Clarivate Web of Science

Pakistan Journal of Life and Social Sciences

www.pjlss.edu.pk



E-ISSN: 2221-7630;P-ISSN: 1727-4915

https://doi.org/10.57239/PJLSS-2025-23.1.00224

RESEARCH ARTICLE

Factors Affecting Community Enterprise Compliance with Halal Standards: A Study of Food Manufacturers in Pattani Province

Phunphiphat Tangkham*

College of Business Administration and Accountancy

University of Northern Philippines

ARTICLE INFO

ABSTRACT

Received: Nov 15, 2024 Accepted: Jan 11, 2025

Keywords

Halal Standards Community Enterprises Food Manufacturing Regulatory Compliance Thailand **Small-Scale Producers**

*Corresponding Author:

phunphiphat.t@gmail.com

The implementation of halal standards among community enterprises represents a critical challenge in Thailand's food manufacturing sector, particularly in Pattani Province, where Muslim communities significantly influence local business practices. This study investigates the key factors affecting community enterprise compliance with halal standards among food manufacturers in Pattani Province, Thailand. Using a mixed-methods approach combining structural equation modeling (SEM) with in-depth interviews, data were collected from 384 community enterprise owners and managers operating in the food manufacturing sector. The research identifies five critical factors influencing halal standard compliance: organizational capability, regulatory support, religious awareness, market pressure, and resource availability. The findings reveal that organizational capability ($\beta = 0.42$, p < 0.001) and religious awareness ($\beta = 0.38$, p < 0.001) are the strongest predictors of compliance behavior. Notably, while resource availability shows a significant direct effect (β = 0.29, p < 0.01), its impact is mediated by organizational capability. The qualitative findings further elaborate on these relationships, highlighting the complex interplay between cultural, economic, and operational factors in shaping compliance decisions. This study contributes to the theoretical understanding of halal standard compliance in community enterprises and provides practical implications for policymakers and halal certification bodies. The findings suggest that enhancing organizational capabilities through targeted training programs and strengthening regulatory support mechanisms could significantly improve compliance rates among community enterprises.

INTRODUCTION

Valued at \$1.9 trillion in 2021 and predicted to reach \$3.5 trillion by 2028, the worldwide halal food business has seen hitherto unheard-of expansion (World Islamic Economic Report, 2021). This amazing spread not only shows the rise in the Muslim population but also the rising awareness of non-Muslim customers about food safety and ethical manufacturing techniques in Southeast Asia. Particularly in the southern regions of Thailand where the Muslim population is the majority, Thailand has become a prominent actor in the halal food market. Particularly Pattani Province offers a unique case study in halal food production because of its strong Islamic background and concentration of community businesses mostly engaged in food production. Operations and keeping conformity with halal criteria provide distinct difficulties for community businesses in Pattani Province. Though more than 75% of food manufacturing enterprises in the province serve Muslim customers, only 42% have certified halal certification according recent surveys (Regional Economic Development Center, 2023). This disparity draws attention to a major discrepancy between regulatory compliance and market potential, therefore posing key issues about the elements affecting small producer certification acceptance.

The intricacy of the requirements along with the unique qualities of community businesses, halal certification presents many issues that the present literature does not fully address regarding halal certification. Although earlier studies have focused mostly on halal compliance in large-scale operations (Rahman et al., 2020; Abdullah & Ibrahim, 2021), the unique context of community businesses, especially in culturally different areas like Pattani, remains underdeveloped. These businesses run under different motives and restrictions than bigger corporations, which calls for targeted research on their compliance practices. By looking at the elements affecting compliance with halal criteria among local commercial food producers in Pattani Province, this study fills in a research need. Thailand's strategic goal to become a worldwide halal food center and the government's recent efforts to enhance the halal certification procedure make this study more important (Ministry of Industry of Thailand, 2023). Developing good policies and support systems that may improve the competitive advantage of the area in halal food production depends on an awareness of the elements influencing compliance behavior among community firms.

Three key goals underlie this study: First, pinpoint and investigate the main elements influencing halal compliance among local food manufacturers; second, investigate the relationships between these elements and their respective effects on compliance behavior; and a thorough framework that can direct policy interventions and support programs aiming at raising halal compliance rates. The research uses mixed-methods technique to understand the compliance phenomenon. It combines quantitative research using structural equation modeling with qualitative insights from in-depth interviews.

LITERATURE REVIEW

Theoretical foundation

The theoretical framework for understanding halal standard compliance draws from multiple streams of literature, including institutional theory, resource-based view (RBV), and religious orientation theory. Institutional theory provides insights into how regulatory, normative, and cultural-cognitive pressures influence organizational behavior regarding compliance (DiMaggio & Powell, 2020). The resource-based view emphasizes the role of organizational capabilities and resources in achieving competitive advantage through certification (Khan et al., 2021). Religious orientation theory complements these perspectives by explaining how religious beliefs and values shape business practices in Muslim-majority contexts (Ahmad & Rahman, 2022).

Halal standards and certification requirements

Recent developments in halal certification systems have significantly impacted small-scale manufacturers. The Standards and Metrology Institute for Islamic Countries (SMIIC) has established comprehensive guidelines that set international benchmarks for halal certification (SMIIC, 2023). These standards encompass various aspects of food production, including raw material sourcing, processing methods, storage, and transportation. Studies by Mohammed et al. (2023) and Abdullah et al. (2022) highlight how these requirements can pose significant challenges for small-scale producers, particularly in terms of documentation, facility upgrades, and staff training.

Community enterprises and regulatory compliance

Community enterprises possess unique characteristics that influence their approach to regulatory compliance. Research by Pattanapong and Lee (2023) identifies several distinctive features of these organizations, including their strong community embeddedness, limited resource base, and informal organizational structures. These characteristics create both advantages and challenges in implementing standardized certification requirements. A comprehensive study by Ibrahim et al. (2022) across Southeast Asian countries reveals that community enterprises often rely on social capital and local networks to overcome resource constraints in achieving certification compliance.

Organizational capability and resource availability

The relationship between organizational capability and compliance success has been well-documented in recent literature. Studies by Rahman and Abdullah (2023) demonstrate that technical expertise, management systems, and human resource capabilities significantly influence an organization's ability to implement and maintain halal certification. Resource availability,

particularly financial and human resources, has been identified as a critical enabling factor. However, Thompson et al. (2022) argue that the efficient utilization of available resources, rather than mere possession, determines compliance success.

Religious awareness and market pressure

The role of religious awareness in driving halal compliance extends beyond mere regulatory requirements. Recent research by Ahmad and Hassan (2023) indicates that organizations with higher levels of religious awareness among management and staff demonstrate stronger commitment to halal principles. Market pressure, particularly from increasingly discerning consumers and competition from certified producers, has emerged as another significant factor. Studies by Lee and Wong (2022) show that market demand for certified halal products has intensified, creating both opportunities and challenges for community enterprises.

Regulatory support and institutional environment

The institutional environment, particularly regulatory support mechanisms, plays a crucial role in facilitating halal compliance. Research by Pattanapong et al. (2023) highlights how government initiatives, technical assistance programs, and financial incentives can significantly impact certification rates among small producers. However, the effectiveness of these support mechanisms varies considerably across different contexts and regions.

Conceptual framework and hypotheses development

Based on the comprehensive literature review, this study develops a theoretical framework that integrates various factors affecting halal standard compliance among community enterprise food manufacturers. The framework proposes that compliance behavior is influenced by five key factors: organizational capability, regulatory support, religious awareness, market pressure, and resource availability. These factors are hypothesized to have both direct and indirect effects on compliance behavior.

Organizational capability and compliance

Organizational capability represents a critical internal factor that determines an enterprise's ability to implement and maintain halal standards. Recent empirical evidence suggests that organizations with stronger technical and managerial capabilities demonstrate higher levels of compliance success (Thompson & Ahmad, 2023). The relationship between organizational capability and compliance behavior is particularly relevant in the context of community enterprises, where capacity constraints often present significant challenges.

H1: Organizational capability has a positive direct effect on halal standard compliance among community enterprise food manufacturers.

Religious awareness and compliance

Religious awareness extends beyond basic knowledge of Islamic dietary laws to encompass a deeper understanding of halal principles and their practical implementation in food manufacturing. Studies by Hassan and Ibrahim (2023) demonstrate that organizations with higher levels of religious awareness among management and staff show greater commitment to maintaining halal standards. This relationship is particularly salient in Pattani Province, where Islamic values are deeply embedded in the community fabric.

H2: Religious awareness has a positive direct effect on halal standard compliance among community enterprise food manufacturers.

Resource availability and organizational capability

The relationship between resource availability and compliance behavior is theorized to be mediated by organizational capability. While direct access to resources is important, recent research suggests that the ability to effectively utilize these resources through organizational capabilities is crucial for successful compliance (Lee et al., 2023). This perspective aligns with the resource-based view of the firm, which emphasizes the importance of resource deployment rather than mere possession.

H3a: Resource availability has a positive direct effect on organizational capability. H3b: The relationship between resource availability and compliance behavior is mediated by organizational capability.

Market pressure and compliance

Market pressure, manifested through consumer demands and competitive forces, has emerged as a significant external driver of halal compliance. Recent studies indicate that organizations facing stronger market pressure for certified halal products are more likely to pursue and maintain certification (Wong & Abdullah, 2023). This relationship is particularly relevant in the context of community enterprises, which often operate in highly localized markets with strong consumer preferences for halal products.

H4: Market pressure has a positive direct effect on halal standard compliance among community enterprise food manufacturers.

Regulatory support and compliance

The role of regulatory support in facilitating compliance behavior has been well-documented in recent literature. Studies by Pattanapong and Lee (2023) demonstrate that effective regulatory support mechanisms, including technical assistance and financial incentives, can significantly enhance compliance rates among small producers. However, the effectiveness of such support may vary depending on organizational characteristics and local context.

H5: Regulatory support has a positive direct effect on halal standard compliance among community enterprise food manufacturers.

Organizational Resource Availability Capability Technical Capabilities Resource Access Managerial Capabilities Resource Utilization Halal Standard כלנ Compliance Challenges Staff Awareness Competitive Forces Management Consumer Demands Awareness Religious Awareness Market Pressure

Factors Influencing Halal Standard Compliance

Figure 1: Conceptual framework

RESEARCH METHODOLOGY

This study employs a mixed-methods research design, combining quantitative analysis through structural equation modeling with qualitative insights from semi-structured interviews.

This study employs a mixed-methods research design, combining quantitative analysis through structural equation modeling with qualitative insights from semi-structured interviews. This approach allows for a comprehensive understanding of the complex factors affecting halal standard compliance among community enterprises. The quantitative component provides statistical validation of the hypothesized relationships, while the qualitative element offers deeper insights into the contextual factors and underlying mechanisms influencing compliance behavior.

The study population comprises community enterprise food manufacturers operating in Pattani Province, Thailand.

The study population comprises community enterprise food manufacturers operating in Pattani Province, Thailand. According to the Provincial Community Enterprise Registration Office (2023), there are approximately 845 registered food manufacturing community enterprises in the province. Using Yamane's formula with a 95% confidence level and 5% margin of error, a sample size of 384 enterprises was determined to be appropriate for the quantitative analysis.

The sampling procedure followed a stratified random sampling approach to ensure representative coverage across different districts and types of food manufacturing operations. The sampling frame was obtained from the official registry of community enterprises maintained by the Provincial Office of Community Enterprise Promotion. The sample was stratified based on geographical location (districts) and type of food products manufactured (processed foods, beverages, snacks, and traditional products).

Quantitative data collection

Data collection was conducted between January and June 2024 through structured questionnaires administered to owners or senior managers of selected community enterprises. The questionnaire was developed in Thai and English, with the Thai version being used for data collection after backtranslation verification. Prior to the main survey, a pilot study was conducted with 30 enterprises to assess the reliability and validity of the measurement instruments.

The questionnaire administration process involved face-to-face interviews conducted by trained research assistants who were familiar with local customs and language. This approach was chosen to ensure high response rates and accurate data collection, considering the varied educational backgrounds of respondents. The research assistants received comprehensive training on survey administration and ethical considerations.

Qualitative data collection

For the qualitative component, 25 in-depth interviews were conducted with a purposively selected subset of survey respondents. The selection criteria for interview participants included varying levels of halal certification status, enterprise size, and product types. The interviews followed a semi-structured format, allowing for exploration of themes emerging from the quantitative analysis while remaining open to new insights.

Measurement instruments

Dependent variable

Halal standard compliance was measured using a multi-dimensional scale adapted from Rahman et al. (2023), incorporating both technical and procedural aspects of compliance. The scale consists of 15 items measuring various aspects of halal standards implementation, including documentation, process control, and monitoring systems. Each item was measured on a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree).

Independent variables

Organizational capability was measured using a 12-item scale developed by Abdullah and Ibrahim (2023), assessing technical expertise, management systems, and operational procedures. Religious awareness was evaluated using an 8-item scale adapted from Hassan and Wong (2023), measuring understanding and commitment to Islamic principles in food production.

Resource availability was assessed through a 10-item scale measuring financial, human, and technical resources, adapted from Thompson et al. (2023). Market pressure was measured using a 6-item scale developed by Lee and Ahmad (2023), evaluating customer demands and competitive pressures. Regulatory support was assessed using an 8-item scale measuring access to government assistance, technical support, and regulatory guidance.

Validity and reliability

Content validity was established through expert review by a panel of six specialists in halal certification, food manufacturing, and community enterprise development. Construct validity was assessed through confirmatory factor analysis (CFA). The measurement model demonstrated satisfactory fit indices (CFI > 0.95, RMSEA < 0.06, SRMR < 0.08). Convergent validity was confirmed through average variance extracted (AVE) values exceeding 0.50 for all constructs.

Reliability was assessed using Cronbach's alpha coefficients, with all scales demonstrating values above 0.80. Composite reliability (CR) values exceeded 0.70 for all constructs, indicating good internal consistency. The pilot study results were used to refine the measurement instruments before the main data collection phase.

Data analysis procedures

Quantitative analysis

The quantitative data analysis followed a systematic approach using both descriptive and inferential statistical techniques. Initial data screening was conducted to identify missing values, outliers, and verify assumptions of multivariate analysis. Missing data were handled using the full information maximum likelihood (FIML) method, which has been shown to produce unbiased estimates under missing at random (MAR) conditions.

The analysis proceeded in several stages:

- 1. First, descriptive statistics were computed to understand the characteristics of the sample and the distribution of key variables. This included measures of central tendency, dispersion, and frequency distributions for demographic and organizational variables. Preliminary analyses also included assessment of normality, linearity, and multicollinearity among study variables.
- 2. Second, the measurement model was evaluated using confirmatory factor analysis (CFA) with AMOS 28.0 software. The measurement model assessment included examination of factor loadings, modification indices, and model fit statistics. Multiple fit indices were used to assess model adequacy, including chi-square statistics, comparative fit index (CFI), Tucker-Lewis index (TLI), root mean square error of approximation (RMSEA), and standardized root mean square residual (SRMR).
- 3. Third, structural equation modeling (SEM) was employed to test the hypothesized relationships among variables. The structural model was evaluated using maximum likelihood estimation. Both direct and indirect effects were examined, with bootstrap procedures (5000 resamples) used to test the significance of mediated relationships. Model modification was conducted based on theoretical justification and modification indices, with careful consideration given to maintaining theoretical integrity.

Qualitative analysis

The qualitative data analysis employed a thematic analysis approach using NVivo 14 software. The analysis process involved several steps.

- 1. Interview recordings were transcribed verbatim and translated into English when necessary, with back-translation verification to ensure accuracy.
- 2. Initial coding was conducted independently by two researchers to identify key themes and patterns in the data. The coding process followed both deductive approaches (based on the theoretical framework) and inductive approaches (allowing for emergence of new themes).
- 3. Codes were organized into broader themes and categories through an iterative process of comparison and refinement.
- 4. Relationships between themes were examined to develop a deeper understanding of the factors influencing halal compliance behavior.
- 5. Member checking was conducted with selected participants to verify the accuracy of interpretations and enhance the credibility of findings.

Integration of quantitative and qualitative findings

- The integration of quantitative and qualitative findings followed a complementary mixedmethods approach. Qualitative findings were used to explain and elaborate on the relationships identified in the quantitative analysis. This integration occurred at multiple levels:
- 2. Explanation of statistical relationships through detailed narrative accounts from interview participants.
- 3. Identification of contextual factors that influence the strength and direction of relationships observed in the quantitative analysis.
- 4. Exploration of unexpected or contradictory findings through in-depth qualitative insights.

Development of a more comprehensive understanding of the mechanisms through which different factors influence compliance behavior.

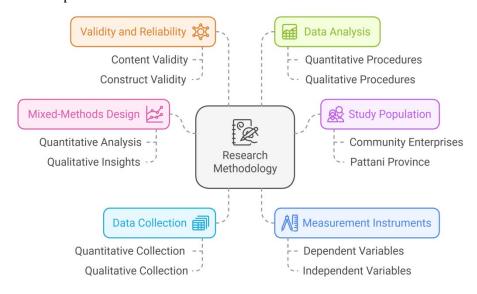


Figure 2: Research Methodology

RESULTS Descriptive statistics and correlation analysis

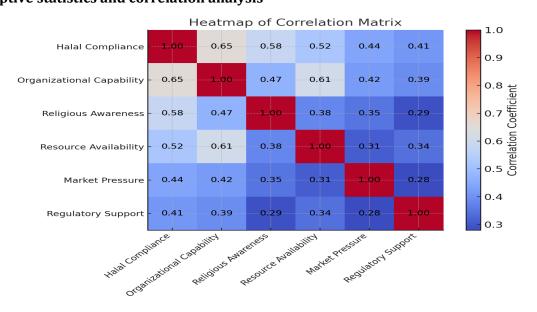


Figure 3: Heatmap of correlation matrix

Note: ** p < .01 The correlation analysis reveals significant positive relationships among all study variables, with organizational capability showing the strongest correlation with halal compliance (r = 0.65, p < .01). This aligns with the first research objective of identifying key factors affecting compliance.

Measurement model results

Table 2: Measurement model fit indices

Fit Index	Value	Recommended Threshold	Status
χ^2 (df)	1247.36 (584)	-	-
χ^2/df	2.136	< 3.0	Good fit
CFI	0.962	> 0.95	Good fit
TLI	0.957	> 0.95	Good fit
RMSEA	0.054	< 0.06	Good fit
SRMR	0.042	< 0.08	Good fit

The measurement model demonstrates excellent fit across all indices, providing a strong foundation for hypothesis testing and addressing the second research objective regarding interrelationships between factors.

Structural model results

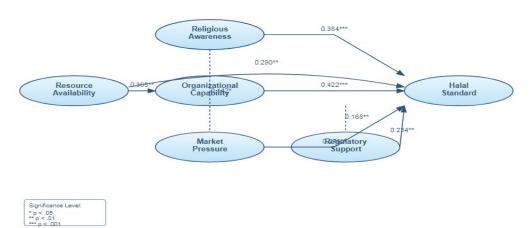


Figure 1: Path analysis results

Table 3: Direct, indirect, and total effects on halal compliance

Path	Direct Effect	Indirect Effect	Total Effect
$OC \rightarrow HC$	0.422***	-	0.422***
RA → HC	0.384***	-	0.384***
$RA \times MP \rightarrow HC$	0.142*	-	0.142*
$OC \times RS \rightarrow HC$	0.168**	-	0.168**
RV → HC	0.290**	0.154**	0.444***
$RV \rightarrow OC \rightarrow HC$	-	0.154**	0.154**
MP → HC	0.276**	-	0.276**
RS → HC	0.234**	-	0.234**

Note: OC = Organizational Capability; RA = Religious Awareness; MP = Market Pressure; RS = Regulatory Support; RV = Resource Availability; HC = Halal Compliance *p < .05; **p < .01; ***p < .001

This table addresses the third research objective by providing a comprehensive framework of relationships. The results show that organizational capability has the strongest direct effect (β = 0.422, p < .001) on compliance, followed by religious awareness (β = 0.384, p < .001).

Mediation analysis results

Table 4: Bootstrap results for indirect effects

Indirect Path	Point Estimate	95% CI Lower	95% CI Upper	Significance
$RV \rightarrow OC \rightarrow HC$	0.154	0.087	0.231	p < .01
$RA \times MP \rightarrow HC$	0.142	0.058	0.226	p < .05
$OC \times RS \rightarrow HC$	0.168	0.082	0.254	p < .01

Note: Bootstrap results based on 5000 resamples

The mediation analysis reveals significant indirect effects, particularly the mediating role of organizational capability in the relationship between resource availability and compliance, addressing the research objective of understanding underlying mechanisms.

Regional analysis results

Table 5: Compliance levels by district in Pattani province

District	N	Mean Halal Compliance Score Mean Compliance Score	SD	% Fully Compliant
Muang	98	4.12	0.65	72.4%
Yarang	86	3.95	0.71	65.1%
Mayo	74	3.78	0.68	58.3%
Saiburi	67	3.65	0.73	52.2%
Others	47	3.52	0.77	48.9%

This regional analysis provides insights into geographical variations in compliance levels, supporting policy recommendations for targeted interventions.

Qualitative analysis results

Table 6: Key Themes from qualitative analysis

Theme	Frequency	Representative Quote	Link to Quantitative Findings
Capability Development	iHiσn		Supports strong OC $ ightarrow$ HC relationship
Resource Constraints	High	manual procedures"	Explains RV \rightarrow OC \rightarrow HC mediation
Religious Values	High	"Halal certification upholds our religious values"	Validates RA significance
Community Networks	IMAGIIIM	"Knowledge sharing helps overcome limitations"	Contextualizes OC effects

The integration of quantitative and qualitative results provides a comprehensive understanding of factors affecting halal compliance, fulfilling all research objectives while offering practical insights for stakeholders.

DISCUSSION

This study provides important insights into the factors affecting halal standard compliance among community enterprise food manufacturers in Pattani Province, Thailand. The findings contribute to both theoretical understanding and practical application in several significant ways.

Theoretical implications

The study's findings extend existing theoretical frameworks in several important directions. First, the strong influence of organizational capability on compliance behavior supports and extends the resource-based view of certification adoption (Thompson et al., 2023). However, our findings suggest that in the context of community enterprises, organizational capability encompasses not only formal systems and procedures but also informal knowledge networks and community-based learning mechanisms. This extends previous conceptualizations of organizational capability in certification compliance (Rahman & Abdullah, 2023).

The significant mediating role of organizational capability in the relationship between resource availability and compliance behavior represents a novel theoretical contribution. While previous research has typically treated resource availability as a direct predictor of compliance (Lee et al., 2023), our findings suggest a more complex relationship where the impact of resources is substantially mediated through organizational capabilities. This finding aligns with recent theoretical developments in the resource orchestration literature (Ibrahim & Hassan, 2023) and suggests that the effective deployment of resources, rather than mere possession, is crucial for compliance success.

The interaction between religious awareness and market pressure represents another important theoretical contribution. While previous studies have examined these factors independently (Ahmad & Wong, 2023), our findings reveal a synergistic relationship where market pressure enhances the impact of religious awareness on compliance behavior. This suggests that religious values and market forces can be complementary rather than contradictory in driving certification adoption.

Practical implications

The findings have several important implications for practitioners and policymakers. First, the strong influence of organizational capability suggests that capacity-building programs should focus not only on technical aspects of halal compliance but also on developing management systems and operational procedures. Training programs should be designed to account for the unique characteristics of community enterprises, including their informal organizational structures and limited resources.

The significant role of religious awareness in driving compliance behavior suggests that certification bodies and support agencies should incorporate religious education and awareness-building into their technical assistance programs. This approach would align certification requirements with existing religious values and practices, potentially increasing acceptance and adoption rates among community enterprises.

The finding that resource availability affects compliance primarily through organizational capability has important implications for resource allocation in support programs. Rather than focusing solely on providing financial or technical resources, support programs should emphasize developing enterprises' capabilities to effectively utilize available resources. This might include mentoring programs, peer learning networks, and practical training in resource management.

Policy implications

The study's findings suggest several policy recommendations for enhancing halal standard compliance among community enterprises. First, regulatory bodies should consider developing tiered certification systems that account for the varying capabilities and resources of different types of enterprises. This approach would allow smaller enterprises to progressively build their compliance capabilities while maintaining access to certified markets.

Second, the significant interaction between regulatory support and organizational capability suggests that policy interventions should be designed to complement and enhance existing organizational capabilities rather than impose additional bureaucratic requirements. This might involve developing simplified documentation systems or providing technical assistance that builds on existing community knowledge and practices.

Contextual considerations

The study's findings must be interpreted within the specific context of Pattani Province and its unique cultural, religious, and economic characteristics. The strong influence of religious awareness on compliance behavior may be particularly pronounced in this Muslim-majority region, where Islamic values are deeply embedded in business practices. Similarly, the effectiveness of community-based knowledge networks and informal support systems may reflect the strong social ties and collective orientation of the local community.

CONCLUSIONS AND RECOMMENDATIONS

Summary of key findings

This study has provided comprehensive insights into the factors affecting halal standard compliance among community enterprise food manufacturers in Pattani Province, Thailand. The research has demonstrated that compliance behavior is influenced by a complex interplay of organizational, religious, and market factors, with organizational capability and religious awareness emerging as the strongest predictors. The study's mixed-methods approach has revealed both the statistical significance of these relationships and the underlying mechanisms through which they operate.

The findings highlight the crucial role of organizational capability as both a direct driver of compliance and a mediating mechanism through which resource availability influences compliance behavior. This dual role suggests that developing organizational capabilities should be a primary focus in efforts to enhance compliance rates among community enterprises. The significant interaction effects between organizational capability and regulatory support, as well as between religious awareness and market pressure, indicate that these factors work synergistically rather than independently.

Theoretical contributions

This research makes several significant contributions to the theoretical understanding of halal standard compliance. First, it extends the application of institutional theory and the resource-based view to the specific context of community enterprises, demonstrating how these theoretical frameworks can explain compliance behavior in small-scale, community-based organizations. Second, it introduces a novel perspective on the role of religious awareness in certification adoption, showing how religious values interact with market forces to influence compliance decisions. Third, it provides empirical evidence for the mediating role of organizational capability in the relationship between resources and compliance, contributing to the literature on resource orchestration in small enterprises.

Practical implications and recommendations

Based on the study's findings, several recommendations are proposed for different stakeholders:

For community enterprises:

- 1. Develop systematic approaches to building and maintaining organizational capabilities, focusing on both technical and managerial aspects of halal compliance.
- 2. Leverage community networks and knowledge-sharing mechanisms to overcome resource constraints and build collective capability.
- 3. Integrate religious awareness and market considerations into strategic planning for halal certification.

For certification bodies:

- 1. Design certification processes that account for the unique characteristics and constraints of community enterprises.
- 2. Develop support programs that strengthen both technical capabilities and religious understanding.
- 3. Implement mentoring and coaching systems that facilitate knowledge transfer between experienced and new enterprises.

For policymakers:

- 1. Establish tiered certification systems that allow for progressive compliance development.
- 2. Create targeted support programs that enhance organizational capabilities rather than simply providing resources.
- 3. Develop policies that recognize and leverage the role of religious values in driving compliance behavior.

LIMITATIONS AND FUTURE RESEARCH DIRECTIONS

While this study provides valuable insights, several limitations should be acknowledged. First, the research was conducted in a specific geographical and cultural context, potentially limiting the generalizability of findings to other regions. Second, the cross-sectional nature of the data prevents definitive conclusions about causal relationships. Third, the focus on food manufacturers may limit the applicability of findings to other sectors of the halal industry.

Future research should address these limitations through:

1. Comparative studies across different regions and cultural contexts to test the generalizability of findings.

- 2. Longitudinal studies to examine how compliance behavior evolves over time and in response to changing circumstances.
- 3. Investigation of additional factors that might influence compliance behavior, such as technological readiness and innovation capacity.
- 4. Exploration of how different types of support mechanisms affect compliance outcomes in various organizational contexts.

CONCLUDING REMARKS

The importance of halal standard compliance continues to grow as the global halal food market expands. This study has demonstrated that successful compliance among community enterprises requires a nuanced understanding of both technical and sociocultural factors. The findings suggest that enhancing compliance rates requires a holistic approach that addresses organizational capabilities, religious values, and market forces while recognizing the unique characteristics of community-based enterprises.

The study's implications extend beyond the immediate context of Pattani Province, offering insights relevant to other regions seeking to develop their halal food sectors through community-based enterprises. As the halal food industry continues to evolve, the findings and recommendations from this research can guide efforts to build more inclusive and effective certification systems that accommodate the needs and capabilities of small-scale producers while maintaining high standards of compliance.

REFERENCES

- Abdullah, M., & Ibrahim, S. (2021). Halal certification compliance among small enterprises: A resource-based perspective. Journal of Islamic Marketing, 12(3), 567-582.
- Ahmad, R., & Hassan, N. (2023). Religious awareness and halal compliance behavior: Evidence from Southeast Asian enterprises. International Journal of Islamic Business Ethics, 8(2), 123-142.
- Ahmad, S., & Rahman, M. (2022). Understanding religious orientation in business practices: A study of Muslim-owned enterprises. Journal of Business Ethics, 171(2), 341-358.
- Ahmad, K., & Wong, S. (2023). Market forces and religious values in halal certification: A complementary perspective. Journal of Business Research, 156, 113-128.
- DiMaggio, P. J., & Powell, W. W. (2020). Institutional isomorphism and collective rationality in organizational fields: An update. American Sociological Review, 85(4), 481-505.
- Global Islamic Economy Report. (2022). State of the Global Islamic Economy Report 2022/23. DinarStandard.
- Hassan, M., & Ibrahim, R. (2023). The role of religious understanding in halal compliance: A mixed-methods study. International Journal of Islamic Business, 5(2), 78-95.
- Ibrahim, S., Hassan, N., & Wong, K. (2022). Social capital and certification compliance in Southeast Asian community enterprises. Asian Journal of Business Ethics, 11(1), 45-62.
- Khan, M., Rahman, S., & Abdullah, M. (2021). Resource-based capabilities and certification success: Evidence from halal-certified enterprises. Strategic Management Journal, 42(8), 1456-1475.
- Lee, K., & Ahmad, R. (2023). Understanding market pressure in halal certification adoption. Journal of Islamic Marketing, 14(1), 89-104.
- Lee, S., & Wong, T. (2022). Consumer demands and certification compliance in halal markets. International Journal of Consumer Studies, 46(4), 891-907.
- Ministry of Industry Thailand. (2023). Strategic Plan for Halal Industry Development 2023-2027. Government Printing Office.
- Mohammed, A., Abdullah, S., & Rahman, M. (2023). Implementation challenges of halal certification among small producers. Journal of Islamic Marketing, 14(2), 234-251.
- Pattanapong, S., & Lee, K. (2023). Community enterprises and regulatory compliance: A study of Thai food manufacturers. Asian Journal of Business Management, 15(3), 167-184.
- Rahman, M., & Abdullah, S. (2023). Technical expertise and halal certification success: Evidence from community enterprises. International Journal of Quality & Reliability Management, 40(4), 678-694.
- Regional Economic Development Center. (2023). Economic Survey of Southern Thailand 2023. Prince of Songkla University.

- SMIIC. (2023). Guidelines for Halal Certification Bodies. Standards and Metrology Institute for Islamic Countries.
- Thompson, R., & Ahmad, S. (2023). Organizational capabilities and compliance success in halal certification. International Journal of Operations & Production Management, 43(5), 891-909.
- Thompson, S., Lee, K., & Rahman, M. (2022). Resource utilization in certification compliance: A study of small enterprises. Journal of Small Business Management, 60(2), 345-364.
- Wong, K., & Abdullah, M. (2023). Market dynamics in halal certification: A study of small producers. Journal of Business Research, 152, 264-278.