	No support system	Absence of a network or assistance from family, friends, or

Table 2: Continued

and Resources		community organizations to provide guidance, mentorship, or emotional support.
	Lack of machinery	Inadequate access to necessary equipment or machinery, hindering efficient production or operation processes.
Market and Competition	Pricing competition	Pressure to maintain competitive prices in the market, potentially resulting in reduced profit margins.
	Problems with customers	Issues related to customer satisfaction, complaints, or difficulties in retaining customers.
	Uncertainty	Lack of predictability or stability in market conditions, consumer demand, or regulatory environments.
Socioeconomic	Increasing needs and costs	Rising living expenses and financial obligations, leading to greater financial strain on the business and household.

Source: Processed Data

a. Financial Challenges

The interviews uncovered a wide range of financial difficulties faced by Malaysian single-mother business owners, with rising prices of raw materials emerging as a central concern. Puan A first emphasized the challenge of keeping profit margins while fulfilling consumer expectations, and Puan E's narrative showed the challenge of adjusting prices in the midst of rising raw material costs. The difficulty in responding to frequent price increases highlights the delicate balance that single mother business owners have to maintain between affordability and profitability. Moreover, the widespread problem of inadequate funding makes these entrepreneurs' financial hardship even worse. Puan B and Puan A both complained the difficulties brought about by insufficient money, which made it difficult for them to make the investments in resources they needed or to react to changes in the market. This structural obstacle highlights the necessity of easily accessible financial support programs designed to meet the particular requirements of business owners who are single mothers in order to maintain their financial sustainability and resilience in the harsh economic environment.

Another major financial obstacle is the high cost of goods, which increases operating costs and reduces profit margins. Puan C and Puan B expressed shock at the outrageous costs of goods, which provide difficulties for small businesses with tight budgets. As Puan B pointed out, the compounding effect of rising raw material prices makes these entrepreneurs' financial struggles much worse. Moreover, financial challenges are not limited to a business's operations; they also affect personal responsibilities, as demonstrated by difficulties with clinic and school expenses. Puan B's worries about paying for her kids' schooling highlight the interconnectedness of financial difficulties, since family financial security is directly impacted by business prosperity. Puan D further elucidated the challenges faced by single mothers in meeting healthcare expenses, often resorting to delaying payments or relying on external assistance. These observations highlight the complex nature of financial difficulties, since insufficient funding not only affects the sustainability of businesses but also restricts access to vital services for families and single-motherpreneurs.

b. Time Management Challenges

Time management emerges as a critical challenge for single-motherpreneurs, constraining their ability to effectively balance business operations with familial responsibilities. Puan A highlighted the impact of time constraints on pastry production, where any delay in time management directly translates to reduced output for the day. Similarly, Puan E's early morning routine of waking up at 4 am to make kuih underscores the sacrifices made to accommodate both business demands and household duties. The sentiment was echoed by Puan F and Puan G, emphasizing the perpetual struggle to manage time amidst the dual responsibilities of entrepreneurship and childcare. These accounts underscore the need for flexible and efficient time management strategies tailored to the unique circumstances of single-motherpreneurs, enabling them to optimize productivity while maintaining work-life balance.

c. Lack of Support and Resources Challenges

Lack of support systems and essential resources further compound the challenges faced by single-motherpreneurs, exacerbating the burden of solo entrepreneurship. Puan H's acknowledgment of having to navigate the business journey alone underscores the absence of a support system, depriving these entrepreneurs of valuable guidance and assistance. Similarly, Puan I lamented the loss of spousal support, emphasizing the sole reliance on business income and external assistance for financial stability. Additionally, the lack of essential machinery, as highlighted by Puan J, impedes operational efficiency and delays order fulfillment, potentially compromising customer satisfaction and business reputation. These narratives underscore the critical need for comprehensive support mechanisms and access to essential resources tailored to the unique needs of single-motherpreneurs, facilitating their entrepreneurial journey and enhancing their prospects for sustainable business growth.

d. Market and Competition Challenges

In addition, Malaysian single-mother business owners face a number of difficulties related to competitiveness and market dynamics. Puan B and Puan K emphasized how hard rivals are fighting for market dominance in their respective industries. Puan B complained about the kuih market's saturation, saying that it was getting harder and harder for her to sell her goods in the midst of fierce competition. Puan K expressed similar ideas regarding the floral industry, stressing the necessity of competing with cheaper prices because rivals sometimes ignore hidden expenses. Furthermore, Puan L's experience with consumers who refuse to pay after getting items serves as an example of how problems with customers provide extra challenges. This emphasizes how difficult it is to manage customer interactions and navigate market uncertainty, which calls for careful planning in terms of price and strict customer management procedures to lessen risks.

e. Socioeconomic Challenges

Lastly, the socioeconomic environment poses tricky challenges that compound the difficulties of managing a household and a business. Puan C brought attention to the financial burden of raising a kid in the face of rising needs and expenses, which is symbolic of the larger socio-economic challenges that Malaysian single moms confront. Puan C and Puan B point out that these difficulties are made even more difficult by the inherent uncertainty in company operations. Due to the unpredictable character of business sales, entrepreneurs may find themselves in unstable financial positions where they must look for outside funding in order to satisfy their personal commitments and maintain their companies. These stories highlight the complex relationship that exists between socioeconomic variables and entrepreneurial pursuits, highlighting the necessity of focused interventions to reduce financial pressures and strengthen the ability of single-motherpreneurs to navigate the dynamic socio-economic landscape of Malaysia.

5.2 Why Islamic Social Finance?

It is undeniable that single-motherpreneurs in Malaysia confront a multitude of challenges, ranging from financial constraints and time management issues to market competition and socioeconomic pressures. These challenges not only hinder their business growth but also impact their ability to provide for their families and fulfill personal obligations. Given the vital role that women entrepreneurs play in driving economic development, it is imperative to address the unique challenges faced by single motherpreneurs. Moreover, supporting single motherpreneurs is not only a matter of economic empowerment but also a means of promoting gender equality and social inclusion. By providing targeted assistance to this demographic, policymakers and financial institutions can contribute to fostering a more equitable and resilient society.

Recognizing the significance of supporting single motherpreneurs, there is a clear need for suitable banking products and services tailored to their specific needs and circumstances. Traditional banking products often overlook the challenges faced by single motherpreneurs, such as irregular income streams and limited collateral. As a result, accessing financing and other essential financial services becomes a daunting task for this demographic. Hence, providing tailored financial products and services not only addresses the immediate challenges faced by single motherpreneurs but also contributes to broader socioeconomic development by unlocking their entrepreneurial potential and driving economic growth.

Islamic social finance is one of the alternatives that can provide solution for addressing the challenges, especially the financial needs of single-motherpreneurs in Malaysia. Islamic social finance can assist single motherpreneurs in several ways. Firstly, Islamic microfinance offers interest-free financing options, such as qard al-hasan (benevolent loan) and murabaha (cost-plus financing), which enable single motherpreneurs to access capital without incurring interest-bearing debt (Muhammad et al., 2018; Haouam, 2018; Mohieldin et al., 2011). This provides a viable alternative for entrepreneurs who may be averse to conventional interest-based financing due to religious or ethical considerations. Moreover, Islamic social finance institutions often prioritize financial inclusion and social welfare, offering tailored financial products and services that cater to the specific needs of underserved demographics, including single motherpreneurs (Azman et al., 2021; Biancone & Radwan, 2019). Additionally, zakat funds can be mobilized to provide direct financial assistance, training programs, and entrepreneurial support services to empower single motherpreneurs to establish and grow their businesses sustainably (Muhammad et al., 2018; Mohieldin et al., 2011). By leveraging the principles of Islamic social finance, policymakers, financial institutions, and philanthropic organizations can play a pivotal role in fostering economic empowerment and social inclusion for single motherpreneurs in Malaysia.

5.3 Review of Islamic Social Finance Products Empowering Single-Motherpreneurs in Malaysia

This section presents a review of existing Islamic social finance products in Malaysia that aim to support the economic empowerment of single-motherpreneurs. Unlike the previous sections based on primary interview data, the analysis here is derived from secondary sources, including market research, government reports, institutional publications, and peer-reviewed literature. It is highlight how Islamic social finance has been operationalized to meet the unique needs of this underserved demographic.

It is noteworthy that Malaysia has emerged as a pioneer in the development and implementation of Islamic finance products, owing to its robust regulatory framework, vibrant financial ecosystem, and strong commitment to promoting Islamic finance principles. As one of the leading Islamic finance hubs in the world, Malaysia has spearheaded initiatives to enhance financial inclusion and socioeconomic empowerment through innovative Islamic finance products and services. The Malaysian government, in collaboration with Islamic financial institutions and philanthropic organizations, has actively supported the design and implementation of dedicated financial products for underserved demographics, including single motherpreneurs.

Table 3 presents a comprehensive overview of successful dedicated products within the realm of Islamic social finance that are specifically designed to empower single motherpreneurs in Malaysia. These products are tailored to address the unique financial needs and challenges faced by this demographic, offering innovative solutions grounded in Islamic finance principles.

Table 3 Dedicated Islamic social finance products for Single Motherpreneurs in Malaysia

Program Name	**Provider**	**Notes**
Sejahtera YSM	MISA & Bank Islam	Equips single motherpreneurs with entrepreneurial skills such as e-commerce, digital marketing, and financial literacy.
HLISB & SURI Underprivileged/B40 Mothers Program	Hong Leong Islamic Bank (HLISB) & SURI	Empowers low-income single mothers with opportunities to start their own businesses through intensive training and support.
MAH-SURI Lifestyle	Alliance Islamic Bank & SURI	Improves the lives of underprivileged single mothers by equipping them with skills to generate income, focusing on sustainable fashion.
iTEKAD	Various Islamic Banks in Malaysia (e.g., BMMB, Bank Islam, Maybank Islamic, AmBank Islamic, CIMB Islamic)	Mobilizes social finance instruments such as zakat, sadaqah, and waqf to provide seed capital and microfinancing arrangements to eligible single motherpreneurs.

Source: Processed Data

The first product, the Sejahtera YSM program, facilitated by MISA and Bank Islam, addresses the pressing need for capital and relevant entrepreneurial skills among single motherpreneurs, particularly exacerbated by the challenges brought about by the Covid-19 pandemic. This flagship initiative is designed to equip beneficiaries with essential entrepreneurial skills, including e-commerce proficiency, digital marketing strategies, and financial literacy. Through three distinct initiatives focusing on financial literacy, e-commerce, digital marketing, and personal development, single motherpreneurs are empowered to navigate the competitive business landscape and establish sustainable ventures. By providing comprehensive training and support, the Sejahtera YSM program seeks to uplift single motherpreneurs economically and foster their financial resilience amidst adversity.

Moreover, the HLISB & SURI Underprivileged/B40 Mothers Program, provided by Hong Leong Islamic Bank (HLISB) and SURI, endeavors to empower low-income single mothers through business opportunities and skill development. Funded by a generous injection from HLISB and Lembaga Zakat Selangor's Zakat Wakalah fund, this flagship initiative aims to break the cycle of financial hardship by offering intensive sewing and product development training to 20 single mothers from the B40 community. The program's focus on utilizing recycled and upcycled materials underscores its commitment to sustainability and environmental stewardship. By equipping participants with the necessary skills and resources, including sewing machines, the program enables single mothers to kickstart their businesses, generate sustainable income, and achieve financial independence.

The MAH-SURI Lifestyle Project, a collaborative effort between Alliance Islamic Bank and SURI, represents a significant step towards improving the livelihoods of underprivileged single mothers in

Langkawi. Through skills development and income-generating activities, MAH-SURI seeks to uplift disadvantaged communities by upcycling discarded hotel bed sheets into innovative and sustainable fashion items. Emphasizing sustainability principles and social empowerment, this initiative aims to create positive change and elevate the economic prospects of single motherpreneurs. With the support of the Langkawi Development Authority and corporate funding from Alliance Islamic Bank, MAH-SURI endeavors to equip single mothers with the necessary tools and resources to establish successful entrepreneurial ventures, thereby enhancing their socioeconomic well-being and fostering community resilience.

Lastly, the iTEKAD program, provided by various Islamic banks in Malaysia including Bank Muamalat Malaysia Berhad (BMMB), Bank Islam Malaysia Berhad, Maybank Islamic, AmBank Islamic, and CIMB Islamic Bank Berhad, stands out as a national initiative aimed at enhancing the quality of B40 entrepreneurs and significantly impacting the Small and Medium Enterprise (SME) sector. Recognized as an initiative under the iTEKAD program introduced by Bank Negara Malaysia, the Community Engendering Programme focuses on improving the skills and capabilities of B40 entrepreneurs, aligning with the objectives of the Small Traders and Small Business Development Plan (P3PK) 2023-2027. Each participating bank has tailored its offerings under the iTEKAD program to cater to the specific needs of micro-entrepreneurs and low-income individuals affected by the COVID-19 pandemic. For instance, Bank Islam Malaysia Berhad's Program Pembiayaan Mikro iTEKAD Maju aims to provide financing support to B40 micro-entrepreneurs and asnaf who have suffered income losses due to the pandemic. Similarly, Maybank Islamic's Aspirasi Wanita Programme focuses on strengthening the financial management and business acumen of low-income micro-entrepreneurs, particularly women, through strategic business training, mentorship, and access to seed capital and financing. AmBank Islamic's participation in the iTEKAD program includes providing funding assistance to micro-entrepreneurs, with a focus on empowering asnaf micro-entrepreneurs and capacity-building for the lower-income group. Launched in May 2020, iTEKAD mobilizes social finance instruments such as zakat, sadaqah, waqf, and social investment funds to offer seed capital and microfinancing arrangements to eligible applicants. Additionally, collaborations with State Islamic Religious Councils, government agencies, and non-government organizations ensure recipients receive structured entrepreneurship and financial management training to effectively manage their ventures.

5.4 Potential Integration of Islamic Social Finance into Entrepreneurial Practices

After carefully examining the challenges faced by single-motherpreneurs in Malaysia and exploring the existing Islamic social finance products that support their livelihoods, this section concludes by assessing the potential of Islamic finance in addressing those identified challenges. It provides highlight on how Islamic finance instruments, such as zakat, waqf, and Islamic microfinancing, can be strategically integrated to mitigate the various challenges identified in this paper including financial challenges, time management, lack of support and resources, market and competition, and socioeconomic challenges.

Based on the innovative products and programs introduced earlier, Islamic social finance emerges as a potent tool for addressing the multifaceted challenges encountered by single motherpreneurs in Malaysia. These initiatives, facilitated by various Islamic banks and organizations, exemplify the transformative potential of Islamic finance principles in empowering marginalized communities. By utilizing zakat, sadaqah, and waqf funds, coupled with targeted training and support services, Islamic social finance not only offers financial assistance but also fosters holistic development, enabling single motherpreneurs to thrive in the entrepreneurial landscape. Hence, the following are the potential benefits of the utilization of Islamic social finance in empowering single-motherpreneurs in Malaysia:

a. Facilitating Access to Interest-Free Financing.
   Islamic social finance initiatives, such as the Program Pembiayaan Mikro iTEKAD Maju and Sejahtera YSM, provide single motherpreneurs with interest-free financing options, addressing capital constraints and facilitating business establishment and expansion without the burden of conventional interest payments.
b. Empowering Through Tailored Training Programs
   Programs like the MAH-SURI Lifestyle Project and Sejahtera YSM offer tailored training programs focusing on skills enhancement, entrepreneurship development, and financial literacy. By equipping single motherpreneurs with the necessary knowledge and resources, Islamic social finance empowers them to navigate the business landscape successfully.
c. Promoting Sustainability and Environmental Stewardship
   Initiatives emphasizing sustainability, such as the HLISB & SURI Underprivileged/B40 Mothers Program, promote the use of recycled and upcycled materials in product development. Islamic social finance thus aligns with Islamic principles of conservation and responsible resource

management, fostering sustainable business practices among single motherpreneurs.

d. Fostering Collaboration for Holistic Support
Collaboration among Islamic banks, government agencies, and non-governmental organizations under initiatives like the iTEKAD program facilitates the delivery of comprehensive support services. Through structured partnerships, single motherpreneurs receive not only financial assistance but also access to training, mentorship, and capacity-building programs, ensuring their holistic development and long-term success in entrepreneurship.

6.0 Conclusion

When analysing the support available for single-motherpreneurs in Malaysia, it is clear that deliberate actions are being taken to tackle their specific obstacles and promote their economic empowerment. The initiatives mentioned, such as the Sejahtera YSM programme facilitated by MISA and Bank Islam, the HLISB and SURI Underprivileged/B40 Mothers Programme, the MAH-SURI Lifestyle Project, and the iTEKAD programme provided by different Islamic banks, demonstrate the dedication of both the public and private sectors to improve the situation of this specific group.

The Sejahtera YSM curriculum provides extensive instruction in entrepreneurial skills, e-commerce, digital marketing, and financial literacy, empowering single motherpreneurs with the necessary resources to succeed in a competitive business landscape. Similarly, the HLISB and SURI programmes have a specific emphasis on enhancing skills and creating business prospects. They offer comprehensive training and resources to empower low-income single moms to generate a stable and long-lasting source of income.

The MAH-SURI Lifestyle Project promotes sustainability through upcycling projects and empowers disadvantaged single moms in Langkawi by giving them with the resources to build successful entrepreneurial ventures. In addition, multiple Islamic banks endorse the iTEKAD programme, a nationwide initiative that showcases a comprehensive strategy to assist B40 entrepreneurs, especially single mothers, by providing customised financing, training, and mentorship prospects.

These initiatives highlight the significance of cooperative endeavours among financial institutions, government agencies, and non-governmental groups in tackling the diverse demands of single motherpreneurs. Through the utilisation of Islamic finance concepts and social finance mechanisms, such as zakat and waqf, these projects not only offer monetary aid but also foster social integration and sustained progress.

By providing assistance to single mothers, businesses, governments, financial institutions, and philanthropic groups contribute to both economic growth and the promotion of gender equality and social cohesion. In the future, it is crucial to maintain investment in programmes that empower single-motherpreneurs, guaranteeing they have the necessary resources and assistance to thrive in their business ventures and make a beneficial impact on Malaysia's socioeconomic environment.

However, as a qualitative study, this research was designed to provide in-depth insights rather than statistically generalizable results. The sample size of 12 participants was appropriate for achieving data saturation and capturing diverse experiences within the B40 single-motherpreneur community. However, it is acknowledged that the small sample may limit the generalizability of the findings to the wider population of single-motherpreneurs in Malaysia or those in different socioeconomic brackets.Furthermore, the study specifically focused on the B40 community to align with the research objective of understanding the most financially vulnerable segment of single-motherpreneurs.

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