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Assessment on the Willingness among Public in Contributing For Social Islamic *Waqf* Bank for Education

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ABSTRACT

Education has been part of the human society from the very beginning. Human societies throughout the ages have had vested interests in education. While most societies will agree or acknowledge the importance of education, a large number of them fail to channel sufficient resources that can be used to promote and support educational institutions and activities. Meanwhile, as an institution, *waqf* has a direct effect to enhance the capabilities of the poor to take care of themselves by providing access to education, health and physical facilities. Hence, the institution of *waqf* can be effectively accommodates to the issue of financing for education in its new and comprehensive approach. Thus, the main objective of this article is to assess the willingness of public in contributing for social Islamic *waqf* bank for financing the education. The methodology of this research is a quantitative research towards 231 respondents among Muslim public in Malaysia. The general finding of this article shows that there is a strong willingness among public to contribute for this institution for the financing of education.

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INTRODUCTION

Many Muslim did not get chance to participate in *waqf* endowment because there is a wrong perception among Muslims that there may be *waqf* endowment through only land not in cash. They believe land can fulfill the three conditions of *waqf* such as perpetuity, irrevocability and inalienability. However, land may be subject to demolition, destruction due to the natural calamity and *waqf* will only last till its value exist (Mohammad, 2008). Through proper cash *waqf* management, it is easily possible to hold *waqf* value as well as value enhancement. As a result, those who do not have land can participate in endowment through cash *waqf*. In addition, nowadays people have more choices for *waqf* by including cash into *waqf*. The institution of *waqf* has played its role in poverty alleviation and socio-economic development throughout history, especially in the Islamic history (Chowdhury *et al.*, 2011). Until today, this institution still plays an important role especially in Muslim countries. Still, there are many potential mechanisms in order to make it more effective to alleviate poverty.

According to Muhammad Ridhwan (2012), poverty is a universal problem, so much so that a great majority of the world population suffers from poverty. Besides income variables, it involves factors like education, health, shelter and also access to resource and physical facilities. There are many ways to address the issues of poverty including the issue of public accessibility to education in many parts of the world. A potential way to solve these problems is through charity, which can be made an effective means to overcome the problem. Charity can be in many forms, but a long lasting form of charity is *waqf*, which has the characteristic of perpetuity.

Literature Review:

Waqf in education is not a new development in Islam. Looking at the history, it can be observed that since the beginning of Islam, in the early seventh century, many educational activities were financed by *waqf* and voluntary contributions. It is a historical fact that Muslim society depended considerably on *awqaf* for the funding of education at all levels. For instance, it is reported that, under the Islamic rule, the island of Sicily had 300 elementary schools (Çizakça, 1998; 2004; 2010). All of them are built by *awqaf* and all of them are provided with *waqf* revenues for payment of teachers and school supplies. In fact, the provision of *awqaf* for education is probably responsible for the usually common independent mentality noted in scholars that kept

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them away from being influenced and manipulated by certain quarters. This has contributed in enhancing the integrity of the scholars and academia as a whole and also contributed to reduce the socio-economic differences by offering education to those who can take it in merit basis, rather than on ability to pay educational services (Muhammad Ridhwan, 2012; 2013).

Research Methodology:

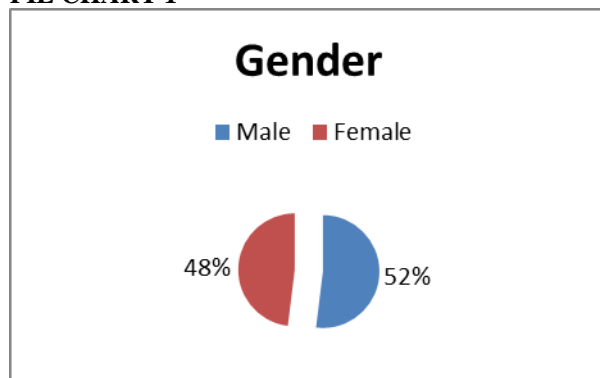
The research methodology used by the researchers is quantitative method. The method used throughout the research is through the questionnaires since the use of questionnaires allow us to get information in the most accurate manner. Questionnaire forms have been printed and distributed directly to each of the targeted respondents which are living in Klang Valley area, amounting of 231 respondents. Each respondent must answer all the questions in the form in less than 10 minutes. Researcher would randomly choose assigned respondents from various related parties. After a thorough survey, data from respondents' answers are analyzed statistically through the use of SPSS version 17. This study will analyze the frequency of each variable in the survey questions, since each respondent has their own evaluation on the issue, which is useful in this analysis. Results of the analysis will determine the level of assessment of each respondent on various aspects of this study. The reliability of the scale was tested using the Cronbach alpha. A coefficient alpha that is higher than 0.7 was considered to be good (Nunnally, 1978). Table 1.2 below shows the Cronbach alpha for all scales; this to confirm the internal consistency of the instrument (Nunnally, 1987).

TABLE 1.2: Exploratory Factor Analyses

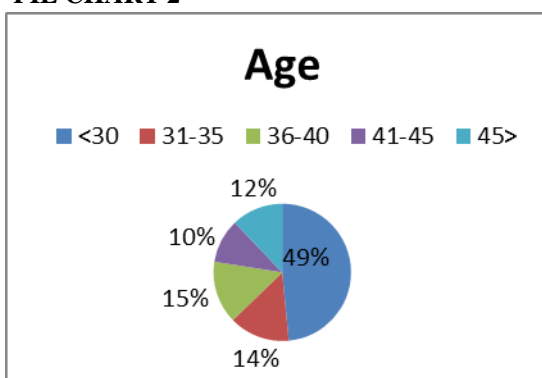
No	Item	Standard Deviation
	Cronbach Alpha=0.807	
1	I am willing to donate to Islamic waqf bank	0.817
2	Understand concept of waqf	0.848
3	Agree waqf for student higher education	1.061
4	Individual with stable income contribute waqf	0.836
5	Establishment waqf bank help student free from debt	0.882
6	Establishment waqf bank boost economics as individual have free education	0.926
7	Corporate companies should contribute to waqf bank	0.834
8	Tax exemption given to funds contributors of waqf bank	0.857
9	Understand that contributors of waqf bank rewarded by god	1.259
10	Electronic method appropriate for individual contributors	0.933
11	Direct debit method appropriate to corporate contributor for continuous contribution	0.867
12	Appointment of agents for waqf bank would be needed for public	0.888
13	Government should give incentives in assisting establishment of waqf bank	0.771
14	Establishment waqf bank should be implemented as soon as possible	0.763
15	Waqf bank should invest its fund for multiplying its economic value	0.841
16	Waqf bank operation must be transparent and accessible by public	0.769

Discussion and Findings:

PIE CHART 1

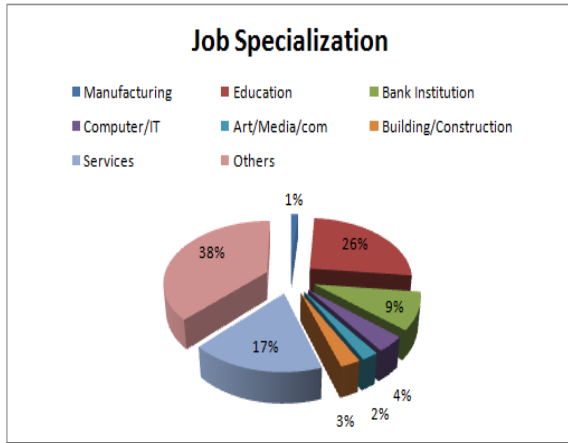


PIE CHART 2

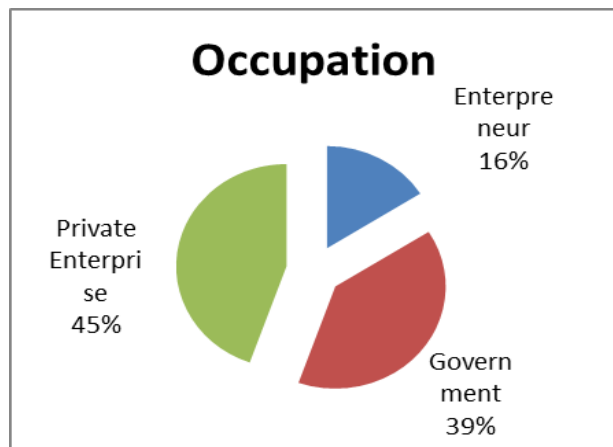


From the survey, above is the descriptive analyses of the respondents. The pie chart 1 reveals that male respondent is 120 persons which are 4% higher than female respondent, which are only 111 persons. The pie chart 2 shows that the respondent aged below 30 years old is the majority respondents (112 people) representing 49% out of 231 total respondents, followed by 36-40 years old with 34 respondents or 15%. Next, respondent with aged 31-35 years old or 33 persons (14%). The second last and last category of respondent are in the age of 45 and 41-45 years old, 28 and 24 respondents respectively or 12% and 10% of the total respondents.

PIE CHART 3

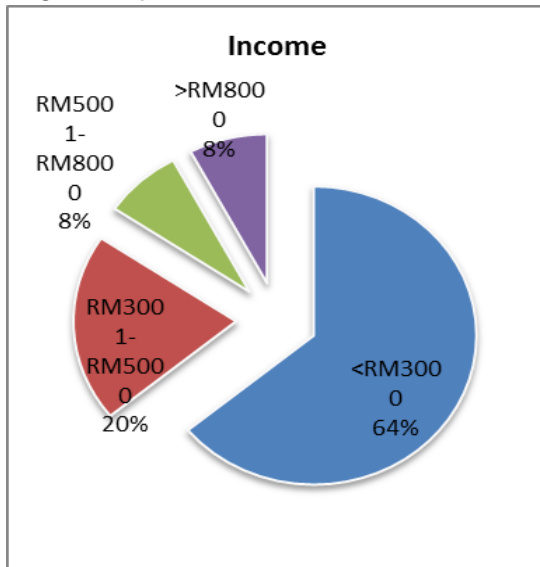


PIE CHART 4

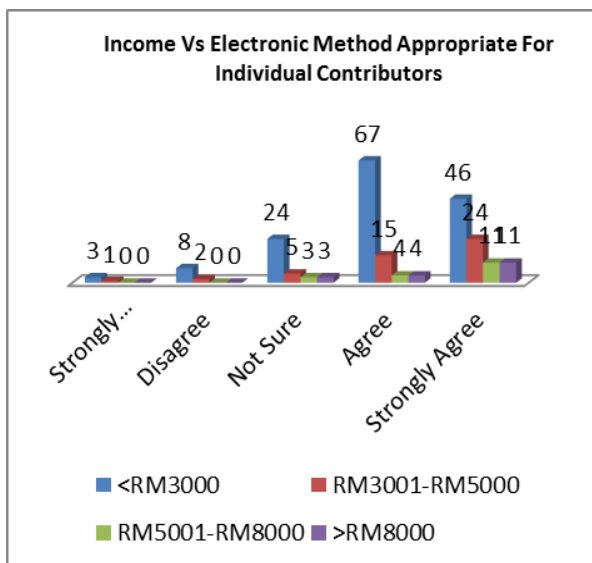


The pie chart 3 of job specialization indicates that the majority of participants are from others specialization which is 87 peoples comprising of 38% and followed by education sector, 59 persons or 26% out of total respondents. Next, is the service sector with 17% which accounting of 40 persons from the total respondents. Lastly, is the banking institution with 9% or 22 respondents followed by computer, building construction, art and media and manufacturing which are 4%, 3%, 2% and 1% respectively. The above pie chart 4 shows that majority of participants are from private enterprise and government sector, which are 45% and 39% respectively. In the other hand, entrepreneurs are only 16%.

PIE CHART 5



PIE CHART 6



Based on pie chart 5 above, the majority of respondents have income less then RM3000 per month which is 64% out of 231 total respondents, followed by respondents who have income between RM3001 to RM5000 comprising of 20% from the total respondents. Next is respondents who have income between RM5001 to RM8000 and respondent who have income more then RM8000, both are 8%. The above bar chart 6 indicates that there are strong willingness among the respondents to use electronic method in contributing for Islamic waqf bank. Respondents who have income less than RM3000 show strong willingness to use electronic method in contributing for Islamic waqf bank. There are only three participants who strongly disagree to use electronic method in contributing for Islamic waqf bank and eight respondents who are disagreed to use electronic method in contributing for Islamic waqf bank. Perhaps, they seldom use electronic device in their daily activities and have low confident to use it. There are twenty four respondents who not sure to use electronic method in contributing for Islamic waqf bank possibly because they do not have sufficient knowledge about waqf and how to use electronic device for donating in this fund. There are sixty seven respondents who agreed and forty six respondents who strongly agree to contribute for Islamic waqf bank.

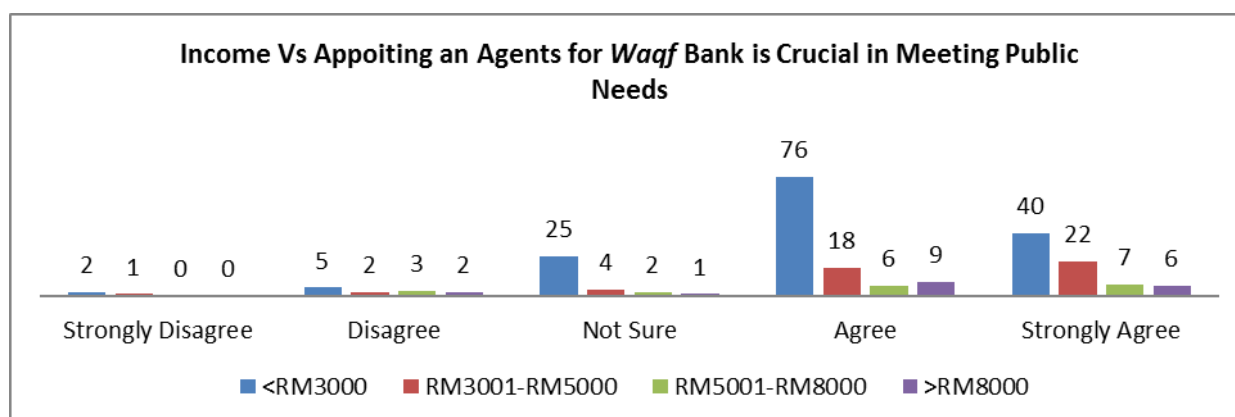
Moreover, respondents with income between RM3001 and RM5000 also show strong willingness to contribute for Islamic waqf bank. There are only one person who strongly disagree and two person who disagree

to use electronic method in contributing for Islamic *waqf* bank. Conceivably, they confuse about the mechanism for collecting the fund. There are five respondents who not sure how to use electronic method in contributing for Islamic *waqf* bank maybe because some of them is an old timer who did not use much of gadget. There are fifteen respondents who agree and twenty four respondents who strongly agree to contribute for Islamic *waqf* bank.

In addition, respondents with income between RM5001 and RM8000 also have strong willingness to contribute for this fund. There are only three respondents who do not sure whether to use electronic method in contributing for Islamic *waqf* bank or not due to lack of general knowledge about *waqf* itself. The other four respondents are agreed and eleven of respondents are strongly agree to use electronic method in contributing for Islamic *waqf* bank.

Furthermore, respondent with income more than RM8000 almost all are agreed to use electronic method in contributing for Islamic *waqf* bank. Perhaps three respondents who not sure to use electronic method in contributing for Islamic *waqf* bank for the reason that they did not see a clear picture about the operation and the flow of Islamic *waqf* bank.

BAR CHART 7



The above bar chart 7 reveals that there are strong willingness to appoint an agent for collecting *waqf* funds and it is crucial in meeting public needs. Respondents who have income less than RM3000 show strong willingness to appoint an agent for collecting *waqf* funds. There are only two participants who strongly disagree to appoint an agent for collecting *waqf* funds and five respondents who are disagree to appoint an agent for collecting *waqf* funds perhaps, they did not trust the agent that the bank hire for collecting the funds. There are twenty five respondents who are not sure whether to appoint an agent for collecting *waqf* funds possibly because they do not have sufficient knowledge about *waqf* and how does the Islamic *waqf* bank operate. There are seventy six respondents who agreed and forty respondents who strongly agree to appoint an agent for collecting *waqf* funds.

Moreover, respondents with income between RM3001 to RM5000 also show strong willingness to appoint an agent for collecting *waqf* funds. There is only one person who strongly disagree and two persons who disagree to appoint an agent for collecting *waqf* funds. Possibly they confuse about the mechanism for collecting the fund. There are four respondents who not sure whether to appoint an agent for collecting *waqf* funds maybe because some of them are more comfortable to give donation directly to the poor. There are eighteen respondents who agree and twenty two respondents who strongly agree to appoint an agent for collecting *waqf* funds.

In addition, respondents with income between RM5001 and RM8000 also have strong willingness to appoint an agent for collecting *waqf* funds. There are only three respondents who disagree to appoint an agent for collecting *waqf* funds. There are two respondents who are not sure to appoint an agent for collecting *waqf* funds, maybe because they would like to use electronic banking thus, it is easier for them to contribute for the funds. The other six respondents are agreed and seven of respondents are strongly agree to appoint an agent for collecting *waqf* funds. Furthermore, respondent with income more than RM8000 almost all are agreed to appoint an agent for collecting *waqf* funds. Perhaps two of the respondents who disagree and one of the respondents who is not sure to appoint an agent for collecting *waqf* fund is because of security purposes.

Conclusion:

From the discussion above, the general finding of this article shows that there is strong willingness among public to donate for the social Islamic *waqf* bank for the educational financing. Since education is very important for the development of human capital and achievement of economic well-being for oneself, society

and nation at large, so, the idea of establishing a social Islamic *waqf* bank which designed for education financing is very attractive. The permissibility of cash *waqf* and suitability of capital of Islamic bank can be considered as *waqf* as well business with good structure to solve the problem of students in his education financing. Its also can be extended to Islamic *waqf* bank and the need of *waqf*, its beneficiaries, and the general interest of the society or public interest (*maslahah*) demand the validity of Islamic bank.

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