

A CONCEPTUAL FRAMEWORK: THE EFFECT OF WAQF MANAGEMENT'S PERFORMANCE AND RELIGIOSITY ON INDIVIDUALS' INTENTION TO CONTRIBUTE IN CASH WAQF

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Abstract

This paper is proposing a conceptual framework to explore the effect of waqf management performance and religiosity with the mediating effect of trust on the intention on cash waqf contribution, the Theory of Reasoned Action is adopted as a theoretical background for this proposal, as the perception of the contributors will be representing the Attitude, the religiosity will be representing the subjective norm, and the intention to contribute to waqf is representing the intention to behave. Many waqf studies highlighted the importance of cash waqf, but only a few of them highlighted what triggers the contributors to act.

Keywords: Waqf, Cash Waqf, Religiosity, Trust, Waqf Contribution

INTRODUCTION

Since the early stages of the prophet Mohammed (SAW), Waqf has perceived huge development. The Waqf activities have been developed during the era of Khulafa Al-rashidin and the following ears after them. In recent times Waqf has played a pivot role in development. For example, more than 60 schools were established in Palestine using Awqaf properties, and the University of Al-Azhar in Egypt was financed through many different Waqf assets (Aliyu, 2019). Waqf is a tool to raise funds without the need to depend on the government's funds.

Waqf in Islam has many types. Direct Waqf, in this type of Waqf individuals or companies, donates anything like buildings that could be utilized by the beneficiary directly through direct usage of the asset of the Waqf. Religious Waqf, in this type of Waqf individuals or companies, donates to build religious institutions such as mosques and religious schools and instantiations.

Waqf

Waqf in language: Imprisonment and cessation, and Awqaf is the plural word. It is a request for compensation from God Almighty by the termination of an asset and the

use of its produced benefits according to the provisions of the Islamic Sharia. Waqf is something that can be used when its root remains, such as homes, land, etc. For the sake of God Almighty, the liquidation of the asset benefits is distributed (Ihsan & Hameed Hj. Mohamed Ibrahim, 2011).

The endowment according to the jurisprudential schools of jurisprudence: Because of the disparity in their doctrines in their reality, the jurists differed in the concept of a waqf and the definition of the endowment in the four schools of thought as follows: definition of endowment in the Hanafi school: AlSarkhasi (2010) defined the endowment as a property owner's imprisonment.

Ownership is from others, and the owner is the one who stands, and it is assigned to mention because he did not plan others. After all, the endowment is not true if the one who stands is not the owner of the endowed eye, and the owner is not entitled to dispose of the endowed money in any form of the owner's acceptable actions in his money, because it is not right for him, for example, The selling of the eye which he, Abu Yusuf and Muhammad of the Hanafiyya, endowed, specified the endowment with the exchange of profit as imprisonment for the property of God Almighty. According to the Malikis, the concept of the endowment: is the granting of something's gain during its life with the need to stay in the endowment's property, even if it is estimated, and the length of its existence means that the endowment is forever, and the thing is intended for money or something priced in money (Layish, 1983).

Defining the endowment according to the Shafi'i: it was described by Al-Nawawi as the withholding of money that can be used with the survival of its eye or its origin, cutting off the disposal of the eye's origin, but spending its advantage on land. The bank was limited to being lawful and usable through a plea for closeness to God Almighty, and other Shafi'i scholars (Abbasi, 2012). Description of endowment According to Hanbalis: it was defined by Ibn Qudamah and al-Umda as the containment of the original and the sampling of the fruit or the benefit, and the original refers to the endowment eye, as regards the direction of the benefit so that the benefit of the suspended asset is made available to the party concerned (Hasan, 2010).

Cash Waqf

In Islamic literature is holding or preserving an asset (Al Maal) and using the benefit or the usufruct of the asset to serve the beneficiaries with the main object of philanthropy (Nour Aldeen et al., 2020). This has to be done for the sake of a reward from Allah (Nour Aldeen et al., 2020). Waqf is a part of the connection between people's relationships with each other (Aliyu, 2019).

Shariah law has treated Waqf as a non-reversible, permanent, non-returnable, and prohibited to be spent outside one of its specifically indicated objectives (Nour Aldeen et al., 2020). Waqf has two main models the immovable and movable property. An immovable property called "Aqar" and a movable model called "Manqul". Like any other contract Waqf has four parties: Waqif, the endower who gave the asset; Nadzir, the one who manages the asset, Mawquf, is the asset or the cash given by the Waqif; and Mawquf 'alaih, the beneficiary from the Waqf endowment (Nour Aldeen et al., 2020).

Cash or al-nuqud could be compared to the conventional term of endowment (Khan et al., 2020; Mauluddin & Rahman, 2018). Cash Waqf is a unique Islamic fund that could be used to reduce poverty, supporting education institutions, essential services institutions such as hospitals, etc. (Khan et al., 2020). Cash is an endless source of charitable funds that never ends (Khan et al., 2020). Cash is an important tool for the assurance of Al-Daruriyat al-Khams (five essentials): protection of life, protection of religion, protection of the body, protection of mind, and protection of wealth (Nour Aldeen et al., 2020).

Cash Waqf is a very flexible, free of charge, and perpetual Islamic activity that allows all participants to contribute regardless of their economic status and without any lower or upper to the amount of money donated (Mauluddin & Rahman, 2018; Nour Aldeen et al., 2020). Moreover, Cash Waqf targets much wider beneficiaries comparing to the other Islamic tools such as _Waqf_. Cash Waqf is easy to manage and to be used for its intended use (Nour Aldeen et al., 2020). Muslim societies give the government the right to manage charitable funds (Khan et al., 2020).

CASH LEGITIMACY AS A SHARIAH-COMPLIANT FINANCIAL INSTRUMENT

For cash Waqf to be a Shariah-compliant financial instrument, it should be perpetual in nature, irrevocable, and inalienable. Thus, Shariah-compliant in all of its schools of Fiqh accepted the immovable types of such as buildings. The movable types of Waqf were having a debate of accepting the movable types as a Shariah-compliant financial charity instrument (Khan et al., 2020).

Some Islamic juristic abandon the legality of cash Waqf unless it is changed into a fixed asset (Mauluddin & Rahman, 2018). Interestingly though, most of the contemporary shariah Fiqh schools have accepted the cash Waqf or what they called endowing goods as a shariah-compliant instrument (Khan et al., 2020). The legitimacy of cash Waqf also was confirmed by the Hanbali, Shafi'I, Maliki, Hanafi sharia schools (Mohsin, 2013).

Likewise, most of the contemporary scholars permitted Cash Waqf activities. In its 15th regular meeting in Masqat, Oman, International Islamic Fiqh Academy confirmed in its statement number 14 (6/15) the legitimacy of Cash Waqf as a sharia-compliant activity (IIFA, 2004). Waqf is a legitimate sharia-compliant activity following the Holy Quran as in Surah Aal-Imran 92, Al-Baqraj 267, 254. Also, it was supported by Hadith and Ijtihad (Nour Aldeen et al., 2020).

Waqf in many Muslim countries has some typical schemes to finance. Water plans such as building surface wells, water coolers, water sanitation, and dams (Mohsin, 2013). Education plans such as orphan education, teaching Islamic principles, teaching the Arabic language, and teachers' financial support.

Places of worship building such as mosques, printing copies of the Holy Quran, and maintenance of existed mosques. Conventional training center plans such as language training centers, computer skill training centers, and embroidery. Agriculture plans such as farms and agricultural products (Mohsin, 2013). Health care plans such as building hospitals, medical equipment supply, and supporting health care staff financially.

Islamic seasonal plans such as breaking fast meals during Ramadan, providing suits during Islamic main ceremonies occasions, and supporting pilgrims during pilgrim season (Mohsin, 2013). Humanitarian relief schemes such as some major humanitarian reliefs during wars in Palestine and Kosovo (Mohsin, 2013). Orphans' support plans such as orphans' shelters, education, and financial supports. Social project plans such as weddings financial supports (Mohsin, 2013).

Waqf and Its Effects

In Malaysia gender, education, income affects people belief about charity. Malays have a strong belief in their commitment toward charity. They found that women with higher income were having a stronger belief toward charity. this relationship is mediated by their religious believes (Khan et al., 2020). Malaysia's cash has a positive impact on socio-economic factors such as education, agriculture, health, and education. (Che Hassan & Rahman, 2018).

Cash Waqf Contribution

Cash Waqf contribution is the amount of money donated to the cash Waqf institution. Cash Waqf contribution is a legitimate contribution according to Sharia law depends on its purpose (Sakti et al., 2016). If, however, the cash is used solely for the medium of trade for goods, this money cannot be recognized as the subject of cash waqf. If, however, the intention of the cash used as the subject of cash waqf does not deceive the cash to become exhausted, the cash would be subject to cash waqf (Sakti et al., 2016). Cash Waqf contribution should be cash that is exchanged with a legitimate asset

and the usage should be applied only to the revenue or the usufruct of these assets. In addition to that the cash contribution to cash Waqf should valid (Pitchay et al., 2014).

Developed Models for Cash Waqf

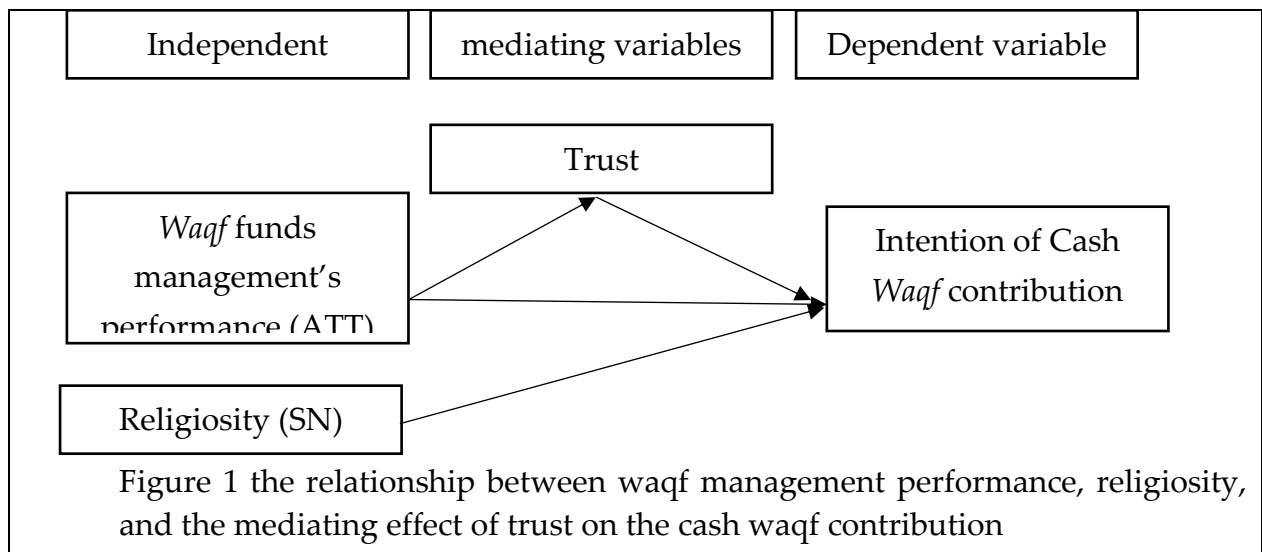
A major theme found in the literature is the endeavors of many researchers to develop new models or frameworks to achieve higher effective and efficient cash Waqf management. Mohsin,(2013) tried to develop a model that would help to distribute Waqf cash in the forms of free-interest loans (Qard Hassan) for entrepreneurs to start their businesses. to solve the sustainability and the consistency of the cash Waqf donation funds and to mitigate the liquidity problems faced by Waqf institution a cooperative-Waqf model was developed (Allah Pitchay et al., 2018).

In this model, donors will be acting as active participants and as members in the cash Waqf process. In this model, donors would have more awareness of their donated funds flow and would receive some benefits from Waqf projects that were developed on the Waqf lands (Allah Pitchay et al., 2018).

Developing many cash Waqf models raised the problem of having some managerial problems in the management of cash Waqf institutions (Allah Pitchay et al., 2018). Nour Aldeen et al.(Nour Aldeen et al., 2020) recommended future research to discuss the management issues of Cash Waqf and to find more innovative ways to encourage higher participation from all parties in the collaborative activity of the cash Waqf. Waqf is a tool to raise funds without the need to depend on the government's funds (Mohsin, 2013).

The main and crucial key success of cash Waqf institution is the ability to encourage people to support it through more management trust (Mohsin, 2013). One of the most important problems facing Cash Waqf is the lack of awareness which affecting the consistency of cash inflows (Allah Pitchay et al., 2018). Besides, cash Waqf institutions fail to establish trust between them and the donors (Allah Pitchay et al., 2018). Cash Waqf contributions are an important issue and there are many recommendations to be studied further (Rizal & Amin, 2017). In addition to that, religiosity was also recommended to be studied as a mediator or moderator variable on the determinants of Waqf contributions (Rizal & Amin, 2017).

Conceptual Framework



This study aims to explore the impact of Waqf Management performance, religiosity, and mediating effect of trust on the relationship between cash Waqf management performance and the intention of contributing to cash Waqf institutions. Figure 1 explains the proposing relationship and hypothesis associated with this objective.

CASH WAQF INSTITUTION MANAGEMENT'S PERFORMANCE

This study used the HPO framework developed by Dr. Andre De Waal (De Waal, 2007, 2012). This framework has been used to test the high-performance characteristics from many business industries in many countries especially in the Arab countries (de Waal et al., 2016; de Waal & Heijtel, 2017; Mroueh & de Waal, 2018b).

This framework has been tested and validated in almost all of these studies. The HPO framework was developed using two hundred and ninety studies in the field of strategic management, high-performance organizations, and business excellence. From the 290 studies, the high-performance factors mentioned by these studies were extracted (de Waal et al., 2016).

A projection matrix was then constructed that involves all of the previous high-performance factors. The high-performance factors then were given an important index depending on their frequent appearance in the previous literature. As a result, only 35 factors were chosen to construct the final high-performance framework (De Waal, 2012). The framework then went through the second stage of validation. In this stage, a high-performance questionnaire was developed and distributed to several managers during workshops and research projects.

The questionnaire was answered by managers who came from different parts of the world. The managers were selected randomly during these workshops, seminars, and training projects (de Waal et al., 2016). The framework was accepted by these managers as a good construct and proxy to efficiently and effectively measure the high-performance characteristic of any organization. This gives the HPO framework the credibility and confidence to be used in future research as the main proxy to measure the HP characteristic of any organization under consideration (de Waal et al., 2016).

Trust:

While scholars operationalized trust based on the trust emphasis or level, they attempt to research and find (Rousseau et al., 1998), Morgan and Hunt (1994) note that trust, such as conviction, occurs in the presence of the cognitive aspect. Bennett and Barkensjo (2005) thus argue, in the non-profit sense, that trust requires the expectation that the trustworthy party will not only fulfill the related duty but the trusting party should be entirely reassured by the fulfillment.

They also noted that when an entity is considered to be trustworthy, reliable, genuine, and truthful, confidence or trust would be apparent. Therefore, the Waqf institution's sense of trust is operationalized as a set of assumptions about the qualities that Waqf payers may or may not trust a Waqf institution to show. However, the attitudinal statements used to measure trust by Sargeant and Lee (2002a, 2002b) and Bennett and Barkensjo (2005) in creating a scale to measure trust are adapted to shifting Islamic financial to Waqf concept.

Religiosity:

Religiosity is a complex and difficult construct. Developing a measurement scale was not an easy task, yet the main problem faced by investigators is the differences in variability between individual Muslims relative degree of religiosity that requires investigation. Numerous attempts have been made to build scales to assess Islamic religiosity with various degrees of accomplishment and success.

The major problem faced by many researchers in the field of Islamic religiosity is the fact that most of the scales were developed to suit Christian societies (Ackert et al., 2020; Esperandio et al., 2019; Walsh & Cutting, 2008). The second problem faced in this study is that some other authors tried to develop more Islamic religiosity scales, yet their efforts were not satisfactory to meet the psychometric standards.

CONCLUSION

The factors and the variables affecting the intention of contributing to cash waqf are not well studied yet, even though there are several studies and research that

highlighted the importance of waqf and cash waqf, but further research is still in demand. This paper proposing a new model which aims to explore factors which been argued in other fields in finance, Islamic finance, marketing, and sociology, which might have an impact on the intention of cash waqf contribution.

This paper aimed to review and survey the previous literature and examine the effect of waqf management performance, religiosity, and the meditation effect of trust on the intention to contribute in cash waqf. The previous study has highlighted the effect of income, government influence, social responsibility, and other factors toward the intention, yet it is not sufficient and father research are required.

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