



A Mixed-Methods Methodology for Constructing Integrated Shariah and Economic Evaluation Frameworks

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Abstract:

This study develops a rigorous methodological foundation for constructing an integrated evaluation framework for Islamic financial products, addressing the longstanding absence of standardized, replicable, and analytically coherent assessment tools in the field. Existing literature largely separates Shariah compliance analysis from economic performance evaluation, resulting in fragmented methodologies and inconsistent regulatory practices. This study adopts a mixed-methods design that combines deductive reasoning rooted in Islamic jurisprudence with inductive refinement derived from empirical contract analysis. The methodological structure integrates qualitative tools—such as clause-based checklists and structured suspicion scoring—with quantitative financial indicators capturing risk, liquidity, return, and capital preservation. The paper demonstrates how theoretical assumptions are transformed into conceptual components and operational procedures within a dual-pillar system comprising Shariah compliance and economic efficiency. The proposed methodology allows Shariah boards, regulatory authorities, institutional investors, and financial analysts to evaluate Islamic financial products using standardized tools rather than case-specific judgments. This contributes to reducing interpretive inconsistency across products and facilitating more transparent decision-making processes for market participants. The framework also provides a replicable foundation that can be expanded across asset classes and regulatory contexts.

Keywords: Economic Efficiency; Shariah Compliance; Mixed-Methods; Islamic Financial Product Evaluation; Suspicious Elements; Evaluation Frameworks.

INTRODUCTION

Islamic finance has expanded significantly over recent decades, yet its methodological foundations for evaluating financial products remain insufficiently standardized. Classical jurisprudence provides normative rules governing the legitimacy of contracts, while contemporary financial instruments operate in environments that require both juridical scrutiny and empirical economic assessment. The prevailing

literature treats these domains separately: Shariah compliance is examined using qualitative interpretive methods, whereas economic evaluation relies on quantitative financial modelling. This fragmentation has produced inconsistent evaluation practices, irregular screening mechanisms, and disparate criteria across institutions, despite analyzing similar financial structures.

A fundamental methodological gap underlies these inconsistencies: the absence of a unified structure capable of translating jurisprudential foundations into measurable evaluative components while simultaneously integrating financial performance tools within a coherent analytical architecture. Islamic financial institutions and researchers continue to rely on heterogeneous and often incompatible assessment methods that differ in scope, depth, and analytical quality. As a result, evaluations may diverge not due to substantive contractual differences, but due to methodological shortcomings.

This study addresses this deficiency by developing a rigorous methodological foundation for constructing an integrated evaluation framework for Islamic financial products. The core inquiry guiding this work is:

Research Question:

How can a scientifically rigorous and operationally applicable methodological structure be developed to integrate Shariah compliance evaluation with economic efficiency assessment for Islamic financial products?

To answer this question, the study adopts a dual-logic strategy combining deductive and inductive reasoning. Deductive reasoning translates foundational Islamic legal principles—such as the prohibitions of Riba, Gharar, and Maysir, and the requirements of ownership, deliverability, and contractual certainty—into general evaluative criteria. Inductive reasoning refines and contextualizes these criteria based on empirical analysis of financial contracts, expert consultations, and recurring ambiguities (shubuhah) that arise in practical implementation.

Methodologically, the study integrates qualitative tools—structured clause-level checklists and suspicion scoring matrices—with quantitative financial metrics—including risk-adjusted returns, liquidity ratios, cost–benefit indicators, and capital preservation measures. These methods are organized into a hierarchical system of pillars, dimensions, aspects, criteria, and tools, ensuring conceptual clarity and operational coherence.

By articulating the methodological logic that links theoretical, conceptual, and procedural levels, this study provides a disciplined and replicable foundation for developing an integrated dual-pillar evaluation



framework. This methodological structure advances the standardization of Islamic financial product assessment and fills a major gap in the literature where normative and empirical evaluations have remained structurally disconnected.

Methodology of Framework Development

Framework Development in Scientific Research

Scientific inquiry entails frameworks as major elements to offer systematized modes of structuring the concepts of abstraction, in guiding research design, and in opening the path of applying theory in practice. Multidisciplinary regions, especially those demanding approach of philosophical, legal, and empirical regions frameworks play significant roles as critical scaffolds that bring colony, transparency and stringency in investigational research.

A research framework is no simple model or design, but it is a very general framework which provides parameters of inquiry, how the primary concepts relate. Researchers are inclined to differentiate between the theoretical frameworks, the descriptions of general principles and assumptions used; conceptual frameworks, the grouping of the variables and their relationship; and procedural frameworks which are able to transform ideas into methods and tools. It is this stratified form of knowledge that ensures that a framework never stays in nothingness but one remains in the process between an abstract theorization and applied evaluation of it.

As (Sage, 2020, p. 2) note, frameworks provide the researcher with a visual and cognitive map that assists him/her to make sense of logic, sequence of things, and the way intricate structures could be interpreted. Through this, they enhance accuracy of analysis, besides, it becomes easier to replicate research findings. Bridging mechanisms in between philosophical position and operational execution, in particular, of operation are being carried out through frameworks of particular applicability.

This has been especially relevant to the Islamic financial studies where researchers must strike a delicate balance between normative ethical models and economic tools. Contrary to the conventional finance where the use of empirical models is considered the minimum, Islamic finance demands the use of financial instruments to satisfy not just the efficiency criterion, but also Shariah rulings that are founded on the jurisprudential traditions. The absence of clear and standardized models in the field has contributed to the fracturing of the techniques of evaluation and unequal compliance standards.

In this aspect, the use of a systematic framework is not methodologically beneficial but significant. The

idiosyncrasy of the Islamic finance that is both Shariah compliant and Shariah functional demands a system that has the capability of transforming the qualitative legal judgements (e.g., proscription of Riba, uncertainty under Gharar) into measurable operational components. This is necessary in particular when the case is in one of its gray fields like that of shubuhah where binary compliant/non-compliant is not sufficient. Gradation of such may be graded to structure designed appropriately.

Furthermore, since according to design science, as (Hevner et al., 2004, p.82) suggest, the frameworks founded on robust theoretical assumptions and designed to be applied within a practical context must not be designed as not only conceptually but also practical. Precisely, this is what the present study attempts to achieve: to design a two-layered model, which would assist in rating Islamic financial products both in compliance and efficiency terms, in replicable manners and in transparent scoring instructions.

This model proposed in this paper is thus two-level. To begin with, it makes use of the Islamic legal theory to formulate criteria that would be relied on to judge the compliance with the Shariah. Second, it employs financial analysis tools in measuring the performance of the economy. This two-fold system of assessment will assure that products are not only legal but also feasible, that is where faith-based finance finds the imperative of economic times.

In conclusion, it is possible to note that the relevance of frameworks in the research can be conceptual. They are the methodology whereby complex ethical and economical decisions can be handled in systematic, reproducible and balanced manner. In this respect, the study will contribute not only to the dissemination of the academic knowledge but also to the introduction of practical mechanisms of product development, Shariah board assessment, and integration of the industry, in general.

Although previous studies have provided valuable discussions on Shariah compliance and economic evaluation separately, the existing literature offers limited methodological models that integrate both domains into a unified analytical structure. Current approaches tend to focus either on jurisprudential interpretation or on financial performance, without proposing systematic procedures that combine qualitative legal reasoning with quantitative evaluation tools. This study addresses this specific gap by developing a mixed-methods methodological foundation capable of constructing dual-pillar evaluation frameworks that ensure both normative legitimacy and economic analytical rigor.



Inductive and Deductive Approaches:

Inductive and deductive reasoning should be well adopted when developing a systematic framework of evaluating Islamic financial products. Both methods have their own advantages to the research design which presents a balanced format that is both theoretical and empirical in nature. The combination of these methods is especially necessary due to the duality of the study: the need to follow unchanging Shariah standards and fit the dynamic financial activity.

Deductive Reasoning in Framework Construction

The logic behind the structure of the framework consists of deductive thinking. According to (Creswell et al., 2017, p. 59), the deductive approach starts with a general theory or principle and derives in a logical manner the specific hypotheses, rules, or application. This research relies on this top-down argument in the development of the Shariah compliance and economic efficiency aspects.

Under the Shariah pillar, deductive tool can be used to derive evaluative tools using the foundational jurisprudential sources. As an example, the prohibition on Riba (interest), Gharar (undue uncertainty), and Maysir (gambling) are accepted principles in the different schools of the Islamic law. These maxims are deductively applied to the financial contracts with the provision that any explicit breach would result into non-compliance. In the same way, fundamental principles like the certainty of the contractual relations, the transfer of ownership, and the absence of unjust enrichment are taken out of the fiqh literature in a systematic way and formulate into the items of checks in the compliance evaluation. The rules of compliance, as such, are not construed to be subject to case-by-case reinterpretation but are generalized unified standards based on the Islamic jurisprudence.

Deductive reasoning also determines the choice and design of performance tools in the economic efficiency pillar. The modern financial theory is based on concepts like time value of money, liquidity preference, preservation of capital and risk-return trade off, which serve as fundamental principles of financial theory. These are converted into certain tools, including net present value (NPV), internal rate of return (IRR), Sharpe ratio, and liquidity covering ratios. The relevance of these tools has theoretical support that is why they deserve to be included in the framework deductively.

Additionally, deduction would help in shaping the general framework architecture. The choice to address the compliance and efficiency dimensions separately and the building of a gatekeeper test to filter obvious violations prior to scoring are both logical derivations made as a result of the well-known theory. By

doing so, deductive reasoning guarantees internal coherence, legality and functionality.

Inductive Reasoning in Framework Refinement

Deduction gives the skeleton of the framework, but inductive reasoning gives the framework the much-needed nuance and flexibility. Inductive logic is a logical technique that is based on observing certain phenomena and generalizing them to ensure patterns, rules, or constructs (Sekaran & Bougie, 2016, p. 27). The inductive reasoning is applicable in this study in refinement of theoretical constructs due to field observations, input by experts and practical constraints that are evident in real-life application.

As an example, the so-called shubuhah -transactions between two realms - cannot be judged with binary deductions. Although jurisprudence in classical school acknowledges the presence of doubtful issues, there is not much formalization on the manner in which they should be assessed in contemporary financial instruments. This study formulated a scoring system to assess the level of suspicion based on evaluation of numerous product examples and comments by Shariah academics concerning the main aspects of suspicion including transparency of ownership, deliverability, and exposure to risk. This tool did not have classical texts as a source but was formed inductively as a result of working with real cases. On the same note, writing of evaluation checklists was also a process that relied on inductive processes. Although the deductive approach was useful in recognition of the main compliance areas, the language, sequence of items, and interpretation of the checklist items were inductively established. Sample contracts such as Ijarah Sukuk pilot applications showed what questions to clarify, what criteria were unclear and what aspects should be rearranged. This refinement process is congruent with the request by (Gregor & Hevner, 2013, p. 337) to engage in design science research that is both theoretically sound and practically applicable.

Besides, the selection and calibration of the scoring thresholds were supported by inductive reasoning. The passing Shariah compliance threshold, e.g., was not predetermined by classical sources but became a result of a number of simulations and consultations with the experts. A 70 percent cutoff was found to be reasonable as it was seen to be consistent with any legal judgments and institutional practices. Inductive logic is seen in this practice of formulating rules out of empirical observation. The concomitant deductive and inductive approach makes the research approach hence grounded and flexible. Deduction makes sure that the framework represents the eternal principles and analysis instruments, and induction makes sure that the framework is applicable in diverse situations and that it is applicable in diverse financial systems.

Overall, the approach of the present study is based on a purposely combined deductive and inductive



logic. Deduction has the rational framework of compliance and performance standards; the induction has the freedom of tailoring and updating such standards to the realities of the financial market. With such a combination, the framework can serve both academic and practical purposes to be rigorous and usable, principled and adaptive. Such methodological pluralism as emphasized by (Morgan, 2014, p. 1047) is characteristic of research and design-oriented studies which are pragmatic. Using both modes of reasoning, this study provides a powerful evaluation framework that can be used by scholars, practitioners, and regulators who need to evaluate the Islamic financial products in a holistic and methodologically justifiable way.

Qualitative and Quantitative Frameworks

The methodological duality of the research is also exhibited in the fact that it combines both qualitative and quantitative methods especially in the design and application of the proposed framework. It is not merely to characterize the ethical and financial characteristics of the Islamic financial products but to assess it in a coherent manner that brings depth of interpretation and objectivity in analysis (Bazeley, 2018, p. 93).

Qualitative Foundations of Shariah Compliance Evaluation

The Shariah compliance aspect of the framework is based on the qualitative component. The legal and ethical interpretation of the rulings in Islamic financing is intrinsically based on the need to pay attention to the context and rely on the textual facts. Other elements, like Riba, Gharar, and Maysir, cannot be defined by purely nominal indicators alone but have to be interpreted by the scholar with allusion to classical jurisprudence (Ayub, 2020, p. 87).

The compliance aspect of the framework uses structured qualitative tools, i.e. Checklists and clause-based filters, in order to have the academic and legal rigor. These tools are designed on the foundation of the Islamic legal literature, central fatwas, and regulatory requirements including AAOIFI Shariah standards. They are used to direct the evaluators on determining whether a product contains explicit contractual breaches or in areas of suspicion (shubuhah) (Hassan, Aliyu, Paltrinieri, & Khan, 2022, p. 9)

The gap between the operational evaluation and raw jurisprudence is filled by the use of structured checklists. Although still interpretive, they are organized in a way that increases consistency, traceability, and repeatability. As an example, the question like Could there be a clause which would imply a fixed-rate of returns irrespective of the performance of assets could be answered by looking at the agreement itself,

despite the interpretation nuance. Further, in case of ambiguity, the qualitative analyses are converted to quantitative representations using Likert-scale models of scoring. The evaluators rate the level of suspicion, and the descriptive anchors (e.g., No concern, Minor concern, Moderate concern, High concern) are intended to aid in the reliability among the users. This quantification of qualitative insight is not meaning-reducing as it is proposed by (Banha, Flores, & Coelho, 2022, p. 3), but in fact offers transparency to interpretive judgments.

Quantitative Methods in Economic Efficiency Evaluation

Conversely, the economic efficiency analysis is constructed on the basis of the quantitative instruments of corporate finance and investment analysis. This side of the framework takes numeric inputs in order to evaluate the performance of the product along the measures of the return on investment (ROI), liquidity ratios, risk-adjusted returns (e.g. Sharpe ratio) and maintenance of capital. Quantitative methods are advantageous in a number of ways: they can be reproduced, can be compared directly, and produce data-driven outputs which support decision making. They have to be included by the fact that the instruments being reviewed is financial, and performance is necessarily quantitative since it exists in market systems. As an illustration, liquidity analysis of a Sukuk structure can imply the assessment of the liquidity ratio of liquid assets to short-term liabilities, whereas the cost-benefit analysis is the calculation of the net present value of the cash flow scheduled versus the initial expenditure and maintenance expenses (Alam, Rizvi, & Naqvi, 2023, p. 7) Such values are objective and can be included in scoring templates.

Integration: Mixed-Methods Design:

The entire structure is therefore a mixed-methods design which capitalises on both the depth of qualitative and quantitative rigour. This two-way approach is not only additive but synergistic (Poth, 2023). This is because mixed methods are best suited to respond to the complex social phenomena as argued. Especially where the research needs contextual interpretation and empirical support. Additionally, the combination facilitates stakeholder participation. The compliance scores achieved in the legal analysis and systematic interpretation tools can be prioritized by the Shariah boards, whereas the economic scores obtained in the numerical analysis can be prioritised by the investment analysts and CFOs. However, both sides are combined into one reportable format, which makes it possible to collaborate interdisciplinary. The framework does not mean averaging or mixing the scores in the two sides but displays them together. This does not compromise the integrity of the two perspectives and promotes open decision making. Such



pragmatic structuring, at least, enables its users to use weightings or priorities depending on institutional goals, stakeholder characteristics or market conditions (Morgan et al., 2014).

In conclusion, the interpretative requirements of Shariah law are encompassed within the framework methodological structure, which involves qualitative methods to meet the interpretive requirement, whereas economic viability is met using quantitative methods. The dual design is part of the hybrid character of Islamic financial products and provides a normatively based and analytically strong model. It makes sure that the assessment is not oversimplified into numerical terms and is not lost in a simplistic analysis of text and is a balanced instrument to both practitioners and researchers.

Justification for the Chosen Methodology

The complex and inter-disciplinary nature of the evaluation of the Islamic financial products is the reason why a methodological design chosen in this research is complex. To be more precise, the focus of the present study is to construct a dual-framework system, which would evaluate both Shariah compliance and economic efficiency, and the methodology that the proposed study should have is one that should not only be theoretically based but also be able to connect the normative and the empirical realms. This is the reason why a mixed-methods design, which involves using both deductive and inductive reasoning and the use of both qualitative and quantitative tools is embraced. This section has provided a rationale of the selection of the methodology using five main factors: dual nature of the research objective, practicality of the framework, nature of Islamic finance, applicability of mixed methods, and compatibility with current gaps in the literature.

Dual Structure of the Research Objective:

The primary reason as to the methodology adopted can be attributed to the duality of the research objective. On the one hand, the research should deal with normative compliance, which means that the financial tools should comply with the Islamic laws. Conversely, it has to measure the economic performance which entails empirical measurement of such measures as profitability, liquidity, and risk. The two domains are essentially different in terms of epistemologies and tools they use. A methodology that contextualizes itself on the basis of fiqh-based legal analysis, would neglect financial facts, whereas such an approach that is purely based on financial modeling, would disregard Shariah principles. Thus, a hybrid approach is taken in the research; it could evaluate all areas with the instruments best applied to them the tools of Shariah compliance (legal and interpretive) and economic efficiency (quantitative financial). This framework allows

epistemological integrity: it does not strive to turn religious principles into the financial ones and cannot transfer financial performance to the moral verdicts. Rather it considers individual domains in their own right and then provides a synthesized picture that leaves both pillars as independent.

Practical Contribution to the Framework:

It is more of a practical project rather than a mere theoretical exercise; this study is meant to produce a workable assessment tool, which can be applied by the actual stakeholders, which include Shariah boards, compliance officers, financial analysts, and institutional investors. To be applicable and acceptable, such a framework must satisfy two fundamental conditions:

1. Theoretical soundness, to guarantee that it has valid conclusions in the Islamic jurisprudence and financial theory.
2. Operational visibility, to render the framework practical and comprehensible among the disciplines.

The framework is based on reaching these goals:

- Discovered checklists based on Islamic legal rulings,
- The ambiguity scoring models in Likert scale,

Quantitative performances such as NPV and Sharpe ratio,

- Gatekeeper filters such that red-line Shariah violations (e.g. Riba clauses) lead to disqualification on the spot.

The way the research is done by applying both the systematic application of legal filters and the use of empirical scoring techniques is that the final product can be both legally acceptable and testable with a financial approach.

The Value of Islamic Finance

Islamic finance cannot be viewed as part and parcel of financial economics; it is a system that is based on values, and which is anchored on Gods laws (Shariah). This differentiates it as one of the few with dual responsibility to the market performance as well as to religious ethics. Most of the Islamic financial institutions are in competitive markets and must ensure that they maximize returns and appease investors and have responsibilities to the Shariah supervisory boards.

Such dual responsibility demands a methodology capable of addressing legal pluralism, textual interpretation and financial risk analysis in one shot. In this regard, the methodology needs to be capable of:

- Adapt cross-school and cross-regulatory differences.
- Give leniency to adjudicate shubuhah (suspicious areas) instead of making unconditional decisions.



- Dynamic evaluation of products as they change with time.

Accordingly, the mixed-methods design makes this balance possible as it provides the opportunity not only to conduct rigorous legal questions but also to perform practical testing and fill the gap between theory and practice.

Justification for Mixed Methods

The framework makes use of both qualitative and quantitative approaches in the compliance pillar (e.g., clause-based checklists, scoring of suspicious elements), and efficiency pillar (e.g., calculating returns, liquidity ratios). But these are not implemented alone. Instead, they are combined in a mixed-method design which is structured.

This combination is done according to the principle of methodological triangulation: the combination of the different approaches increases the validity of the obtained results and the ability to cross-verify. It also supports:

- Transparency: since compliance and the efficiency scores are reported individually.
- Flexibility: a user can give precedence to one pillar above the rest depending on the given situation.
- Comparability: financial products are comparable in both the time and cases.

This method corresponds with pragmatic paradigm defined by Morgan (2007) when the choice of the method is the result of the research problem, rather than the approach. It is also a sign of the truth of product assessment in Islamic finance where interested parties tend to demand both ethical certification and financial viability information so that they can make investment decisions.

Closing the Gaps

Lastly, the chosen methodology fills a gap that is identified in academic and industry-based literature. Although numerous studies have been conducted on the compliance with Shariah and some have been conducted on financial performance, not many have tried to combine both aspects in the evaluation system. Besides, the models available are not usually standardized, replicable and adaptable particularly when it comes to complex and hybrid instruments like Ijarah Sukuk or Islamic reits. This study provides a balanced approach to normative integrity and operational efficiency by means of the adoption of a methodological framework enabling a structured legal screening procedure, scoring an ambiguous clause, and analytic approach using financial metrics. Altogether, the selected methodology represents a moderate solution to the interdisciplinary dilemma of rating Islamic financial products. It provides theological rigor as based on deductive, qualitative instruments; operational adaptability as based on inductive reasoning and scoring; and financial validity as based on quantitative instruments. The combined mixed-methods framework does not

only mirror the best practices in designing-based research but also assists in the creation of the academically strong, jurisprudentially valid, and practically viable framework.

From Theoretical to Conceptual and Procedural Frameworks

The formulation of a holistic assessment system of Islamic financial products needs a systematic and direct shift in theoretical basis to conceptualization and eventually to operational integration. This development is not a sequential one but methodologically grounded so that the resulting framework is sound theoretically, in a logically consistent structure, and implemented using repeatable and verifiable instruments. The section provides details on how the theories that were mentioned above were converted into the operational elements of the framework thus explaining the role and relevance of each stage in the framework-building process.

Expected Framework Structure and Components

This part shows the expected format of the integrated framework that will be. The framework is structured in such a way that it functions under two pillars and three levels of analysis the theoretical, conceptual, and the procedural.

At this point, we are not trying to specify its individual dimensions or aspects but simply outline how these elements will be interrelated logically within the two pillars. These elements will be identified and measured in detail in subsequent research since the theoretical underpinnings of each pillar have been described in detail.

Dual-Pillar Foundation

The framework proposed is founded on two mutually supportive but independent pillars namely Shariah Compliance Pillar and Economic Efficiency Pillar. They are, both of them, the two sides of Islamic financial engineering, the ethical legitimacy and the economic soundness as a co-determining factor of product acceptability.

The framework is normatively based on the Shariah Compliance Pillar. It makes sure that all the financial products comply with legal and ethical limits posed by the Islamic jurisprudence. It is concerned with the analysis of the contractual forms, integrity of transactions, and the evading of the forbidden components like Riba, Gharar or Maysir. The purpose of assessment in this pillar is to determine the absence of illegality and/or whether it is fair and transparent as well as morally purposeful.

This is complemented by the Economic Efficiency Pillar that addresses the performance element of financial products. It checks the effectiveness of the distribution of resources and risk management and



returns to verify them with market standards and economic rationality. This is done to ensure compliance with the Shariah principles do not impact negatively on financial sustainability or good sense and efficiency.

These two pillars are complementary even though they are approach different. The Shariah pillar will guarantee legitimacy; and viability pillar will guarantee efficiency. This synergy permits them to enjoy a holistic type of evaluation compliance provides the ethics with the validity whereas the efficiency provides the functional validity. The two-pronged nature of this structure enables the framework to act in the normative and the empirical realms at the same time and make the evaluation of a financial product an equally value-based and performance-driven one.

The Three Framework Levels

The suggested dual-pillar model works in three mutually reinforcing layers of analysis, including the theoretical, conceptual, and procedural. These levels will create the structural support of the whole research, as they guarantee a logical flow of the abstract thinking into the measurable assessment. Every level has a different role to play but is related to the other ones creating a logical chain of analysis.

The **theoretical underpinning** is the intellectual component of the model. It determines the principles, philosophies, and theories on which the evaluation process will be based. This tier provides the rationale of some concepts or parameters being significant and the epistemological legitimacy of their inclusion.

The **conceptual framework** is used to put these theoretical principles into organised analytical categories. It structures the investigation of dimensions and aspects and forms the inner logic of evaluation. The general concepts based on theory are formed into quantifiable areas of study in this level which forms the foundation of operations in practice.

The **procedural logic** is then translated into quantifiable application in the procedural framework. It outlines the way each of the criteria will be evaluated, what tools will be utilized, and how the findings will be construed. It is a level in which the framework is put into practice converting abstract ideas to quantitative and verifiable results.

All three levels taken together guarantee the scientific and practical applicability of the framework. The theoretical layer provides the meaning, the conceptual layer structure, and the procedural layer action, a complete and coherent system in the evaluation of financial products of both pillars of analysis.

Hierarchical Components of Evaluation

Under each of the two pillars, the structure operates by a series of analytical elements that reduce the abstract theory into quantifiable components. These elements, dimension, aspect, criterion and tool

constitute the working structure of evaluation. Both are different degrees of particularity, making the process of analysis to be logical, as general principles are developed into tangible quantification.

A dimension is the primary field of analysis of study under a pillar. It is a general theme or domain that is used to describe a certain section of compliance or efficiency, like contractual legitimacy or resource performance. Dimensions determine the extent and limit of evaluation as they determine the main themes by which a product is going to be evaluated.

A sub- element is a part of a dimension, which makes the focus of the analysis more specific to the issues. It helps see what aspect of the dimension should be focused on, and the evaluators will study a concept in more detail, such as the organization of the risk distribution or the level of transparency of ownership.

One of the criteria is the quantifiable measure of whether the aspect is acceptable or not. It converts the conceptual observations to verifiable results, and this is the one that connects theory and measurement. All these criteria should be specific to be interpreted and compared across products.

Lastly, a tool is the measuring or quantitative tool to evaluate every criterion. The tools can be in the form of checklists, matrices, ratios, or formulas depending on whether one is doing qualitative analysis or a numerical analysis.

Clarity and precision are achieved through this hierarchy. Dimensions define the field of analysis, aspects the subject of analysis, criteria the expression of measurable expectations, and tools the methods of analysis. They all constitute a flow of reasoning that links the theoretical basis of the framework with its practical implementation.

Dynamic Interaction Between Framework Levels and Pillars

The ability of the proposed framework to form a dynamic connection between the two pillars or three levels of analysis is also the strength of the framework. All pillars, such as Shariah Compliance and Economic Efficiency, develop following the same logic sequence of theoretical, conceptual, and procedural development, but each of them applies it to its own disciplinary basis. This interaction gives methodological harmony, which preserves analytical independence.

On the intellectual level, the two pillars lay their intellectual foundations. The pillar of Shariah is based on ethical and legal arguments and the pillar of efficiency on the economic and financial theory. In spite of the dissimilarity of the sources, they all aim at defining the principles according to which sound financial evaluation is to be conducted. Their theoretical bases then run parallel establishing the epistemological limits of the rest of the framework.

The conceptual level converts these theoretical principles into systematic systems of analysis. Under every pillar, there are dimensions and aspects that are specified based on the logic of its respective field. The



Shariah pillar can use core prohibitions or core values as the dimensions of its pillar, whereas the efficiency pillar may base its analysis on performance parameters. In spite of such differences, both pillars use a similar logic internally, the decomposition of complex domains into dimensions, aspects, and measurable elements, to be consistent throughout the model.

At the procedure level, the two pillars meet. This is the point when the theoretical reasoning and conceptual organization is transformed to the practical, measurable part. In this case, assessors employ similar tools/techniques, including matrices, scoring models and quantitative benchmarks, to come up with a result that can be analyzed separately and subsequently compared. Its ability to follow the same line of procedural logic in both pillars allows them to integrate the results in a way that does not affect the independence of any of the parties.

The framework can serve as a parted and parallel, but concomitant system, with such a vibrant interaction. Each of the pillars is independent of the other in terms of content and goals, although they both follow the same methodologically beat theory-application. Communication will lead to a single analytical architecture that would be normatively appropriate and quantifiable in a pragmatic manner so that the assessment of financial products would be ethically sound and economically reasonable.

Summary

The model that has emerged during this study is crafted into a system and well-structured framework combining the ethical evaluation of performance-based evaluation. It is split into two major pillars that are Shariah Compliance and Economic Efficiency that illustrate two important features of financial legitimacy and financial sustainability.

All pillars are examined in a few dimensions, each with varied assessment spheres. All the dimensions are also divided into specific aspects that introduce finer details of analysis and allow the specific study to be conducted. Such aspects are observed and measured using predefined criteria who are performance or compliance indicators. Individual evaluation of each of the criteria, in its turn, is determined using appropriate instruments- be it qualitative checklists, or quantitative formulae- ensuring that the analysis is not only systematic but testable as well.

All the above-mentioned components possess a solid theoretical foundation; hence all the analytical processes have conceptual and scientific sense. The theoretical paradigm provides a direction and meaning as well as the conceptual and procedural layers translate the theoretical paradigm into real evaluation and formalized measurement.

The entirety of all these interrelated items, pillars, dimensions, aspects, criteria and tools is a single system of analysis. They establish an alienating line between theory and practice, which permits an objective

and reasonable reviewing process leading to a harmonization of the problems of ethical sufficiency and economic acceptability.

In practical terms, the proposed methodological structure enables various stakeholders to approach Islamic financial products through a unified analytical lens. Shariah boards may utilize the integrated model to derive consistent evaluations grounded in jurisprudential foundations, while regulatory bodies can benefit from a more standardized approach to product authorization and oversight. Institutional investors and financial analysts are able to assess economic soundness alongside Shariah legitimacy without relying on fragmented or product-specific assessments. In addition, academic researchers can apply methodological logic to extend theoretical work or develop future evaluation models, thereby supporting cumulative scientific advancement in the field.

CONCLUSION

This paper has established a rigorous methodological basis for developing an integrated evaluation framework for Islamic financial products. By combining deductive reasoning grounded in established jurisprudential principles with inductive refinement informed by empirical observation, the methodology ensures both epistemological legitimacy and contextual adaptability. The mixed-methods structure—integrating qualitative legal analysis with quantitative financial evaluation—reflects the hybrid nature of Islamic financial instruments and provides a coherent analytical foundation for assessing them across ethical and economic dimensions.

The methodological architecture articulated here demonstrates how theoretical principles can be systematically transformed into conceptual categories and operational tools. The hierarchical organization into pillars, dimensions, aspects, criteria, and measurement instruments provides analytical precision and facilitates replicability, transparency, and interdisciplinary application. This addresses long-standing deficiencies in Islamic finance methodology, particularly the fragmentation between Shariah assessment and economic performance evaluation.

The methodological contribution of this study lies not in proposing the framework itself, but in establishing the disciplined process through which such a framework can be constructed. This provides researchers, regulators, and practitioners with a scientifically defensible and practically applicable foundation for future framework development. It also supports the broader objective of advancing methodological standardization within Islamic finance, ensuring that product evaluation is conducted with consistency, rigor, and analytical depth. The subsequent stages of research will build upon this methodological foundation to develop, detail, and implement the dual-pillar evaluation framework in full.



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