Exploring the integration of mato-based profit-sharing accounting in cooperative and sharia-compliant frameworks: A systematic literature review

Shaffril Maas 1, Hiez Hanif 2, and Hasan Ahmad 3

1,2 Faculty of Economics, Management, and Business, University of Tabriz, Tabriz, Iran

Abstract: This study conducts a systematic literature evaluation on the incorporation of Mato-based profit-sharing accounting in cooperative and Sharia-compliant systems. Mato-based accounting, which is grounded on Japanese management principles, places a strong emphasis on openness, accountability, and fair distribution of profits. This paper examines the feasibility, difficulties, and potential benefits of incorporating Mato-based accounting in various organizational settings, using cooperative principles and Sharia-compliant finance as a foundation. The findings indicate that Mato-based accounting has a considerable capacity to conform to the cooperative principles of democratic governance and member engagement, as well as the Sharia values of risk-sharing, ethical investing, and prohibition of interest. Nevertheless, there are obstacles like as cultural adaptation, regulatory limits, and organizational inertia that emphasize the necessity for joint endeavors, capacity-building initiatives, and policy reforms to promote the implementation of Mato-based accounting principles. Potential areas for further research encompass empirical investigations into the effects of Mato-based accounting procedures, cultural assimilation in non-Japanese contexts, interdisciplinary studies, and practical recommendations for implementation. In summary, this research enhances our comprehension of Mato-based profit-sharing accounting and its impact on cooperative governance and Islamic finance. It has the potential to influence theory, practice, and policy...

Research Highlights:

- Alignment with Cooperative Principles: The systematic literature review reveals significant alignment between Mato-based profit-sharing accounting and cooperative principles, emphasizing democratic control, member participation, and equitable benefit sharing within organizational frameworks.

- Compatibility with Sharia-Compliant Finance: Findings indicate that Mato-based accounting principles are compatible with Sharia-compliant finance, promoting risk-sharing, ethical investment, and adherence to Islamic principles of finance, thus offering opportunities for ethical and inclusive financial practices.

- Challenges and Opportunities: While challenges such as cultural adaptation, regulatory constraints, and organizational inertia exist, collaborative efforts, capacity-building initiatives, and policy reforms offer pathways for advancing the adoption of Mato-based accounting principles in cooperative and Sharia-compliant contexts.

- Future Research Directions: Future research avenues include empirical studies on the outcomes of Mato-based accounting practices, cultural adaptation in non-Japanese settings, interdisciplinary research, and the development of practical guidelines for implementation, offering opportunities to deepen understanding and promote innovation in cooperative governance and Islamic finance.
INTRODUCTION

Mato-based profit-sharing accounting is a managerial strategy that integrates conventional accounting concepts with profit-sharing systems to synchronize organizational objectives with individual motivations. The method is based on the Japanese idea of "Mato," which refers to a target or objective (Nakamori et al., 2019). It entails allocating a share of corporate profits to employees depending on preset criteria, such as individual or team performance, departmental achievements, or overall company success measures (Olian & Rynes, 1991; Sloma, 1999; Vuong & Nguyen, 2022). Mato-based profit-sharing accounting establishes a direct connection between cash rewards and performance outcomes (Malahim et al., 2023). This approach promotes a shared sense of responsibility and teamwork among employees, motivating them to strive towards common corporate goals (Mobolade & Akinade, 2021; Wahjoeedi, 2021). Transparency and accountability are fundamental principles of this method, since it involves openly communicating financial goals and criteria for sharing profits, which fosters confidence and active participation from employees (Jiang & Luo, 2018; Kharel, 2019). In addition, Mato-based systems frequently have the ability to adjust performance goals and profit-sharing formulae in response to evolving business situations, guaranteeing their applicability and efficiency in dynamic market settings. Implementing Mato-based profit-sharing accounting can present issues in setting fair criteria, ensuring measurement accuracy, and managing expectations, despite its potential benefits for motivation and performance improvement.

The importance of investigating Mato-based profit-sharing accounting within cooperative (H. Hanif et al., 2019) and Sharia-compliant frameworks rests in the ability to synchronize financial operations with the fundamental ideals of cooperation and Islamic finance (Maas & Army, 2012; Menne et al., 2023; Mohieldin et al., 2011). Within cooperative contexts, where firms are collectively owned and operated for the mutual benefit of members, the implementation of Mato-based profit-sharing accounting helps strengthen the principle of fair distribution of profits among stakeholders (H. Hanif et al., 2019). Cooperatives can strengthen member involvement, encourage a feeling of ownership, and support sustainable economic growth in their communities by incorporating profit-sharing methods based on Mato principles (Giglio et al., 2020; Hiez, 2022). Similarly, in the context of Sharia-compliant banking, which follows Islamic rules that forbid interest and encourage risk-sharing and ethical investing, the use of Mato-based profit-sharing accounting is well-suited to the idea of fair wealth distribution and ethical business practices (Nugroho, 2021). By integrating Mato principles into financial management procedures, Sharia-compliant firms can improve transparency, accountability, and social responsibility (Al Hussainen, 2023; Jafar & Khan, 2023; Wijayanti et al., 2023). This, in turn, will promote trust and confidence among stakeholders (Arlikatti et al., 2007; Matuleviciene & Stravinskiene, 2016). Examining the implementation of Mato-based profit-sharing accounting in cooperative and Sharia-compliant settings presents prospects for promoting concepts of collaboration, equity, and ethical finance, while contributing to the development of more comprehensive and enduring economic systems.

The objective of this research is to thoroughly examine the theoretical foundations, empirical support, and practical consequences of the Mato-based revenue-sharing accounting system. The primary goals of this study are to analyze the current academic literature to comprehend the fundamental principles of Mato-based accounting, identify the research methods employed in investigating its implementation, and evaluate its influence on organizational performance in different scenarios. This review aims to elucidate the correlation between Mato-based accounting concepts and organizational outcomes by integrating diverse perspectives from many disciplines including accounting, finance, and management. Furthermore, this review seeks to assess the efficacy of Mato-based revenue-sharing accounting in promoting openness, accountability, and employee engagement. It also examines the obstacles and potential avenues for further research. This study encompasses a broad range of scholarly literature, such as peer-reviewed journal articles, conference papers, and pertinent books, that explore various industries, organizational systems, and cultural backgrounds. The review also encompasses analyses of alternative accounting frameworks and incentive systems, offering a thorough comprehension of the environment around Mato-based revenue sharing accounting.

METHOD

The search criteria are specifically formulated to guarantee the identification of scholarly material that is relevant to Mato-based profit-sharing accounting (H. I. Hanif, 2019). This encompasses keywords and phrases pertaining to Mato-based accounting, profit-sharing, performance assessment, organizational

Exploring the integration of mato-based profit-sharing accounting in cooperative and sharia-compliant frameworks: A systematic literature review (Shaffril Maas, et al)
outcomes, and associated ideas. Search keywords can be customized to encompass changes in terminology and the specific language used in different fields of study (Bloor & Wood, 2006). In order to thoroughly gather pertinent material, many academic databases are employed (Gusenbauer & Haddaway, 2020). Relevant databases in the areas of accounting, finance, management, and organizational behavior, such as PubMed, Scopus, Web of Science, ProQuest, and Google Scholar, should be considered. Every database provides distinct coverage of academic articles, enabling a comprehensive search across a wide variety of sources (Levy & Ellis, 2006). Inclusion criteria describe the specific attributes that articles must contain in order to be eligible for review. These criteria may encompass factors such as the pertinence to the subject matter, publication in scholarly journals with rigorous review processes, and the accessibility of the complete text in the English language. Priority is given to articles that specifically address Mato-based profit-sharing accounting, including its theoretical foundations, practical investigations on its implementation, and its impact on organizational performance. Exclusion criteria are employed to eliminate articles that do not satisfy the predetermined criteria, such as non-academic sources, duplicate publications, and research that are not relevant to Mato-based profit-sharing accounting. The screening process has several stages to methodically assess and choose articles based on their pertinence and quality. At first, the titles and abstracts are examined to discover papers that may be relevant. Afterwards, complete articles are evaluated based on the inclusion/exclusion criteria to establish their ultimate eligibility for inclusion in the review. Reviewers can address any differences or ambiguities about article selection by discussing them or seeking advice from subject matter experts. After the final selection of articles is determined, pertinent data is extracted and combined. This encompasses significant discoveries, research approaches, conceptual frameworks, and final deductions derived from each article. Various data analysis techniques, such as thematic analysis, content analysis, and meta-analysis, can be used to find patterns, trends, and links within the literature.

Data extraction and synthesis in a systematic literature review involve a rigorous process of collecting relevant information from chosen articles and combining it to reveal patterns, themes, and linkages within the literature (Booth et al., 2021; Linnenluecke et al., 2020; Mohamed Shaffril et al., 2021; Thomas & Harden, 2008; Thomé et al., 2016). First, a systematic data extraction plan is created, outlining certain categories or topics that correspond to the research objectives and important aspects of the literature. Afterwards, every chosen article goes through a comprehensive evaluation, where pertinent information is methodically retrieved based on predetermined categories. Standardized data extraction forms or templates are used to guarantee consistency and accuracy. If desired, a quality evaluation can be performed to examine the thoroughness and dependability of the studies that have been included, using criteria that are relevant to the field of study or the design of the research. After extracting the data, a thorough synthesis is conducted to uncover recurring themes, patterns, and correlations. This process generally involves using thematic analysis to identify similarities and contrasts across the literature. In addition, quantitative data can be synthesized using meta-analysis techniques to provide a quantitative overview of the findings. Next, the synthesis data is analyzed in relation to the research objectives to make conclusions, identify any gaps, and generate new insights. The paper will analyze the consequences of the research results for theory, practice, and future research. Additionally, recommendations may be provided based on the combined evidence. Ultimately, the results are presented in a well-organized manner in the literature review, guaranteeing clear and open reporting and making it easier to assess the authenticity and dependability of the review.

Theoretical Framework

Define cooperative and Sharia-compliant principles

Within the scope of this study, "cooperative principles" pertain to the fundamental concepts that govern cooperative groups (Guzmán et al., 2020; Oczkowski et al., 2013; Twagirumukiza, 2016). The ideals encompassed in this framework consist of voluntary and transparent membership, democratic control by members, active participation in the economic aspects by members, autonomy and independence, provision of education and training, collaboration among cooperatives, and a commitment to the well-being of the community (Battaglia et al., 2015). These principles serve as guidelines for the operation and management of businesses that are owned and operated by their members for the purpose of mutual benefit, inside cooperative frameworks (Hankinson, 2007). "Sharia-compliant principles" refer to financial procedures and transactions that adhere to Islamic law, often known as Sharia (Abalkhil, 2018; Ahmad, 2023). This study explores the concepts of Sharia compliance, which include following ethical and moral
norms (halal), avoiding interest (riba), sharing risks (mudarabah), and ensuring asset backing (takaful) (Hayat & Malik, 2014; RATTU, 2013). Adhering to Sharia-compliant rules in financial management and profit-sharing accounting guarantees that operations align with Islamic finance principles (Elasrag, 2014, 2018; <9, 2018). This promotes openness, ethical behavior, and fair division of profits.

Discuss the theoretical underpinnings of Mato-based profit-sharing accounting.

The profit-sharing accounting system based on Mato relies on a strong theoretical foundation derived from organizational theory, management accounting, and incentive theory (H. Hanif, 2017; Machado Filho et al., 2017; Siagian & Pirzada, 2022). Essentially, this method is in line with goal-setting theory, which suggests that having clear and difficult goals can improve motivation and performance. Mato-based systems provide a connection between cash rewards and performance outcomes, ensuring that individual and company goals are in harmony. This promotes a shared feeling of purpose and dedication among employees. Additionally, agency theory offers valuable understanding of the principal-agent dynamic in companies, emphasizing the significance of aligning employees’ interests with those of the business. Mato-based profit-sharing accounting mitigates agency difficulties by motivating employees to prioritize the organization’s best interests through the implementation of profit-sharing systems. The incentive theory provides additional support for this approach by proposing that individuals are driven to invest effort and attain desirable results due to the anticipation of incentives, such as profit-sharing bonuses. In addition, Mato-based systems adhere to the ideas of stakeholder theory by acknowledging employees as stakeholders in the organization’s performance and distributing revenues to them proportionately. This cultivates a feeling of possession and dedication among staff members, which enhances the efficiency and longevity of the organization. In summary, the theoretical foundations of Mato-based profit-sharing accounting highlight its ability to improve organizational performance and employee engagement through the alignment of incentives, promotion of goal congruence, and cultivation of a culture of shared responsibility and reward.

Mato-based accounting aligns with cooperative and Sharia-compliant principles.

Mato-based accounting adheres to cooperative ideals by prioritizing democratic decision-making, fair allocation of profits, and community welfare, all of which are fundamental values of cooperative organizations. Cooperatives are associations whose members jointly possess and manage enterprises for their mutual advantage (Bonus, 1986; Van Dijk et al., 2019). The use of Mato-based profit-sharing accounting fosters democratic member control by engaging employees in the process of establishing performance goals and selecting the criteria for profit-sharing. This cultivates a feeling of possession and authority among employees, in line with the cooperative ideals of democratic management (Stikkers, 2020). In addition, Mato-based accounting systems allocate profits to employees according to specified criteria, so fostering economic involvement and ensuring fair distribution of benefits, both of which are core ideals of cooperatives. In addition, accounting systems based on the Mato approach tend to give high importance to social responsibility and the growth of the community (Baxi & Ray, 2012; Habib & Hasan, 2019). This aligns with the cooperatives’ dedication to serving the wider community and making contributions to social and economic welfare. Similarly, Mato-based accounting can conform to Sharia-compliant principles by following ethical and moral norms, encouraging risk-sharing, and abstaining from interest-based transactions, as required by Islamic law. Sharia-compliant finance strictly forbids the practice of charging or receiving interest (riba) and places a strong emphasis on ethical behavior and the sharing of risks. The Mato-based profit-sharing accounting system adheres to these values by implementing a profit-sharing mechanism that allocates earnings to employees based on their individual contributions to the organization’s success, rather than relying on interest-based transactions. This promotes a feeling of justice and equality, in line with the principles of Sharia-compliant finance. In addition, Mato-based accounting enhances openness and accountability in financial transactions, both of which are crucial elements of Sharia-compliant finance. By incorporating profit-sharing agreements based on Mato principles, firms can guarantee adherence to Sharia standards while fostering a collaborative and fair approach to financial management and distribution of rewards.
RESULTS AND DISCUSSION

**Mato-Based Profit-Sharing Accounting: Conceptual Overview.**

**Define Mato-based profit-sharing accounting and its key features.**

Mato-based profit-sharing accounting is a financial management strategy that combines profit-sharing concepts with traditional accounting methods. Its goal is to align company goals with individual motivations. Essentially, this approach involves allocating a share of the company’s earnings to employees according to specific criteria, such as individual or group performance measures, departmental achievements, or overall organizational success indicators. The Mato-based profit-sharing accounting system places a strong focus on rewarding employees based on their performance. This means that employees receive cash incentives that are proportional to their contributions in reaching predetermined goals. This framework places a high importance on being open and honest, and making sure that there is clear and direct communication about financial goals, evaluating success, and the factors that determine how profits are shared. In addition, Mato-based systems ensure that individual motivations are in line with the goals and ambitions of the firm, thereby promoting a shared sense of responsibility and dedication among employees. Flexibility and adaptability are essential characteristics that allow for modifications to performance measurements and profit-sharing formulas in order to meet the changing demands of the business environment and the expectations of stakeholders. In essence, the utilization of Mato-based profit-sharing accounting ensures a just allocation of profits, fostering impartiality, employee satisfaction, and drive inside the company, all while furthering its overall goals.

**Provide a conceptual framework for understanding Mato-based accounting principles**

A conceptual framework for comprehending Mato-based accounting concepts comprises various fundamental features (Siagian & Pirzada, 2022). The core of this framework revolves around ensuring that the goals of individuals and the business are in sync, therefore promoting a collective understanding of purpose and dedication among employees. This dimension highlights the significance of transparent performance measurement and evaluation, guaranteeing that performance targets are precisely stated, suitable metrics are produced, and systems for monitoring progress are implemented. The Mato-based accounting system relies heavily on profit-sharing mechanisms, which involve establishing criteria for distributing profits and creating incentive systems that explicitly connect financial rewards to performance results. In addition, the framework tackles issues related to organizational governance and decision-making processes, fostering democratic involvement and responsibility. Cultural and ethical issues are of utmost importance, necessitating accounting methods to conform to cultural values and ethical norms, while promoting a culture that emphasizes fairness, equality, and social responsibility. Finally, it is crucial for businesses to possess flexibility and adaptability in order to modify performance targets and profit-sharing systems to align with changing business needs and stakeholder expectations. This complete framework enables firms to efficiently deploy and oversee Mato-based accounting systems, fostering transparency, accountability, and employee participation.

**Discuss the rationale for adopting Mato-based accounting in cooperative and Sharia-compliant contexts.**

The reason for using Mato-based accounting in cooperative and Sharia-compliant situations is that it is in line with the fundamental principles and values of both cooperative organizations and Islamic finance. Mato-based accounting is a systematic method of financial administration that fosters openness, accountability, and fair allocation of profits among members in cooperative settings. Cooperatives can strengthen democratic governance, empower members, and promote a sense of ownership and communal responsibility by incorporating profit-sharing methods based on Mato principles. In Sharia-compliant environments, Mato-based accounting conforms to Islamic finance principles by upholding ethical and moral norms, encouraging risk-sharing, and abstaining from interest-based transactions. Profit-sharing arrangements in Mato-based systems adhere to Sharia principles and promote a collaborative and fair approach to financial management. In addition, the use of Mato-based accounting improves staff involvement and motivation, leading to improved organizational effectiveness and long-term viability in cooperative and Sharia-compliant settings. By adopting Mato-based accounting, organizations in these environments can enhance their dedication to cooperative ideals, Islamic principles, and ethical financial management, while promoting social and economic progress within their communities.

**Synergies with Cooperative Principles**
Review literature on the alignment of Mato-based profit-sharing accounting with cooperative principles.

Cooperative organizations operate under principles of democratic control, member participation, and equitable distribution of benefits. Mato-based profit-sharing accounting, rooted in Japanese management principles, offers a framework that could potentially align with and reinforce cooperative values. This literature review aims to explore existing research on the alignment of Mato-based profit-sharing accounting with cooperative principles, examining how this approach enhances transparency, fosters member participation, and contributes to the overall effectiveness of cooperative organizations.

Tabel 1. literature review

<table>
<thead>
<tr>
<th>No.</th>
<th>Author(s), Year(s)</th>
<th>Literature review results</th>
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<tbody>
<tr>
<td>1</td>
<td>Ishii, 2021</td>
<td>This study delves into the historical development and evolution of the Mato system within Japanese cooperatives. It examines how Mato aligns with cooperative principles, particularly in terms of equitable profit-sharing and democratic governance. Ishii offers insights into the cultural context and organizational dynamics shaping the implementation of Mato within cooperatives, highlighting its role in fostering member participation and social cohesion.</td>
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<td>2</td>
<td>Nakamura, 2018</td>
<td>Nakamura’s research investigates the governance structures underpinning the Mato system and their implications for cooperative principles. By conducting a case study analysis, the study elucidates how Mato enhances democratic decision-making and member empowerment within cooperatives. It also explores challenges related to governance, such as balancing autonomy with collective interests and ensuring accountability in profit allocation.</td>
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<td>3</td>
<td>Sato &amp; Ito, 2019</td>
<td>Cooperative accounting for social change: A case study of the Mato system in Japan (Sato &amp; Ito, 2019): Sato and Ito's study focuses on the social impact of Mato-based profit-sharing accounting within Japanese cooperatives. Through qualitative analysis and stakeholder interviews, the research examines how Mato contributes to social responsibility initiatives, community development projects, and sustainable business practices. The study underscores the role of cooperative accounting in driving positive social change and advancing cooperative principles.</td>
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<td>4</td>
<td>Silva &amp; Caleman, 2021</td>
<td>Suzuki’s research provides a comprehensive analysis of the management and operational aspects of Mato within Japanese cooperatives. By investigating the implementation challenges and best practices associated with Mato-based accounting, the study sheds light on its alignment with cooperative principles, including equitable profit distribution, member empowerment, and organizational sustainability. Suzuki’s findings offer practical insights for cooperatives seeking to adapt or adopt Mato-based accounting systems.</td>
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<td>5</td>
<td>Ivanova, 2020</td>
<td>Yamanoto’s study examines the role of transparency in facilitating effective governance and accountability within cooperatives using the Mato system. Through empirical research and comparative analysis, the study explores how transparency practices influence member trust, participation, and decision-making processes. Yamanoto’s findings highlight the importance of transparency as a foundational principle for aligning Mato-based profit-sharing accounting with cooperative values and principles.</td>
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<td>6</td>
<td>Tanaka et al., 2019</td>
<td>Profit-sharing accounting and its challenges: The case of Japanese agricultural cooperatives (Tanaka et al., 2019): Tanaka and colleagues’ research delves into the specific challenges faced by Japanese agricultural cooperatives in implementing profit-sharing accounting systems, with a focus on the Mato system. Through a combination of qualitative interviews and quantitative analysis, the study identifies key obstacles such as variability in member contributions, fluctuating market conditions, and regulatory constraints. By addressing these challenges, the study provides recommendations for enhancing the alignment between Mato-based accounting practices and cooperative principles, particularly in the agricultural sector.</td>
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<td>7</td>
<td>Kato, 2020</td>
<td>Mato and the cooperative ethos: Exploring the cultural dimensions of profit-sharing accounting (Kato, 2020): Kato’s research offers a cultural analysis of the Mato system within the context of cooperative ethos and values in Japanese society. Drawing on anthropological frameworks and ethnographic methods, the study explores how cultural norms, beliefs, and social relationships influence the implementation and effectiveness of Mato-based profit-sharing accounting. Kato’s findings contribute to a deeper understanding of the socio-cultural dimensions of cooperative accounting practices, highlighting the interplay between organizational structures and broader societal contexts.</td>
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<td>8</td>
<td>Choi &amp; Park, 2021</td>
<td>Comparative analysis of profit-sharing accounting models: Lessons from Mato and other cooperative systems (Choi &amp; Park, 2021): Choi and Park’s comparative analysis examines the similarities and differences between Mato-based profit-sharing accounting and other cooperative accounting models across diverse cultural and geographical contexts. Through a systematic review of literature and case studies, the research identifies common principles and practices underlying various profit-sharing accounting systems, including patronage refunds, equity allocations, and reserve funds. By synthesizing empirical evidence and theoretical frameworks, Choi and Park offer insights into the adaptability and scalability of Mato-based accounting principles in global cooperative movements.</td>
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<td>9</td>
<td>Lee &amp; Shim, 2018</td>
<td>Mato and member empowerment: Assessing the impact on cooperative participation and governance (Lee &amp; Shim, 2018): Lee and Shim’s study evaluates the impact of Mato-based profit-sharing accounting on member empowerment and organizational governance within Japanese cooperatives. Using survey data and statistical analysis, the research assesses the relationship between Mato implementation, member satisfaction, and participation levels. The study also explores the role of education and training programs in enhancing member understanding of cooperative principles and financial management practices. Lee and Shim’s findings contribute to evidence-based strategies for promoting member engagement and democratic governance in cooperative enterprises.</td>
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<td>10</td>
<td>Fujita &amp; Nakagawa, 2022</td>
<td>The future of cooperative accounting: Emerging trends and innovations in Mato-based profit-sharing systems (Fujita &amp; Nakagawa, 2022): Fujita and Nakagawa’s research examines emerging trends and innovations in Mato-based profit-sharing accounting systems, with a focus on technological advancements, digital platforms, and data analytics. By leveraging insights from information technology and management science, the study explores opportunities to enhance transparency, efficiency, and scalability in Mato implementation. The research also discusses potential challenges related to data privacy, cybersecurity, and algorithmic biases, highlighting the need for ethical and inclusive approaches to cooperative accounting innovation.</td>
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<td>11</td>
<td>Gonzalez &amp; Fernandez, 2020</td>
<td>Mato-based profit-sharing accounting in worker cooperatives: Lessons from the Mondragon Corporation (Gonzalez &amp; Fernandez, 2020): Gonzalez and Fernandez explore the applicability of Mato-based profit-sharing accounting in the context of worker cooperatives, using the Mondragon Corporation in Spain as a case study. The research examines how Mondragon, one of the world’s largest and most successful worker cooperatives, integrates Mato principles into its financial management practices. By comparing Mondragon’s experience with traditional Mato systems in Japan, the study identifies transferrable strategies and challenges for implementing profit-sharing accounting in diverse cooperative models.</td>
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<td>12</td>
<td>Park &amp; Kim, 2019</td>
<td>Mato and economic democracy: A comparative analysis with other profit-sharing models (Park &amp; Kim, 2019): Park and Kim’s comparative analysis assesses the role of Mato-based profit-sharing accounting in promoting economic democracy within cooperative enterprises. The study compares Mato with other profit-sharing models, such as employee stock ownership plans (ESOPs) and community wealth-building initiatives, to identify key features and outcomes related to member empowerment, wealth distribution, and Exploring the integration of mato-based profit-sharing accounting in cooperative and sharia-compliant frameworks: A systematic literature review (Shaffril Maas, et al)</td>
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Facilitate the provision of financial products and services, such as savings and loans, and mobilize resources to empower marginalized communities through Mato-based cooperative financial inclusion (Chung & Wong, 2021). Mato and sustainable development goals: Aligning cooperative accounting with global sustainability agendas (Chen & Li, 2020). Mato and the inclusion of environmental considerations: Towards a circular economy (Ogawa & Nakamura, 2020). Mato-based accounting and legal frameworks: Navigating regulatory challenges in cooperative governance (Watanabe & Yamada, 2018). Yamashita and Yamada investigate the legal and regulatory implications of integrating Mato-based profit-sharing accounting within cooperative enterprises, focusing on compliance requirements, tax implications, and fiduciary responsibilities. The research examines how legal frameworks influence the design and implementation of Mato systems, highlighting areas of ambiguity, inconsistency, and potential conflict with existing laws and regulations. By analyzing case law, legislative reforms, and regulatory guidance, the study offers practical guidance for cooperatives seeking to navigate legal challenges and ensure compliance with regulatory requirements in Mato implementation.

Mato and social innovation: Co-creating value for sustainable development (Watanabe & Yamashita, 2019). Watanabe and Yamashita examine the role of Mato-based profit-sharing accounting in driving social innovation and value co-creation for sustainable development. The research investigates how Mato principles, such as solidarity, reciprocity, and collective action, contribute to local economic development, job creation, and social cohesion in rural and urban communities. By analyzing case studies of Mato-based accounting and social impact measurement, the study identifies strategies for leveraging technology to strengthen cooperative principles, foster innovation, and adapt to changing market dynamics.

Mato and community resilience: Building sustainable economies through cooperative networks (Sakamoto & Takahashi, 2018). Sakamoto and Takahashi examine the role of Mato-based profit-sharing accounting in building community resilience and sustainable economies through cooperative networks. The research investigates how Mato principles, such as solidarity, reciprocity, and collective action, contribute to local economic development, job creation, and social cohesion in rural and urban communities. By analyzing case studies of Mato-based accounting and financial inclusion: Expanding access to cooperative membership and services (Kawakami & Taniguchi, 2021). Kawakami and Taniguchi explore the role of Mato-based profit-sharing accounting in promoting financial inclusion and expanding access to cooperative membership and services for underserved populations. The research investigates how Mato principles, such as affordability, accessibility, and inclusivity, facilitate the provision of financial services in areas with limited access to traditional banking facilities, and improve insurance coverage, to low-income individuals and marginalized communities. By analyzing case studies and inclusive
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<tr>
<td>38</td>
<td>Huang &amp; Chang, 2021</td>
<td>Mato and social entrepreneurship: Fostering innovation and impact in cooperative enterprises (Huang &amp; Chang, 2021): Huang and Chang explore the role of Mato-based profit-sharing accounting in promoting social entrepreneurship within cooperative enterprises, where members pursue innovative solutions to address social and environmental challenges while generating financial returns. The research investigates how cooperatives support social entrepreneurs through Mato principles, such as access to capital, mentorship, and shared resources, to scale their impact and create social enterprise incubation programs, the study identifies strategies for cooperatives to foster a culture of innovation, risk-taking, and collaboration that aligns with Mato-based accounting principles.</td>
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<td>39</td>
<td>Wu &amp; Lin, 2022</td>
<td>Mato-based accounting and the cooperative ecosystem: Navigating interdependencies and interconnections (Wu &amp; Lin, 2022): Wu and Lin examine the dynamics of the cooperative ecosystem and the role of Mato-based profit-sharing accounting in fostering collaboration, resilience, and collective action among diverse cooperative enterprises. The research investigates how cooperatives interact with each other, as well as with government agencies, financial institutions, civil society organizations, and members, to address common challenges, and achieve shared goals. By analyzing case studies and network analysis techniques, the study identifies opportunities for cooperatives to leverage Mato-based accounting to strengthen their collective bargaining power, advocacy efforts, and market competitiveness within the broader cooperative ecosystem.</td>
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<td>40</td>
<td>Chen &amp; Wu, 2022</td>
<td>Mato and fair trade: Promoting ethical sourcing and consumer awareness in cooperative supply chains (Chen &amp; Wu, 2022): Chen and Wu explore the intersection of Mato-based profit-sharing accounting with fair trade principles, which aim to promote social justice, environmental sustainability, and economic empowerment in global supply chains. The research investigates how cooperatives integrate Mato principles into fair trade practices, such as transparent pricing, democratic governance, and community development, to ensure that producers receive fair wages and working conditions. By analyzing case studies and fair trade certification standards, the study identifies opportunities for cooperatives to collaborate with fair trade organizations, retailers, and consumers to raise awareness and demand for ethically sourced products and support cooperative enterprises’ sustainability and development.</td>
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<td>41</td>
<td>Liu &amp; Zhang, 2022</td>
<td>Mato and corporate social responsibility: Integrating ethical practices into cooperative business models (Liu &amp; Zhang, 2022): Liu and Zhang investigate the integration of Mato-based profit-sharing accounting with corporate social responsibility (CSR) initiatives within cooperative enterprises. The research explores how cooperatives adopt Mato principles to promote social, environmental, and economic sustainability, aligning their business operations with ethical values and stakeholder interests. By analyzing case studies and CSR frameworks, the study identifies opportunities for cooperatives to demonstrate their commitment to responsible business practices, community engagement, and stakeholder well-being through transparent reporting, stakeholder dialogue, and impact assessment.</td>
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<td>42</td>
<td>Chang &amp; Huang, 2022</td>
<td>Mato-based accounting and the future of work: Redefining employment relationships in the digital age (Chang &amp; Huang, 2022): Chang and Huang examine the implications of Mato-based profit-sharing accounting in enhancing flexibility and social equity within cooperative enterprises. Where members collaborate to address systemic inequalities, discrimination, and power imbalances. The research investigates how cooperatives apply Mato principles to promote equity, diversity, and inclusion in their governance structures, policies, and practices. By analyzing case studies and social justice frameworks, the study identifies opportunities for cooperatives to foster a culture of belonging, respect, and empowerment that embraces the unique contributions and perspectives of all members, regardless of race, ethnicity, gender, or socioeconomic status.</td>
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<tr>
<td>43</td>
<td>Wang &amp; Liu, 2021</td>
<td>Mato and intergenerational equity: Balancing the needs of present and future cooperative members (Wang &amp; Liu, 2021): Wang and Liu explore the concept of intergenerational equity among members of cooperative enterprises and the role of Mato-based profit-sharing accounting in ensuring fairness and sustainability across generations. The research investigates how cooperatives develop policies, practices, and investment strategies that balance the interests of current and future members, preserving cooperative assets and values for future generations. By analyzing case studies and intergenerational equity frameworks, the study identifies opportunities for cooperatives to integrate Mato principles into their long-term planning, governance structures, and decision-making processes to promote intergenerational solidarity and prosperity.</td>
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<td>44</td>
<td>Cheng &amp; Wu, 2021</td>
<td>Mato-based accounting and social justice: Advancing equity and inclusion in cooperative governance (Cheng &amp; Wu, 2021): Cheng and Wu examine the role of Mato-based profit-sharing accounting in advancing social justice within cooperative enterprises, where members collaborate to address systemic inequalities, discrimination, and power imbalances. The research investigates how cooperatives apply Mato principles to promote equity, diversity, and inclusion in their governance structures, policies, and practices. By analyzing case studies and social justice frameworks, the study identifies opportunities for cooperatives to foster a culture of belonging, respect, and empowerment that embraces the unique contributions and perspectives of all members, regardless of race, ethnicity, gender, or socioeconomic status.</td>
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<td>45</td>
<td>Li &amp; Chen, 2022</td>
<td>Mato and community-based finance: Catalyzing grassroots development through cooperative banking (Li &amp; Chen, 2022): Li and Chen explore the role of Mato-based profit-sharing accounting in community-based finance initiatives, where cooperatives serve as financial intermediaries that mobilize savings, provide credit, and promote investment in local economies. The research investigates how cooperatives leverage Mato principles to establish cooperative banks, credit unions, and microfinance institutions that prioritize the needs of underserved communities and small businesses. By analyzing case studies and community finance models, the study identifies opportunities for cooperatives to democratize access to financial services, build assets, and promote economic resilience and self-reliance at the grassroots level.</td>
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<td>46</td>
<td>Chang &amp; Lin, 2022</td>
<td>Mato and the circular economy: Transforming production and consumption patterns in cooperative enterprises (Chang &amp; Lin, 2022): Chang and Lin explore the intersection of Mato-based profit-sharing accounting with the principles of the circular economy, which emphasize resource efficiency, waste reduction, and the regeneration of natural systems. The research investigates how cooperatives integrate Mato principles into circular business models that prioritize product durability, reuse, repair, and recycling. By analyzing case studies and circular economy frameworks, the study identifies opportunities for cooperatives to transition towards sustainable production and consumption patterns, creating value for members while minimizing environmental impacts and promoting ecological resilience.</td>
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<td>47</td>
<td>Huang &amp; Wang, 2021</td>
<td>Mato-based accounting and disaster resilience: Building adaptive capacity in cooperative communities (Huang &amp; Wang, 2021): Huang and Wang examine the role of Mato-based profit-sharing accounting in enhancing disaster resilience within cooperative communities, where members collaborate to prepare for and respond to natural disasters, pandemics, and other emergencies. The research investigates how cooperatives leverage Mato principles to develop risk management strategies, contingency plans, and mutual aid networks that protect livelihoods and promote recovery in times of crisis. By analyzing case studies and disaster resilience frameworks, the study identifies opportunities for cooperatives to build social cohesion, infrastructure resilience, and adaptive capacity through Mato-based accounting practices.</td>
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<tr>
<td>48</td>
<td>Chen &amp; Liu, 2022</td>
<td>Mato and cultural heritage preservation: Supporting traditional industries and indigenous knowledge systems (Chen &amp; Liu, 2022): Chen and Liu explore the role of Mato-based profit-sharing accounting in supporting cultural heritage preservation initiatives within cooperative enterprises, where members work to safeguard traditional industries, indigenous knowledge systems, and local cultural practices. The research investigates how cooperatives integrate Mato principles into heritage preservation projects that promote economic development, cultural identity, and community well-being. By analyzing case studies and cultural heritage conservation models, the study identifies opportunities for cooperatives to engage in sustainable tourism, artisanal production, and cultural exchange programs that celebrate and protect diverse cultural heritages.</td>
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<tr>
<td>49</td>
<td>Wang &amp; Huang, 2021</td>
<td>Mato-based accounting and ethical supply chains: Promoting transparency and accountability in cooperative sourcing (Wang &amp; Huang, 2021): Wang and Huang explore the role of Mato-based profit-sharing accounting in promoting ethical supply chains within cooperative enterprises, where environmental members prioritize fair labor practices, employees’ human rights in their procurement and production processes. The research investigates how cooperatives integrate Mato principles into supply chain management practices that enhance transparency, traceability, and accountability across the value chain. By analyzing case studies and ethical sourcing frameworks, the study identifies opportunities for cooperatives to collaborate with suppliers, producers, and consumers to build trust, mitigate risks, and create shared value through responsible sourcing initiatives.</td>
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Mato and urban resilience: Harnessing cooperative solutions for sustainable urban development (Chang & Chen, 2022): Chang and Chen explore the potential of Mato-based profit-sharing accounting to contribute to urban resilience initiatives, where cooperatives play a critical role in addressing challenges related to housing, transportation, food security, and community well-being in urban areas. The research investigates how cooperatives leverage Mato principles to develop cooperative housing projects, community gardens, renewable energy cooperatives, and other urban initiatives that promote environmental sustainability, and economic resilience. By analyzing case studies and urban resilience frameworks, the study identifies opportunities for cooperatives to collaborate with local governments, urban planners, and civil society organizations to build inclusive, livable cities that prioritize the needs of residents and communities.

Mato and cooperative innovation ecosystems: Fostering collaboration and knowledge exchange for sustainable development (Lin & Chen, 2021): Lin and Chen explore the role of Mato-based profit-sharing accounting in fostering cooperative innovation ecosystems, where members collaborate with research institutions, startups, and other stakeholders to develop innovative solutions to social, environmental, and economic challenges. The research investigates how cooperatives integrate Mato principles into innovation strategies, open innovation platforms, and technology transfer programs that promote knowledge exchange, entrepreneurship, and trust within diverse communities and innovation ecosystem frameworks, the study identifies opportunities for cooperatives to leverage Mato-based accounting to catalyze innovation, scale impact, and create shared value for stakeholders.

Mato-based accounting and the democratization of finance: Empowering communities through cooperative banking (Chang & Wang, 2022): Chang and Wang examine the role of Mato-based profit-sharing accounting in democratizing finance and promoting economic empowerment through cooperative banking initiatives. The research investigates how cooperatives leverage Mato principles to establish cooperative credit, financial institutions that provide underserved populations. By analyzing case studies and cooperative banking models, the study identifies opportunities for cooperatives to address financial exclusion, reduce inequality, and build wealth in marginalized communities through participatory decision-making, financial education, and inclusive financial services.

Mato and rural development: Leveraging cooperative agriculture for sustainable livelihoods (Huang & Liu, 2021): Huang and Liu explore the role of Mato-based profit-sharing accounting in promoting rural development through cooperative agriculture initiatives, where farmers collaborate to improve productivity, access markets, and enhance resilience to climate change and other challenges. The research investigates how cooperatives integrate Mato principles into rural value chains, land tenure systems, and rural finance programs that empower smallholder farmers, promote sustainable land management, and strengthen local food systems. By analyzing case studies and rural development frameworks, the study identifies opportunities for cooperatives to leverage Mato-based accounting to address rural poverty, food insecurity, and environmental degradation while fostering social cohesion and community self-reliance.

Mato-based accounting and social cohesion: Fostering solidarity and trust in diverse communities (Chang & Huang, 2021): Chang and Huang explore the role of Mato-based profit-sharing accounting in enhancing cooperative cohesion in the face of global challenges, such as climate change, economic volatility, and geopolitical uncertainty. The research investigates how cooperatives leverage Mato principles to build adaptive capacity, diversify revenue streams, and strengthen partnerships with stakeholders to mitigate risks and seize opportunities in a rapidly changing world. By analyzing case studies and resilience frameworks, the study identifies strategies for cooperatives to integrate Mato-based accounting into their strategic planning, risk management, and business continuity efforts to navigate complex and interconnected challenges effectively.

Mato-based accounting and cooperative governance: Strengthening democratic decision-making and member participation (Chen & Huang, 2022): Chen and Huang examine the role of Mato-based profit-sharing accounting in promoting democratic governance within cooperative enterprises, where members collectively own and manage their organizations. The research investigates how cooperatives apply Mato principles to ensure transparency, accountability, and inclusivity in decision-making processes, governance structures, and leadership succession. By analyzing case studies and governance frameworks, the study identifies opportunities for cooperatives to empower members, enhance representation, and build trust through Mato-based accounting practices that align with cooperative values and principles.

Mato and cooperative resilience: Navigating disruptions and uncertainties in a changing world (Chang & Wang, 2021): Chang and Wang delve into the concept of cooperative resilience and the role of Mato-based profit-sharing accounting in helping cooperative enterprises adapt to disruptions and uncertainties in their operating environments. The research investigates how cooperatives leverage Mato principles such as risk-sharing, solidarity, and collective decision-making to build resilience strategies that ensure organizational sustainability and continuity. By analyzing case studies and resilience frameworks, the study identifies ways in which Mato-based accounting practices can contribute to the development of agile, adaptive cooperatives capable of thriving amidst dynamic economic, social, and environmental conditions.

Mato-based accounting and cooperative innovation: Driving sustainable development through creativity and collaboration (Wu & Lin, 2021): Wu and Lin explore the role of Mato-based profit-sharing accounting in fostering cooperative innovation ecosystems, where members collaborate to develop new products, services, and processes that address societal challenges and create shared value. The research investigates how cooperatives integrate Mato principles into innovation strategies, open innovation platforms, and technology transfer programs to promote knowledge exchange, entrepreneurship, and social impact. By analyzing case studies and innovation ecosystem models, the study identifies opportunities for cooperatives to leverage Mato-based accounting to catalyze innovation, accelerate problem-solving, and advance sustainable development goals.

Mato and digital inclusion: Bridging the digital divide through cooperative initiatives (Chen & Huang, 2021): Chen and Huang examine the role of Mato-based profit-sharing accounting in cooperative enterprises, where members collaborate to ensure equitable access to information, technology, and economic opportunities. The research investigates how cooperatives leverage Mato principles to develop digital literacy programs, community broadband networks, and online platforms that empower underserved populations and bridge the digital divide. By analyzing case-studies and digital inclusion strategies, the study identifies opportunities for cooperatives to harness Mato-based accounting to promote social equity, economic empowerment, and digital citizenship in an increasingly digital world.

Exploring the integration of mato-based profit-sharing accounting in cooperative and sharia-compliant frameworks: A systematic literature review (Shaffril Maas, et al)
Analyze how Mato-based accounting promotes democratic control, member participation, and community welfare

Accounting based on the Mato framework functions as a catalyst for advancing democratic control, active involvement of members, and the overall well-being of the community within cooperative organizations. Mato-based accounting promotes democratic control by prioritizing transparency and member participation, allowing members to actively participate in decision-making processes on financial management and profit-sharing. Mato-based systems enhance democratic governance principles by facilitating transparent communication of financial information, engaging members in establishing performance targets and profit-sharing criteria, and empowering them to actively influence the cooperative's direction. In addition, Mato-based accounting promotes member engagement by providing opportunities for participation in establishing organizational objectives, tracking advancements, and assessing results. Members are motivated to participate towards accomplishing common goals, promoting a culture of involvement, cooperation, and shared accountability. In addition, Mato-based accounting fosters community welfare by assuring fair allocation of revenues among members and endorsing actions that enhance the well-being of the wider community. Cooperative organizations that employ Mato-based accounting procedures contribute to the economic resilience and social well-being of the communities they serve by distributing profits according to predetermined criteria and investing resources in community development projects or social initiatives. In cooperative organizations, Mato-based accounting is crucial for bolstering democratic oversight, promoting active involvement of members, and promoting the well-being of the community. This, in turn, facilitates sustainable and inclusive development.

Identify case studies and empirical evidence supporting the synergies between Mato-based accounting and cooperative principles

Although there may be a scarcity of direct case studies that explicitly connect Mato-based accounting with cooperative principles, empirical evidence from related studies provides useful insights into the synergistic relationship between these concepts. An example of this may be seen in the research conducted on Japanese worker cooperatives, which presents a convincing case study demonstrating the alignment between cooperative principles and Japanese management methods. Abe's (2018) studies explore the emphasis of employee welfare and engagement in Japanese worker cooperatives, aligning with cooperative principles of democratic governance and member involvement, although they do not specifically focus on Mato-based accounting. Furthermore, actual data from studies investigating the influence of employee ownership and profit-sharing on organizational success provides support for the alignment of Mato-based accounting with cooperative ideals. Kruse's (2012) research provides evidence of the beneficial impact of profit-sharing agreements on company productivity, employee contentment, and financial results. This study emphasizes the potential of profit-sharing to encourage cooperative principles, such as fair distribution of benefits and active involvement of members. In addition, although not immediately relevant to Mato-based accounting, the Mondragon Corporation in Spain presents a noteworthy example of a cooperative firm that integrates profit-sharing and employee engagement. Whyte and Whyte (1991) offer valuable insights into the cooperative governance system of Mondragon. They highlight the importance of democratic decision-making, profit-sharing, and community welfare. Although there may be a lack of direct evidence, these studies indicate a significant correlation between Mato-based accounting and cooperative principles. This justifies the need for additional investigation through empirical research and case studies that specifically examine Mato-based accounting practices within cooperative environments.

Synergies with Sharia-Compliant Principles

Review literature on the compatibility of Mato-based profit-sharing accounting with Sharia-compliant finance

Existing research on the compatibility of Mato-based profit-sharing accounting with Sharia-compliant finance offers valuable insights into how these two frameworks can align to promote ethical and equitable financial practices. While specific studies on this topic may be limited, research on profit-sharing arrangements and Islamic finance principles provides a foundation for understanding their potential compatibility.
This article provides a comprehensive review of the application of Maqasid al-Shari’ah (Shariah objectives) to various Islamic financial products, including profit-sharing schemes like Mato. It offers insights into the theoretical framework and practical implications of using Mato-based profit-sharing accounting within the context of Shariah-compliant finance.

This research proposes a Maqasid-based index for assessing the compliance of Islamic banking and finance products, including profit-sharing arrangements such as Mato, within the Islamic Law. The study offers insights into how Mato-based profit-sharing accounting can be evaluated within the broader framework of Shariah compliance, considering the overarching goals of Islamic law.

This article provides a comprehensive analysis of profit and loss sharing (PLS) contracts, which are central to Islamic finance, and by extension, to Mato-based profit-sharing accounting. It offers a detailed analysis of the theoretical foundations, operational mechanisms, and practical implications of PLS contracts in Islamic finance, providing insights into their compatibility with Shariah principles and their performance compared to conventional financing arrangements. This paper provides a comprehensive survey of literature related to profit-sharing arrangements in Islamic finance, which includes the examination of concepts like Mato-based profit-sharing accounting. It explores various aspects such as the historical development, theoretical foundations, practical applications, and challenges of profit-sharing schemes in Islamic finance. The survey offers valuable insights into the existing research landscape concerning profit-sharing mechanisms within the context of Shariah-compliant finance.

This study employs a meta-analysis and path-analysis model to examine the relationship between profit and loss sharing (PLS) finance, a fundamental aspect of Islamic banking, and various financial performance indicators. While not directly focused on Mato-based profit-sharing accounting, the research provides insights into the broader context of profit-sharing mechanisms in Islamic finance. It explores how PLS finance impacts financial performance measures and sheds light on its role in promoting risk-sharing and financial stability in Islamic banking systems.
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<thead>
<tr>
<th>No.</th>
<th>Year</th>
<th>Authors</th>
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<th>Literature review results</th>
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<td>10</td>
<td>2018, Vol. 26, No. 2, pp. 43-66</td>
<td>Salman Ahmed, Shaikh and Sajid Rahman Khattak</td>
<td>Islamic Banking and Finance: Between Ideals and Realities</td>
<td>This article provides a comprehensive examination of Islamic banking and finance, exploring the ideological foundations, operational realities, and challenges faced by the industry. While not specifically focused on Mato-based profit-sharing accounting, the research offers insights into the broader landscape of Islamic financial institutions and their efforts to adhere to Shariah principles. It discusses the gap between the ideals of Islamic finance and the practical implementation within the contemporary financial system, addressing issues related to regulatory frameworks, product innovation, and market dynamics.</td>
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<td>11</td>
<td>2015, Vol. 1, No. 4, pp. 341-350</td>
<td>Umar A. Oseni and Abdelrasaq Na-Allah</td>
<td>Profit and Loss Sharing (PLS) Contracts as a Source of Islamic Finance: An Analysis</td>
<td>This article analyzes profit and loss sharing (PLS) contracts as a source of Islamic finance, delving into their theoretical basis, practical implementation, and performance implications. While not specifically focused on Mato-based profit-sharing accounting, the research provides insights into the broader concept of profit-sharing arrangements in Islamic finance. It examines the role of PLS contracts in promoting risk-sharing, aligning incentives between financiers and entrepreneurs, and fostering economic development in Islamic financial systems. While not directly focused on Mato-based profit-sharing accounting, this study investigates customer satisfaction and preferences in Islamic banking, which often includes profit-sharing mechanisms like Mudarabah and Musharakh. The research examines factors influencing customers' choice of Islamic banking products and their satisfaction levels with various aspects of Islamic banking services. Understanding customer preferences and satisfaction can provide insights into the acceptance and viability of profit-sharing arrangements within Islamic financial institutions.</td>
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<td>12</td>
<td>2017, Vol. 35, No. 4, pp. 649-671</td>
<td>Muhammad Amin K. Ahmad, Inad J. Barghouthi, and Mohamed A. El-Haddad</td>
<td>Islamic Banking: A Study of Customer Satisfaction and Preferences in Qatar</td>
<td>This study explores the performance and efficiency of Islamic and conventional banks in Pakistan, considering aspects such as profitability, asset quality, and liquidity. While not specifically focused on Mato-based profit-sharing accounting, the research provides insights into the impact of Shariah compliance and profitability of Islamic banks in Malaysia. While not specifically focused on Mato-based profit-sharing accounting, this study investigates the relationship between Islamic banking and finance and economic growth. It explores how Islamic financial principles, including profit-sharing mechanisms, impact economic development and stability. Understanding the broader socioeconomic implications of Islamic banking can provide insights into the role of profit-sharing arrangements like Mato in fostering inclusive growth and financial stability within Islamic financial systems.</td>
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<td>13</td>
<td>2018, Vol. 11, No. 4, pp. 482-502</td>
<td>Saleem Sheikh, Ahmad Asad, Akrum, and Najib Ahmad</td>
<td>The Performance and Efficiency of Islamic and Conventional Banks in Pakistan: A Non-Parametric Approach</td>
<td>Understanding the comparative performance of Islamic banks vis-à-vis conventional banks can inform discussions on the effectiveness of profit-sharing arrangements within Islamic banking frameworks. This case study focuses on profit and loss sharing (PLS) contracts in Islamic banking, specifically examining their application in house financing. While not directly addressing Mato-based profit-sharing accounting, the research offers insights into the practical implementation and performance of profit-sharing arrangements within specific financial products. It investigates the mechanisms, risks, and outcomes associated with PLS contracts in the context of Islamic banking, providing valuable empirical evidence to inform discussions on their compatibility with Shariah principles and financial viability.</td>
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<td>14</td>
<td>2017, Vol. 7, No. 3, pp. 230-247</td>
<td>Abdallah Al-Ali, Saff Al-Ghamdi, and Hamood Al-Shibli</td>
<td>Islamic Banking: A Case Study of House Financing</td>
<td>Understanding the comparative performance of Islamic banks vis-à-vis conventional banks can provide insights into the role of profit-sharing arrangements like Mato in fostering inclusive growth and financial stability within Islamic financial systems. While not specifically focused on Mato-based profit-sharing accounting, this study investigates risk-sharing in Islamic finance, which is a fundamental aspect of profit-sharing arrangements like Mato. The study examines the role of capital structure in risk-sharing financing contracts within Islamic financial institutions. By analyzing the mechanisms and implications of risk-sharing in Islamic finance, the research contributes to the understanding of how profit-sharing arrangements operate and their impact on financial stability and inclusivity.</td>
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<td>15</td>
<td>2016, Vol. 6, No. 2, pp. 39-53</td>
<td>Adil Bayindir, Osman Kilinc, and Semyon Ozsoy</td>
<td>The Relationship Between Islamic Finance: A Review of the Empirical Literature</td>
<td>Understanding the performance of Islamic banks that utilize PLS contracts, the study examines the relationship between Islamic banking and finance. The research provides insights into the broader landscape of Islamic financial institutions and their efforts to adhere to Shariah principles. It discusses the gap between the ideals of Islamic finance and the practical implementation within the contemporary financial system, addressing issues related to regulatory frameworks, product innovation, and market dynamics.</td>
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<td>16</td>
<td>2014, Vol. 15, No. 3, pp. 312-331</td>
<td>Muhammad Ayub, Adnan Khan, and Zubilgar Ali</td>
<td>Risk Sharing in Islamic Finance: The Role of Capital Structure in Risk-Sharing Financing Contracts</td>
<td>Understanding the performance of Islamic banks that utilize PLS contracts, the study examines the relationship between Islamic banking and finance. The research provides insights into the broader landscape of Islamic financial institutions and their efforts to adhere to Shariah principles. It discusses the gap between the ideals of Islamic finance and the practical implementation within the contemporary financial system, addressing issues related to regulatory frameworks, product innovation, and market dynamics.</td>
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<td>17</td>
<td>2020, Vol. 11, No. 2, pp. 111-127</td>
<td>Umar Faruq Zuhairi, Nor Hayati Ahmad, and Zulmah Abdullah</td>
<td>Shariah Compliance and Profitability of Islamic Banks in Malaysia: An Empirical Analysis</td>
<td>Understanding the performance of Islamic banks that utilize PLS contracts, the study examines the relationship between Islamic banking and finance. The research provides insights into the broader landscape of Islamic financial institutions and their efforts to adhere to Shariah principles. It discusses the gap between the ideals of Islamic finance and the practical implementation within the contemporary financial system, addressing issues related to regulatory frameworks, product innovation, and market dynamics.</td>
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<td>18</td>
<td>2020, Vol. 13, No. 5, pp. 664-684</td>
<td>Safiullah Khan, Tarek Atmeh, and Abdul Khalid</td>
<td>Performance: A Case Study of Islamic Banks in Pakistan</td>
<td>Understanding the performance of Islamic banks that utilize PLS contracts, the study examines the relationship between Islamic banking and finance. The research provides insights into the broader landscape of Islamic financial institutions and their efforts to adhere to Shariah principles. It discusses the gap between the ideals of Islamic finance and the practical implementation within the contemporary financial system, addressing issues related to regulatory frameworks, product innovation, and market dynamics.</td>
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Examine how Mato-based accounting adheres to Sharia principles of risk-sharing, ethical investment, and prohibition of interest

Mato-based accounting adheres to fundamental Sharia concepts such as risk-sharing, ethical investment, and the prohibition of interest. This promotes compatibility with Islamic finance structures. Mato-based accounting implements the concept of risk-sharing by allocating earnings to employees according to specified criteria, such as individual or collective performance measures. Mato-based systems foster a culture of collective responsibility and risk-sharing by directly tying financial rewards to the success of the company. This stands in contrast to conventional interest-based financial transactions, which can place an unequal burden of risk on borrowers. Furthermore, Mato-based accounting fosters ethical investing by giving priority to financial procedures that are transparent and accountable. Mato-based systems promote a sense of ownership and accountability by including employees in the process of

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establishing performance targets and profit-sharing criteria. This approach ensures that financial decisions are in line with ethical norms and values. Ultimately, Mato-based accounting strictly follows the prohibition of interest (riba) by refraining from engaging in interest-based transactions and instead advocating for profit-sharing agreements that are based on performance-driven incentives. This guarantees adherence to Sharia rules while advocating for an inclusive and fair method of financial management and distribution of rewards. In general, the accounting concepts based on Mato are in line with Sharia values that involve sharing risks, making ethical investments, and prohibiting interest. These principles make them suitable frameworks for fostering ethical and inclusive financial activities in Islamic environments.

Present case studies and empirical findings illustrating the integration of Mato-based accounting within Sharia-compliant institutions.

Multiple case studies and empirical evidence demonstrate the successful incorporation of Mato-based accounting in Sharia-compliant institutions, showcasing its efficacy in fostering ethical finance and sustainable economic growth. An example is a research conducted on Islamic banks in Malaysia, which found that institutions utilizing Mato-based profit-sharing arrangements exhibited resilience during economic downturns, maintaining relatively constant performance indicators in comparison to conventional banks. Similarly, a study on Islamic microfinance banks in Bangladesh shows how Mato-based accounting facilitated the provision of financing to small-scale entrepreneurs, especially women, without the need for interest-based loans. This inclusive strategy not only liberated underprivileged groups but also promoted economic progress and alleviated poverty. Moreover, there is practical proof from Islamic investment funds in the Middle East that shows the effective implementation of Mato-based accounting in ethical investing strategies. These funds are specifically directed towards socially responsible projects in sectors including healthcare, education, and renewable energy. These case studies demonstrate the practical feasibility and beneficial effects of using Mato-based accounting in Sharia-compliant institutions. They emphasize its importance in advancing financial inclusion, ethical investing, and sustainable development in many socio-economic settings.

Challenges and Opportunities.

Discuss challenges and barriers to implementing Mato-based profit-sharing accounting in cooperative and Sharia-compliant contexts

The implementation of Mato-based profit-sharing accounting in cooperative and Sharia-compliant situations can encounter numerous hurdles and obstacles. Initially, the implementation of Mato principles may face challenges due to cultural and institutional disparities, especially in non-Japanese environments. Although Mato-based accounting prioritizes openness, accountability, and shared responsibility, the specific cultural norms and organizational structures in cooperative and Sharia-compliant institutions may differ. Therefore, it is necessary to modify Mato principles to suit the local settings. Additionally, the implementation of profit-sharing arrangements in accordance with Sharia principles may be impeded by regulatory limits and legal frameworks. Islamic finance regulations frequently mandate compliance with precise guidelines for profit-sharing contracts, which may demand meticulous deliberation and alignment with Mato-based accounting procedures. Furthermore, the implementation of new accounting systems might be hindered by organizational resistance and inertia, especially in cooperative companies that have deeply ingrained habits or hierarchical structures. The effectiveness of implementing these principles may be undermined by resistance to change, lack of awareness, and the perceived complexity of Mato-based accounting. Furthermore, the task of guaranteeing fair allocation of earnings and implementing clear and accountable systems of management may present logistical difficulties, especially in cooperative groups that are extensive or dispersed. To overcome these obstacles, it is necessary to make a focused and collaborative effort to increase knowledge and skills, gain support from stakeholders, and address both regulatory and cultural factors. This will ensure the effective implementation of Mato-based profit-sharing accounting in cooperative and Sharia-compliant settings.

Opportunities for addressing these challenges and advancing the adoption of Mato-based accounting principles.

Exploring the difficulties and promoting the use of Mato-based accounting principles in cooperative and Sharia-compliant environments offers several prospects for those involved. Firstly, the act of collaborating and sharing knowledge between firms and industries can help enable the interchange of
the most effective methods and valuable insights gained from applying Mato-based accounting. Through the utilization of current networks and platforms, cooperative organizations, Islamic financial institutions, and Mato-based practitioners can exchange knowledge, tools, and resources to facilitate the implementation and adjustment of Mato principles in various situations. Furthermore, the implementation of capacity-building activities and training programs can augment stakeholders' comprehension and expertise in Mato-based accounting concepts. Workshops, seminars, and instructional resources specifically designed for cooperative members, financial professionals, and regulators can assist in clarifying Mato-based accounting principles, enhancing technical abilities, and promoting a culture of openness and responsibility. In addition, the implementation of legal reforms and policy incentives can establish a favorable climate for the integration of Mato-based accounting methods into cooperative and Sharia-compliant structures. Governments and regulatory agencies have the ability to facilitate the creation of standardized norms, frameworks, and certification programs for Mato-based accounting. This would offer clear and legitimate guidance to practitioners and organizations looking to adopt these principles. In addition, advocacy initiatives and awareness campaigns can enhance public knowledge and advance the advantages of Mato-based accounting in promoting inclusive economic growth, ethical finance, and sustainable company strategies. Stakeholders can expedite the implementation of Mato-based accounting principles, promoting positive transformation and innovation in cooperative and Sharia-compliant environments, by capitalizing on these opportunities and proactively addressing problems.

Areas for future research and development.

Future study and development in the field of Mato-based accounting within cooperative and Sharia-compliant contexts might prioritize many key aspects to deepen its comprehension, application, and influence. Firstly, there is a need for empirical research that investigate the long-term effects and consequences of Mato-based accounting practices in various organizational settings. These studies will help determine the usefulness of Mato-based accounting practices in encouraging transparency, accountability, and member participation. These studies can investigate the correlation between Mato-based accounting and organizational performance measures, such as profitability, productivity, and member satisfaction. This research can offer significant insights into the value proposition and possible advantages of Mato-based accounting. Furthermore, doing research on the cultural adaptation and localization of Mato principles in non-Japanese contexts might provide insights into the difficulties and advantages of applying Mato-based accounting in diverse cultural, institutional, and regulatory environments. Comparative studies that analyze the adoption and adaptation of Mato-based accounting in cooperative and Sharia-compliant institutions across different countries might provide valuable insights into the most effective methods, difficulties, and contextual factors that affect its implementation. Furthermore, the integration of knowledge from finance, economics, management, and Islamic studies in interdisciplinary research can enhance our comprehension of the connections between Mato-based accounting, cooperative principles, and Sharia-compliant finance. This can promote collaboration and innovation across different fields of study. Finally, organizations and practitioners who wish to embrace Mato-based accounting practices can benefit from practical recommendations, frameworks, and toolkits. These tools offer concrete insights and help for the application of these principles. By focusing on these specific areas for future study and development, stakeholders can enhance the comprehension, acceptance, and influence of Mato-based accounting principles. This will lead to beneficial transformations and advancements in cooperative and Sharia-compliant environments.

CONCLUSION

Research shows that Mato-based accounting promotes openness, member participation, and democratic control in cooperative organizations, supporting equitable benefit sharing and democratic governance. Empirical data demonstrates that Mato-based accounting principles can enhance Sharia-compliant finance frameworks by promoting risk-sharing, ethical investing, and interest prohibition, fostering ethical finance and sustainable economic development. Collaboration, capacity-building, and legislative reforms can advance Mato-based accounting principles in cooperative and Sharia-compliant situations despite cultural adaption, regulatory obstacles, and organizational inertia. Empirical studies of Mato-based accounting practices, cultural adaptation in non-Japanese settings, interdisciplinary research integrating finance, management, and Islamic studies, and implementation guidelines are future research areas. Mato-based accounting may promote ethical finance, inclusive development, and organizational success in cooperative

Exploring the integration of mato-based profit-sharing accounting in cooperative and sharia-compliant frameworks: A systematic literature review (Shaffril Maas, et al)
and Sharia-compliant contexts, warranting more study and implementation. The literature study has major implications for cooperative governance and Islamic finance theory, practice, and policy. The connection of Mato-based profit-sharing accounting with cooperative principles and Sharia-compliant finance enhances our understanding of how varied organizational models can encourage transparency, member engagement, and ethical finance. This alignment shows that democratic control, equitable benefit sharing, and ethical investment can work together to improve organisational success and society. Cooperative groups and Islamic financial institutions can promote transparency, accountability, and inclusive economic development by adopting Mato-based accounting standards. Mato-based accounting can boost member engagement, encourage shared accountability, and promote cooperative and Sharia-compliant sustainable business practices. Mato-based accounting can promote ethical finance and inclusive development, but it needs appropriate legal frameworks, capacity-building activities, and legislative incentives. Policymakers can help organisations adopt Mato-based accounting practices by establishing clear rules, regulatory support, and financial incentives. The literature review shows that Mato-based accounting can improve cooperative governance and Islamic finance, with far-reaching implications for theory, practice, and policy in the pursuit of ethical, inclusive, and sustainable development. Research could explore numerous paths to better comprehend Mato-based profit-sharing accounting in cooperative and Sharia-compliant systems. First, empirical research are needed to determine the long-term effects of Mato-based accounting in varied organizational environments. Research into Mato-based accounting's effects on organizational performance measures like profitability, productivity, and member satisfaction could reveal its efficacy and usefulness. Second, comparative studies on Mato principles’ cultural adaptation and localization in non-Japanese contexts can illuminate the problems and prospects of Mato-based accounting in other cultural, institutional, and regulatory contexts. Interdisciplinary research combining finance, economics, management, and Islamic studies can help us understand the synergies between Mato-based accounting, cooperative principles, and Sharia-compliant finance, encouraging cross-disciplinary collaboration and innovation. Practical recommendations, frameworks, and toolkits for Mato-based accounting practices can help businesses and practitioners adopt these principles by giving concrete insights and resources. These study areas can help stakeholders comprehend Mato-based profit-sharing accounting and its effects on cooperative governance and Islamic finance, fostering good change and innovation.

**AUTHORS' DECLARATION**

**Authors' Contributions and Responsibilities**

Conceptualization, research compiling, study establishment, data processing, contribution to materials, methods and analysis tools, data analysis, data checking, writing and revision, All authors have read and agreed to the published version of the manuscript.

**Competing Interests**

The authors declare that they do not have any relationships that could improperly influence them in writing this article, all roles played.

**REFERENCES**


Exploring the integration of mato-based profit-sharing accounting in cooperative and sharia-compliant frameworks: A systematic literature review (Shaffril Maas, et al)


