

Islamic Cooperative Development Strategy in Thailand

Khodijah Ishak^{1*}, Muhammad Isa Selamat², Ahmad Mahdari Waheno³

^{1,2}Institut Negeri Junjungan, Bengkalis

³Fatoni University

Corresponding Author: Khodijah Ishak, khodijah@isnjbengkalis.ac.id

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ABSTRACT

Although Islamic cooperatives in Thailand are growing rapidly, they still face numerous internal and external challenges in their development. This study aims to identify and analyze the problems, solutions, and strategies for developing Islamic cooperatives in Thailand. The research employs the Analytic Network Process (ANP) to process primary data collected from respondents representing experts, practitioners, and academics through interviews with twelve specialists using purposive sampling. The ANP analysis reveals that the development issues of Islamic cooperatives are divided into internal and external problems. The main internal problem is human resources, followed by financing provisions, independent Sharia supervisors, and financing issues. Externally, regulation is the primary problem, followed by public knowledge. Regarding solutions, standard operating procedures are the top internal solution, followed by training, establishing independent Sharia supervisors, and benchmarking. Academic texts are the main external solution, followed by community outreach. Priority internal strategies include cooperation, work programs, recruitment, and member meetings, while external strategies focus on collaboration with universities and community mapping. This comprehensive approach provides actionable insights to support the sustainable growth of Islamic cooperatives in Thailand

INTRODUCTION

Islamic cooperatives are financial institutions that operate based on the principles of the Islamic economic system, emphasizing justice, mutual benefit, and adherence to Sharia law, such as being interest-free and avoiding speculative transactions, (Mazidah and Hidayatin 2023). The Islamic Cooperative of Patani, for example, was established to improve the welfare and prosperity of the Patani Islamic community in Southern Thailand, fostering collaboration and implementing a muamalat system grounded in Islamic values, (Selim and Farooq 2020). Cooperatives are recognized as democratically controlled joint ventures aimed at providing welfare to their members, with a focus on economic prosperity, (Zakaria et al. 2020). The aim of providing prosperity is more to the economic sector, (Lorentz and Ghauri 2010).

In Southern Thailand, Islamic cooperatives represent the first form of Sharia Financial Institutions, serving as models to address economic and social development challenges in the region, where a significant Muslim population participates in about 30 cooperatives with over 300,000 members and assets exceeding 10,000 baht, (Ghauri et al. 2022). These cooperatives respond to societal demands for financial systems based on Sharia principles, supporting the economic movement of the Muslim community, (Al Balushi, Locke, and Boulanouar 2019; Polyzos, Samitas, and Syriopoulos 2022).

Despite their potential, Islamic cooperatives in Thailand face internal challenges such as a limited understanding of Islamic financial concepts among members, a lack of independent Sharia supervisory bodies, and financing difficulties. Externally, they suffer from the absence of legal recognition and regulatory frameworks, as Islamic cooperatives are not included in the general cooperative laws of Thailand, (Waehayee and Alfarisi 2021). These issues hinder their ability to fully address the economic needs of the community.

The establishment of Islamic cooperatives is a response to the Muslim community's desire for financial institutions free from usury and aligned with Islamic ethics, focusing on profit-and-loss sharing, justice, and halal commercial activities, (Anjum 2022; Siddique and Iqbdl 2016). Studies indicate that the lack of legal frameworks, insufficient community knowledge, and absence of independent Sharia supervisors are major obstacles to their full implementation in countries like Thailand and Indonesia, (Al-Muharrami and Hardy 2014, 2021; Hasyim 2018; Rusydiana and Devi 2018; Shafii, Samad, and Yunanda 2019).

This research employs an Analytic Network Process (ANP) design with purposive sampling targeting experts in Islamic cooperatives, including practitioners, academics, and regulators, using literature review, field observations, interviews, and focus group discussions to gather comprehensive data, (Sekaran and Bougie 2016). The study aims to develop strategies for the growth of Islamic cooperatives in Thailand, contributing to the establishment of regulatory frameworks and enhancing financial resilience, thereby supporting community economic development following Islamic law, (Al-Muharrami and Hardy 2014, 2021).

The development of cooperative businesses is very necessary because Islamic cooperatives in Thailand are a Sharia financial sector that can help

people's economic growth to improve community welfare, (Waehayee and Alfariasi 2021), this is proven that cooperatives can help people's economic growth to improve community welfare following Islamic law, (Elzubair et al. 2024; Ghauri et al. 2022). The Sharia economic and financial system in transactions must be based on the rules of Islamic law, (Safieddine 2009) because transactions are a manifestation of human charity which is worth worship before Allah SWT.

The study is divided into five separate portions. The introductory section sets the context by outlining the novelty of the research, identifying research gaps, and highlighting their significance. Next, the second part explores existing literature that is relevant to the research field. The third section then provides a thorough explanation of the research process. The fourth section presents the results obtained, followed by a critical discussion that analyzes them critically and establishes connections with reference literature and previous research efforts. Finally, in conclusion, this section summarizes the main findings, highlights their contributions to the field, acknowledges any limitations, and proposes avenues for further research.

LITERATURE REVIEW

Development Strategy

Strategy is believed to be a tool to achieve goals, (Arias, Higuita, and Castrillón 2010; Faulkner and de Rond 2000). Meanwhile (Roberts and Newton 2000) and Dan (Davies 2000), claim that as a strategy is a tool for long-term organizational goals, the primary objective of strategic planning is to enable an organization to view itself both internally and outside with objectivity to foresee changes in the external environment, (Resti 2020). To get competitive competition because the environment is always changing, environmental management is a key factor in business success, (Michelsen, 1994). So a special activity by a company to gain maximum advantage through product or service development compared to its competitors. Competitive advantage over other companies is a strategy that tends to seize market opportunities, (Rusli 2018). Byrne (2022) shows that companies can adopt corporate growth strategies when resources are available (Carvalho 2012).

According to Veni Angriani & As'ari, (2021) in decision making: 1. In addition to playing a crucial function in linking the decisions made by individuals and organizations, strategy also plays a supportive role. 2. Using strategy to communicate and coordinate decision-making 3. To ascertain the company's future direction, mission, vision, and strategy as a target strategic idea will be integrated.

Berger-Grabner, (2021) believes that 4 strategic levels must be used in cooperative development, namely enterprise strategy (community response), corporate strategy (organizational mission), business strategy (marketing), and functional strategy (supporting strategy).

According to Rusydiana & Devi, (2018), The necessity for high-quality and competent Sharia cooperative human resources as well as robust assistance for the legal aspects of Sharia cooperatives is crucial to the development strategy for these cooperatives. One of the elements that will make an effective

cooperative is competent human resources, particularly when it comes to managing cooperative funds, (Atmadja et al. 2021).

Islamic Cooperative

According to Strickland & Fay, (1939), a cooperative is an association or fellowship to achieve the goals of the company. Realizing community togetherness from the difficulties of this life. Likewise, they must be able to carry out the tasks mandated by the organization as the responsibility of members), Businesses owned and managed by members who avail themselves of their services are another definition of cooperatives, (Strickland and Fay 1939). According to Rusydiana & Devi, (2018). Sharia cooperatives are people's economic institutions that operate as community self-help groups and aim to create profitable ventures and investments according to Sharia law. According to this interpretation, financial institutions that use Islamic ideals and principles in their operations are known as Sharia cooperatives, (Mazidah and Hidayatin 2023; Selim and Farooq 2020; Shafii, Ali, and Kasim 2014). So in carrying out your business, you must avoid usury, (Saeed et al., 2021a), Sharia cooperatives are a people's economic structure based on mutual trust and a framework of Islamic religious norms, (Jamaluddin et al. 2023; Khomsatun et al. 2021; Thompson 2015).

Based on cooperative principles and values, cooperatives focus on economic and social goals, which have four characteristics: 1. Cooperatives Group; 2. Self-help Principle; 3. Cooperatives Enterprise; 4. Members Promotion, (Byrne 2022; Meira 2021; Salazar 2019; Wardhiani et al. 2023). not to maximize profits for shareholders, (Cook and Iliopopulos 1999). Cooperative principles are expected to achieve better agreements, better organizations, and a better future for members, (Byrne 2022).

According to Tregear & Cooper, (2016), the concept of cooperative knowledge can play an active role in cooperatives. This concept suggests the capacity to form and dedicate oneself to a cooperative as well as the ability to collaborate. An additional, broader idea that is comparable to M. L. Cook, (2018) genius and ingenuity in cooperatives seems to be related to members who are active in cooperative governance, the concept of cooperative knowledge according to Tregear & Cooper, (2016) seems to be related to members. However, the steps (Tregear and Cooper 2016) are more related to members who are active or intend to be active in cooperative governance. A greater number of members seem to need to be aware of cooperatives for them to grow. This further emphasizes the significance of allowing cooperative theory to develop from practice, as stressed by Nilsson (1986). A deeper and more integrated understanding of cooperatives, as proposed in this research, provides a better foundation for cooperative development. Therefore, according to research (Rusydiana and Devi 2018) internally and externally, one of the fundamental requirements that drives the development plan for Sharia cooperatives, especially in Indonesia, is the need for strong support for the legal aspects of Sharia cooperatives and human resources (Rusydiana and Devi 2018).

METHODOLOGY

Research Design

This study applies the Analytic Network Process (ANP) methodology, combining qualitative and quantitative approaches to analyze the development of Islamic cooperatives in Thailand. Data were collected through unstructured in-depth interviews with twelve purposively selected informants—academics, cooperative practitioners, and regulators chosen based on their expertise and relevance to the research topic. The ANP method is particularly suited for decision-making problems involving interdependent criteria and feedback, enabling a comprehensive evaluation of complex issues, (Saaty, and Vargas 2006). Non-probability purposive sampling was employed to ensure participants possessed the necessary knowledge, consistent with ANP research where sample size is secondary to informant competence, (Etikan 2016). This mixed-method approach leverages empirical insights and mathematical rigor to prioritize problems, solutions, and strategies, aligning with international standards in applied economics and management research (Abdul Majid et al. 2022).

Model Construction

The ANP model was empirically developed using questionnaires distributed to experts, cooperative practitioners, and regulators, (Weyant 2022). To gain deeper insights into the challenges faced, unstructured interviews were conducted, (Rusydiana and Devi 2018). FGDs were organized with 6 to 12 participants, in line with recommended practices for effective group discussions, (Mishi, Vacu, and Chipote 2013) Participants were purposively selected to ensure relevant knowledge and experience, encompassing practitioners, academics, and regulators. This mixed-method approach strengthens the validity of the research findings and aligns with international standards in applied economics and management research.

Data Analysis

Data analysis was conducted using the Analytic Network Process (ANP), a multi-criteria decision-making method suited for complex problems involving multiple criteria and alternatives, (Asadabadi et al, 2019). ANP enables systematic comparison of options, criteria, and sub-criteria based on their relative importance within a decision network, facilitating informed and structured decision-making, (Dos Santos et al. 2019).

Stages in the ANP method:

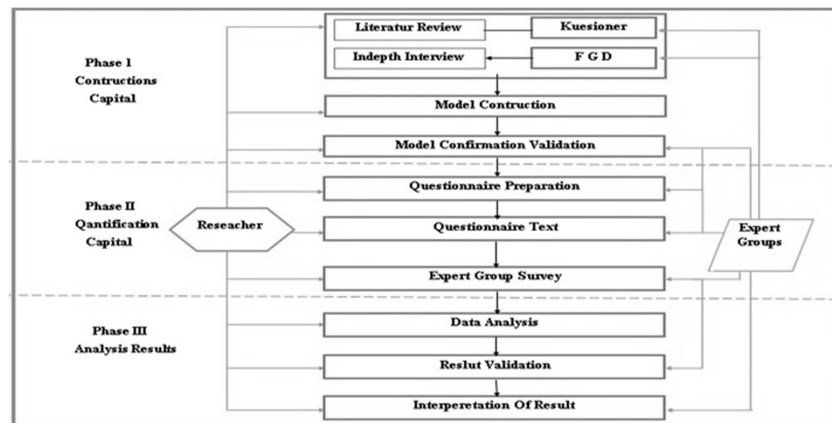


Figure 1. Research Stage

Source: (Acharya 2005)

1. Model Construction

The construction of the ANP model was prepared based on theoretical and empirical literature reviews and asked questions to regulators, fintech academics, and fintech users on financial inclusion as well as through in-depth interviews to examine information in more depth to obtain real problems.

• Model Quantification

The model quantification stage uses questions in the ANP questionnaire in the form of pairwise comparison between elements to find out which of the two has a greater influence and how big the difference is using a numerical scale of 1-9. The assessment questionnaire data is then collected and input through Superdecision software to be processed to produce output.

2. Synthesis and Analysis

• Geometric Mean

To find out the results of individual respondents' assessments and determine the results of opinions in one group, the assessment was carried out by calculating the geometric average, (Saaty and Vargas 2006). Questions in the form of pairwise comparisons from respondents will be combined to form a consensus.

3. Synthesis and Analysis

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• Appraiser Agreement

Rater Agreement is a measure that shows the level of agreement (approval) of respondents (R1-Rn) for problems in one cluster. The tool used to measure rater agreement is Kendall's Coefficient of Concordance (W; $0 < W \leq 1$). W=1 indicates perfect fit, (Ascarya, Rahmawati, and Tanjung 2018).

This study organizes perspectives from academics, practitioners, and regulators into a structured framework. Data from questionnaires were

managed using Microsoft Excel and Super Decisions software to perform pairwise comparisons within and between clusters, identifying the most influential factors. The research aims to develop strategies for advancing Islamic cooperatives in Thailand by prioritizing problems, solutions, and strategies. Detailed analysis of these elements informs the formulation of targeted development strategies.

RESULT

This research investigates strategies for developing Islamic cooperatives in Thailand using the Analytic Network Process (ANP). Data were collected from key stakeholders, including practitioners from Ibnu Afan Thailand, Fatoni University cooperatives, Islamic Cooperative Bina Berhad, regulatory bodies, and academics from Fatoni University involved in Islamic cooperatives.

The statistical analysis of informant data reveals the components that Thailand's plan for establishing Islamic cooperatives must have to maximize the management of Islamic cooperatives. The priority aspect in the criteria highlights internal problems as the main focus of developing Islamic cooperatives, including Human Resources (0.300) respondent's opinion. Meanwhile, the main external problem in determining the strategy for developing Islamic cooperatives in Thailand is regulatory issues with 0.481 responses. The next important thing is for the region to collect its responses.

Table 1. Key Aspects and Geometric Means.

Main Aspects	Geometrik Berarti
Internal Problems	0.452
External Problems	0.451
Internal Problems	
1. Human Resources	0.300
2. Financing Terms	0.218
3. Problematic Financing	0.155
4. Independent Sharia Supervisor	0.214
External Problems	
1. Community Knowledge	0.465
2. Regulation	0.481
Solution	
1. Internal Solution	0.552
2. External solutions	0.399
Internal Solutions	
1. Benchmarking	0.124
2. Training	0.255
Solution External	
1. Academic Manuscript	0.512
2. Socialization to the Community	0.393
3. Standard Operating Procedures	0.307
4. Establishment of an Independent Sharia Supervisor	0.204
Internal Strategy	0.602
External Strategy	0.363
Internal Strategy	
1. Collaboration	0.349
2. Recruitment	0.175
3. Work Program	0.212
4. Member Meeting	0.174
External Strategy	
1. Collaboration with Universities	0.492
2. Community Mapping	0.449

Problems of Islamic Cooperative Development

To prioritize internal issues in the strategic challenge of developing Islamic cooperatives in Thailand, synthesis results on internal problem clusters are used. The ANP synthesis calculation's results indicate that, with a weight value of 0.300, the issue of financing provisions was found to be the second most important internal problem in the development of Islamic cooperatives in Thailand, after the Human Resources problem, based on the opinions of all experts (GM value) (0.218), problematic financing issues (0.155) and the last priority is independent sharia supervisors (0.214). This indicates that as the primary internal issue preventing Islamic cooperatives from developing in Thailand, stakeholders in these organizations need to pay closer attention to human resource concerns.

In the interim, to identify the external issues that should take precedence in the strategic challenge of building Islamic cooperatives in Thailand. The ANP

synthesis calculation's results indicate that, according to the opinions of all experts (GM value), regulation is the external concern with the highest priority, ranking (0.481) behind public knowledge, which is ranked last with a weight value of (0.465). This indicates that stakeholders in Islamic cooperatives in Thailand ought to concentrate more on regulatory matters because they represent the primary external obstacle to the growth of Islamic cooperatives in Thailand.

Solutions to Cooperative Development Problems

As a solution to determine the priority solution in the solution of the strategy for developing Islamic cooperatives in Thailand. According to the ANP synthesis calculation results, the highest priority was determined by taking into account the opinions of all specialists (GM value). The solution is the internal solution with a weight value of (0.552) which ranks last in priority. Is the external solution, namely 0.399. Therefore, this shows that Islamic cooperative stakeholders in Thailand should focus more on paying attention to internal solutions as the main solution in the strategy for developing Islamic cooperatives in Thailand.

To determine internal solutions as a priority in solving the strategy for developing Islamic cooperatives in Thailand. Based on the opinions of all experts (GM value), the ANP synthesis calculation findings indicate that the most important internal solution is standard operational procedures with a weight value of (0.204), followed by training solutions (0.255), the establishment of independent sharia supervisors (0.204), and the last priority is benchmarking namely 0.124. Therefore, this shows that Islamic cooperative stakeholders in Thailand should focus more on paying attention to standard operational procedure solutions as the main internal solution for the development of Islamic cooperatives in Thailand.

Meanwhile, external solutions are a priority in solving strategies for developing Islamic cooperatives in Thailand. Based on the opinions of all experts (GM value), the ANP synthesis calculation findings indicate that an academic publication with a weight value of (0.512) was the external solution with the highest priority, and the last priority was socialization in the community, namely 0.393. Therefore, this shows that Islamic cooperative stakeholders in Thailand should focus more on paying attention to academic texts as the main external solution for the development of Islamic cooperatives in Thailand.

Cooperative Development Strategy

Method for choosing which techniques to use first while creating Islamic cooperatives in Thailand. Based on the judgments of all experts (GM values), the ANP synthesis calculation findings indicate that the internal strategy, with a weight value of (0.602), was the most prioritized, while the external strategy, with a value of 0.363, was considered to be the least important. This indicates that the primary strategy for the development of Islamic cooperatives in Thailand should be given more attention to internal strategies by stakeholders involved in Islamic cooperatives in Thailand.

The outcomes of the internal strategy cluster synthesis will be discussed in this talk, along with the internal strategies that should be prioritized in the

development plan for Islamic cooperatives in Thailand. According to the ANP synthesis calculation results, the most important internal strategy was determined by taking into account the opinions of all experts (GM value) in cooperation with a weight value of (0.349), followed by work programs (0.212), recruitment (0.175) and which ranks last in priority. Is a member meeting, namely 0.174. Therefore, this shows that the stakeholders of Islamic cooperatives in Thailand should focus more on paying attention to cooperation strategies with various related agencies as the main internal strategy in the development strategy of Islamic cooperatives in Thailand. The results of ANP processing for possible internal strategy priorities can be seen in Figure 01, with the following details:

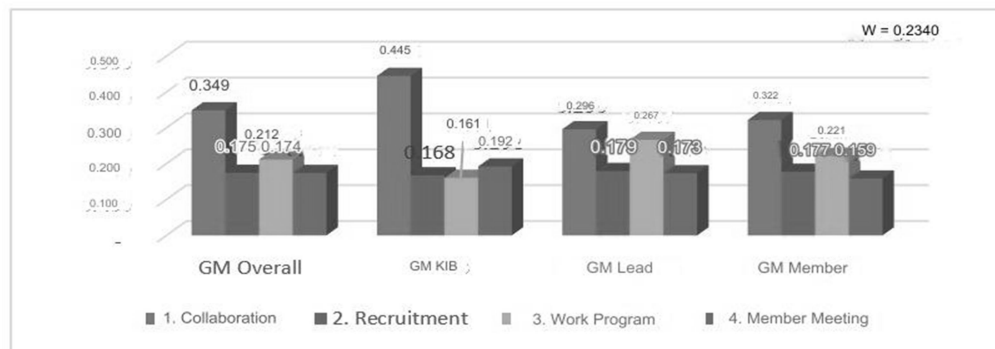


Figure 2. Synthesis Results of Internal Strategy Priorities Based on Geomean Values

External strategy to determine priority external strategies in the strategic development of Islamic cooperatives in Thailand. According to the ANP synthesis computation results, community mapping (0.449) was ranked as the least important external strategy, and university partnership (0.492) was ranked as the most important external strategy based on the opinions of all experts (GM value). As the primary external strategy in the development strategy of Islamic cooperatives in Thailand, this indicates that the stakeholders in these organizations should concentrate more on paying attention to collaboration strategies with universities. Figure 2 displays the outcomes of ANP processing for potential external strategy priorities together with the accompanying information.

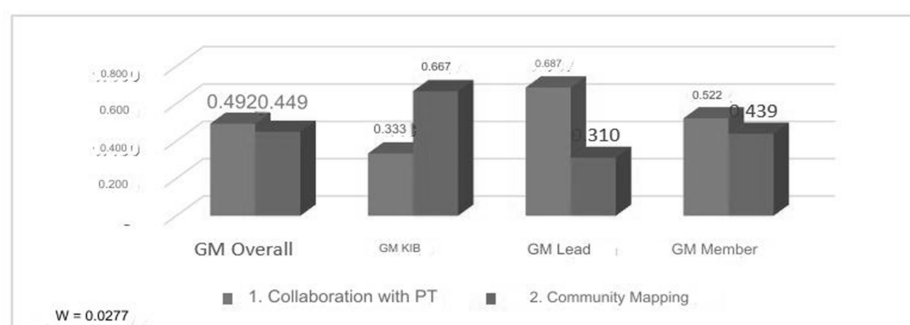


Figure 3. Synthesis Results of External Strategy Priorities Based on Geomean Values

DISCUSSION

Analysis of problems and solutions for the development of Islamic cooperatives in Thailand requires a strategy for developing Islamic finance in the form of Islamic cooperatives. The main internal factor that dominates the problem in the development of Islamic cooperatives in Thailand is human resources (0.300) while the most priority external factor is regulatory issues (0.481). The findings of this study are corroborated by research carried out by (Atmadja et al. 2021; Cristia Ningrum and Juariyah 2020; Hamid 2023; Martini et al. 2017b; Nainggolan and Parulian 2018; Rusydiana and Devi 2018; Salazar 2019). As a solution to overcome the problems mentioned above, you can prepare academic texts and establish standard operating procedures for Islamic cooperatives themselves. Apart from that, synergy and collaboration (0.349) and cooperation with universities (0.492) are important strategies that need attention in developing Islamic cooperatives in Thailand. Work programs (0.212), community mapping (0.449), and recruitment (0.175) are also important aspects as strategies for developing Islamic cooperatives and member meetings (0.174) are also important aspects to consider.

By developing an Islamic cooperative development strategy, the realization of Islamic cooperative regulations in Thailand will become stronger as a support for the development of Islamic finance in Thailand.

Cooperation

Collaboration is the main strategy in developing Islamic cooperatives in Thailand. According to Webering (2020), cooperation is fundamental in people's lives, and this explains why cooperatives continue to emerge even during a hostile environment. One of the fundamental tenets of cooperatives is cooperation, which will help Islamic cooperatives in Thailand grow their business networks. This includes collaboration not just amongst cooperatives but also between cooperatives and other businesses, both domestically and internationally, to enhance their commercial endeavors.

According to research results (Semaw Henock 2019) Achieving cooperative performance is positively impacted by cooperation, therefore the importance of cooperation as one of the strategies in developing cooperatives is proven by the majority of empirical evidence revealing that cooperation has a positive influence on performance, especially cooperatives, (Freire and Gonçalves 2022; Yang and Gan 2020),

Recruitment

Recruitment is a strategy that is worth paying attention to in the development of Islamic cooperatives in Thailand. To advance an Islamic cooperative, human resources are a special concern, especially during the employee recruitment process. To create a good Islamic cooperative, it must start with the recruitment process of quality human resources. According to (Yang & Gan, 2020). Claims that the positive direct relationship between strategic flexibility and dynamic capabilities, as well as the indirect association between cooperative goals, are moderated by human resources.

Previous research, for example, (Andreoni, Chang, and Estevez 2021; Costin et al. 2021; Kassa and Mentz 2021) explains that the determining aspect for being involved in the business and finance of a company lies in human

capabilities. This human ability is utilized to maximize financial growth. According to (Wang and Ahmed 2007) argue that a person's abilities are the key to company growth and help implement strategic decisions in clarifying market strategic positions, as stated by (Korherr and Kanbach 2021) abilities can encourage and contribute to significant variance and provide significant effects. A quite large impact on company competitiveness, (Taghizadeh et al. 2020).

Work program

One of the strong strategies that can be used as a development strategy for Islamic cooperatives in Thailand is through work programs. This is reinforced by research (Akter, Ali, and Chang 2022) that the work program strategy is one of the strategies for solving cooperative managerial problems, (Doncaster 2000), According to (Maddock et al. 2022)

The work program will serve as a manual for the company while it carries out its daily operations. Organizational ideals can also be realized through work programs. In addition, employment programs can be put in place to help businesses or organizations especially cooperatives accomplish their missions. According to the perspective above, E Hetzer (2012:13) believes that a work program is an activity that describes in advance the section regarding the work to be carried out along with instructions on how to carry it out. According to Hetzer (2012: 26), work programs need to be prepared by an organization for organizational efficiency, organizational effectiveness, and organizational targets.

Member Meeting

Member meetings are one of the strategies for developing Islamic cooperatives in Thailand. The results of this research support research, (Suwetty 2017) which states that cooperative member meetings have a positive impact on cooperative development. According to (Asmara et al. 2023) cooperative member meetings are part of the equipment of the cooperative organization, the holder of the highest power in the cooperative with all the authority they have following the law, but also a communication forum to reach several agreements between members and cooperative management

Collaboration with Universities

Collaboration with universities is one of the external strategies for developing Islamic cooperatives in Thailand. Cooperatives were formed with the idea of cooperation, (Shafii et al. 2019), Therefore, the importance of cooperation in cooperatives, (Freire and Gonçalves 2022), Cooperation according to the results of research studies, (Semaw Henock 2019; Yang and Gan 2020) reveals that upstream cooperation and downstream has a positive influence on performance and is a strategy to mediate the main effect on achieving better performance. According to Shafii et al. (2019), cooperatives were formed with the idea of cooperation. Cooperatives have the potential to overcome the problem of poverty alleviation and improve income distribution and cooperatives can strengthen the financial resilience of cooperatives, (Al-Muharrami and Hardy 2021).

Community Mapping

This research proves that community mapping is one of the strategies for developing Islamic cooperatives in Thailand. The importance of community

mapping as a first step in implementing the development of Islamic cooperatives. According to Haruo (2022). Types of society are divided into three large parts, namely: traditional society, transitional society, and modern society. Through community mapping, the desires, needs, and sources of problems felt by the community can be identified to improve a more prosperous standard of living (Salazar 2019; Wasiaturrahma et al. 2020). Furthermore, the results of the mapping become the basis for planning sustainable development programs to improve the quality of cooperative institutions and improve cooperative business management in a sustainable development, (Nainggolan and Parulian 2018). It is hoped that this mapping will support the development of Islamic cooperatives in Thailand.

CONCLUSION AND RECOMMENDATION

This study has explored the strategic development of Islamic cooperatives in Thailand, aiming to optimize their role in enhancing the Islamic financial sector. The findings highlight that the most pressing internal challenge is the human resources issue, followed by financing provisions, problematic financing, and the lack of independent Sharia supervisors. Externally, regulatory issues are the most significant, while public knowledge gaps, particularly in the field of mulch, are less prioritized.

The research identifies that the most effective internal solutions are the establishment of standard operational procedures, implementation of training programs, formation of independent Sharia supervisory bodies, and benchmarking. For external challenges, the preparation of academic manuscripts is the primary solution, with community socialization being the least prioritized.

Strategically, the development of Islamic cooperatives should focus on strengthening internal Islamic finance mechanisms, with the cooperation strategy as the main priority, followed by work programs and recruitment strategies, and finally, member meetings. Externally, collaboration with universities emerges as the key strategy, while community mapping is considered the least urgent.

This study recommends improving coordination and cooperation between policymakers and Sharia cooperative actors to build strong and sustainable cooperatives as alternative financing for communities that are not covered by banks. In addition, the capacity of management and members needs to be continuously improved through training and education so that cooperative operations follow Sharia principles. Strengthening regulations and establishing independent sharia supervisors are also important to support the development of cooperatives. Collaboration with academic institutions should be strengthened to produce evidence-based strategies, while socialization to the community needs to be improved to reduce the knowledge gap.

FURTHER STUDY

Further research is suggested to expand the variables by including socio-cultural factors and digital technology and using more comprehensive methods. The study also needs to evaluate the long-term impact of the Sharia cooperative development strategy on financial inclusion and economic empowerment of the Muslim community in Thailand. In addition, the role of

government regulations and policies in supporting the sustainability of Sharia cooperatives needs to be studied more deeply..

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