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Research Management Unit
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RECTOR'S NOTE



Prof. Dr Roshima Said
Acting Rector

"Together we advance knowledge with integrity, creativity, and purpose—many voices united to shape a brighter, sustainable future."

Assalamualaikum warahmatullahi wabarakatuh,

Alhamdulillah, with gratitude to Allah SWT, I am pleased to welcome you to the fourth volume of RMU4U e-Bulletin. This publication continues to serve as a reflection of our vibrant intellectual community at UiTM Kedah, bringing together voices from diverse disciplines and perspectives. In this issue, with 42 insightful contributions, we witness not only the richness of research topics but also the strength of our shared purpose. While the papers range from sustainability in fashion and design, digital literacy, and artificial intelligence to law, economics, and cultural heritage, they are united by a common aspiration: to advance knowledge that is meaningful, ethical, and impactful for society.

Our academic journey is significant because of this harmony amid diversity. Whether addressing contemporary challenges in technology and governance or celebrating the timeless values of culture and tradition, our scholars demonstrate that knowledge is most powerful when it is connected, when different fields meet at the crossroads of innovation, integrity, and service to the community.

As Rector, I am profoundly inspired by the dedication, innovation, and scholarly excellence demonstrated by our academics and researchers. You are not only advancing knowledge within our university but are also fulfilling UiTM's noble mission, creating impactful ideas that serve the nation and uplift the ummah.

Your work reflects a deep commitment to relevance, integrity, and service. Let us continue to nurture a culture of collaboration, creativity, and excellence, ensuring that our contributions remain forward-looking, transformative, and rooted in the needs of society. Together, we are shaping a brighter, more sustainable future through education, research, and innovation.

Congratulations to all the dedicated contributors whose passion and perseverance have brought this volume to life. My heartfelt appreciation goes to the Research Management Unit for their steadfast leadership and solid commitment in making this achievement possible. May RMU4U continue to shine as a beacon of knowledge, uniting diverse voices in a shared mission of discovery and excellence. Together, may we be inspired to reach even greater heights in the pursuit of impactful research and innovation.

One purpose. One vision. Many voices, one future.

Sincerely,
Prof. Dr Roshima Said
Acting Rector,
Universiti Teknologi MARA Keda

A MESSAGE FROM THE CHIEF EDITOR



Dr Azyyati Anuar
Chief Editor,
RMU4U E-Bulletin

"RMU4U Volume 4 celebrates diverse scholarship, uniting research, innovation, and culture to inspire collaboration, sustainability, and inclusive growth."

We are pleased to present Volume 4 of RMU4U, a platform dedicated to showcasing research, innovation, and thought leadership across diverse academic disciplines. This issue reflects the dynamic intellectual ecosystem we strive to cultivate, highlighting contributions that bridge theory and practice while addressing pressing contemporary challenges. In the Business, Accounting, and Finance section, we feature 15 insightful papers that explore the evolving landscape of global markets, financial resilience, sustainable accounting practices, and digital transformation in business operations.

These works not only provide empirical findings but also propose actionable frameworks for industry adoption, underscoring the vital role of research in shaping competitive and ethical enterprises. The Designer Thoughts segment presents 6 stimulating papers that merge creativity with problem-solving. From design thinking methodologies to innovation in product aesthetics and usability, these contributions remind us that design is not merely about form but about crafting meaningful user experiences.

This section will be of particular interest to those who value the intersection of artistry, functionality, and human-centered solutions. Our IR 5.0 category brings together 6 pioneering papers examining the fusion of automation, artificial intelligence, and human capital development in the context of the Fifth Industrial Revolution. The authors challenge readers to consider how technology can be harmonized with ethical and inclusive practices, ensuring that digital progress translates into equitable societal benefits. In the Law and Policy section, 7 comprehensive papers analyze legal reforms, governance frameworks, and policy innovations that respond to shifting socio-economic realities.

The breadth of topics from regulatory compliance in emerging industries to community rights in a globalized economy reflects the critical role of law as both a safeguard and an enabler of change. The Literature and Culture segment enriches this volume with 8 thought-provoking papers that delve into narratives, identities, and cultural dialogues shaping societies today.

Whether revisiting classic literature through modern lenses or exploring contemporary cultural phenomena, these works invite readers to appreciate the role of the humanities in fostering empathy, critical thinking, and cultural continuity. Collectively, these 42 scholarly contributions affirm the breadth and depth of academic engagement within our community. They underscore our commitment to advancing knowledge that is relevant, impactful, and forward-looking. This volume is not only a testament to our contributors' dedication but also a resource for policymakers, practitioners, educators, and learners who seek informed perspectives and innovative solutions. We extend our heartfelt appreciation to all authors, reviewers, and editorial team members whose collective efforts have made this publication possible. We hope that RMU4U Vol. 4 will spark dialogue, inspire collaboration, and contribute to the enrichment of both academic scholarship and practical application.

Let us continue to explore, innovate, and contribute, together shaping a future where knowledge serves as the foundation for sustainable and inclusive growth.

Warm regards,
Dr Azyyati Anuar
Chief Editor,
RMU4U E-Bulletin

“Digital tools
guide halal
investments,
avoiding riba-
based financial
choices.

—— Khan, 2021

AI IN ISLAMIC BANKING:

ALIGNING INNOVATION WITH SHARIA PRINCIPLES

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Introduction

Artificial Intelligence (AI) is revolutionizing the financial sector by offering advanced capabilities in automation, data analytics, fraud detection, and the personalization of financial services. In the context of Islamic banking, however, the integration of AI requires thoughtful consideration to ensure that technological advancements align with Sharia principles. For instance, AI-powered chatbots and virtual assistants enable Islamic banks to provide 24/7 support to customers. These digital tools are instrumental in addressing customer queries, guiding them through compliant product offerings, and suggesting halal investment opportunities, critically avoiding riba (interest)-based recommendations (Khan, 2021).

Furthermore, AI has the potential to replace conventional interest-based credit scoring models, which are inherently incompatible with Islamic finance. By leveraging alternative data sources such as behavioral patterns, transaction histories, and ethical indicators, AI systems can offer a more Sharia-compliant method of assessing creditworthiness (Rashid & Yusof, 2020). Additionally, AI enhances the ability to monitor financial transactions for suspicious or unethical activities, a key concern in Islamic banking. These include speculative trading and practices deemed usurious, both of which contravene Islamic law (Abdul Rahman et al., 2019).

In addition to compliance, AI is also transforming contract management. Smart contracts built on blockchain platforms enable automated enforcement of Islamic finance agreements such as Murabaha, Ijara, and Wakala. AI facilitates the execution, tracking, and even dispute resolution of these contracts, improving overall operational efficiency (Zurayk, 2021). Moreover, AI-driven robo-advisors can guide customers toward Sharia-compliant investments by automatically excluding companies involved in prohibited (haram) activities such as alcohol, tobacco, gambling, or pornography (Ahmed, 2022).

Despite these advancements, the implementation of AI in Islamic finance presents several challenges. One major concern lies in embedding Sharia principles within AI algorithms. Unlike conventional finance, where profit maximization is often the sole objective, Islamic banking must prioritize ethical and religious obligations alongside profitability. Moreover, many AI systems, especially deep learning models, are perceived as "black boxes" due to their lack of transparency. This opacity makes it difficult to explain how decisions are made an issue that contradicts the Islamic emphasis on accountability and transparency (Hassan & Lewis, 2007).

To address these challenges, a comprehensive framework must be established. AI systems in Islamic banking should incorporate a Sharia governance layer, ensuring that all algorithmic decisions are ethically and religiously sound. Banks should also adopt AI design principles rooted in Islamic ethics: fairness, transparency, accountability, privacy, and beneficence. A hybrid decision-making model, combining AI's analytical power with the moral and ethical oversight of human scholars (Ulama), offers a practical solution for managing complex dilemmas.

“Additionally, collaboration between technology firms, Islamic universities, and financial institutions is essential, along with employee training in both AI and Sharia (Al-Tamimi, 2021).”

Conclusion

In conclusion, the integration of AI into Islamic banking marks a significant step toward blending modern innovation with religious tradition. While AI can enhance efficiency, security, and personalization, its application must be grounded in Sharia values. With the right governance, interdisciplinary cooperation, and ethical commitment, AI can play a transformative role in shaping the future of Islamic finance in a way that is both innovative and spiritually aligned.



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