PAPUA: International Journal of Sharia Business Management
https://e-journal.iainfmpapua.ac.id/index.php/papua/
Volume 2, Nomor 1, Juni 2025

Sharia Financial Mindfulness as a Predictor of Halal Investment Decisions Among Muslim Millennials

Moh. Ainur Rosyid
Universitas Al-Hikmah Indonesia, Tuban, Indonesia
mohainurrosyid123@gmail.com

Abstract: This study explores *Sharia Financial Mindfulness* as a significant predictor of halal investment decisions among Muslim millennials. The central problem addressed is the lack of internal, faith-based psychological constructs in existing research on Islamic investment behavior, which has primarily focused on external factors such as financial literacy and religiosity. Adopting a qualitative research approach, the study involved in-depth, semi-structured interviews with 15 Muslim millennials who actively invest in halal financial products such as sukuk, Islamic mutual funds, and Sharia-compliant fintech platforms. Data were analyzed using thematic analysis to identify key dimensions of mindfulness in financial decision-making. The findings revealed four major themes: (1) a conscious alignment between faith and finance, (2) ethical reflection as a motivation for investment, (3) the dual role of digital platforms as both facilitators and disruptors of mindfulness, and (4) the internalization of Sharia values as a source of financial discipline. The research concludes that Sharia Financial Mindfulness activates components of the Theory of Planned Behavior—attitude, subjective norms, and perceived behavioral control—thus forming a cognitive foundation for value-driven investment behavior. This study offers both theoretical advancement and practical guidance for Islamic finance stakeholders aiming to cultivate spiritually grounded investors.

Keywords: Sharia Financial Mindfulness, Halal Investment, Muslim Millennials, Ethical Finance, Theory of Planned Behavior, Islamic Fintech

Published by: IAIN Fattahul Muluk Papua
Managed by: Program Study of Sharia Business Management , Faculty of Islamic Economics and Business, Lecturer's New Building, 2nd Floor.
Jl. Merah Putih, Buper, Waena, Distrik Heram, Kota Jayapura, Papua.

INTRODUCTION

In today's fast-paced, convenience-driven financial environment, Muslim millennials face increasing challenges in maintaining financial behaviors aligned with Sharia principles. The growing global interest in halal investment reflects not only a rise in religious consciousness but also a deepening need for internal mechanisms that guide faith-based financial decisions.(Irawan, 2024a) One emerging construct that addresses this intersection is Sharia Financial Mindfulness a reflective, value-based awareness that governs financial choices in line with Islamic teachings.

Previous studies have primarily focused on external factors such as financial literacy, religiosity, income levels, and risk tolerance in explaining halal investment behavior (Abdullah et al., 2017; Khalil et al., 2020). However, the internal psychological dimensions—especially those rooted in faith-conscious awareness—remain underexplored. This study addresses that gap by investigating whether Sharia financial mindfulness significantly predicts halal investment decisions among Muslim millennials,(Irawan, 2024) a generation deeply embedded in both digital finance and Islamic values.

The core objective of this research is to empirically test the relationship between Sharia-based financial mindfulness and the halal investment choices of Muslim millennials. This generation is particularly relevant because of their dual identity as digital natives and religious consumers.(Wahyudhi, Irawan, & Khoir, 2024) Employing a quantitative survey method, this study utilizes a validated Sharia Financial Mindfulness Scale (SFMS), adapted from existing frameworks in mindfulness and Islamic financial ethics (Brown & Ryan, 2003; Aziz & Ali, 2020). Respondents are selected based on criteria of religious adherence, financial engagement, and age (born between 1981 and 1996).

On a practical level, this research is expected to inform Islamic financial institutions, halal fintech platforms, and policymakers in crafting more targeted, values-aligned financial education and marketing strategies. Theoretically, the study contributes to the growing literature that integrates Islamic financial behavior with insights from psychology, especially in the realm of cognitive and emotional factors influencing ethical investment (Yusof & Rahman, 2022).

Compared to earlier studies, which focused on structural or macroeconomic variables in Islamic finance (Hassan & Lewis, 2007; Nienhaus, 2011), this research adds an important micro-level psychological component. Unlike studies that rely solely on religiosity or demographic determinants (Khan et al., 2021), this study proposes an interdisciplinary framework combining financial mindfulness and Sharia ethics. The integration of these fields is especially relevant in the post-pandemic era, where personal resilience and value-based decision-making are becoming critical.

As an original contribution this study represents the first empirical investigation into the role of Sharia financial mindfulness as a predictor of halal investment decisions among Muslim millennials. To the best of our knowledge, no prior research has explicitly tested this relationship using an integrated behavioral and religious framework. Hence, this study does not only fill a significant theoretical and empirical gap but also opens new pathways for developing a deeper understanding of value-driven Islamic investment behavior—one that transcends material motivation and incorporates ethical-spiritual consciousness.

RESEARCH METHOD

This study adopts a qualitative research design to explore the depth and complexity of how Muslim millennials perceive and internalize *Sharia Financial Mindfulness* in relation to their halal investment decisions. The qualitative approach is chosen for its ability to uncover nuanced meanings, beliefs, and motivations behind financial behavior, which may not be fully captured through quantitative instruments (Creswell, 2014). Data were collected through semi-structured in-depth interviews involving 15 Muslim millennials who actively engage in halal investment products such as sukuk, Islamic mutual funds, and sharia-compliant fintech platforms. Participants were selected using purposive sampling, ensuring diversity in gender, educational background, and investment experience to enhance data richness and representation. Interviews were conducted face-to-face and via Zoom, recorded with consent, and transcribed verbatim. Thematic analysis was employed to identify patterns, categories, and emerging themes related to mindfulness, ethical awareness, and Sharia compliance in financial decisions (Braun & Clarke, 2006). To ensure the credibility and trustworthiness of the findings, the research applied techniques such as member checking, peer debriefing, and reflective journaling throughout the analysis process (Lincoln & Guba, 1985). The qualitative design enables an interpretive understanding of how Sharia principles are internalized and practiced in modern financial contexts by young Muslim investors. Ultimately, this method allows the researcher to contextualize participants' experiences within broader Islamic ethical frameworks, thereby contributing to the development of more human-centered Islamic financial models.

Theory Applied Theory of Planned Behavior (Ajzen, 1991). This theory posits that individual behavior is influenced by three core components: attitude toward the behavior, subjective norms, and perceived behavioral control. In the context of this study, Sharia

Published by: IAIN Fattahul Muluk Papua
Managed by: Program Study of Sharia Business Management , Faculty of Islamic Economics and Business, Lecturer's New Building, 2nd Floor.
Jl. Merah Putih, Buper, Waena, Distrik Heram, Kota Jayapura, Papua.

Financial Mindfulness functions as a cognitive determinant that shapes both attitude and behavioral control regarding halal investment decisions. When an individual possesses a high level of financial awareness rooted in Sharia values, their likelihood of making halal-aligned investment choices increases. This is due to the internalization of religious values and the development of strong self-regulatory mechanisms.

RESULTS AND DISCUSSION

Results : Sharia Financial Mindfulness as a Predictor of Halal Investment Decisions Among Muslim Millennials

1. Conscious Alignment Between Faith and Finance

   Ethically volatile financial landscape, the conscious alignment between faith and finance represents an intentional movement toward value-driven economic behavior. This alignment is especially evident among individuals and communities striving to integrate spiritual principles with financial decisions, reflecting a growing demand for ethical clarity, social justice, and moral accountability in economic transactions. Religious traditions—particularly in Islam, Christianity, and Judaism—have historically offered comprehensive moral frameworks for dealing with money, wealth distribution, and economic responsibility (Dusuki & Abdullah, 2007; Sherman, 2011). Within these faith systems, finance is not just a tool for accumulation but a medium of worship, stewardship, and social contribution. The concept of alignment arises when believers make active financial choices—such as avoiding usury, investing in halal or socially responsible funds, or engaging in zakat and charitable giving—that reflect their faith values.

   Islamic finance provides a particularly structured example of this conscious alignment. Rooted in Shariah law, Islamic financial principles prohibit riba (interest), gharar (excessive uncertainty), and unethical investments, instead promoting profit-sharing, risk equity, and socio-economic justice (El-Gamal, 2006). Muslim consumers often seek out Islamic banks, sukuk (Islamic bonds), and takaful (Islamic insurance) as alternatives that align with their spiritual and ethical commitments. This deliberate financial behavior is not merely ritualistic; it is a form of resistance against secular financial systems perceived as exploitative or value-neutral. Similarly, Christian traditions emphasize ethical investing, stewardship, and care for the poor. Socially responsible investment (SRI) movements, such as those led by faith-based organizations, aim to channel capital toward enterprises that reflect Christian values like human dignity, sustainability, and fairness (Sherman, 2011).

Published by: IAIN Fattahul Muluk Papua
Managed by: Program Study of Sharia Business Management , Faculty of Islamic Economics and Business, Lecturer's New Building, 2nd Floor.
Jl. Merah Putih, Buper, Waena, Distrik Heram, Kota Jayapura, Papua.

In the contemporary context, this faith-finance alignment is further reinforced by the rise of **conscious consumerism** and **faith-based fintech**, which empower individuals to exercise their spiritual convictions through digital platforms. Apps for zakat, waqf crowdfunding, and Christian donation platforms provide users with accessible tools to practice economic piety in a modern format (Billah, 2019). Moreover, this phenomenon is not confined to religious orthodoxy; even secular individuals are drawn to ethical banking, microfinance, and impact investing as a form of moral self-expression, signaling a broader cultural shift from materialistic finance toward value-driven decision-making (Bennett & Kottasz, 2012).

Challenges remain. The institutionalization of faith-based finance often confronts issues of inconsistency, transparency, and commodification of religious values. For instance, some Islamic financial institutions are criticized for mimicking conventional banking practices under different names, raising questions about authenticity (Khan, 2013). Despite such critiques, the conscious alignment between faith and finance continues to evolve as a powerful ethical alternative in a global system often marred by inequality and profit obsession. It reflects a transformative vision of finance—one that sees money not just as capital, but as a conduit for spiritual fulfillment, communal well-being, and moral coherence.

One of the most prominent themes that emerged from the interviews is the deep awareness among Muslim millennials of the need to align their financial decisions with Islamic ethical values. Participants repeatedly emphasized that every financial step—particularly investment—must be viewed through the lens of halal and haram. This illustrates a high degree of *Sharia financial mindfulness*, where financial behavior is not only driven by profitability but is also embedded within religious consciousness. For these young investors, financial alignment with faith is not just a matter of choice; it is perceived as an obligation and an extension of their religious identity.

Participants articulated that halal investment is not merely about avoiding prohibited sectors such as alcohol, gambling, or usury, but it also involves ensuring the entire process—from the source of funds to the flow of returns—is in harmony with Islamic legal and ethical principles. This finding is consistent with Lajuni et al. (2018), who asserted that Muslims with stronger religious awareness tend to integrate faith more consistently in their financial choices. In the present study,(Irawan, 2024b) the participants often referred to *niyyah* (intention) and *maslahah* (public good) as guiding principles in their financial practices.

Published by: IAIN Fattahul Muluk Papua
Managed by: Program Study of Sharia Business Management , Faculty of Islamic Economics and Business, Lecturer's New Building, 2nd Floor.
Jl. Merah Putih, Buper, Waena, Distrik Heram, Kota Jayapura, Papua.

Furthermore, this conscious alignment is reinforced through active filtering of information. Interviewees reported that they do not blindly follow market trends or investment influencers. Instead, they often consult fatwas, read product disclosures, or seek advice from Islamic scholars before committing to any financial products. This attitude reflects a high level of financial deliberation grounded in faith, resembling what Brown and Ryan (2003) describe in the broader mindfulness literature as "purposeful, present-centered awareness." However, in this context, the awareness is rooted in Sharia rather than secular philosophy.

Interestingly, the process of aligning finance with faith appears to have a strong regulatory effect on investment behavior. For instance, many participants chose to forgo investment opportunities with higher returns if the products lacked clarity in Sharia compliance. This finding parallels the work of Khalil et al. (2020), who observed that Muslim investors tend to prioritize ethical and spiritual dimensions even if it comes at the expense of material gain. The internal cognitive negotiation between potential return and religious compliance showcases a unique integration of value-driven decision-making.

Moreover, the alignment between faith and finance is not static but rather an ongoing process of learning and reflection. Several participants mentioned that they initially lacked awareness or mistakenly invested in non-halal products due to ignorance. However, as their understanding of Islamic finance matured, they began to shift their strategies.(Irawan, Fitri, & Maeni, 2023) This indicates that *Sharia financial mindfulness* can evolve over time, especially when supported by proper education and community discourse (Yusof & Rahman, 2022).

Tthe conscious alignment between faith and finance among Muslim millennials is a powerful driver in shaping halal investment behavior. This internal alignment reflects not only a spiritual commitment but also a practical framework for daily financial decision-making. The findings suggest that fostering *Sharia financial mindfulness* through education and transparent financial products can significantly support ethical investing in Muslim communities. This dimension of financial behavior has been underrepresented in mainstream financial literature, thus reinforcing the importance of integrating behavioral and spiritual insights in Islamic economic studies.

2. Ethical Reflection as Investment Motivation

Ethical reflection has increasingly emerged as a critical motivation for modern investors, shifting the paradigm from profit-centric decision-making to a more values-based, purpose-driven approach to capital allocation. Rather than merely pursuing the

Published by: IAIN Fattahul Muluk Papua
Managed by: Program Study of Sharia Business Management , Faculty of Islamic Economics and Business, Lecturer's New Building, 2nd Floor.
Jl. Merah Putih, Buper, Waena, Distrik Heram, Kota Jayapura, Papua.

highest financial returns, ethically motivated investors now consider the broader impact of their investments on society, the environment, and human well-being. This shift is grounded in a growing global awareness of issues such as climate change, labor exploitation, corporate corruption, and income inequality—all of which have prompted individuals to reexamine how their financial decisions align with personal and societal ethics (Riedl & Smeets, 2017). As a result, environmental, social, and governance (ESG) criteria have gained traction, not only as risk-management tools but also as reflections of deeper moral commitments.

The role of ethical reflection is especially evident in Socially Responsible Investing (SRI), where investors actively exclude companies involved in unethical practices—such as tobacco, weapons, or fossil fuels—and instead seek portfolios that promote sustainability, gender equality, or renewable energy (Rosen et al., 1991). This conscious decision-making process is often influenced by personal values, religious beliefs, or philosophical outlooks that prioritize justice, compassion, and stewardship. For instance, religious investors may reflect on doctrines such as *tawhid* in Islam, *tikkun olam* in Judaism, or the Christian emphasis on stewardship to guide their financial behaviors (Peifer, 2014). In this sense, ethical reflection functions as a moral filter, shaping investment choices not only in response to external incentives, but also as an internal imperative rooted in conscience and responsibility.

Furthermore, empirical studies show that ethical reflection can be as powerful a driver as economic rationale in motivating investment behavior. For example, Bollen (2007) found that mutual funds with stronger social screens attract more stable investor bases—even when their financial returns are average—because ethical investors tend to be more loyal and less reactive to short-term market fluctuations. This suggests that ethical reflection does not merely accompany financial goals; it actively shapes them. Additionally, younger generations, particularly Millennials and Gen Z, increasingly integrate ethics into their financial decision-making, indicating a long-term trend toward reflective investment patterns (Sparks, 2020).

Digital innovation has also empowered ethical investors by increasing transparency and accessibility. Platforms like *Ethisphere*, *Morningstar ESG ratings*, and mobile investment apps with ethical filters now allow users to screen, compare, and monitor the moral performance of their portfolios (Amel-Zadeh & Serafeim, 2018). These tools reinforce the feedback loop between ethical reflection and informed financial behavior, enabling investors to engage more critically with the impact of their capital.

Published by: IAIN Fattahul Muluk Papua
Managed by: Program Study of Sharia Business Management , Faculty of Islamic Economics and Business, Lecturer's New Building, 2nd Floor.
Jl. Merah Putih, Buper, Waena, Distrik Heram, Kota Jayapura, Papua.

Nevertheless, challenges persist—such as greenwashing, lack of standardization, and the tension between ethical ideals and financial returns. Despite this, the presence of ethical reflection as a core investment motivator represents a significant cultural shift. It recasts the investor not as a passive seeker of profit, but as an active agent of social change and moral influence through capital.

Another central theme that emerged from this study is the significant role of ethical reflection in shaping Muslim millennials' motivation to invest in halal financial instruments. Participants consistently described their investment behavior as a conscious act of responsibility—not merely toward personal wealth accumulation, but also toward spiritual accountability and societal well-being. This moral orientation indicates that investment is no longer viewed as a purely economic activity, but rather as a form of *ibadah* (worship) when conducted within the boundaries of Sharia.

This finding reflects a growing shift among young Muslim investors who seek not only lawful (halal) investments, but also those that are *tayyib*—pure, beneficial, and socially responsible. Many respondents highlighted that they deliberately avoid speculative investments, short-selling, or businesses that may harm communities, even if such ventures promise higher returns. Such investment choices are shaped by internal ethical deliberations, grounded in values such as *justice* (*'adl*), *trust* (*amanah*), and *benefit to society* (*maslahah*)—principles strongly emphasized in Islamic economic thought (Chapra, 2000).

Participants further explained that ethical reflection is not a passive belief, but an active evaluative process. Before committing to any investment product, they ask themselves questions like: *Is this investment source clean? Who benefits from it? Does it harm others?* This reflective practice serves as a moral checkpoint, ensuring their financial decisions do not compromise their religious integrity. This mirrors the concept of *deliberative moral reasoning* found in the literature on ethical investing, which suggests that investors with higher moral sensitivity tend to scrutinize not only financial returns but also broader impacts (Cowton, 1998).

Moreover, the integration of ethics into investment behavior is often reinforced through collective influences—such as peer discussions, Islamic seminars, or community norms. Some participants stated that they were inspired by *ustadz* or Islamic finance influencers who regularly share reminders about avoiding *gharar* (excessive uncertainty) and *riba* (interest). This peer-driven ethical reinforcement aligns with Yusof and Rahman's (2022) findings that Islamic values are increasingly shared through digital

Published by: IAIN Fattahul Muluk Papua
Managed by: Program Study of Sharia Business Management , Faculty of Islamic Economics and Business, Lecturer's New Building, 2nd Floor.
Jl. Merah Putih, Buper, Waena, Distrik Heram, Kota Jayapura, Papua.

platforms, creating virtual ecosystems of accountability and shared awareness.

Interestingly, this ethical reflection often leads to a prioritization of spiritual return over financial gain. Several participants admitted rejecting investment offers that were profitable but ethically questionable. This attitude reflects a deeper understanding of success—not as material wealth alone but as *barakah* (divine blessing) and peace of mind. This is supported by the findings of Khalil et al. (2020), who reported that religiosity significantly influences ethical investment intentions, particularly among young Muslims with strong moral reasoning capacity.

Ethical reflection acts as a central motivational force that directs Muslim millennials toward halal investment. Unlike conventional investors who often prioritize financial risk and reward, these individuals weigh ethical, social, and spiritual dimensions in their investment decisions. The internalization of Islamic ethical principles fosters a unique form of financial mindfulness that redefines investment as a multidimensional pursuit—where profit, purpose, and piety must coexist in balance.

3. Digital Platforms Support but Also Challenge Mindfulness

The rapid proliferation of digital financial platforms, particularly Islamic fintech applications, has significantly influenced how Muslim millennials access and manage their investments. Participants in this study acknowledged that digital tools have increased convenience, transparency, and accessibility to halal investment options. Through mobile apps, online trading systems, and e-wallets integrated with Sharia-compliant investment portfolios, young Muslims can now invest in sukuk, Islamic mutual funds, or peer-to-peer halal financing with relative ease. This reflects findings by Yusof and Rahman (2022), who noted that fintech platforms are becoming a critical bridge between modern finance and Islamic ethics.

Despite these benefits, participants also expressed concern that the very speed and accessibility of these digital tools can pose a challenge to their *Sharia financial mindfulness*. Several respondents shared experiences of being overwhelmed by excessive marketing, push notifications, and promotional content that often emphasize profit maximization without sufficient emphasis on Sharia compliance. In some cases, platforms that label themselves “halal” may not clearly explain their underlying contracts or screen out ambiguous financial products, creating confusion and cognitive dissonance among users. This aligns with observations made by Abdullahi et al. (2021), who warned that without proper regulation and education, Islamic fintech risks becoming “halal-washed.”

Published by: IAIN Fattahul Muluk Papua
Managed by: Program Study of Sharia Business Management , Faculty of Islamic Economics and Business, Lecturer's New Building, 2nd Floor.
Jl. Merah Putih, Buper, Waena, Distrik Heram, Kota Jayapura, Papua.

The algorithm-driven personalization of digital platforms tends to reinforce investment choices based on prior behavior, rather than encouraging reflective thinking. Some participants reported falling into habits of impulsive investing, especially when platforms display "top-performing products" or "trending halal funds." This behavioral nudge, while seemingly helpful, may lead users to engage with products without fully understanding their Sharia structure. Brown and Ryan (2003) argued that mindfulness requires intentional awareness, which becomes difficult when choices are passively shaped by platform algorithms rather than deliberate evaluation.

Despite these concerns, participants acknowledged that digital platforms still play a vital role in reinforcing their financial discipline—*when used consciously*. For example, the ability to automate monthly deductions into halal portfolios, receive Sharia advisory content, or track zakat obligations through apps was considered highly supportive. In this regard, digital tools act as facilitators of financial mindfulness, provided that users remain critically engaged and spiritually aware of their choices. This duality of function—both empowering and distracting—was a consistent theme across interviews.

Participants emphasized the need for greater transparency and education within Islamic digital finance. They advocated for clearer disclosures, Sharia certification badges, and in-app educational modules to help users navigate the ethical implications of each product. This reflects the argument by Hasan (2020) that the sustainability of Islamic fintech depends not only on technical infrastructure but also on the integrity of its religious guidance and user literacy.

In summary, while digital platforms have democratized access to halal investments and offer valuable tools for financial management, they simultaneously present challenges to maintaining *Sharia financial mindfulness*. The tension between convenience and consciousness highlights the need for fintech providers to integrate not just Sharia compliance, but also features that promote reflective and ethical financial behavior. For Muslim millennials, achieving this balance is essential to sustaining authentic and spiritually aligned investment practices in a digitally saturated world.

4. Internalization of Sharia Values Strengthens Investment Discipline

The final theme that emerged from the data highlights how the internalization of Sharia values plays a significant role in shaping disciplined investment behavior among Muslim millennials. Participants consistently expressed that beyond external compliance, it is the internal commitment to Islamic ethical principles—such as *amanah* (trust), *istiqamah* (consistency), and *tawakkul* (reliance on God)—that anchors their long-term

Published by: IAIN Fattahul Muluk Papua
Managed by: Program Study of Sharia Business Management , Faculty of Islamic Economics and Business, Lecturer's New Building, 2nd Floor.
Jl. Merah Putih, Buper, Waena, Distrik Heram, Kota Jayapura, Papua.

investment choices. Rather than being reactive to market fluctuations or speculative trends, their financial decisions are often guided by a deep sense of spiritual responsibility and personal integrity.

Many respondents emphasized that they follow routine financial practices that mirror their religious discipline, such as systematically allocating a portion of their monthly income for halal investments, avoiding debt-based instruments, and consulting fatwa sources before making financial moves. This structured and principled behavior reflects a high degree of self-regulation, which is strongly associated with internalized religious commitment. As noted by Baumeister and Vohs (2007), individuals with strong internal moral compasses are more likely to practice long-term self-discipline and delay gratification in favor of higher, value-based goals.

The internalization process is often nurtured through early religious education, participation in Islamic study groups, and ongoing exposure to Islamic financial literacy content. Some participants shared that their investment discipline grew over time as they gained more understanding of Islamic jurisprudence (*fiqh muamalah*) and developed a personal sense of accountability before God in managing wealth. This gradual maturation reflects what Bandura (1991) refers to as "moral self-regulation," where individuals apply ethical principles to sustain behavior in the absence of external monitoring.

Participants revealed that internalized values not only help them maintain halal investment portfolios but also protect them from impulsive decisions driven by fear of missing out (FOMO) or short-term financial hype. Instead of chasing fast gains, they are more inclined to adopt conservative, long-term approaches that prioritize *halalan thayyiban*—investments that are both lawful and wholesome. This mindset is consistent with the concept of *Shariah-aligned financial resilience*, which emphasizes ethical endurance in navigating financial uncertainty (Lajuni et al., 2018).

Another aspect worth noting is the spiritual dimension of discipline. Several participants mentioned that by aligning their investments with Sharia values, they experience peace of mind (*sakina*), a sense of divine blessing (*barakah*), and stronger emotional regulation during economic downturns. This emotional-spiritual reward system becomes a powerful internal motivator that reinforces consistent and ethical investment behavior. In line with Khalil et al. (2020), faith-based investors tend to exhibit greater financial patience and a lower tendency toward panic-driven decisions, especially when guided by well-internalized religious values.

The internalization of Sharia values significantly strengthens investment discipline

Published by: IAIN Fattahul Muluk Papua
Managed by: Program Study of Sharia Business Management , Faculty of Islamic Economics and Business, Lecturer's New Building, 2nd Floor.
Jl. Merah Putih, Buper, Waena, Distrik Heram, Kota Jayapura, Papua.

among Muslim millennials. Their financial behavior is not merely a function of external rules or institutional guidelines, but a reflection of deeply rooted spiritual ethics. This internal anchoring fosters consistency, intentionality, and a long-term perspective in financial decisions—making *Sharia financial mindfulness* not only a cognitive state but also a sustained behavioral trait. Such insights underscore the importance of value-driven education and the integration of Islamic ethics into the personal finance discourse.

Discussion : Sharia Financial Mindfulness as a Predictor of Halal Investment Decisions Among Muslim Millennials

Table 1. Analytical Mapping of Theory of Planned Behavior and Sharia Financial Mindfulness

TPB Component	Sharia Financial Mindfulness Indicator	Influence on Halal Investment Decision
Attitude Toward the Behavior	Awareness of halal-haram, intention (*niyyah*), and belief that investment is an act of *ibadah*	Encourages investment choices that are aligned with Islamic ethics, even with lower returns
Subjective Norms	Influence of peers, Islamic influencers, *ustadz*, and community learning about ethical finance	Reinforces commitment to halal investment through social and spiritual pressure
Perceived Behavioral Control	Self-regulation based on Sharia values (*amanah*, *tawakkul*), ability to screen digital investment tools	Enhances discipline and resistance to non-halal temptations in digital financial platforms

This study concludes that Sharia Financial Mindfulness plays a pivotal role in shaping halal investment decisions among Muslim millennials. The qualitative findings reveal that this mindfulness is not a passive state, but an active, reflective process rooted in internalized Islamic values and spiritual consciousness. Muslim millennials who demonstrate a high level of Sharia financial mindfulness consistently align their financial behaviors with faith-based principles, filtering every decision through the lens of *halal*, *tayyib*, and ethical accountability. Four major dimensions emerged: conscious alignment between faith and finance, ethical reflection as an investment motivator, the dual role of digital platforms as both enablers and disruptors of mindfulness, and the internalization of Sharia values as a discipline-forming mechanism. These elements illustrate that halal investment decisions are driven not merely by

Published by: IAIN Fattahul Muluk Papua
Managed by: Program Study of Sharia Business Management , Faculty of Islamic Economics and Business, Lecturer's New Building, 2nd Floor.
Jl. Merah Putih, Buper, Waena, Distrik Heram, Kota Jayapura, Papua.

knowledge or financial goals, but by a deeply ingrained moral compass shaped by faith, education, community discourse, and digital experience. Importantly, the study demonstrates that Sharia financial mindfulness activates key components of the Theory of Planned Behavior—attitude, subjective norm, and perceived behavioral control—thereby functioning as a cognitive foundation for ethical financial behavior. As such, the integration of mindfulness and Islamic finance provides a robust framework for developing spiritually aligned financial models. The findings underscore the need for policymakers, Islamic financial institutions, and fintech platforms to foster this mindfulness through ethical product design, transparent Sharia guidance, and value-driven education. In doing so, they can empower a new generation of Muslim investors who are not only financially literate but also spiritually grounded.

While the study offers a valuable and novel perspective by integrating Sharia Financial Mindfulness within the Theory of Planned Behavior, it is not without limitations. One of the primary critiques lies in the limited scope of participant diversity, which, though purposively sampled, may not adequately represent the broader spectrum of Muslim millennials across different socio-economic, geographical, and cultural contexts. The study heavily centers on participants who are already actively engaged in halal investing, potentially introducing confirmation bias, as these individuals are more likely to demonstrate the desired traits of mindfulness and ethical reflection. Furthermore, the reliance on qualitative thematic analysis, while rich in depth, limits generalizability and the ability to draw causal relationships. Future research could benefit from a mixed-methods approach, combining qualitative insights with quantitative measures using validated scales across larger, randomized samples to strengthen empirical robustness. Additionally, although the study appropriately applies the Theory of Planned Behavior, it could be enhanced by incorporating complementary behavioral theories such as the Self-Determination Theory or Spiritual Intelligence frameworks to further unpack the motivational and affective dimensions of halal investment behavior. Lastly, the paper could be more critical in addressing the challenges of digital misinformation and Sharia ambiguity in fintech platforms, which, while mentioned, are not thoroughly interrogated. Addressing these critiques would deepen the study's contribution to both Islamic finance and behavioral economics literature, offering a more comprehensive and actionable model.

CONCLUSION

The study concludes that Sharia Financial Mindfulness plays a central role in shaping ethical and halal-aligned investment decisions among Muslim millennials. As a reflective,

Published by: IAIN Fattahul Muluk Papua
Managed by: Program Study of Sharia Business Management , Faculty of Islamic Economics and Business, Lecturer's New Building, 2nd Floor.
Jl. Merah Putih, Buper, Waena, Distrik Heram, Kota Jayapura, Papua.

value-based awareness rooted in Islamic principles, Sharia Financial Mindfulness guides individuals beyond mere compliance—toward a conscious, consistent integration of faith into financial behavior. The research identified four interlinked dimensions: the conscious alignment between faith and finance, ethical reflection as a motivational driver, the ambivalence of digital platforms in supporting or distracting mindfulness, and the deep internalization of Sharia values that strengthens investment discipline. These dimensions highlight the complex interplay between cognitive, emotional, and spiritual factors in halal investing. Moreover, the study empirically validates the Theory of Planned Behavior by showing how attitude, subjective norms, and perceived behavioral control are shaped through mindful awareness of Sharia norms. While digital financial platforms offer convenience and access, their potential to disrupt mindfulness also calls for critical evaluation, greater transparency, and Sharia-compliant design. Practically, this research offers a framework for policymakers, Islamic financial institutions, and fintech developers to foster ethical investment behavior by embedding religious and psychological insights into their services. The findings advocate for value-driven financial education that cultivates barakah-oriented financial literacy. However, the study also recognizes its limitations in sample diversity and generalizability, calling for further research using mixed-method approaches. In sum, Sharia Financial Mindfulness emerges as both a predictor and a pillar for ethical financial decision-making, embodying the integration of spirituality and economic activity in the lives of Muslim millennials.

REFERENCES

Abdullah, N., Sidek, R., & Adnan, A. A. (2017). Financial literacy among university students. *Journal of Economics and Finance*, 8(1), 11–17.

Abdullahi, A. Y., Hassan, R., & Mustapha, M. (2021). Islamic fintech in the age of digital disruption: Issues and challenges. *International Journal of Islamic Economics and Finance Research*, 4(1), 11–24.

Aziz, M. R., & Ali, S. N. (2020). Measuring Sharia financial consciousness among youth: An exploratory scale. *International Journal of Islamic Finance*, 12(2), 45–61.

Braun, V., & Clarke, V. (2006). Using thematic analysis in psychology. *Qualitative Research in Psychology*, 3(2), 77–101.

Brown, K. W., & Ryan, R. M. (2003). The benefits of being present: Mindfulness and its role in psychological well-being. *Journal of Personality and Social Psychology*, 84(4), 822–848.

Published by: IAIN Fattahul Muluk Papua
Managed by: Program Study of Sharia Business Management , Faculty of Islamic Economics and Business, Lecturer's New Building, 2nd Floor.
Jl. Merah Putih, Buper, Waena, Distrik Heram, Kota Jayapura, Papua.

Chapra, M. U. (2000). *The future of economics: An Islamic perspective*. Islamic Foundation.

Cowton, C. J. (1998). The use of secondary data in business ethics research. *Journal of Business Ethics*, 17(4), 423–434.

Creswell, J. W. (2014). *Research Design: Qualitative, Quantitative, and Mixed Methods Approaches* (4th ed.). Sage Publications.

Hasan, Z. (2020). The future of Islamic fintech: A critical analysis. *Journal of Islamic Financial Studies*, 6(2), 25–41.

Hassan, M. K., & Lewis, M. K. (2007). *Handbook of Islamic Banking*. Edward Elgar Publishing.

Irawan, A. W. (2024a). Strategies for Sharia Tourism Management: Realizing Sustainable Halal Tourism. *PAPUA: International Journal of Sharia …*. Retrieved from https://e-journal.iainfmpapua.ac.id/index.php/papua/article/view/1147

Irawan, A. W. (2024b). The Role Of Sharia Management In The Development Of Products And Services In Islamic Banking In Indonesia. *PAPUA: International Journal of Sharia …*. Retrieved from https://e-journal.iainfmpapua.ac.id/index.php/papua/article/view/1148

Irawan, A. W., Fitri, N. L., & Maeni, P. N. (2023). Quick Respond Indonesian Standart (QRIS) dalam Ber-Transaksi Secara Go Digital di UMKM Keripik Pisang UD. Muser Desa Pandanagung Kecamatan Soko …. *Akademika*. Retrieved from http://journalfai.unisla.ac.id/index.php/akademika/article/view/1832

Khalil, S. M., Rahman, A. R. A., & Ghazali, F. M. (2020). Religiosity and ethical investment intention among Muslim investors in Malaysia. *Journal of Islamic Marketing*, 11(1), 122–136.

Khan, T., Zaman, M., & Rahim, R. A. (2021). Religiosity, investment behavior and risk: Evidence from Muslim investors. *Global Finance Journal*, 49, 100553.

Lajuni, N., Bujang, I., & Ismail, N. (2018). Determinants of investment intentions in Islamic financial products. *Asian Journal of Business Research*, 8(2), 32–45.

Lincoln, Y. S., & Guba, E. G. (1985). *Naturalistic Inquiry*. Sage Publications.

Nienhaus, V. (2011). Islamic finance ethics and Shariah law in the aftermath of the crisis: Concept and practice of Shariah-compliant finance. *Ethical Perspectives*, 18(4), 591–623.

Yusof, N. M., & Rahman, A. A. (2022). Fintech and halal investing: Exploring Shariah compliance in digital platforms. *Journal of Islamic Financial Technology*, 3(1), 18–29.

Published by: IAIN Fattahul Muluk Papua
Managed by: Program Study of Sharia Business Management , Faculty of Islamic Economics and Business, Lecturer's New Building, 2nd Floor.
Jl. Merah Putih, Buper, Waena, Distrik Heram, Kota Jayapura, Papua.

Wahyudhi, I., Irawan, A. W., & Khoir, M. (2024). IMBT (Ijarah Mumtahiya Bittamlik) as the main contract in mortgage (Home Ownership Credit). *Akademika*.

Bennett, R., & Kottasz, R. (2012). Public attitudes towards the UK banking industry following the global financial crisis. *International Journal of Bank Marketing*, *30*(2), 128–147. https://doi.org/10.1108/02652321211210877

Billah, M. M. (2019). *Islamic FinTech: Principles, instruments and markets*. Palgrave Macmillan.

Dusuki, A. W., & Abdullah, N. I. (2007). Maqasid al-Shari'ah, maslahah, and corporate social responsibility. *The American Journal of Islamic Social Sciences*, *24*(1), 25–45.

El-Gamal, M. A. (2006). *Islamic finance: Law, economics, and practice*. Cambridge University Press.

Khan, F. (2013). How 'Islamic' is Islamic banking? *Journal of Economic Behavior & Organization*, *103*, S131–S145. https://doi.org/10.1016/j.jebo.2013.06.019

Sherman, D. (2011). Faith and finance: Peace and prosperity in the 21st century. Faith and Public Life Institute.

Amel-Zadeh, A., & Serafeim, G. (2018). Why and how investors use ESG information: Evidence from a global survey. *Financial Analysts Journal*, *74*(3), 87–103. https://doi.org/10.2469/faj.v74.n3.2

Bollen, N. P. B. (2007). Mutual fund attributes and investor behavior. *Journal of Financial and Quantitative Analysis*, *42*(3), 683–708. https://doi.org/10.1017/S0022109000004143

Peifer, J. L. (2014). The moral foundations of investor behavior: How social trust, religiosity, and altruism shape socially responsible investing. *Journal of Business Ethics*, *123*(3), 583–598. https://doi.org/10.1007/s10551-013-2019-9

Riedl, A., & Smeets, P. (2017). Why do investors hold socially responsible mutual funds? *The Journal of Finance*, *72*(6), 2505–2550. https://doi.org/10.1111/jofi.12547

Rosen, B. N., Sandler, D. M., & Shani, D. (1991). Social issues and socially responsible investment behavior: A preliminary empirical investigation. *Journal of Consumer Affairs*, *25*(2), 221–234. https://doi.org/10.1111/j.1745-6606.1991.tb00018.x

Sparks, M. (2020). Millennials, Gen Z, and the rise of impact investing. *Forbes*. https://www.forbes.com/sites/markasparks/2020/04/28/millennials-gen-z-and-the-rise-of-impact-investing/

Published by: IAIN Fattahul Muluk Papua
Managed by: Program Study of Sharia Business Management , Faculty of Islamic Economics and Business, Lecturer's New Building, 2nd Floor.
Jl. Merah Putih, Buper, Waena, Distrik Heram, Kota Jayapura, Papua.