

FACTORS THAT DETERMINE DONORS INTENTION TO ENDOW CASH WAQF FOR MICROENTERPRISES IN MALAYSIA

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In the modern era, the waqf concept has become more sophisticated and comprehensive and through it, many financial products and social programs have been developed, for instance, cash waqf and some security papers such as *Shares-Waqf*, *Sukuk-Waqf*, etc. Therefore, cash waqf can also be used in microenterprises to efficiently channel funds (interest free-funds) to microenterprises to alleviate poverty and decrease unemployment. Recently, several products for cash waqf in microenterprises have been established, but they could not reach their targets since they need a significant contribution from Muslims in the society. Thus, lacuna exists to assess the intention of donors towards cash waqf for microenterprises empirically. Therefore, this paper aims to determine the factors influencing the intention to endow cash waqf for microenterprises based on four variables namely, the concept of cash waqf, trust, religiosity motivation, and social culture.

The survey method was carried out on 200 respondents in Kuala Lumpur, Malaysia. Factor analysis and multiple regression were used to estimate the relationship between variables. The results indicated that the concept of cash waqf, trust, and social culture have a significant relationship with the intention to endow CWME. Hence, practitioners can emphasize on the three factors in their marketing efforts to promote CWME. Academicians may also benefit by conducting more research in this area of knowledge.

Keywords: Cash waqf, Microenterprises, Trust, Religiosity Motivation, Social Culture

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MALEZYA'DAKİ MİKRO ŞİRKETLERİN PARA-VAKFINA BAĞIŞTA BULUNMA NİYETİNİ ETKİLEYEN FAKTÖRLER

ÖZ

Modern dönemde, vakıf kavramı daha sofistike ve kapsamlı hale gelmiştir. Bu sayede birçok finansal ürün ve sosyal programlar geliştirilmiştir. Bunlara para vakfı, hisse senetleri ve Sukuk-vakıf gibi bazı menkul kıymetler örnek olarak verilebilir. Bu nedenle, para vakfı aynı zamanda mikro girişimlerdeki yoksulluğu ve işsizliği azaltmak ve fonları (faizsiz) verimli bir şekilde kullanmak için de kullanılabilir. Son zamanlarda, mikro-şirketlerde para vakfı için birçok ürün uygulamaya konulmuştur Ancak bu uygulamalar Malezya toplumunda Müslümanlardan önemli ölçüde desteğe ihtiyaç duyulduğu ve bu destek kısıtlı kaldığı için hedeflerine ulaşamadılar. Bu nedenle, donörlerin (bağışçıların) mikro-şirketlerin para vakıflarına yönelik niyetlerini ampirik olarak değerlendirmek amacıyla ortaya çıkan bir eksiklik vardır. Dolayısıyla, bu çalışma, mikro-şirketlerin para vakfına bağışta bulunma niyetini etkileyen faktörleri belirlemeyi amaçlamaktadır. Bu faktörler para vakfı kavramı, güven, dini motivasyon ve sosyal kültürdür.

Çalışmanın metodu, Malezya'nın başkenti olan Kuala Lumpur'daki 200 kişinin verdiği cevaplar üzerinden ile yürütülmüştür. Faktör analizi ve çoklu regresyon, değişkenler arasındaki ilişkiyi tahmin etmek için kullanılmıştır. Sonuç olarak denilebilir ki, para vakfı kavramının, güven ve sosyal kültürün mikro-şirketlerin para vakfına bağışta bulunma niyetiyle önemli bir ilişkisi vardır. Buna binaen, uygulayıcıların mikro-şirketlerinin para vakfının bilinirliğini sağlamak için yaptıkları tanıtım çalışmalarında üç faktörü vurgulayabilirler. Aynı şekilde akademisyenler ve araştırmacılar da bu çerçevede daha fazla araştırma yaparak fayda sağlayabilirler.

Anahtar kelimeler: *Nakit-Vakıf, Mikro şirketleri, Güven, Dini Motivasyon, Sosyal Kültür*

INTRODUCTION

Cash waqf is an essential tool to develop the Islamic economic system. Waqf and cash waqf also play a crucial role in socio-economic development (Adeyemi & Ismail, 2016). Thus, cash waqf is a movable endowment, where money is donated as a waqf, and then the profit generated is distributed to beneficiaries while preserving the principle amount. Over the years, a majority of Muslims have misconceptions about waqf. Waqf is considered to be only in the form of just land and building and those who do not have such assets cannot perform waqf. This misunderstanding has resulted in a decrease in waqf contributions in the Muslim society and perpetuated the lack of awareness to other forms of waqf. This misunderstanding was also seen in historical process, especially in Ottomans (Bulut & Korkut, 2016, pp. 24-25).

Cash waqf for microenterprises (CWME) is a somewhat new phenomenon and most Muslims do not fully understand it. Few Malaysian Muslims know that waqf and cash waqf are beneficial to the society in different ways. The level of awareness on cash waqf among Malaysian Muslims is still low. Indeed, the product will not develop and play its expected role and may lead to reduce the intention to endow enough cash waqf for microenterprises (Adeyemi & Ismail, 2016). Therefore, this study aims to examine the four factors that determine the intention to endow CWME namely, concept of cash waqf, trust, religiosity motivation, and social culture.

The main parts of this paper will be organized as follows; the next section reviews the factors that determine donors intention to endow CWME with a clearer explanation of *Maqasid Al-Shari'ah* that can be achieved by the cash waqf for microenterprises product, then followed by the sections on research methodology, results, the discussion and ending with the conclusion and suggestions.

CASH WAQF FOR MICROENTERPRISES: CONCEPTS AND ISSUES

According to Kahf (2016), waqf means confinement of an asset and use its benefits to philanthropy that pre-determined and it prohibits all kinds of actions that lead to depletion or the end of the confined asset, such as selling, gifting or illegal transfer. Therefore, the waqf could be a movable asset or unmovable asset. Cash waqf is classified as a movable asset, and it consists of cash in circulation among people (Osman, Htay, & Muhammad, 2012). To develop an Islamic economic system, cash waqf is an essential tool

(Ridhwan, Aziz, & Ahmad, 2015). Waqf and cash waqf play a crucial role in socio-economic development. According to Adeyemi & Ismail (2016), for many years great number of Muslims have preconceived notions on waqf as cash waqf is considered as just land and building and those who do not have such assets cannot perform waqf. As a result, this misunderstanding has diminished waqf contributions from Muslims and therefore affected intention to endow.

The conventional financial system is based on interest and cost of financing is relatively high, due to the prohibitive cost of processing and collateral system Thus start-up or small businesses cannot afford these costs and access to banking services or access to finance due to a complex process and high collaterals (Obaidullah & Islamic, 2008). According to Rahim & Rahman (2007), the microenterprises refer to a program that extends small loans to very poor people for self-employment projects that generate income in allowing them to take care of themselves and their families. Ahmed (2002) demonstrates that most microenterprises products are non-Islamic and are interest-based. This is prohibited in Islam and Muslims cannot take advantage because of this issue. Therefore, we recommend *cash waqf* (Islamic Product) for microenterprises

Cash waqf for micro enterprises quite a new phenomenon and majority of Muslims do not understand or are not aware of its concept. According to Adeyemi & Ismail, (2016) few Malaysian Muslims know that waqf and cash waqf can help and assist everyone through its various applications. The awareness level on cash waqf among the general public in Malaysia is low, stagnant and lagging. There will be no development in cash waqf unless Muslims understand and embraces its concept. Therefore, this study will first examine the awareness level of Cash waqf.

CASH WAQF FOR MICROENTERPRISES AND MAQASID AL-SHARIA

According to Nurdeng Deuraseh, (2012), *Maqasid Al-Shari'ah* is the noticeable meanings in the provisions of the Sharia and its consequent, whether those meanings of partial or total interests (Maslaha) fulfil the one goal which is the worship of Allah and the interest of human in this world and the Hereafter. Maqasid Al-Shari'ah is divided into two core sections, namely *Maqasid A'am* (general purpose) which aims to achieve the interests (Maslaha) of all creatures in this world and the Hereafter, in addition to *Maqasid Khas*

(special purpose) which refers to the aims that the Shariah seeks to achieve in a special field of life, such as economic activities, political issues, social life, etc. through detailed provisions that are licit for each separate field. In terms of importance, the scholars have ranked people's interests (Maslaha) on three main levels, *Daruriyyat* (necessities or essentials), *Hajiyyat* (wedges or needs), and *Tahsiniiyyat* or improvements (Abdullah, 2018).

Shariah has five basic holistic (*Kulliiyyat*) purposes. The *ulama* (Islamic scholars) agreed that the most important thing which leads to the reform of the human condition is to keep up the five holistic purposes (*Kulliiyyat*), which are (religion, life, intellect or mind, posterity, and wealth). Thus, the law of Islam (*Shariah*) came in strict provisions to preserve these five necessities, both in terms of existence, as they began to achieve their existence in society, and in terms of survival and continuity of development and protection from the causes of corruption and disappearance (Roshayani, Norzaihan, Sharina, & Ahmed, 2018).

As one of the five basic holistic purposes of the *Shariah* is preservation of religion (*Hifzu'd-din*) is a necessity in human existence, according to the Holy Quran, "Therefore set your face to the religion purely, the upright creation upon which He originated people. There is no changing of the creation of Allah. This is a valuable religion, although most people do not know" The Romans /Ar-Rum (30.30). In the preservation of Life (*Hifzu'n-Nafs*), Islam has given several meanings in its different provisions to preserve people's life while intellect (*Hifzu'l-Aql*) has immense importance in Islam. It gives the human honor of humanity, so to saving it from all harms and filling it with science and knowledge is one of the purposes of Islamic law. Preservation of posterity (*Hifzu'n-Nasl*) intended to keep up the humankind on the ground through reproduction to ensure the continuity of human march on the earth even Allah dissolve the world and inherits the earth and all which live on it. The last one is the preservation of wealth (*Hifzu'l-Mal*), as a fact, Islam always with the natural tendencies of the human, as regarded money as a necessity of human life.

As a fact, *Shari'ah* allows individual ownership and at the same time institutes systems and measures to address the harmful effects which lead to loss social equilibrium, like the circulation of money among a few people in society. So, one of the systems that was developed to solve this problem was Zakat, inheritance (*Mirath*), waqf, *sadaqah* and so on. (Arshad, Zain, Urus, & Chakir, 2018).

Consequently, the inclusion of cash waqf product in micro enterprises will play the main role in giving cash to micro enterprises institutions and thus achieve their aims of providing financial and humanitarian services to low-income and poor people in the society. This, therefore, contributes to the protection of the human life (*Hifzu'n-Nafs*) which is considered as a *Shari'ah* objective. This product will also attract money from those who have a surplus in their income and turn it to those have deficit through donations and humanitarian aid, and this will participate to keeping wealth and its circulation among people rather than hoarding, and this enters in the heart of the last point of *Maqasid Al-Shari'ah* which is *Hifzu'l-Mal* (Roshayani et al., 2018).

HYPOTHESIS DEVELOPMENT

This study was conducted to determine the factors that determine donors' intention to endow cash waqf for micro enterprises based on four variables including the concept of cash waqf, religiosity motivation, trust and social culture.

Concept of Cash Waqf

According to Dahlia & Haslindar, (2013), there is a lot of evidence from hadiths that waqf can be used by using cash or money which is permissible in Islam. Cash waqf can be defined as the contributions of an amount of money by a Muslim and the declarations of dedications for its usufruct in perpetually for the prescribed purpose (Ismail Abdel Mohsin, 2013). Cash waqf was as started during Prophet (pbuh), and his companions was reputed to contribute their farmland as Waqf which would be used for development purpose and the revenue generate from it would be only used for the development of the society.

Hence, the first proposed hypothesis is:

H1: The greater perceptions towards the concept of cash waqf, the greater the intention to endow CWME.

Trust

According to Gounaris (2005) trust is defined as a desire to depend on an exchange partner who has confidence. Trust is needed when individuals' opinions become weak and unsure of the outcome of their decision toward

various financial transactions. Shukor (2017), stated that it is important to have an ability to reduce individual uncertainty for innovations. Cash waqf in Malaysia attempts often feel doubtful about the waqf distributions because there is insufficient information from waqf institution (Shukor et al., 2017). This feeling and uncertainty are expected to affect the individual's attitude towards contribution in the cash waqf.

Thus, the second proposed hypothesis is:

H2. The greater trust on cash waqf institutions, the greater on the intention to endow CWME.

Religiosity Motivation

According to Worthington et al., (2003) religiosity is defined as the degree to which a person is committed to the values and beliefs of the religious practices used in their daily lives. Islam motivates its followers to do noble deeds and guides the actions of both believers and followers in good relationship with Allah as well as with other human beings. Furthermore, the contribution to waqf is an honorable behavior to help the *Ummah*¹ as well as to achieve the obligation for the religion and to get rewards or Ajr from Allah (Pitchay, Meera, & Saleem, 2015). In the study performed by Shukor (2017), it was found that religiosity and the behavioral intentions of young intellectuals to make waqf contributions has a significant impact.

Therefore, the third proposed hypothesis is:

H3. The stronger religiosity obligation towards cash waqf, the greater the intention to endow CWME.

Social cultural

Community participation is to ensure effective participation in our societies. Cash waqf is a religious based product and the community gets support from the residential areas surrounding the mosque. The mosque can than distribute information to the Muslim community to create awareness and attract them to the mosque to take part in cash waqf. Adeyemi, Ismail, &

1 Muslim community. A fundamental concept in Islam, expressing the essential unity and theoretical equality of Muslims from diverse cultural and geographical settings. In the Quran, designates people to whom God has sent a prophet or people who are objects of a divine plan of salvation. (Oxford Islamic Studies Online).

Hassan, (2016) said that previous studies mentioned that in Selangor the social culture towards awareness of microenterprises has made significant impact. In addition, their study also found the effects of cultural norms and social attitude on the acceptance of donation in organ in China. Other studies have also confirmed a significant positive relationship between individual attention to give charity and social influences (Adeyemi & Ismail, 2016).

Therefore, the final hypothesis that will be tested is:

H4. The stronger the social cultural norms about cash waqf, the greater on the intention to endow CWME.

The relationship amongst the variables can be seen from the research model in Figure 1 bellow.

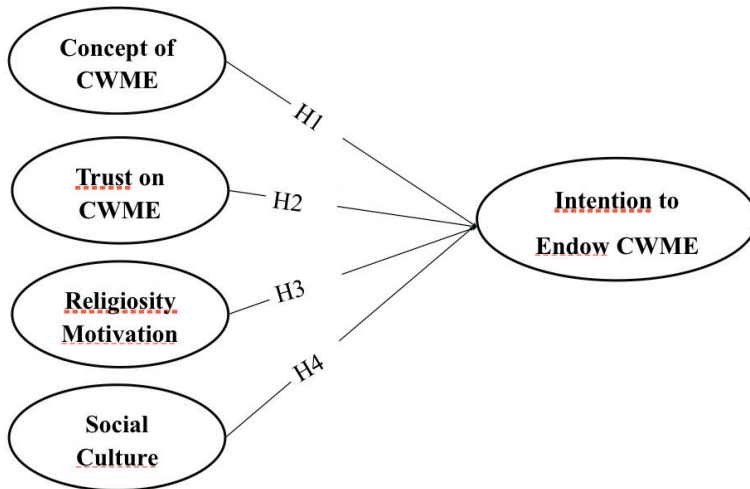


Figure 1: Research Model (Framework)

METHOD AND DATA COLLECTION

The study is exploratory in nature. The scope of the entire Muslim population of the Malaysia. The study was based on primary data collected through a designed questionnaire that included two parts; demographic and study construct. The study adopted the five Likert scale ranging from strongly disagree to strongly agree in order to investigate the factors that

determine the awareness level of Malaysian Muslims toward cash waqf and affect their intention to donate cash waqf for micro enterprises. The questionnaire included five variables to measure factors influencing the awareness level of Malaysian Muslims and their intention to endow cash waqf for micro enterprises. At least 200 sample were surveyed, 100 of them were surveyed by face-to-face method and the remaining were surveyed using internet. To represent the entire Malaysian Muslim's awareness level these questionnaires were distributed to higher education degree holding students, staffs in different administrations, professionals in companies, academicians, and others.

Sampling Method

The primary data was collected using heterogeneous purposive sampling method. This sampling method can also be called judgmental method where a participant is required to answer specific questions in the questionnaires. There are many reasons why the sampling method was selected. One reason is due to the fact that cash waqf is mostly relevant to Muslims and can assess the products of Islamic finance better. Thus, Muslims, in the Klang Valley, were chosen to be respondents of this study in order to provide more reliable information about cash waqf practices in this Malaysia.

Sampling Size

Sample size is very essential to provide a good result of the study. According to Sekaran (2003), population should be presented by sample size in a way where no narrow margin of error can occur. Additionally, Joseph F., Black, Babin, & Anderson (2009), for factor analysis, the ration of sample size and items in questionnaire should be 1 to 5 (5 times more than items in the questionnaire), thus, items in the questionnaire are 25, which means for factor analysis 125 sample size is enough. Whereas multiple regression as stated by Wei (2010) required 104 valid responses plus independent variables which means that the study need 109 sample size for multiple regression. However, this study collected 200 valid questionnaires, 100 of them were surveyed by distributing hard copy questionnaires, and the remaining were surveyed using online survey. The sample-size was enough to apply the above tests. But the results may not be enough to generalize to whole Muslims in Malaysia.

In order to know the validation of collected data for analysis, factor analysis and Kaiser-Mayer-Olkin (KMO) and Bartlett's Test of Sphericity were conducted. Additionally, *Cronbach Alpha* (α) and Intercorrelations of variables methods were used to estimate the reliability or internal consistency of the studied variables, and *multiple regression analysis* was also used to test the four hypotheses to identify their statistical significances by using SPSS software.

FINDINGS

Profile of Respondents

As depicted in the Table 1. 67.8 percent of the respondents were males and 32.2 percent were females. Almost 87.9 percent of the participants were less than 40 years and 12 percent of them were above 40 years old. In terms of the respondents' income, the majority (61.8%) of the respondents earned below RM3000 and 19.1 percent of them earned a monthly salary of between RM3000-RM5000 and 11.6 percent had earnings ranging between RM 10001 and above.

Regarding the respondents' educational background, a majority of the respondents have at least degree and master in terms of level of education and 16 percent of the respondents had SPM/STPM or equivalent while 9.5 percent of them had PhD. Almost 63.7 percent of respondents had formal Islamic education level from Islamic High School and Islamic University, whereas 6 percent of them did not have any Islamic Education background. Almost 57.3 of the respondents were single while 35.2 percent of them were married. Furthermore, the majority of the respondents (65.8 percent) were students and 9.5 and 7.5 percent of them were academicians and professionals / managers respectively. Most of the respondents (78.9 percent) lived in the cities whereas 21.1 percent of them lived in rural area.

Table 1: Profile of Respondents

Demographic	Information	Frequency	Percentage
Gender	Male	135	67.8
	Female	64	32.2
Age	Below 20	4	2.00
	20-30	125	62.8
	30-40	46	23.1
	40-50	15	7.50
	50-60	7	3.50
	61 and Above	2	1.00
Marital Status	Single	114	57.3
	Married	70	35.2
	Divorced	15	7.5
Education	SPM or equivalent	16	8.00
	STPM or equivalent	16	8.00
	Bachelor's degree	61	30.7
	Master's degree	87	43.7
	Ph.D.	19	9.50
Islamic Education	Islamic High School	93	46.7
	Islamic University	34	17.0
	Personal effort	60	30.2
	None	12	6.00
Income	Below RM 3000	123	61.8
	RM 3000-5000	38	19.1
	RM 5001-10000	15	7.50
	RM 10001 and above	23	11.6
Occupation	Academician	19	9.50
	Professional / Management	15	7.50
	Staff	27	13.6
	Student	131	65.8
	Housewife	2	1.00
	Others	5	2.50
Location	Urban	157	78.9
	Rural	42	21.1

Goodness of Measures

To determine the reliability and validity of the measure used in this study, we applied factor analysis and calculated the value of Cronbach’s alpha. Factor analysis would prove the validity of the measures while Cronbach α was used to assess reliability by examining the inter-item consistency.

For factor analysis, we believe that the five chosen factors – concept, trust, religiosity, intention and socio-culture– are “orthogonal” which means it is expected that they are distinct factors. Therefore, we implemented factor analysis with Varimax rotation to test for the uniqueness of the five variables. After the examination of the rotated solution, cross-loadings items, and items below cut-off point 0.5 were deleted. This process resulted in the dropping of 7 items out of 25 in order to achieve validity of data and reliable result.

The results in Table 2 confirmed a five-factor solution. Additionally, 67.101 percent of the total variances were used to explain the whole variance. There was enough inter-correlation as the KMO measure of sampling adequacy was 0.766 (a value of greater than 0.6 is a good measure). The Bartlett’s test of Sphericity was significant ($p < 0.01$) with an approximate Chi-Square of 1470.999.

Table 2: KMO and Bartlett’s Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.766
Bartlett’s Test of Sphericity	Approx. Chi-Square	1470.999
	df	153
	Sig.	0.000

The results of factor analysis are shown in Table 3 which confirm that each of the related items is loaded into its intended factors and that factors are distinct.

Table 3: Factor Analysis

Items	Variables				
	Concept	Trust	Religiosity	Intention	Socio-Culture
I am familiar with the different causes of types of micro finance Cash-waqf institutions.	0.842				
I know significant information about Cash-Waqf for microenterprises.	0.785				
I know what kind of activities Cash- waqf institution employ	0.770				
I heard about a Cash-Waqf for microenterprises product from my relatives, co-workers, or friends	0.746				
I do not have any idea about Cash-Waqf for microenterprises products.	0.686				
I trust that Cash-waqf institution do their best to help beneficiaries.		0.857			
I do not trust much in Cash-Waqf institutions. Their programs are not clear as enough.		0.824			
The process of collecting funds of Cash waqf institutions is trustworthy.		0.814			
The waqf institutions' behavior fully meets my expectations.		0.796			
I totally trusting Cash-waqf institutions.		0.727			
I agree that donating to at least one waqf institution is a noble act.			0.813		
I have a religious/a moral obligation to endow Cash-Waqf for microenterprises			0.725		
I contribute to endow cash waqf to please Allah only.			0.689		
Donating money conforms to my personal principles			0.624		
I will endow Cash-Waqf for microenterprises				0.780	

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Increasing unemployment rate enhance me to endow Cash-Waqf					0.814
I have known about Cash-Waqf from Masjid/Musola, my co-workers, or friends.					0.735
The poverty in society enhance me to endow Cash-waqf.					0.715
Eigenvalue	4.698	2.776	1.816	1.643	1.144
Percentage of variance	15.990	15.794	13.921	10.765	10.631
Cumulative (%)	15.990	31.784	45.705	56.470	67.101

Table 4 shows reliability coefficients for the studied variables as well as their mean and standard deviation. The reliability of values drawn by the value of Cronbach α were all above 0.7 except for the variable “Intention to Endow”. Nunnally (1978) suggested that score reliability of .70 or better is acceptable when used in basic social science research. The value of 0.696 for “Intention to Endow” was too close to 0.7. Thus far, the study results are in the acceptable range. Moreover, the results of multiple regression analysis later would demonstrate that the variable was significant also. Finally, the standard deviation presented is considered small with values ranging from 0.68 to 0.75.

Table 4: Cronbach Alpha, Mean, and Standard Deviation

Variables	Number of Items	Cronbach α	Mean	SD
Intention to Endow	5	0.696	3.57	0.73
Concept of CWME	5	0.849	3.28	0.75
Trust on CWME	5	0.842	3.39	0.68
Religiosity Motivation	5	0.741	3.88	0.68
Social Cultural	5	0.709	3.84	0.68

Table 5 illustrates the inter-correlations amongst the main variables as well as with the norm “Intention to Endow CWME”. It can be seen that the existing predictive validity, as the inter-correlation of key variables with “Intention to Endow CWME” are significant since the p-value is less than the significance level $p < \alpha$, ($0.000 < 0.01$) which showed by the one asterisk. The *discrimination validity* was also set up to check the variance and correlation between the independent variables; they were neither perfectly correlated nor correlated at all.

Table 5: Inter-Correlations of Key Variables

Variables	Intention to Endow	Concept of CWME	Trust on CWME	Religiosity Motivation	Social Cultural
Intention to Endow	1.000				
Concept of CWME	0.530***	1.000			
Trust on CWME	0.420***	0.490***	1.000		
Religiosity Motivation	0.371***	0.368***	0.236***	1.000	
Social Cultural	0.447***	0.372***	0.277***	0.428***	1.000

Correlation Matrix

*** Correlation is significant at the 0.01 level, ($p > 0.01$)

Hypotheses Testing

The multiple regression analysis was used to test the four hypotheses. The result shown in Table 6 for the standardized β coefficient for variable “Religiosity Motivation” was not significant ($p > 0.001$) and for this reason, it should have been excluded from the multiple regression equation when we were looking for the significant level of 0.01. The value of R2 was 0.387 implying that 38.7% of the variation in “Intention to Endow CWME” can be explained by the three variables (“Concept of CWME”, “Trust on CWME”,

and “Social Cultural” as “Religiosity Motivation” omitted). Moreover, the F-value of 30.661 was significant with 99% confidence ($p > 0.01$).

Concept of CWME was positively related to Intention to “Endow CWME” ($\beta=0.317, p > 0.01$) and so was “Trust on CWME” ($\beta=0.173, p > 0.01$), followed by “Social Cultural” ($\beta=0.233, p > 0.01$) and “Religiosity Motivation” ($\beta=0.114, p < 0.01$). Therefore, H1, H2, and H4 in this study are fully supported while the H3 is rejected $\alpha=0.01$. H3 will supplementary examined by scrutinizing its related descriptive statistics. As for H1, H2, and H4, a closer look at their beta values show that cash waqf for MF concept, trust, and social cultural were somewhat stronger factors in influencing the intention to endow CWME compared to religiosity motivation.

Ultimately, the potential multicollinearity issues were checked, indicating that the value of Variance Inflation Factor (VIF) was less than 5 (i.e. 1.490 as greater value). Thus, the evaluation shows that there are no multicollinearity problems and the need for regression analysis to find more accurate results is greatly required. Therefore, going ahead with hypotheses testing through multiple regression analysis is highly recommended.

Table 6: Multiple Regression Analysis

Variables	Standardized β	p-value	VIF
Concept of CWME	0.317***	0.000	1.498
Trust on CWME	0.173***	0.008	1.336
Religiosity Motivation	0.114*	0.077	1.306
Social Cultural	0.233***	0.000	1.322
R2	0.387		
Adjusted R2	0.375		
Correlation Matrix:			
***Correlation is significant at the 0.01 level ($p > 0.001$)			
*Correlation is significant at the 0.1 level ($p > 0.01$)			

Therefore, the regression equation could be illustrated as follow:

Intention to Endow CWME= a + (0.317) Concept of CWME (0.173) Trust on CWME (0.114) Religiosity Motivation (0.233) Socio-Culture of CWME

Descriptive Statistics

As the H3 hypothesis, that religiosity motivation positively impacted the intention to endow cash waqf for micro enterprise, but was rejected by regression analysis results. The descriptive statistics was provided to examine all five items (questions) which included under parent variable “Religiosity Motivation” to check their individual loadings. Table 7 shows that a majority of the respondents agreed to cash waqf for microenterprises. That could be explained by the fact that the respondents are Islamically educated and have a high awareness level towards cash waqf, and they are looking for further information like transparency, efficiency, and other factors that will influence their intension to endow cash waqf for micro enterprises.

Table 7: Descriptive Analysis (Religiosity Motivation)

Item/ Statistics	Strongly Disagree (%)	Disagree (%)	Neutral (%)	Agree (%)	Strongly Agree (%)	Mean	SD
I have a religious/a moral obligation to endow Cash-Waqf for microenterprises	1.5	4.5	22.6	46.2	25.1	3.89	0.886
I agree that donating to at least one Waqf institution is a noble act.	4.0	1.0	15.6	44.7	34.7	4.05	0.952
Lack of donation to cash-Waqf for microenterprises institutions do not fulfill religious/moral obligations.	6.0	9.0	36.2	34.2	14.6	3.42	1.041

I contribute to endow cash Waqf to please Allah only.	4.5	3.5	27.6	36.2	28.1	3.80	1.035
Donating money conforms to my personal principles	4.5	5.	20.1	48.7	21.6	3.78	0.991

DISCUSSION, CONCLUSION AND LIMITATIONS

The results of the hypotheses affirm that the concept of CWME and social cultural play a key role in gaining the confidence of clients towards executing institutions and influencing the decision to donate for CWME. Similarly, trust on CWME programs provided by institutions has a positive impact on behavioral intention of customers to donate for cash waqf for microenterprises. All earlier variables were significant at $\alpha=0.01$, while religiosity motivation variable was insignificant. This shows that even though respondents may have a good academic background, when it comes to choosing products, they rely on other variables that are economically efficient, and not just by being religiously motivated. Further research needs to address the *Shariah*-related issues since the findings of the study pointed out that the CWME product is compatible with the purposes of *Maqasid Al-Sharia*. It preserves money and contributes to the distribution of wealth among people. It also leads to the improvement in the situation of low-income and poor people.

The results in Table 6 above indicate that the religious motivation to use cash waqf is statistically not significant at alpha equal 0.01 05 0.05 (p-value 0.077). Thus, the researchers were able to reject the null hypothesis at that level. The results are in line with similar previous studies (Sudin, Norafifah, & Planisek, 1994; Sakti, Bin Mohd Thas Thaker, Qoyum, & Qizam, 2016) yet everybody in the society can contribute to cash waqf. The importance of cash waqf is getting popular as it has benefited in many ways, for example it can be used to develop assets and abandoned land for business and agricultural purposes. In addition, cash waqf also can be utilized to help institutions who are facing financial problem or liquidity issues. Nonetheless, rarely we found in the literature that empirically examines the cash waqf determinants and contributions. This paper is one of the few empirical studies that investigate the determinants

towards the contribution of cash waqf in Malaysia. The purpose of this paper is to investigate the main factors that influence people towards the contribution of cash waqf instruments, special reference to the Klang Valley and Selangor. This paper employs structural equation modeling (SEM) which concluded that there are other factors that customers usually take into consideration apart from the religious factor when it comes to decision-making. Thus, even though it is important for waqf institutions to provide religious awareness to the public on the significance of waqf, they should not underestimate the role of other notable factors such as trust and social culture. This can be done using mass media such as television, radio, and newspapers to provide religious discussions and more transparent programs on the cash waqf.

As a fact, and interestingly, the concept of CWME indicator has far outpaced the social cultural and trust factors (standardized β of 0.317 vs. 0.233 and 0.173) although all are decisive determinants in influencing the decision to endow cash waqf for micro enterprises. The dominance of concept of cash waqf construct is also reinforced by the fact that 63.7 percent of respondents had formal Islamic education level from Islamic High School and Islamic University, and 53.2 percent of them had a postgraduate level (Master, Ph.D.)

Hence, the micro enterprises institutions should continue researching for ways to better offer to customers. Concept, trust, and social culture are relatively overlapping variables. An improve concept towards cash waqf product can be enhanced through social cultural activities, such as in the mosques, social events, forums, etc. Trust can be built by means providing high transparency, like giving donors clear reports showing money usage and program implementation. It is also good to take the views of donors in some programs and give them chance to take part in some activities as possible. All these combined factors will generate more desire to donate CWME.

CONCLUSION

In short, this paper introduces cash waqf (interest-free product) to micro enterprises to mitigate risk. In order to promote cash waqf Malaysian Muslims should have the intention to donate Cash waqf to alleviate poverty. Unfortunately, various research have proved that the awareness level about cash waqf for micro enterprises is low, which resulted in the lack of intention in Malaysian Muslims. Therefore, this study determines factors influencing the intention to endow cash waqf, such as “concept, trust, religiosity and

socio-culture. The results indicated that the mentioned factors bear a significant relationship with the awareness level and intention of Muslims.

This study only tested donors from the banking and microenterprises sectors. Therefore, the study emphasizes the need for further research in similar sectors as well as the consumers of micro enterprises in order to promote Cash waqf to alleviate poverty and prevent attempts to replace Islamic banking products with interest-based ones.

Study Limitations

The study was conducted within the region of the Klang Valley, Malaysia to investigate the intention of individual Malaysian Muslims towards cash waqf donation for micro enterprises in Malaysia. Therefore, the results of the study could be generalized to the Muslims in the study area, considering the limited sample. However, studies conducted in other regions in Malaysia or overseas could result in relatively different results.

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