e-ISSN: 2600-9617

Available online at
https://journal.uitm.edu.my/ojs/index.php/e-JITU/index

E-Journal of Islamic Thought & Understanding 9 (1) 2026, 69-87

E-Journal of Islamic Thought & Understanding (E-JITU)

The Factors Influencing Implementation of Halal Foods and Beverages Certification among Bumiputera Micro, Small and Medium Entrepreneurs from the Perspective of Resource-Based View Theory: A Conceptual Paper

Nik Nabihah Nik Ahmad Faris[1], Rizuwan Abu Karim[2], Zulkefli Muhamad Hanapiyah[3]

[1,2,3]*Faculty of Business and Management, Universiti Teknoologi MARA, Melaka, Malaysia*

ARTICLE INFO

Article history:
Received 03 Feb 2026
Revised 05 Mac 2026
Accepted 09 Mac 2026
Published 01 Apr 2026

Keywords:
Implementation
Halal certification
Foods and Beverages
Bumiputera SMEs
RBV theory
Malaysia

DOI:
https://doi.org/10.24191/xv5gm879

ABSTRACT

The low involvement of Bumiputera micro, small and medium-sized enterprises (SMEs) in implementing halal certification in Malaysia remains a persistent concern despite the rapid growth of the global halal industry. Addressing this issue requires a clearer, theory-driven understanding of the organisational factors that influence Bumiputera SMEs' engagement with halal certification. Accordingly, this conceptual paper examines the determinants of halal food and beverage certification implementation among Bumiputera SMEs by adopting the Resource-Based View (RBV) as its underlying theoretical lens. Drawing on extant literature, the study conceptualises Total Quality Management (TQM) practices, internal motives, and external pressures as strategic organisational resources that shape firms' readiness and capability to implement halal certification. From an RBV perspective, these resources are viewed as valuable, rare, and difficult-to-imitate capabilities that enable SMEs to achieve effective halal compliance and sustain competitive advantage within the halal market. A conceptual framework is developed to illustrate the proposed relationships between these internal and external resources and halal certification implementation. The paper further posits that the effective deployment of TQM practices reflects successful halal certification adoption among Bumiputera SMEs. This study contributes to the halal SME literature by offering a structured RBV-based conceptual framework and provides theoretical direction for future empirical research and policy initiatives aimed at strengthening Bumiputera participation in Malaysia's halal industry.

1. INTRODUCTION

Previous evidence indicates that a significant percentage of Malaysian micro, small and medium enterprises (SMEs) have not obtained halal certification. Azizi (2019) reported that fewer than 10,000 SMEs were halal-certified at that time, suggesting that certification involvement among Malaysian SMEs relatively low. Given the global demand for halal products, this situation presents both a challenge and an opportunity for local entrepreneurs, as halal certification has the potential to facilitate access to international markets and enhance business performance.

Recent statistics further highlight disparities in halal certification adoption particularly among Muslim businesses. In 2023, approximately 70 per cent of halal-certified products in Malaysia were produced by non-Muslim owned businesses (Halimy, 2023a). Although halal certification is voluntary, prior studies suggest that non-Muslim SMEs tend to adopt certification strategically to expand their market reach, particularly among Muslim consumers, which partly explains their higher certification rates (Abdullah et al., 2021). Consistent with this observation, official statements indicate that while SMEs constitute the majority of halal-certified firms, Bumiputera SMEs account for less than half of certified businesses, implying that halal certification adoption is more prevalent among non-Bumiputera enterprises (Bernama, 2023).

This imbalance raises concerns regarding Malaysia's ambition to position itself as a global halal market leader, as articulated in the Halal Industry Master Plan 2030, which emphasises increased Bumiputera participation in the halal industry (Halal Development Corporation, 2020). From an organisational perspective, previous studies suggest that total quality management (TQM) practices can enhance competitive advantage by improving product quality and strengthening food safety systems (Talib et al., 2012; Din & Daud, 2014). Within the theoretical domain, TQM practices have increasingly been conceptualised as strategic organisational resources under the resource-based view (RBV) theory, as they contribute to the development of valuable capabilities that support sustained competitive advantage (Min et al., 2016; Karim, 2017; Talib et al., 2017; Ali & Johl, 2022; Olaleye et al., 2023).

Under the RBV framework, TQM practices may be viewed as internal resources that enable firms to strengthen quality assurance, compliance, and operational effectiveness (Barney, 2001). Given that halal certification is closely associated with food safety, hygiene, and quality management systems, the implementation of TQM practices may play a critical role in facilitating successful halal certification (Karim, 2017). Therefore, examining halal certification implementation among Bumiputera SMEs through an integrated RBV–TQM perspective provides a theoretically grounded approach to understanding the challenges faced by these enterprises.

1.1 Problem Statement

To stimulate the expansion of Malaysia's halal industry, the government has introduced various initiatives aimed at increasing Bumiputera participation. As part of the 2017 national budget, significant financial support was made available to assist Bumiputera entrepreneurs who seek to enter the halal market (Ministry of Finance Malaysia, 2017).

Table 1 represents the total of Bumiputera and non-Bumiputera halal foods and beverages SMEs as of November 2023. Despite government's initiative, Bumiputera ownership accounts for 1,131 micro, 898 small, and 75 medium enterprises, while non-Bumiputera ownership comprises 491 micro, 2,086 small, and 466 medium enterprises. This pattern indicates a lower representation of Bumiputera-owned SMEs as supported from previous studies (Jais, 2019; Halimy, 2023b; Jaswir et al., 2023, Bernama, 2024), and indicates non-Bumiputera awareness and recognition of halal certification's role in enhancing customer trust (Halimy, 2023b). Thus, suggesting a potential participation gap in the sector.

Table 1. Total of Bumiputera and non-Bumiputera halal foods and beverages as of November 2023

Business category	Bumiputera	Non-Bumiputera
Micro	1,131	491
Small	898	2,086
Medium	75	466

Source: Sekretriat Majlis Halal Malaysia, JAKIM.

The main reason of low number of Bumiputera involvement in halal foods and beverages sector is due to the fact that most Bumiputera SMEs claimed that their products are halal since the producers are mostly Muslim (Nawai et al., 2007; Sinar Harian, 2023). This issue becomes critical when there was a case of food poisoning which led to death of two individuals in a school in Selangor in which the food producers are Muslim without halal certification (Free Malaysia Today, 2024). Not only that, it was found that unsanitary food preparation practices have been reported among halal-certified businesses (Karim et al., 2021). In 2022, it was reported that three food production factories at the Melaka Halal Hub were ordered to cease operation under Section 11 of Food Acts 1983 due to the unacceptable sanitary level (Astro Awani, 2022). These issues have shown that even though the Bumiputera businesses are owned and handled by mostly Muslims, it does not mean that they comply to the Shariah food safety and hygiene standards which has been highlighted in the halal certification requirements.

Other factors contributing to the low adoption of halal certification among Bumiputera SMEs include limited awareness of the certification's competitive advantages (Din & Daud, 2014; Talib et al., 2016). High implementation costs and procedural complexity have also been identified as barriers to halal certification adoption among Bumiputera SMEs (Sunarya et al., 2015).

Saiman and Yusma (2022) recommended future research on implementation of halal food and beverages certification among Bumiputera. Not only that, studies that were conducted in the past suggest that a deeper understanding of these influencing factors can lead to more effective policies and support mechanisms that promote halal certification uptake in Bumiputera SMEs, ultimately contributing to their growth and competitiveness in the halal market (Talib et al., 2016; Moid et al., 2024).

While total quality management (TQM) practices can be executed by halal-certified food producers, the research that examine the influence of TQM practices on ensuring compliance with halal certification implementation is lacking (Karim et al., 2020). Previous studies have shown that TQM practices can be integrated with the resource-based view (RBV) theory since TQM practices encourage competitive

https://doi.org/10.24191/xv5gm879

advantage by utilising the organisation's resources and capabilities that were highlighted in the RBV theory (Min et al., 2016; Karim, 2017; Talib et al., 2017; Ali & Johl, 2022; Olaleye et al., 2023). Moreover, Giyanti et al. (2020) has suggested that external drivers and internal motives should be included to study on the halal certification implementation by using the RBV theory in another different setting. In addition, to the best knowledge of the researcher, there are no studies that specifically focus on the factors influencing implementation of halal foods and beverages certification among Bumiputera SMEs. Recognising this gap, this paper aims conceptually examine the factors influencing successful halal foods and beverages certification implementation among Bumiputera SMEs from the perspective of RBV theory.

2. LITERATURE REVIEW

2.1 Overview of Halal Certification

According to the Department of Islamic Development Malaysia (2015), the third revision of the Manual Procedure for Halal Certification outlines seven halal certification scheme categories: foods products and beverages, food premises, consumer goods, cosmetics and personal care, slaughterhouses, pharmaceuticals, and logistics.

Within these categories, the Halal Industry Master Plan 2030 identifies three strategic sectors – food and beverage, cosmetics and personal hygiene, and pharmaceuticals – as key drivers of industry growth (Halal Development Corporation, 2020). Among them, the food and beverage sector remains the primary focus due to Malaysia's strong international standing in the halal food market (Halal Development Corporation, 2020).

2.2 Overview of Bumiputera Entrepreneurs in Malaysia

Entrepreneurship generally involves two key stages: the development of entrepreneurial intention and the execution of the entrepreneurial behaviour (Kong et al., 2020). On the context of halal entrepreneurship, Bumiputera entrepreneurial intention emerges when Bumiputera communities are motivates to participate in halal-related business activities.

Once the intention is established, it leads to the implementation stage, where entrepreneurs begin to demonstrate entrepreneurial behaviour. For Bumiputera SMEs, halal entrepreneurship behaviour occurs when they actively pursue halal certification. To obtain certification, businesses must comply with specifics requirements related to food preparation, slaughtering methods, ingredient selection, hygiene practices, handling, processing, storage, transportation and distribution (Saad et al., 2016). Compliance with these requirements marks the transition from intention to implementation, resulting in active participation in halal entrepreneurship.

Based on previous study, the resource-based view (RBV) theory can be effectively applied to examine the implementation of entrepreneurship behaviour by highlighting the importance of resources and the resources strategic use in entrepreneurial venture (Lin & Nabergoj, 2014); Kellermanns et al., 2016; Kristinae et al., 2023). Not only that, prior studies also include the total quality management (TQM) practices as a part of RBV theory (Karim, 2017; Karim et al., 2020; Karim et al., 2021). Thus, this conceptual paper discusses how TQM practices can influence successful halal foods and beverages certification implementation among Bumiputera SMEs through RBV theory.

2.3 Resource-Based View (RBV) Theory

In the 1980s, Wernerfelt (1984) introduced RBV theory as a formal theory and mentioned that the unique bundle of resources and capabilities possessed by an organisation can lead to potential competitive advantage which subsequently led to superior performance. Hall (1992) suggested that resources can be categorised into two dimensions, the first one was tangible and intangible resource, while the second dimension were assets and skills (capabilities). Galbreath (2005) has adopted Hall's resources dimensions in order to categorise resources where he categorised it into tangible resources, intangible resources, and capabilities

2.3.1 Tangible resources

Tangible resources are known as factors that can be observed physically, can be controlled by the organisation and have financial value (Karim, 2017). While tangible resources are not sold to the consumers, it is utilised in the transactions of business to produce products or provide services. For instance, company buildings, transportation, machinery and equipment. According to Karim (2017), tangible assets or resources may create competitive advantages to the organisation, but the duration of sustainability may be shorter than intangible resources since the tangible assets can be bought and sold at prices equal to their economic values.

2.3.2 Intangible Resources

Intangible resources are identified as a nonmonetary resource without physical substance (Zhang, 2017). Due to ambiguous definition on how to categorise intangible assets, Hall (1992) has divided it into three different categories namely intellectual property assets, organisational assets and reputation assets. While intellectual property assets have their own legal protection, organisation assets are the resources that create barriers of replication by competing organisations (Karim, 2017). Reputation assets are the resources that reflect the credibility and the quality of the organisations (Karim, 2017).

2.3.3 Capabilities

Capabilities are the reflection of the organisation's know-how and knowledge capacity (Galbreath and Galvin, 2008). Capabilities can be a great source of competitive advantage to the organisation since knowledgeable employees and managers could determine the success of the company (Day, 1994; Grant, 1996). Furthermore, Teece, Pisano, and Shuen (1997) mentioned that capabilities are the highest order of the resources since it created the highest levels of causal ambiguity and strong barriers for duplication by others. However, since the market environment is fast-moving and dynamic, Teece et al. (1997) extended the concept of capabilities into dynamic capabilities. Idris (2011) mentioned that capabilities can be achieved by the organisation through a complex relationship between tangible and intangible resources in a period of time. Then, dynamic capabilities can be achieved later by the firm through reinventing their capabilities such as the capability to invent new products and processes in the organisation.

https://doi.org/10.24191/xv5gm879

In relation to the recommendation provided by Karim et al. (2020) to further analyse the influence of total quality management (TQM) practices on halal certification implementation compliance, and recommendation by Giyanti et al. (2020) to include external pressures and internal motives on the halal certification implementation studies, this study conceptually integrate the TQM practices, external pressures and internal motives with RBV theory to examine the factors influencing implementation of halal foods and beverages certification among Bumiputera SMEs.

2.4 Total Quality Management (TQM)

For every study, there are different TQM constructs based on the purpose and objectives (Prajogo & Sohal, 2004). Due to this reason, it is difficult to reach a common set of TQM practices (Karim et al., 2020). However, the Malcolm Baldrige National Quality Awards (MBNQA) model is considered crucial in providing a solid foundation of TQM practices for ensuring successful implementation of Shariah compliance (Karim et al., 2020). There are seven criteria in the MBNQA models according to Evans and Lindsay (2005), namely top management, strategic planning, customer focus, information management, human resource, process management and results. Evans and Lindsay (2005) explained each criterion as follows.

Table 2. Criteria in the MBNQA models

Criteria	Definition
Top management	Examines how the organisation's senior leaders address values, direction, performance expectations, and responsibilities to the communities.
Strategic planning	Examines how strategic objectives are developed, implemented and measured.
Customer focus	Focuses on how organisations identify customer needs and build relationships to achieve satisfaction and retention.
Information management	Examines the use of information systems to analyse performance and support improvement.
Human resource	Addresses how employees are developed and motivated to support organisational objectives.
Process management	Focuses on managing and improving key organisational processes for effective product and service delivery.
Results	Addresses organisational results across key business areas relative to competitors.

Source: Evans & Lindsay (2005)

Given the importance of the MBNQA model in strengthening TQM practices and supporting effective Shariah compliance, this paper applies the model in combination with the resource-based view (RBV) theory. This integrated framework is used to conceptually examine how TQM practices influence the adoption of halal foods and beverages certification among Bumiputera SMEs.

Not only that, based on previous study on TQM practices external pressures can also be a part of TQM practices since it can also affect the organisation's operations and performance (Love et al., 2000). In addition, internal motives play a significant role in the TQM practices of an organisation since it is crucial for achieving the organisation's goals (Kantardjieva, 2015). Thus, external pressures and internal motives are included with other TQM practices that has been discussed in previous halal studies.

2.4.1 Relationship between TQM practices and product quality implementation

Before halal certification became well-known globally, there are other product quality systems that organisations implemented such as International Organisation for Standardisation (ISO) and Codex

Alimentarius and Hazard Analysis Critical Control Point (HACCP) (Daud et al., 2011). Not only that, previous studies highlighted the exploration of product quality implementation and business performance. While business performance is not directly discussed in this study, the objective of this study is closely related to better performance since factors influencing successful halal certification implementation are considered as the indicators that halal certification implementation can be successful through management that focus on quality improvements.

A study by Talib et al. (2012) and Shah et al. (2019) found that quality management practices deemed to be acceptable to be used to assess organisation performance of SMEs. Furthermore, it was found that companies gained both external and internal benefits for implementing ISO-9000 (Kakouris & Sfakianaki, 2018). Moreover, previous studies have proved that TQM practices positively influence organisations' performance (Hilman et al., 2020; Ali et al., 2020).

Since it was highlighted in Hilman et al. (2020) and Ali et al. (2020) that TQM positively influenced performance, this study applied TQM practices to investigate the factors influencing implementation of the halal foods and beverages certification among Bumiputera SMEs.

2.4.2 Relationship between TQM practices and halal certification implementation

Previous study has highlighted that top management, strategic planning, process management, and information management have positive relationships with trust, while top management, strategic planning, information management and human resource have positive relationships with safety (Karim, 2017). The study concluded that trust and safety have positive relationship with organisational performance. Another study that applied RBV theory found that internal motive and organisation commitment positively affect halal standard implementation, while external pressures do not (Giyanti et al., 2020).

2.5 The Gap of TQM practices and Implementation of Halal Foods and Beverages Certification among Bumiputera Entrepreneurs

Based on the previous studies discussed, the authors found that there are some research gaps that this paper could investigate further. Firstly, while the halal certification studies got more attention recently, most of the study focuses on measuring the business performance rather than on the factors that could influence the success of halal certification implementation.

Furthermore, while there are studies that focus on the total quality management (TQM) practices, there are still a lack of studies that integrate the TQM practices and halal certification implementation. This is also supported by Karim et al. (2020) since most of the studies on TQM practices are focusing on other types of product quality implementation such as Hazard Analysis Critical Control Point (HACCP) and International Organisation for Standardisation (ISO) rather than halal certification.

Not only that, no studies that specifically examine the factors influencing successful halal certification implementation among Bumiputera entrepreneurs. Most of the studies highlighted multinational companies and SMEs in general without putting the focus on Bumiputera entrepreneurs. Since the government of Malaysia tried to foster the participation of Bumiputera entrepreneurs in halal sector (Halal Development Corporation, 2020), it is reasonable to investigate the factors influencing successful halal certification implementation specifically among Bumiputera SMEs.

https://doi.org/10.24191/xv5gm879

2.6 Conceptual Framework

This paper proposes an extended conceptual framework that integrates TQM practices within the RBV theory to explain the implementation of halal foods and beverages certification among Bumiputera SMEs.

The framework is conceptually adapted from Karim (2017), who positioned six dimensions of MBNQA model as organisational capabilities within the RBV perspective. These six dimensions which is top management, strategic planning, customer focus, process management, information management and human resource management are conceptualised in this study as resources that can support effective halal certification implementation.

To further extend the framework, this paper incorporates external pressures and internal motives, drawing from previous study by Giyanti et al. (2020). The inclusion of these factors responds to prior recommendations for examining halal certification drivers across different contextual settings, particularly within Bumiputera-owned SMEs in Malaysia.

Within the proposed framework, TQM practices, external pressures, and internal motives are positioned as antecedent factors that are expected to shape the extent and effectiveness of halal food and beverage certification implementation. The framework does not seek to empirically test causal relationships; rather, it provides a theoretical structure that synthesises existing literature and offers a foundation for future empirical investigation.

Accordingly, Figure 1 illustrates the proposed conceptual relationships derived from prior studies and established theories. The framework contributes to the halal management and quality management literature by conceptually linking organisational resources, managerial practices, and motivational factors to halal certification implementation in the Bumiputera SME context.

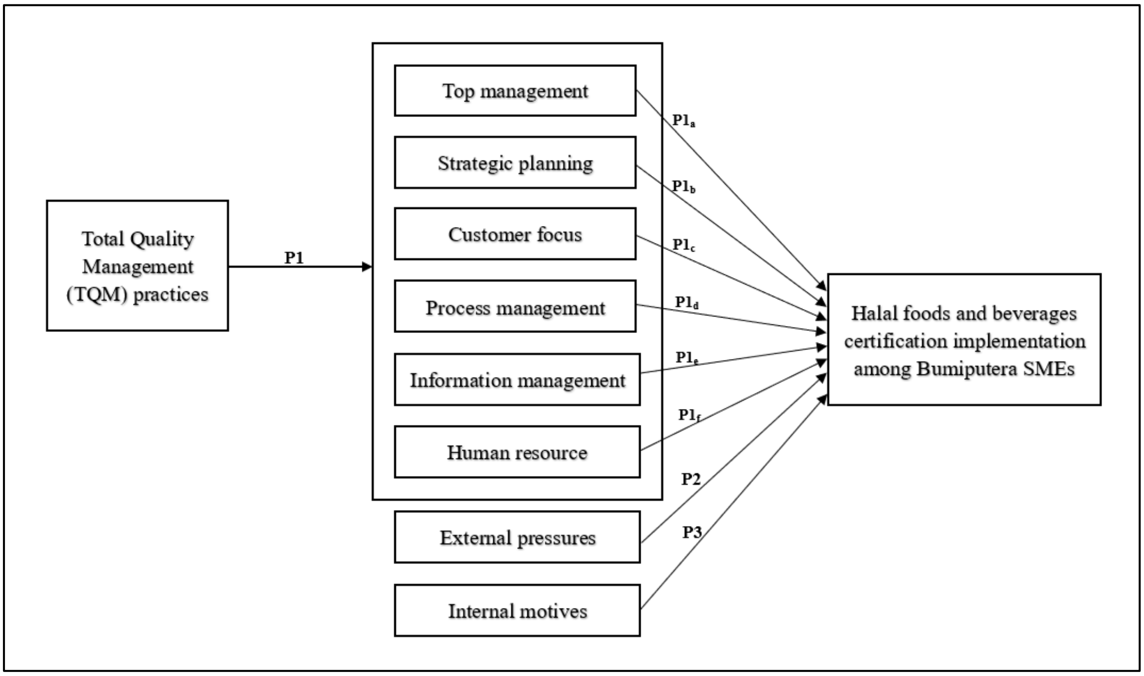

Fig 1. Extended RBV theory

Source: Adapted from Karim (2017) and Giyanti et al. (2020)

2.7 Propositions

Previous literature has suggested that top management must be involved in the quality management system, create a conducive environment, and must be a role model in implementing quality programmes (Wilcock, Ball, & Fajumo, 2011; Chen, Flint, Perry, Perry, & Lau, 2014). The implementation of food safety and quality management for food products might be ineffective if there are lack of commitment from top management (Mensah & Julien, 2011). Din and Daud (2014) who did a study of critical success factors of MS1500:2009 implementation among halal experts figured out that top management commitment is one of the factors of successful implementation. Moreover, Karim (2017) discovered that top management is one of the TQM practices that influenced Malaysian halal-certified food SMEs' performance. It was also highlighted that TQM practices among SMEs in Malaysia based on MBNQA model such as top management can influence the halalan toyyiban (safety) of food products (Karim et al., 2020; Karim et al., 2021).

Furthermore, Strategic planning is how an organisation develops its strategic objectives and action plan which also includes the examination on how chosen strategic objectives and action plans are deployed and how progress is measured (Evans & Lindsay, 2005). Due to the fact that the involvement of employees in setting the quality vision and mission for the company is required in the strategic planning process, the importance of strategic planning in facilitating the implementation of food safety system is increasingly acknowledged (Karim, 2017). Karim (2017) discovered that strategic planning is one of the TQM practices that influenced Malaysian halal-certified food SMEs' performance. It was also highlighted that TQM

https://doi.org/10.24191/xv5gm879

practices among SMEs in Malaysia based on MBNQA model such as strategic planning can influence the halalan toyyiban (safety) of food products (Karim et al., 2020; Karim et al., 2021).

Customer focus examines how organisations develop relationships with their customers and how these relationships contribute acquisition, satisfaction, and long-term retention (Evans & Lindsay, 2005). In the Malaysian SME context, costumer focus is recognised as an important quality management practice (Talib et al., 2012). Halal scholars have also identified effective customer communication and relationship management as key success factors in implementing MS1500:2009, which closely align with the concept of customer focus (Din & Daud, 2014). Additionally, studies based on the MBNQA framework indicate that customer-focused TQM practices can positively influence the halalan toyyiban (food safety) aspects of food products among Malaysian SMEs (Karim et al., 2020).

Process management refers to how the organisations manage a combination of machines, tools, methods, material and people involved in a production (Karim, 2017). It is considered as one of the quality management practices among Malaysian SMEs (Talib et al., 2012). Furthermore, Shah et al. (2019) found that process management is one of the critical success factors for operational performance among Pakistani SMEs. Din and Daud (2014) found that process management is one of the critical success factors of MS1500:2009 implementation as suggested by halal experts. Moreover, Karim (2017) discovered that process management is one of the TQM practices that influenced Malaysian halal-certified food SMEs' performance. It was also highlighted that TQM practices among SMEs in Malaysia based on MBNQA model such as process management can influence the halalan toyyiban (safety) of food products (Karim et al., 2020).

Information management can be described as how the organisation analyses the performance through information management and performance measurement systems (Evans & Lindsay, 2005). Information management is considered as one of the quality management practices among Malaysian SMEs (Talib et al., 2012). Shah et al. (2019) discovered that information management is one of the critical success factors for operational performance among SMEs in Pakistan. Moreover, Karim (2017) discovered that information management is one of the TQM practices that influenced Malaysian halal-certified food SMEs' performance. It was also highlighted that TQM practices among SMEs in Malaysia based on MBNQA model such as information management can influence the halalan toyyiban (safety) of food products (Karim et al., 2020; Karim et al., 2021).

Human resource management is considered as one of the quality management practices among Malaysian SMEs (Talib et al., 2012). Moreover, Karim (2017) discovered that human resources is one of the TQM practices that influenced Malaysian halal-certified food SMEs' performance. It was also highlighted that TQM practices among SMEs in Malaysia based on MBNQA model such as top management can influence the halalan toyyiban (safety) of food products (Karim et al., 2020; Karim et al., 2021).

External pressures can be described as the perceived business benefits and halal integrity from the adoption of halal implementation (Zailani et al., 2015). Kakouris and Sfakianaki (2018) found that external motives such as consumers and competing firms to implement ISO 9000 certification led to general improvements among small and medium enterprises once they implemented the certificate. Even though a study on the depth of halal certification implementation among Indonesian SMEs shows that external pressures does not affect the performance (Giyanti et al., 2020), it is wise to further the study in Malaysian context especially among Bumiputera SMEs since different setting might lead to different outcomes.

Past study among small and medium enterprises in Greece shows that internal motives to implement ISO 9000 certification led to the companies' improvement when they implement the certificate (Kakouris & Sfakianaki, 2018). Not only that, a study by Giyanti et al. (2020) found that internal motives positively influence the depth of halal certification implementation among Indonesian SMEs.

Based on the above discussions, Table 3 summarised each of the propositions in this paper.

Table 3 Summary of propositions

Propositions	Explanations
$P1_a$	Top management is expected to influence implementation of halal foods and beverages certification among Bumiputera SMEs.
$P1_b$	Strategic planning is expected to influence implementation of halal foods and beverages certification among Bumiputera SMEs.
$P1_c$	Customer focus is expected to influence implementation of halal foods and beverages certification among Bumiputera SMEs.
$P1_d$	Process management is expected to influence implementation of halal foods and beverages certification among Bumiputera SMEs.
$P1_e$	Information management is expected to influence implementation of halal foods and beverages certification among Bumiputera SMEs.
$P1_f$	Human resource is expected to influence implementation of halal foods and beverages certification among Bumiputera SMEs.
P2	External pressures are expected to influence implementation of halal foods and beverages certification among Bumiputera SMEs.
P3	Internal motives are expected to influence implementation of halal foods and beverages certification among Bumiputera SMEs.

Source: Developed by the authors

3. RESEARCH METHODOLOGY

3.1 Research Design

This study adopts a conceptual research design, which focuses on theory development through the integration and synthesis of existing literature rather than the collection of primary empirical data. Conceptual research is appropriate when the objective is to develop a theoretical framework by drawing upon established theories, prior empirical findings, and documented scholarly evidence.

In line with the conceptual nature of this paper, the study integrates TQM practices derived from the MBNQA model into the Resource-Based View (RBV) theory, while extending the framework by incorporating external pressures and internal motives related to halal certification implementation. This approach allows the study to explain halal food and beverage certification implementation among Bumiputera SMEs from a resource-based and capability-based perspective.

3.2 Literature Analysis and Conceptual Framework Development

The selected literature was analysed using a thematic synthesis approach, whereby recurring concepts, constructs, and theoretical relationships were systematically identified and compared across studies. Particular attention was given to prior research that examined TQM practices within the MBNQA framework and their integration with RBV theory, as well as studies investigating the drivers of halal certification implementation.

Drawing from Karim (2017) and subsequent related studies, six dimensions of TQM practices, namely top management, strategic planning, customer focus, process management, information management, and human resource management, were conceptually positioned as organisational resources and capabilities within the RBV perspective. In addition, external pressures and internal motives were incorporated based on the work of Giyanti et al. (2020) to extend the explanatory power of the framework in the context of Bumiputera SMEs.

Based on this synthesis, an extended conceptual framework was developed as discuss in literature review to illustrate the proposed relationships between TQM practices, external pressures, internal motives, and halal food and beverage certification implementation. The framework serves as a theoretical foundation for future empirical testing.

4. RESULTS AND DISCUSSIONS

This conceptual study proposes a theoretical framework that integrates Total TQM practices, external pressures, and internal motives within the RBV theory to explain halal food and beverage certification implementation among Bumiputera SMEs.

The framework identifies six dimensions of TQM practices, which are top management, strategic planning, customer focus, process management, information management, and human resource management, as organisational capabilities that may support halal certification implementation. TQM has been recognised in the literature as a multidimensional approach capable of improving organisational performance and compliance through systematic quality principles (Karim & Nawi, 2020). The six dimensions adapted from the MBNQA model have been shown empirically to be present and relevant in quality management contexts, including food production systems (Karim et al., 2020). In applying these factors conceptually, it is theorised that TQM practices, external pressures and internal motives positively influence implementation of halal foods and beverages certification among Bumiputera SMEs.

These propositions build on prior conceptual and empirical work linking TQM dimensions to quality outcomes (Karim et al., 2020). By positioning TQM as a set of organisational resources in the RBV framework, the model suggests that quality oriented internal capabilities provide potential competitive advantages and compliance momentum.

The inclusion of external pressures acknowledges that organisations often operate within environments shaped by regulatory expectations, market competition, and shifting consumer demand, which can influence the decision to pursue certification. Similarly, internal motives capture intrinsic organisational intentions to improve quality, reputation, or operational effectiveness, complementing external drivers in explaining why SMEs might engage in certification processes.

Taken together, the conceptual relationships, propositions 1a through 3 provide a theoretically grounded model that lays out expected influences without empirical testing. The framework contributes to both halal management scholar and quality management theory by offering a structured conceptual basis that future research can validate through empirical inquiry.

5. CONTRIBUTIONS OF THE STUDY

This paper contributes to the literature on halal implementation and Bumiputera SMEs development by applying Resource-Based View (RBV) theory to examine halal foods and beverages certification implementation among Bumiputera SMEs in Malaysia. Unlike prior study, this paper theoretically analysed six total quality management (TQM) practices together with external pressures and internal motives which all of them are resource-related factors. By analysing the direct relationships between eight resource-related factors and halal foods and beverages certification implementation, this study provides conceptual support of RBV theory in explaining compliance behaviour within the halal foods and beverages business context.

Furthemore, this paper represents one of the first studies in Malaysia to focus specifically on certified Bumiputera SMEs and their halal foods and beverages certificiation implementation using RBV framework. The framework in this study will provide guidance for future empirical research, thus, offering meaningful implications for scholars, entrepreneurs, development agencies, and policymakers concerned with strengthening Bumiputera involvement and sustainability in halal-oriented market.

6. CONCLUSION AND RECOMMENDATIONS

This conceptual study contributes to the literature by proposing an integrated theoretical model that links TQM practices, external pressures, and internal motives with halal food and beverage certification implementation among Bumiputera SMEs. Grounded in the Resource Based View (RBV), the study identifies eight propositions that describe how organisational capabilities and contextual factors may be associated with certification behaviour.

The theoretical contribution lies in bridging TQM dimensions from the MBNQA model with halal certification objectives under an RBV lens, emphasising that internal quality resources and strategic competencies may underpin certification success. This approach enriches both the halal management and quality management streams of research by providing a comprehensive conceptual framework for understanding compliance behaviours in SME contexts.

Practical implications emerge for organisational leaders and policymakers. SME managers may consider strengthening internal TQM capabilities such as leadership commitment, planning, customer engagement, and employee development to build organisational readiness for halal certification.

https://doi.org/10.24191/xv5gm879

Policymakers and halal governing bodies might consider how external incentives, regulatory support, and awareness programs could heighten motivation and reduce barriers for SMEs seeking certification.

For future research, scholars are encouraged to empirically test the propositions developed in this study across different contexts and sectors. Quantitative, qualitative, or mixed method approaches could assess the strength and direction of the proposed relationships, examine moderating or mediating factors, and refine the framework for broader applicability. Comparative studies across countries or industries may also reveal contextual nuances in how internal and external factors shape certification outcomes.

Although this conceptual model advances theoretical understanding, it is limited by its reliance on extant literature rather than primary empirical evidence. Subsequent research should therefore focus on validating the model empirically to establish generalisability and practical relevance.

7. ACKNOWLEDGEMENT

The authors would like to acknowledge the support of Universiti Teknologi MARA (UiTM), Cawangan Melaka, Kampus Bandaraya and Kampus Alor Gajah, and Faculty of Business and Management, Universiti Teknologi MARA, Melaka, Malaysia for providing the facilities support on this research.

8. CONFLICT OF INTEREST STATEMENT

The authors agree that this research was conducted in the absence of any self-benefits, commercial or financial conflicts and declare the absence of conflicting interests with any entities.

9. AUTHORS' CONTRIBUTIONS

Nik Nabihah Nik Ahmad Faris: Conceptualisation, methodology, investigation and writing-original draft and writing- review and editing; Dr Rizuwan Abu Karim: Supervision, conceptualisation, methodology, validation and writing- review and editing; Dr Zulkefli Muhamad Hanapiyah: Supervision and validation.

10. DECLARATION OF GENERATIVE AI IN THE WRITING PROCESS

During the preparation of this work, the authors used ChatGPT and Perplexity in order to enhance clarity and readability. After using these tools, the authors reviewed and edited the content as needed and takes full responsibility for the content of the publication.

11. DATA AVAILABILITY/SUPPLEMENTARY MATERIALS

Data sharing is not applicable to this article as no new datasets were generated or analysed during the current study.

12. ETHICS STATEMENT

The authors declare that this research operates in accordance with ICH Good Clinical Practice Guidelines, Malaysian Good Clinical Practice Guidelines and the Declaration of Helsinki.

This study was reviewed and approved by the Institutional Ethics Committee of Universiti Teknologi MARA (REC/01/2025(PG/MR/20)). Data anonymity was strictly maintained throughout the study.

REFERENCES

Abdullah, M. A., Zakaria, Z., Buang, A. H., & Ismail, S. Z. (2021). Halal certification in Malaysia: An analysis of its history and development. *Journal of Shariah Law Research, 6*(2), 235– 272.

Ali, G. A., Hilman, H., Gorondutse, H. (2020). Effect of entrepreneurial orientation, market orientation and total quality management on performance: Evidence from Saudi SMEs. *Benchmarking: An International Journal. 27*(4), 1503-1531. https://doi.org/10.1108/BIJ 08 2019 0391

Ali, K., & Johl, S. K. (2022). Impact of total quality management on industry 4.0 readiness and practices: Does firm size matter. *International Journal of Computer Integrated Manufacturing, 36*(4), 567-589. https://doi.org/10.1080/0951192X.2022.2128213

Astro Awani. (2022, October 3). Tidak patuh tahap kebersihan, kilang makanan diarah tutup di Melaka Halal Hub. *https://www.astroawani.com/*

Azizi, N. A. (2019, August 1). 9 out of 10 SMEs do not have halal certification. *New Straits Times. https://www.nst.com.my/*

Barney, J. B. (2001). The resource-based view of the firm: Ten years after 1991. *Journal of Management, 27*(6), 643–650.

Bernama. (2023, September 18). Over 80 percent of SME companies hold halal certificates – Mohd Na'im. *New Straits Times. https://www.nst.com.my/*

Bernama. (2024, April 23). Embracing change crucial for Bumiputera entrepreneurs to stay ahead. *https://www.bernama.com/*

Bird, B. (1998). Implementing entrepreneurial ideas: The case of intention. *Academy of Management Review, 13*(3), 442-453. https://doi.org/10.5465/amr.1988.4306970

Business Today. (2023, July 14). Commentary: Malaysia's halal food industry's exponential growth continues to soar. *https://www.businesstoday.com.my/*

Chen, E., Flint, S., Perry, P., Perry, M., & Lau, R. (2014). Implementation of non-regulatory food safety management schemes in New Zealand: a survey of the food and beverage industry. *Food Control, 47*, 569–576. *https://doi.org/10.1016/j.foodcont.2014.08.009*

Day, G. S. (1994). The capabilities of market-driven organizations. *Journal of Marketing, 58*(4), 37-52. https://doi.org/10.1177/002224299405800404

Daud, S., Din, R. C., Bakar, S., Kadir, M. R., & Sapuan, M. (2011). Implementation of MS1500:2009: A gap analysis. *Communications of IBIMA, 2011*, 11. https://doi.org/10.5171/2011.360500

Dean, J. W. J., & Bowen, D. E. (1994). Management theory and total quality: Improving research and practice through theory development. *Academy of Management Review, 19*(3), 392-418. https://doi.org/10.5465/amr.1994.9412271803

Department of Islamic Development Malaysia. (2015). *Manual Procedure for Malaysia Halal Certification (Third Revision) 2014*. Putrajaya, Malaysia.

Din, R. C., & Daud, S. (2014). Critical success factors of MS1500:2009 implementation. *Procedia: Social and Behavioral Sciences, 121*(2014), 96–103. https://doi.org/10.1016/j.sbspro.2014.01.1111

Evans, J. R., & Lindsay, W. M. (1999). *The management and control of quality (4th ed).* USA: South-Western College Publishing.

Evans, J. R., & Lindsay, W. M. (2004). *The management and control of quality (6th ed).* Ohio: South-Western.

Federal Constitution of Malaysia (1957). Article 60. *https://www.federalconstitution.gov.my/constitution-text*

Field, A. (2018). *Discovering Statistics Using IBM SPSS Statistics (5th ed.)*. Sage Publications.

Free Malaysia Today. (2024, June 11). JAIS arah henti khidmat bekalan makanan selepas 2 maut keracunan makanan. *https://www.freemalaysiatoday.com/*

Galbreath, J. (2005). The intangible economy and firm superior performance: Evidence from Australia. *Journal of Management and Organization, 11*, 28–40. https://doi.org/10.5172/jmo.2005.11.1.28

Galbreath, J. & Galvin, P. (2008). Firm Factors, industry structure and performance variation: New empirical evidence to a classic debate. *Journal of Business Research, 61*, 109–117. https://doi.org/10.1016/j.jbusres.2007.06.009

Giyanti, I., Indrasari, A., Sutopo, W., & Liquiddanu, E. (2020). Halal standard implementation in food manufacturing SMEs: Its drivers and impact on performance. *Journal of Islamic Marketing, 12*(8), 1777-1602. https://doi.org/10.1108/JIMA-11- 2019-0243

Grant, R. M. (1996). Toward a knowledge-based theory of competitive advantage: Implications for strategy formulation. *California Management Review, 33*, 114–135. https://doi.org/10.2307/41165864

Hair, J. F., Black, W. C., Babin, B J., & Anderson, R. E. (2010). Multivariate Data Analysis (7th ed). Upper Saddle River, NJ, USA: Prentice-Hall, Inc.

Halal Development Corporation. (2020). Halal Industry Master Plan 2030. *https://www.hdcglobal.com/*

Halimy, N. N. A. (2023a, June 13) Permohonan sijil halal dalam kalangan Bumiputera meningkat. *Sinar Harian. https://www.sinarharian.com.my/*

Halimy, N.N.A. (2023b, June 12). Non-Muslim companies dominate halal certification ownership in Malaysia, reveals JAKIM data. *Sinar Daily. https://www.sinardaily.my/*

Hall, R. (1992). The strategic analysis of intangible resources. *Strategic Management Journal, 13*, 135–144. https://doi.org/10.1002/smj.4250130205

Hilman, H., Ali, G. A., & Gorondutse, A. H. (2020). The relationship between TQM and SMEs' performance: The mediating role of organisational culture. *International Journal of Productivity and Performance Management, 69*(1), 61-84. https://doi.org/10.1108/IJPPM-02-2019-0059

Idris, F. (2011). Total quality management (TQM) and sustainable company performance: Examining the relationship in Malaysia firms. *International Journal of Business and Society, 12*(1), 31-52.

Jais, A. S. (2019). Halal related Malaysian standards. *Halal Note Series – Halal Common, 1*.

Jaswir, I., Sari, D. P., Daud, M. R. H. C., & Sukmana, R. (2023). Motives for participation in halal food standard implementation: an empirical study in Malaysian halal food industry. *International Journal of Islamic and Middle Eastern Finance and Management*, 1754-8394. https://doi.org/10.1108/IMEFM 07-2021-0264

Kakouris, A. P., & Sfakianaki, E. (2018). Impacts of ISO 9000 on Greek SMEs business performance. *International Journal of Quality and Reliability Management, 35*(10), 2248-2271. https://doi.org/10.1108/IJQRM-10-2017-0204

Karim, R. A. (2017). *Total quality management practices among halal certified food SMEs in selected states of Malaysia*. Doctoral thesis, Universiti Putra Malaysia.

Karim, R. A., Mahmud, N., Marmaya, N. H., & Hasan, H. F. A. (2020). The use of total quality management practices for halalan toyyiban of halal food products*: Exploratory factor analysis. Asia-Pacific Management Accounting Journal, 15*(1), 1–20. https://doi.org/10.24191/APMAJ.v15i1-01

Karim, R. A., Mahpoth, M. H., Ismail, S., Koe, W. L., & Rahim, F. A. (2021). Relationship between total quality management (TQM) practices and safety of halal food products. *International Conference on Economic, Business and Economic Education Science.* https://doi.org/10.4108/eai.27 7 2021.2316873

Kellermanns, F., Walter, T. J., Crook, T. R., Kemmerer, B., & Narayanan, V. (2016). The resource- based view in entrepreneurship: A content-analytical comparison of researchers' and entrepreneurs' views. *Journal of Small Business Management, 54*(1), 26–48. https://doi.org/10.1111/jsbm.12126

Kong, F., Zhao., L., & Tsai, C. H. (2020). The relationship between entrepreneurial intention and action: The effects of fear of failure and role model. *Frontiers in Psychology, 11*. https://doi.org/10.3389/fpsyg.2020.00229

Krejcie, R. V., & Morgan, D. W. (1970). Determining sample size for research activities. *Educational and Psychological Measurement, 30*(3), 607-610. https://doi.org/10.1177/001316447003000308

Kristinae, V., Sambung R., Meitiana, Mering, L., Dwiatmadja, C., & Tunjang, H. (2023). Application of RBV theory on entrepreneurial orientation, dynamic capability and customer relationship management. *Uncertain Supply Chain Management, 11*(2023), 70 –712. https://doi.org/10.5267/j.uscm.2023.1.010

Lin, J., & Nabergoj, A. S. (2014). A resource-based view of entrepreneurial creativity and its implications to entrepreneurship education. *Economic and Business Review, 16*(2), 163–183. https://doi.org/10.15458/2335 4216.1277

Mensah, L. D., & Julien, D. (2011). Implementation of food safety management systems in the UK. *Food Control, 22*(8), 1216–1225. https://doi.org/10.1016/j.foodcont.2011.01.021

Min, K. W., Homaid, A. A., Minai, M. S., & Zain, A. Y. M. (2016). Total quality management practices and microfinance institutions performance in Yemen: The resource based view theory perspective. International *Review of Management and Marketing, 6(*4), 1005-1012. https://www.econjournals.com/index.php/irmm/article/view/3041

Ministry of Finance Malaysia. (2016). *2017 Budget: Ensuring unity and economic growth, inclusive prudent spending, wellbeing of the rakyat [PDF]. https://www.mof.gov.my/portal/arkib/budget/2017/touchpoints_budget_2017.pdf*

Mohamed, Y. H., Rahim, A. R. A., Ma'aram, A., & Hamza, M. G. (2016). Halal traceability in enhancing halal integrity for food industry in Malaysia: A review. *International Research Journal of Engineering and Technology*, *3*(3), 68-74. https://www.irjet.net/archives/V3/i3/IRJET-V3I311.pdf

Moid, M. M., Supian, K., Hasim, N., Shah, N. A., Mahayuddin, N., Yahya, N. F., & Shari, S. S. (2024). Factors influencing halal certification application among SME Bumiputera food and beverage manufacturers in Malaysia. *Selangor Business Review*, 9(1), 34-50. https://sbr.journals.unisel.edu.my/index.php/sbr/article/view/143

Nawai, N., Nooh, M.N., Dali, N.R.S.M., & Mohammad, H. (2007). An exploratory study on halal branding among consumers in Malaysia: factor analysis technique. *Journal of Muamalat and Islamic Finance Research, 4*(1), 19–44. https://jmifr.usim.edu.my/index.php/jmifr/article/view/64

Noor, S., Tajik, O., & Golzar, J. (2022). Simple random sampling. *International Journal of Education and Language Studies, 1*(2), 78-82. https://doi.org/10.22034/ijels.2022.162982

Olaleye, B. R., Abdurrashid, I., & Mustapha, B. (2023). Organisational sustainability and TQM practices in hospitality industry: Employee-employer perception. *The TQM Journal, 36*(7), 1936-1960. https://doi.org/10.1108/TQM-10-2022-0306

Othman, R., Arshad, R., Aris, N. A., & Aris, S. M. M. (2015). Organizational resources and sustained competitive advantage of cooperative organizations in Malaysia. *Procedia – Social and Behavioral Sciences, 170*(2015), 120–127. https://doi.org/10.1016/j.sbspro.2015.01.021

Pallant, J. (2020). SPSS Survival Manual: A step-by-step guide to data analysis using IBM SPSS. Routledge.

Saad, S. N. H., Rahman, F. A., & Muhammad, A. (2016). An overview of the shariah governance of the halal industry in Malaysia: with special reference to the halal logistics. Journal of Applied Environmental and Biological Sciences, 6, 53-58.

Saiman, M. Z., & Yusma, N. S. (2022). Issues and challenges of promotion halal certification for Muslim entrepreneurs in Malaysia. *International Journal of Islamic Studies, 28*(2), 116-128. https://al qanatir.com/aq/article/view/575

Samson, D., & Terziovski, M. (1999). The relationship between total quality management practices and operational performance. *Journal of Operations Management, 17*(4), 393-409. https://doi.org/10.1016/S0272 6963(98)00046 1

Sekaran, U., & Bougie, R. (2013). Research Methods for Business: A Skill-Building Approach. 6th ed. United Kingdom. John Wiley & Sons Ltd.

Shah, S. A. R., Jamaludin, K. R., Talib, H. H. A., & Yusof, S. M. (2019). Integrated quality environmental management implementation in food processing SMEs: A case study of a developing country. *The TQM Journal, 31*(5), 740-757. https://doi.org/10.1108/TQM-11-2018-0166

Sinar Harian. (2023, June 14). Wajibkan peniaga makanan miliki sijil halal. *https://www.sinarharian.com.my/article/263321/*

Sinar Harian. (2024, March 18). Pengusaha halal Bumiputera jangan hanya fokus sektor F&B - Ahmad Zahid. *https://www.sinarharian.com.my*

Soltanian, M., Zailani, S., Iranmesh, M., & Aziz, A. A. (2016). Motivations of SME entrepreneurs to become halalpreneurs. *Journal of Science and Technology, 7*(2), 173-189. https://doi.org/10.1108/JSTPM 07 2015 0023

Sukumar. (2017, March 13). Rat droppings force Penang's Line Clear Nasi Kandar to close. *Malay Mail Online. https://www.malaymail.com/*

Sunarya, F.C.M., Busneti, I., & Adinugroho, T.P. (2015). Manfaat Ekonomi Standar. Badan Standardisasi Nasional Publications, Jakarta.

Talib, H. H. A., Ali, K. A. M., & Idris, F. (2012). Quality management framework for the SMEs food processing industry in Malaysia. *International Food Research Journal, 20*(1), 147-164. *https://ifrj.upm.edu.my/ifrj-2013-20-issue-1.html*

Talib, M. S. A., Chin, T. A., & Fischer, J. (2017). Linking halal food certification and business performance. *British Food Journal, 119*(7), 1606–1618. https://doi.org/10.1108/BFJ 01 2017 0019

Talib, M. S. A., Sawari, S. S. M. Hamid, A. B. A., & Chin, T. A. (2016). Emerging halal food market: An institutional theory of halal certificate implementation. *Management Research Review, 39*(9), 987-997. https://doi.org/10.1108/MRR 06 2015 0147

Teece, D. J., Pisano, G., & Shuen, A. (1997). Dynamic capabilities and strategic management. *Strategic Management Journal, 18*(7), 509–533. https://doi.org/10.1002/(SICI)1097 0266(199708)18:7

Universiti Teknologi MARA. (2025). UiTM guidelines for Research Ethics Committee (REC) and researchers (Revision 2025). Research Ethics Committee, Universiti Teknologi MARA.

Wilcock, A., Ball, B., & Fajumo, A. (2011). Effective implementation of food safety initiatives: Managers', food safety coordinators' and production workers' perspectives. *Food Control, 22*, 27–33. https://doi.org/10.1016/j.foodcont.2010.06.005

Zailani, S., Kanapathy, K., Iranmanesh, M., & Tieman, M. (2015). Drivers of halal orientation strategy among halal food firms. *British Food Journal, 117*(8), 2143-2160. https://doi.org/10.1108/BFJ 01 2015 0027

Zhang, N. (2017). Relationship between intangible assets and financial performance of listed telecommunication firms in China based on empirical analysis. *African Journal of Business Management*, 751-757. https://doi.org/10.5897/AJBM2017.8429