

CHAPTER 6

FINDING AND DISUCUSSION

6.1. Introduction

This chapter presents and explains the study's results, encompassing descriptive statistics, a measurement model, a structural model, and an analytical model. Descriptive statistics offer insight into the respondents surveyed in the survey area. The questionnaire comprises 35 main questions broken down into seven sections. Thus, the principal aim of this chapter is to investigate the factors that influence the adoption of Islamic wealth management in Malaysia.

6.2. Descriptive Statistic

6.2.1. Demographic Information

The demographic information provides descriptive statistics such as percentages, the ratings provided means, and other statistics for various t-tests, and the open-ended survey responses were qualitatively coded and analyzed (Miles et al., 1994). Demographic information is essential to provide a piece of general information about the data used in the research.

This section presents the demographic information of the Malaysian people that is being questioned about the adoption of Islamic wealth management in Malaysia. The survey profiled respondents based on their structure, gender, age, marital status, religion, education, and income. The following subsection contains detailed information about demographics.

6.2.1.1. Distribution of Respondents by Gender

As shown in Table 14, the number of female respondents is higher than that of male respondents, with 75 men and 145 women, accounting 66% and 34%, respectively.

Table 14: Distribution of respondents by gender (n=220)

Gender	Frequency	Valid percent (%)
Male	75	34%
Female	145	66%

The results show that women represented the highest gender in the study. As shown in Table 14, 34 percent of respondents were men, and 66 percent were women. Malaysia has a population of 17.0 million men or 52.3%, compared with 15.5 million (47.7%) women (<https://www.dosm.gov.my>). The comparison presented with data from Malaysia's population statistics further contextualizes this finding, showing a higher proportion of women in the study sample compared to the national population.

6.2.1.2. Marital Status

As seen in Table 15, the highest proportion, indicated by 30%, were married, followed by 70% single who were single. It can be observed that the majority of individuals interviewed in this study are single. Data from <https://www.dosm.gov.my/> suggest that the number of marriages in Malaysia is still relatively low, with 214,943 out of 32 million people in Malaysia in 2022. According to Peng (2007:258), single people who want to marry face various obstacles, such as difficulty finding a compatible partner, social-cultural and religious, financial, and other obstacles.

Table 15: Distribution of respondents by Marital Status (n=220)

Marital Status	Frequency	Valid percent (%)
Single	153	70%
Married	66	30%

6.2.1.3. Educational Level

As shown in table 16, all 220 respondents (100%) were willing to report their level of education. The highest percentage of respondents, 64% held a college diploma or bachelor's degree, followed by 25% who possessed a Master and PhD's qualification. Meanwhile, 1% had completed a vocational qualification and primary school, and 9% had attained SRP/ PMR/ SPM qualification.

Table 16: Distribution of respondents by Educational Level (n=220)

Educational Background	Frequency	Valid percent (%)
Diploma/Bachelor	141	64
Master/PhD	54	25
Primary School	3	1
Vocational	3	1
SRP/ PMR/ SPM	19	9

6.2.1.4. Job Qualification

In 2019, the largest occupation based on <https://www.epu.gov.my> was selected by Malaysian people skilled in agriculture, forestry, livestock, and fishery workers with 3,411.600, followed by Professionals with 1,883.5.00, Plant and machine operators and assemblers with 1,865.400, and Elementary occupations with 1,862.500.

Table 17 of this study indicates that the highest percentage of respondents belonged to the unemployed sector, comprising 37.3%, followed by the private sector at

30.5%. Additionally, both educators (teacher or lecturer) and self-employed individuals for a similar proportion, each at 9.5%. Furthermore, the public sector represented 7.3% of respondents, while businesspeople at 2.7%, housewives at 2.3%, and retirees at 0.9%.

Table 17: Distribution of respondents by Job Qualification (n=220)

Job Level	Frequency	Valid percent (%)
Businessman	6	2.7
Educator (Teacher or Lecturer)	21	9.5
Government Sector	16	7.3
Housewife	5	2.3
Gorenment Sector	67	30.5
Retired	2	0.9
Self-Employed	21	9.5
Unemployed	82	37.3

6.2.1.5. Monthly Income Level

Table 18 presents the monthly income level of the interviewees. The highest proportion of respondents, 43%, reported a monthly income level was under RM 1000. Additionally, 25% reported a monthly income level between RM 1001 - RM 2999. Furthermore, 15% reported a monthly income level followed by a monthly income between RM 5000 and a monthly income level of RM 3000 – RM 4999, while those reporting a monthly income level more than RM 5000 constituted 5%.

Table 18: Distribution of respondents according to monthly income level (n=220)

Job Level	Frequency	Valid percent (%)
< RM 1000	94	43
RM 1001 – RM 2999	56	25
>RM 5000	38	17
RM 3000 – RM 4999	32	15

6.2.1.6. Total Asset

Table 19 indicates the total assets of respondents. The highest proportion of respondents, 76% reported total assets of less than RM 50,000. Additionally, 10% reported total assets between RM 100,001 and RM 300,000, while 9% reported total assets exceeding RM 600,000. Finally, 5% reported total assets between RM 50,001 – RM 100,000.

From this data, it can be concluded that there are three groups of respondents in the study: those with the highest, middle, and small assets. This study's significant asset ownership is still very low compared with medium asset ownership. Most are categorized with ownership of small assets under RM 50,000.

Table 19: Distribution of respondents by Total Asset (n=220)

Total Asset	Frequency	Valid percent (%)
< RM 50,000	168	76
RM 50,001 – RM 100,000	11	5
RM 100,001 – RM 300,000	21	10
> RM 600,000	20	9

6.3. Measurement Model

The measurement model aims to establish the validity and accessibility of the construction component. During the convergent validity test, indicator or item loading, average variance extracted (AVE), and composite reliability (CR) are considered. Based on the result presented in Table 20, item loading exceeded 0.6 for items, meeting the recommended value suggested by Hair et al. (2009).

As a rule of thumb for AVE of at least 0.50, as highly recommended by Hair et al. (2009) or if eTA is less than 0.5, but composite reliability is more significant than 0.6, the

convergent validity of the construction is still adequate (Fornell and Larcker, 1981). The AVE value was obtained in the range of 0.474 and 0.582, and the CR value ranged from 0.848 to 0.908, the recommended value of 0.7.

Table 20: Reliability and Validity Test Result

Construct	Items	Loadings	CA	CR	AVE
Religiosity	R1	0.692	0.760	0.848	0.582
	R2	0.780			
	R3	0.791			
	R4	0.785			
Knowledge	WD1	0.737	0.888	0.908	0.474
	WD2	0.617			
	WD3	0.686			
	WD4	0.681			
	WD5	0.614			
	WP2	0.756			
	WP3	0.750			
	WP4	0.611			
	WP5	0.783			
	WZ3	0.718			
	WZ5	0.589			
Adoption of IWM	AIM1	0.658	0.796	0.859	0.550
	AIM2	0.771			
	AIM3	0.702			
	AIM4	0.749			
	AIM5	0.819			

Note: R5, WC1-5, WA1-5, WP1, WZ1, WZ2, and WZ4 were deleted due to low loadings

Another measurement model to use is discriminatory validity. Discriminant validity ensures that the scale is sufficiently different from other similar concepts to be distinct, and nomological validity determines whether the scale demonstrates the relationships shown to exist based on theory or prior research (Hair et al., 2019). The study showed that all square roots of AVE ranged between 0.689 and 0.742. The result showed that the discriminant validity of an off-model model was confirmed.

Table 21: Discriminant Validity (Fornell-Larekel Creation)

Construct	Religiosity	Knowledge	Adoption of IWM
Religiosity	0.763	0.449	0.386
Knowledge		0.689	0.628
Adoption of IWM			0.742

Moreover, Henseler et al. (2015) proposed an alternative approach for assessing discriminant validity using the hetero-monotrait ratio of correlations (HTMT). HTMT is an estimate of what the true correlation between two constructs would be if they perfectly measure (Hair et al., 2017). For Kline (2011), the reduction in the value of the HTMT approach must be less than 0.85 to achieve discriminant validity. Because if HTMT values are greater than 0.85, it will be a problem for the discriminant of validity (Gold et al., 2001). In Table 22, all values are lower than the recommended threshold of 0.85. In this way, the discriminant validity of any construction has been verified.

Table 22: Discriminant Validity (HTMT Criterion)

	Adoption of IWM	Knowledge	Religiosity
Adoption of IWM			
Knowledge	0.728		
Religiosity	0.465	0.537	

The overall results of the measurement model have met the rule of thumb for reliability and validity based on the result of CA, CR, EVA, and HTMT.

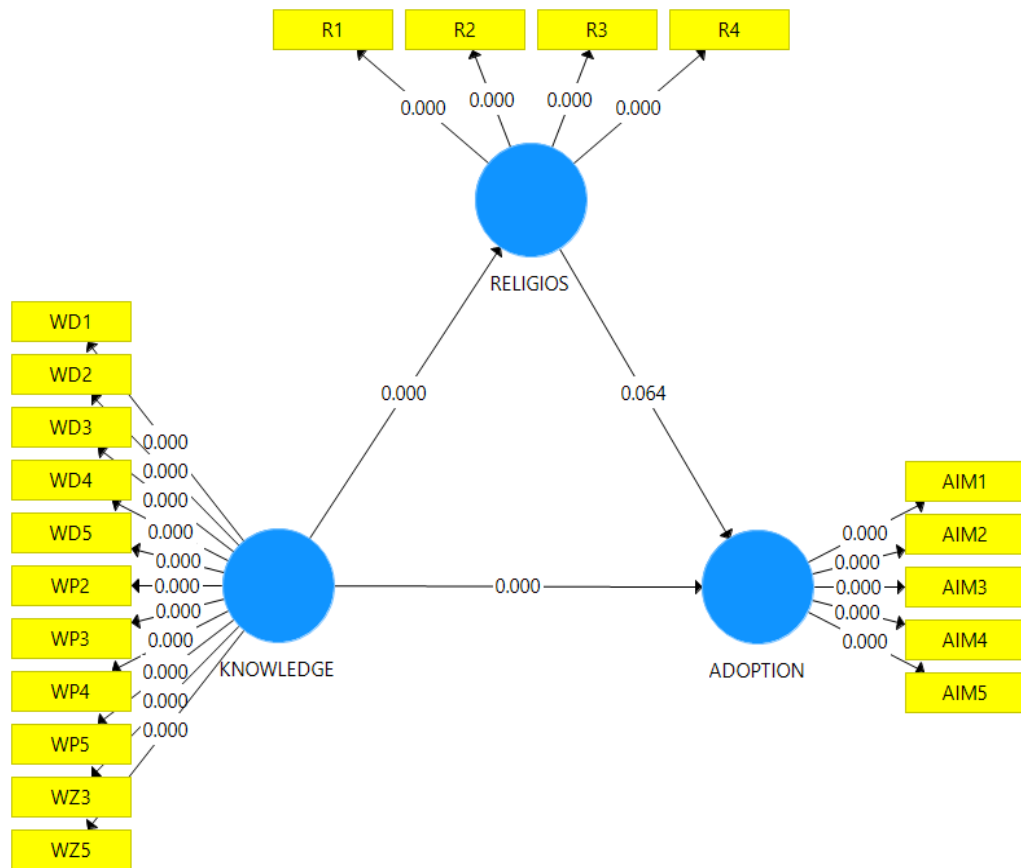


Figure 13: Measurement Model of the Study

6.4. Structural Model

The structural model is analyzed to test the impact of the exogenous variables on the endogenous variable (Hair et al., 2017). The study has two independent variables (religiosity and knowledge of the IWM components) and a dependent variable of adoption of IWM. Typically, the structural model has four main criteria to be evaluated variance explained (R^2), effect size (f^2), predictive relevance (Q^2) and path coefficient (β), and the result of hypothesis testing (Chin, 2010; Hair et al., 2017). Table 23 indicates the result of the structural model of the study.

Table 23: Structural Model of the Study

Hypotheses	R/Shi p	β	Std Error	t-Value	P-Value	R^2	Q^2	f^2	supported
H1	R-> A	0.130	0.070	1.858	0.064			0.023	Yes
H2	K->A	0.569	0.053	10.686	0.000* **	0.408	0.408	0.437	Yes
H3	K-> R-> A	0.059	0.037	1.568	0.118			-	No
	K-> R	0.449	0.080	5.585	0.000* **	0.202	0.202	0.253	Yes

Note: Significant at *** $p < 0.05$ (one or two-tailed test); K: Knowledge of IWM; R: Religiosity; A: Adoption of IWM.

In table 23, the coefficient of determination (R^2) of the endogenous variable, namely adoption and religiosity, for hypotheses one and two is considered moderate and acceptable. It is shown that there is a moderate correlation between exogenous and endogenous variables. Thus, R^2 values imply that the exogenous latent variables explained 40% of the variance in the adoption of Islamic wealth management, while R^2

values of hypotheses three indicate that knowledge as latent variable is explained by 20% of the variance in religiosity.

The change in the value of R^2 when a certain exogenous is omitted from the model is known as effect size (f^2) (Nashwan et al., 2019: 49). By sample size of 220, Knowledge of IWM had the biggest (small) effect size in the model with f^2 value of 0.437 (adoption) and value of 0.253 (religiosity) (10)—followed by religiosity with f^2 value of 0.023. In contrast, religiosity did not influence the adoption of Islamic wealth management (0.064) to Cohen (1988)'s suggestion.

The final step of assessing overall model fit is to determine the predictive accuracy level of the discriminant function(s) (296). Based on table 24, the predictive accuracy of this model (Q^2) indicated that the path model's accuracy is acceptable with Q^2 values of 0.408 (endogen 1) and 0.202 (endogen 2). By looking at both values, it can be concluded that this study has a good observation value because the value of Q square > 0 (zero) (Chin, 1998).

6.5. Model of Analysis

Based on the measurement and structural model analysis results, it can be seen that of the three hypotheses, only two have a positive and significant effect, including knowledge of religiosity and knowledge of adoption with P-Values < 0.05 . Meanwhile, religiosity to adoption has a positive effect at the 10% level, with P-Values < 0.10 . The discussion of hypothesis testing is as follows:

6.5.1. The Influence of Religiosity on the Adoption of Islamic Wealth Management

The influence of religion on the adoption of Islamic wealth management in Malaysia has a positive and significant value but at the level of 10% with coefficient values of 0.130 with a P-Value of $0.064 > 0.05$. This indicates that religion has a positive and significant effect on adopting Islamic wealth management. This finding is consistent with studies conducted by Abdullah and Majid (2001), Muda et al. (2006), Mansor et al. (2015), Jamil and Akhtar (2016), Rizal and Amien (2017), Abdullah et al. (2017), Farah, et al. (2017), and Mokhtar (2018), and Bolkan et al. (2023).

It can be stated that the significance of religiosity in the adoption of Islamic wealth management influencing various aspects, including Islamic banking preferences, investment choices, risk management decisions through takaful, wealth distribution through instruments like inheritance, will, waqf, and wealth purification through zakah compliance.

Table 24: Variables of Religiosity on Islamic Wealth Management

No	Variable	Item	Status
1.	Religiosity (X_6)	<ol style="list-style-type: none"> 1. I believe that there is no God except Allah, and Prophet Muhammad is His final messenger. 2. I must perform all Islamic rituals such as five daily prayers, fasting in Ramadhan, paying zakat, and Pilgrimage to Mecca. 3. My whole approach to life is based on my religion 4. I always keep myself away from earning through haram 	X_{65} is rejected

		(prohibited) means such as interest from conventional Banking 5. I follow the Sunnah in daily life	
2.	Adoption of Islamic Wealth Management (Y ₁)	1. Muslims should manage their wealth from the Islamic perspective to gain the blessing of Allah. 2. The product and service of Islamic wealth management can be found in Islamic financial institutions. 3. Islamic wealth management should not only cover high-income people but also middle- and low-income people. 4. The product and service of Islamic wealth management in Islamic banks cover all components of Islamic wealth management. 5. Adopting Islamic wealth management aims to cater to people's needs worldwide and hereafter.	All items are approved

In table 24, only one item from the religiosity variable was removed, specifically regarding practice of Prophet Muhammad's Sunnah. Religion holds significant importance within Malaysian community concerning worship (ibādah), yet some individuals have not extended this to their mu'amalah Maliyah, particularly Islamic wealth management. Because Islam is the knowledge that includes faith and belief (Al-Attas, 1993: 148), Islam is a religion and knowledge that includes *fardhu 'ain* and

kifayah. Islam should discuss aspects of routine worship related to Allah and those related to humans, including the adoption of Islamic wealth management.

Therefore, discussions surrounding Islamic wealth management should not only address routine worship practices, guided by Islamic principles. This suggests a holistic approach to Islamic wealth that integrates religious teaching with practical application to ensure adherence to Islamic values in financial decision-making components. Activities such as creating wealth through *kasb* and distributing wealth through *nafakah*, as mentioned by Syaibāni, are considered form of worship (*ibādah*) aimed at drawing closer to God (Syaibāni, 2011: 5).

6.5.2. The Influence of Knowledge on the Adoption of Islamic Wealth Management

According to the analysis findings, the correlation coefficient between knowledge and the adoption of Islamic wealth management is 0.569 with a P-value of $0.000 < 0.05$, indicating a positive and significant impact of knowledge on the adoption of Islamic wealth management. This suggests that as the level of knowledge on the adoption of Islamic wealth management increases within the community, there is a corresponding increase in the adoption of Islamic wealth management among Malaysian communities. Thus, it can be concluded that the hypotheses are supported, indicating that knowledge of Islamic wealth management components positively influences the adoption of Islamic wealth management in Malaysia.

This finding is consistent with studies conducted by Osman et al. (2012), Husin and Rahman (2013), Ali et al. (2017), Mahdzan et al. (2017), Mariadas and Murthy (2017), Kamil and Mat Nor (2019), and Ali et al. (2023). This finding aligns with the

literature review, which emphasizes the importance of knowledge in driving the adoption of various components of Islamic wealth management, including wealth creation, accumulation, protection, distribution, and purification. Moreover, it suggests that increasing knowledge and awareness about Islamic wealth management can contribute to the development of the Islamic wealth management industry.

However, from the five clusters of knowledge items for Islamic wealth management, namely wealth creation, and accumulation are rejected, because of the loading factor are below 0.6. In the knowledge for Islamic wealth protection, only 1 item was deleted, while for wealth purification, there were three items omitted. This indicates that the knowledge of Islamic wealth management, which refers to three Islamic thinkers taken from their works derived from the Qur'an and Sunnah, has not been widely known by the respondents, especially in discussing wealth creation and accumulation. For example, Dimasqi's advice that the merchants must be knowledgeable to detect the debasement of commodities or goods emphasizes the importance of knowledge in wealth creation and accumulation activities through trade. In contrast to the components of wealth protection, distribution, and purification, Malaysians already have sufficient knowledge and have become a habit practiced in everyday life.

Table 25: Variables of Knowledge on Islamic Wealth Management

No	Variable	Item	Status
1.	Knowledge of Wealth Creation (X ₁)	<ol style="list-style-type: none"> 1. Humans, as social creations, need to cooperate with one another to create wealth. 2. Seeking wealth is obligatory and part of ibadah in Islam. 	All items are rejected

		<ol style="list-style-type: none"> 3. Wealth creation can be through wealth transfer and works related to agriculture, trade, and production. 4. Wealth creation should be earned through halal (permissible) ways guided by the Qur'an and Sunnah. 5. The purpose of wealth creation is to sustain life in the world and akhirah. 	
2.	Knowledge of Wealth Accumulation (X ₂)	<ol style="list-style-type: none"> 1. Wealth accumulation should comply with the principles and values of Islam. 2. The wealth management products related to accumulation consist of deposits, Islamic unit trusts, equity, REITs, and Sukuk. 3. People should be knowledgeable about saving and investment schemes, moderately take profit, seek help from a trust wealth manager, cling fast to attain barakah, and have good character. 4. Wealth accumulation has a positive relation to income earned and assets. 5. Wealth accumulation is needed to fulfill human needs and wants. 	All items are rejected
3.	Knowledge of Wealth Protection (X ₃)	<ol style="list-style-type: none"> 1. Moderately spending wealth is one of the ways to protect wealth 2. Wealth should be protected to fulfill the five necessities of Maqāṣid Shari'ah. 	X ₃₁ is rejected

		<ol style="list-style-type: none"> 3. Wealth protection has a positive relationship with assets and income earned. 4. Wealth protection is related to takaful or Islamic insurance products, or Banca takaful in an Islamic bank. 5. Wealth protection can benefit me, my family, and society. 	
4.	Knowledge of Wealth Distribution (X ₄)	<ol style="list-style-type: none"> 1. Islamic Wealth distribution is transferring assets through wassiyah, hibah, trust, and waqf. 2. The principles and instruments of wealth distribution are useful for pious muslims are extended beyond worldly life. 3. Islamic wealth distribution has a positive relationship with assets and income earned. 4. Islamic wealth distribution is practiced while alive and upon death. 5. Islamic Wealth distribution can benefit me, my family, and society. 	All items are approved
5.	Knowledge of Wealth Purification (X ₅)	<ol style="list-style-type: none"> 1. Zakah is an obligatory instrument to purify wealth for every Muslim. 2. Zakah is a fixed proportion collected from the surplus wealth and earning of a muslim 3. Wealth purification has a positive relationship with assets and income earned. 4. There are eight groups 	X ₅₁ , X ₅₂ , and X ₅₄ are rejected

		(<i>asnaf</i>) of the rightful recipient of zakah 5. Wealth purification can benefit me, my family, and society	
6.	Adoption of Islamic Wealth Management (Y ₁)	6. Muslims should manage their wealth from the Islamic perspective to gain the blessing of Allah. 7. The product and service of Islamic wealth management can be found in Islamic financial institutions. 8. Islamic wealth management should not cover only for high income people, but also for middle- and low-income people. 9. The product and service of Islamic wealth management in Islamic banks cover all prosects of Islamic wealth management. 10. Adopting Islamic wealth management aims to cater to people's needs worldwide and hereafter.	All items are approved

Furthermore, by enhancing individuals' knowledge about Islamic wealth management components derived from early Islamic heritages integrated to modern practice of Islamic wealth management, policymakers and stakeholders can encourage greater participation in Islamic wealth management, ultimately fostering the growth and development of Islamic wealth management industry in Malaysia.

6.5.3. The Role of Religiosity between Knowledge and the Adoption of Islamic Wealth Management in Malaysia

When religiosity becomes the mediating variable on the adoption of Islamic wealth management, the coefficient value is low at 0.059, and the P-values are insignificant at 0.118. This indicates a gap between knowledge and religion in the adoption of Islamic wealth management in Malaysia. The result of this study is not in line with previous studies conducted by Alam and Hisham (2011), Kaawaase and Nalukwago (2017), Sarfraz and Mian (2021), and Ramli et al. (2023). Their research stated that religiosity plays a crucial role in mediating the relationship between knowledge and the adoption of Islamic financial and banking products and services. It enhances the influence of knowledge by aligning individuals' attitudes and behaviors with religious beliefs, thereby by shaping their financial decisions in accordance with Islamic principles.

In fact, the relationship between knowledge of Islamic wealth and religiosity is very strong. The coefficient of values of knowledge 0.449 with P-Values $0.000 < 0.05$ has a positive and significant effect on religiosity. Islam as *Dīn* only leads to aspects of the hereafter, and knowledge of the Islamic wealth management components is mere for world affairs. This explains that increasing knowledge of Islamic wealth management components will increase a person's level of religiosity.

The finding supported the chapter of Imam Bukhari in his Sahih, “knowledge before speak and action.” This means that in Islamic religiosity, there must be a foundation of knowledge guiding Muslim people to achieve happiness in the world and the hereafter. It also links to the hadith of Prophet Muhammad PBUH, The Messenger of

Allah (ﷻ) said, "Allah makes the way to Jannah easy for him who treads the path in search of knowledge." [Muslim].

Knowledge of the components of Islamic wealth management generated from the views of Islamic scholars referring to the Qur'an and Sunnah should also increase one's religiosity. Al-Syaibāni states that earning a livelihood is a means of worshiping God that can be regarded as wealth creation and accumulation. The concept of *al-Kasb* will always be side by side with the word *al-infāq*, which can be regarded as wealth protection, distribution, and purification. So, the knowledge of the components represented by the terms *al-kasb* and *al-infāq* in Islamic wealth management positively relates to one's religion because it is a commandment of Islam. Also, Zurina et al. (2013) say that Muslims are encouraged to plan for their life by working hard, spending moderately, and saving for their future, as there is always uncertainty. Every Muslim must earn and spend a living as al-Syaibāni has quoted a hadith. Ibn Sina mentions saving that sometimes man faces difficult times or uncertain events in the future.

In addition, knowledge of the Islamic wealth management components is a means that can lead a Muslim to reach his afterlife, as stated in the hadith of Tirmidhi. "The feet of the son of Adam shall not move from before his Lord on the Day of Judgment, until he is asked about five things: About his life and what he did with it, about his youth and what he wore it out in, about his wealth and how he earned it and spent it upon, and what he did with what he knew." (Hadith 2416). This hadith explains that knowledge of Islamic wealth management will increase one's religiosity related to worshiping Allah alone and knowledge about proper wealth management by Islamic principles and values.

If we analyze more deeply the knowledge of Islamic wealth management components that affect the adoption of Islamic wealth management in Malaysia, it is only components-oriented whose goal orientation is the afterlife, such as wealth distribution and purification. Only in the wealth protection components that focuses on world orientation, which is mostly Malaysia well-literacy on the issues of takaful or Islamic insurance. It is mentioned in Hassan et al. (2018) study that 75% of their respondents are aware of takaful.

To reduce the gap between knowledge and religiosity towards the adoption of Islamic wealth management, it is necessary to develop a holistic concept of Islamic wealth management that integrates *naqli* (revealed) and *'aqli* (rational) knowledge oriented towards the fulfillment of Maqāsid Shari'ah which covers the benefit of the world and the hereafter. It is proven by the study of Johari et al. (2015) that critical thinking among students is still at a lower level than the integration among al-Qur'an verses with economy subjects of Malaysia. Hence, it is important to explore the concepts of Islamic wealth management originating from the works of scholars because they refer to the primary sources, namely the Qur'an and Sunnah, which are related to the theory and practice of Islamic wealth management today.

6.6. Model of Islamic Wealth Management

Knowledge of Islamic wealth management components is crucial before applying them to achieve prosperity. Mu'adz bin Jabal said that knowledge is the leader of an action, and the action is behind knowledge (Ibn Taimiyah, 1976: 27). According to this research, knowledge of the Islamic wealth management components correlates positively

with adoption of Islamic wealth management in Malaysia. However, knowledge must be comprehensive, encompassing both Islamic revealed knowledge and modern knowledge.

Knowledge of Islamic wealth management derived from revealed Islamic knowledge can be found in the Qur'an, hadith, and thoughts of classical Muslim scholars in their works. The discussion of Islamic wealth management in the Qur'an and hadith begins with the terms *al-kasb* (earning) and *al-infâq* (spending) as in Surah al-Baqarah, 267:” O you who have attained to faith! Spend on others out of the good things you may have acquired, and out of that which We bring forth for you from the earth; and choose not for your spending the bad things which you yourselves would not accept without averting your eyes in disdain. Moreover, know that God is self-sufficient, ever to be praised.”

The hadith of Tirmidhi also mentions the terms *al-kasb* (earning) and *al-infâq* (spending) related to Islamic wealth management, "The feet of the son of Adam shall not move from before his Lord on the Day of Judgment until he is asked about five things: About his life and what he did with it, about his youth and what he wore it out in, about his wealth and how he earned it and spent it upon, and what he did with what he knew." (Hadith 2416). This Hadith explains that the management of wealth that refers to the rules of sharia law will lead to the heavens that God promised.

The works of classical scholars related to Islamic wealth management are Imam Hasan al-Shaibani in *al-Iktisab fil Rizq*, al-Muhasibi in *al-Makasib wal-Wara'*, al-Hubaisyi al-Washâbi in *al-Barakah fi fadhliis sa'yi wal harakah*, Ibn Dunya in *Islah al-mâl.*, imam al-Ghazali in *bab al-kasb wal ma'asyi*, Ibn Sina in *'ilm tadbir al-manzil*, and Al-Dimashqi in *al-Isyârah ila Mahâsin al-Tijarah*. They developed the texts in the Qur'an

and hadith in a particular work in the study of wealth management. Based on this study, they laid the philosophical foundation for how people should understand and manage their wealth based on Islamic knowledge. Therefore, it is imperative to include their views in this study on managing Islamic wealth.

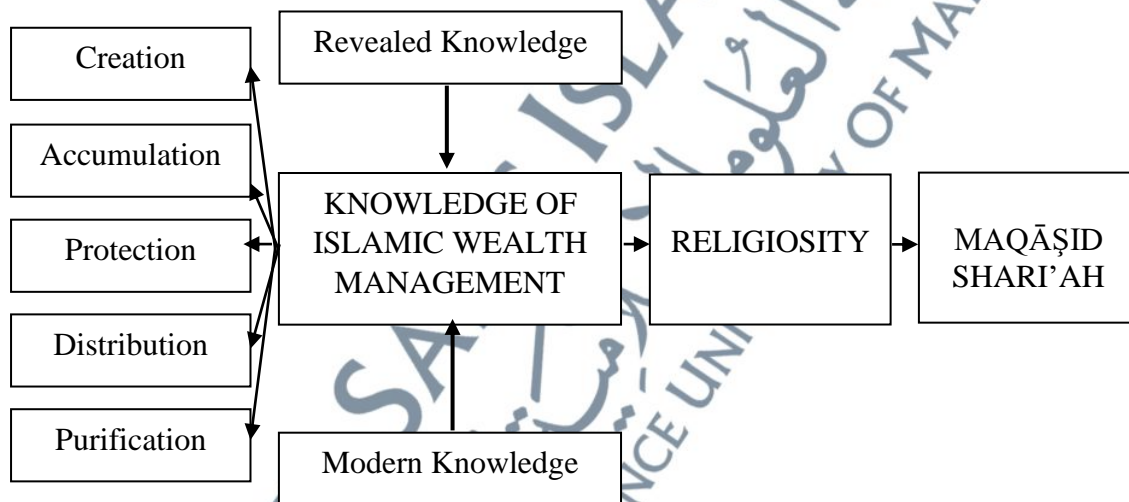
The thoughts of classical scholars in Islamic wealth management must be integrated with modern knowledge such as economics, business, finance, risk management, and banking into a holistic way integrated with Islamic wealth management based on sharia values and principles. Therefore, the integration of knowledge, namely revealed and rational knowledge, must be carried out. The knowledge curriculum on the Islamic wealth management components should be based on the integration of knowledge. The Islamization of wealth management includes not only the values in the Qur'an and Hadith but also the views of scholars who have concocted texts related to wealth management ideas in remarkable work.

The results of this study also explain that knowledge of the components of managing Islamic wealth has a positive relation with religion. Imam al-Ghazali has said that knowledge is the basis of religion (Al-Ghazali, 2011: 415). If a man seeks religious knowledge or what is sufficient for him to perfect his religion, he will be one of the followers of the beyond (ibid., 427). Knowledge of Islamic wealth management should be holistically oriented to the worldly side and the afterlife.

So, this understanding of the Islamic wealth management component is consistent with the Islamic religion. Religion should also include beliefs and dimensions of commitment and practice, which are not only related to aspects of worship but also mu'amalah, especially in wealth management. Knowledge and religion are the main

factors in the adoption of Islamic wealth management so that the practice will later lead the perpetrators to wealth management oriented towards *maslahah*, namely profit in the world and the Hereafter.

In this study, a model of Islamic wealth management is proposed using an integration approach to knowledge, integrating revealed and modern knowledge. The integration allows for a comprehensive understanding and application of wealth management within an Islamic framework, ensuring alignment with both religious values and contemporary financial requirements in achieving the *maqāṣid Shari'ah*.



Source: Ismail (2024)

Figure 14: Integration Model of Islamic Wealth Management

6.7. Conclusion

Knowledge of Islamic wealth management components and religiosity are essential factors in implementing Islamic wealth management in Malaysia. Knowledge is

a basic need for everyone to avoid life's problems. For Imam Ghazali, knowledge is a mandatory requirement for earning a living. There are several conclusions from this chapter. First, knowledge of Islamic wealth management components has a positive and significant effect at the 5% level on implementing Islamic wealth management in Malaysia. It is therefore important to increase knowledge about Islamic wealth management components to increase the adoption of Islamic wealth management in Malaysia.

However, the question items in the knowledge variable of the Islamic wealth management components were only wealth protection, distribution, and purification. The other two were not selected because their loading factor was below 0.6, namely wealth creation and accumulation. Knowledge about wealth creation and accumulation from the views of Islamic scholars, whose main references are the Qur'an and Sunnah, are not widely known by the respondents. In contrast to wealth protection, distribution, and purification, which is well known and applied by society.

Second, knowledge about the Islamic wealth management components positively and significantly influences religiosity at the 5% level. The higher a person's knowledge about the Islamic wealth management components, the higher the level of Islamic religiosity. This is what Imam al-Ghazali said that knowledge is fundamental to religion (Al-Ghazali, 2011: 415). If a man seeks religious knowledge or what suffices him to perfect his religion, he will be among the followers of the way to the hereafter (Ibid: 427).

The knowledge about the components of Islamic wealth management from early Muslim scholars such as Imam Hasan al-Syaibani, Ibn Sina, and Al-Dimasqi is always linked to religious knowledge because the knowledge base when they developed their

works related to Islamic wealth management was the Qur'an and Sunnah. Imam Hasan al-Syaibani, in his *al-Iktisab*, that seeking knowledge is obligatory to earn a living (kasb) which is also an obligation for Muslims.

Third, it turns out that religiosity and the adoption of Islamic wealth management in Malaysia have a positive relationship, but the significance level is at 10%. This explains that the religiosity of some people has not fully covered the aspects of the world and the hereafter, or they tend to think that the religion of Islam is only to achieve the hereafter matters, not worldly matters. However, it is evident in Surah al-Qasas, 77: "Rather, seek the reward of the Hereafter by means of what Allah has granted you, without forgetting your share of this world." It is in line with the previous explanation that people mainly acquire knowledge about components of Islamic wealth management related to the afterlife matters such as wassiyah, sadaqah, hibah, trust, waqf, and zakat.

Fourth, from the previous explanation that knowledge has a positive and significant relationship with religion, but when religion is used as a moderating variable in this study, it can be seen that there is a gap between knowledge about the components of Islamic wealth management and religiosity on the adoption of Islamic wealth management because the results do not have a significant relationship with the adoption of Islamic wealth management in Malaysia. Knowledge about the components of Islamic wealth management is still focused on the hereafter matters. Although wealth creation and accumulation are related to worldly aspects, if it is intended to worship Allah and is carried out in ways that are pleasing to Him will also have an impact on aspects of the hereafter. Maybe for some people looking for wealth by working and investing is a mere

world affair. So, this is secular understanding, which tries to separate aspects of the world and the hereafter in human activities.

Therefore, knowledge about the components of Islamic wealth management, namely wealth creation, accumulation, protection, distribution, and purification, must be directed at the orientation of fulfilling life in this world and the hereafter. The view of Islam is not only partial to the aspect of worship but also the implementation of mu'amalah. There is an integration of knowledge between *naqli* (revealed) and *'aqli* (rational). So, if this is done, the adoption of Islamic wealth management should be well received by the community.

