

THE IMPACT OF TRUST IN CASH WAQF CONTRIBUTION: A CASE STUDY OF WAKAF SELANGOR MUAMALAT (WSM) SERVICE OF BANK MUAMALAT MALAYSIA BERHAD (BMMB)

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ABSTRACT

This study aims to explore the WSM service of BMMB in relation to trust and cash waqf contribution. The purpose of this paper is to examine the impact of trust in managing cash waqf fund particularly WSM service of BMMB and secondly to provide a significant input to the existing waqf practitioners on how trust perceives the donor behavior towards cash waqf contribution. The qualitative approach was used to obtain the experiences on the current practice of WSM waqf service introduced by BMMB. It is based on a literature review and in-depth interview with a number of BMMB's staffs in waqf management department. Based on the in-depth interview findings, this study reveals that the organizational structure of JMC members, WSM waqf fund disclosure and involvement of Islamic financial institution, in this case BMMB, was significantly important and effective in waqf affairs. The findings indicate that trust and commitment to contribute were interrelated. This can be seen in the collection trend of WSM fund for two consecutive years. Hence, trust plays a significant role in defining donors' willingness to engage in cash waqf giving commitment. Additionally, the results confirmed that the strong background of JMC members, WSM waqf fund information disclosure practice and involvement of Islamic financial entity have significant positive effects in waqf affairs which resulting and attracting consistence waqf fund contribution from donors. Moreover, the findings showed that the appropriateness of commitment-trust theory (CTT) in the case of WSM fund management. Commitment of BMMB in this charitable motive has been paid off by public. Finally, the results revealed that the given trust is a proof that corporate entity through WSM cash waqf management model is viable affiliation and with the assistance of State Islamic Religious Council (SIRC), both institutions shall work together in serving ummah in a very professional way. The results of this study help our understanding of how trust affects the donor behavior in cash waqf contribution. This study further provides several recommendations to address the issue and challenge in administrating WSM cash waqf fund.

Keywords: Cash Waqf, Islamic banking, Corporate Entity, Trust, Management

INTRODUCTION

As a pioneer bank in cash waqf management, Bank Muamalat Malaysia Berhad (BMMB) has launched cash waqf service in September 2012 (Bank Muamalat Malaysia Berhad, 2019). This service is known as Wakaf Selangor Muamalat (WSM). It is a cash contribution contributed by public or corporate entity for the purpose of charitable cause. Waqf can be understood as an endowment made by a Muslim to a religious, educational or charitable motive. It can be in the form of tangible asset or intangible, with no intention of reclaiming of the said assets (Wikipedia, 2019). Waqf is also a financial charitable institution established by withholding immovable and movable properties to perpetually spend its revenue on fulfilling public or family needs, depending on the preferences of and conditions set by the founder (Mohsin *et al.*, 2016). Therefore, using cash for waqf and mobilizing bank's channels, are another great avenue for BMMB, their customer and public at large. With a professionalism and strong governance of a banking institution in managing the fund, this is a magnificent value provided by BMMB in upholding the role of waqf to the society. Furthermore, with a professionalism and strong governance of a banking institution in managing the fund, together with the mandate of state religious authority, it would significantly enhance and strengthen waqf affairs (Zamhari, 2011; Furqon, 2011).

Health and education are the two major sectors selected for the distribution of WSM cash awards funds. The high cost and demand were the main reasons for selection. Healthcare inflation in Malaysia stood at 11.5% in 2016 and was projected to rise further 12.7% in 2017. Among the reasons for the growing of medical costs is utilization of medical services as more people are failing sick, the growing of ageing population and the advancement of medical technology (howtofinancemoney.com, 2019). The same is also true for education, the cost is escalating every day especially for academic/course fees and lifestyle expenses during study (studymalaysia.com, 2019). Cash waqf fund is therefore, the most appropriate instrument, to spur the development of education and promote better healthcare lifestyle. Importantly, WSM waqf fund benefit can be enjoyed by all levels of society, irrespective of status, position, race and religion (Jalil, 2018; Nurrachmi, 2012).

Though, cash *waqf* had been introduced and practiced in Malaysia since 1959 (Mahamood, 2007), the response towards cash *waqf* contribution is not there. Previous literatures had outlined several reasons contributed to this situation. Among others are the cash *waqf* itself and is still a debatable issue due to its perpetuity and inalienability in nature (Ibrahim *et al.*, 2013), wrong perception among Muslims on *waqf* endowment through cash (Aziz *et al.*, 2013, Mohsin 2009), level of public understanding on cash *waqf* is still low (Fatah *et al.*, 2017; Osman *et al.*, 2012), Malaysian preference of *waqf* is only for religious purposes (Alias, 2011) and lack of trust to the management of cash *waqf* fund (Mokhtar *et al.*, 2015; Shukor *et al.*, 2017).

In line with the above mentioned affirmation, the following research is purposely to examine to what extent trust would influence cash *waqf* contribution and whether an institution like a bank mediates positive relationship towards cash *waqf* contribution. Furthermore, the Commitment-Trust Theory (CTT) introduced by Morgan and Hunt (1994) would be analyzed accordingly. In CTT approach, trust is known as existing when one party has confidence in an exchange party's reliability and integrity. Trust is enhanced when partners share similar values and when partners communicate (Holdford and White, 1997). Interview, previous scholarly works, working papers and relevant internet resources as well as WSM service offered by BMMB, were the data used in this study.

In a nutshell, the purpose of this paper was to examine the impact of trust in managing cash *waqf* fund particularly WSM service of BMMB and secondly to provide a significant input to the existing *waqf* practitioners how trust perceived the donor behavior towards cash *waqf* contribution. This paper consists of the literature review; overview of WSM service by BMMB; the research methodology; results and discussion.

LITERATURE REVIEW

In the *Shari'ah* point of view, *waqf* is defined as "holding a property (*maal*) and prevent the usage for the purpose of issuing benefits continuously to represent truth objective or the good of charity" (Aziz *et al.*, 2013). Subject to its purpose and nature of utilization, *waqf* can be established in many forms and means. *Waqf* of property or monetary is the most typical one (Rizal & Amin, 2017). In Malaysia, cash has been recognized as one of *waqf* instruments. Its permissibility has been endorsed by Muzakarah Jawatankuasa Fatwa Kebangsaan in 2009 (Jabatan Kemajuan Islam Malaysia (JAKIM), 2019). The Holy Quran in the case of donation and endowment has clearly stimulated and encouraged this noble course. For example, in *surah al Baqarah*, verse 261, *surah Ali 'Imran*, verse 92 and *surah al Hadid*, verse 18.

According to Yayasan Wakaf Malaysia, cash *waqf* is defined as "a religious endowment by using cash collected in a trust fund under the management of the administrator entrusted to manage this endowment for the welfare and benefit of the *ummah*" (Yayasan Wakaf Malaysia, 2019). In the contemporary context, cash *waqf* appears to be one of the most preferable methods of endowment because liquid in nature, easy to manage, more practical to distribute, remain viable to generate more funds and relevant means for the development of *ummah* (Nadwi & Kroessin, 2013; Saduman & Aysun, 2009; Kahf, 1999). Cash *waqf* is used to finance various types of activities and fixed assets such as education, develop schools, hospital, bridges, roads, ports, maintenance of mosques, social services, water works and workers (Jalil, 2018; Harun *et al.*, 2016; Johari *et al.*, 2015; Mohsin, 2009; Cizacka 1998).

The proper cash *waqf* management involves three main phases which consists of *waqf* fund collection, *waqf* fund investment and *waqf* fund disbursement (Tohirin & Hudayati, 2011). However, the efficiency of cash *waqf* management is still questionable due to several internal management issues (Khamis & Salleh, 2018). Based on available literatures, there are lots of issues on cash *waqf* fund in which to include sustainability of collection, factors to influence the collection, operation of cash *waqf* fund and awareness on cash *waqf* (Yusoff, 2018; Fatah *et al.*, 2017; Khairunisa *et al.*, 2017; Haron *et al.*, 2016; Adeyemi *et al.*, 2016; Pitchay *et al.*, 2015; Osman *et al.*, 2015; Mokhtar *et al.*, 2015; Khairi *et al.*, 2015).

One of the very crucial issues that need to be addressed accordingly is trust. The empirical analysis by Shukor *et al.*, (2017); Mokhtar *et al.*, (2015); Osman *et al.*, (2012) and Alias (2011) provided the important of trust in cash *waqf* determination. Consequently, given the mindset that banks are experienced in managing cash well, Malaysians are confident that cash *waqf* through banks will be taken care efficiently (Mokhtar *et al.*, 2015; Snip, 2011). Hence, trust warrants to be revisited because it has not been empirically tested in relation to Islamic banking environment and cash *waqf* giving behavior.

There are a multitude of determinants that have played a critical role on a persons' intention towards charitable giving of cash *waqf* contributions (Rizal & Amin, 2017). Oftentimes, charitable giving is driven by people's attitude, behavior, religious belief, reputation, self-satisfaction, education, trustworthiness, financial commitment, convenience, information, promotion and culture. In some cases, demographic and tax incentive are revealed to be potential factors (Baqtayan *et al.*, 2018; Aziz *et al.*, 2017; Yusuff *et al.*, 2015; Osman *et al.*, 2012). In this regards, trust has been recognized as a substantial reason and inclination of donors to participate in cash *waqf* charitable course (Jalil *et al.*, 2016; Johari *et al.*, 2015). It is in fact affirming the previous studies which indicated that individual trust in *waqf* institutions leads to individual intention to participate in the practice (Shukor *et al.*, 2017; Ramli & Jalil, 2014).

Moorman *et al.*, (1992) define trust as a willingness to rely on an exchange partner in whom one has confidence. Trust also refers "to the extent of donor belief that a charity will behave as expected and fulfill its obligations" (Sargeant & Lee, 2004). Trust developed in the *waqf* institution means that the donor believes in the information disclosed to them and at the same time has full faith on cash collected for the purpose of *waqf* activities. Studies by Rusdiyana and Devi (2014) concerning the problems

of cash *waqf* management in Indonesia revealed that the most priority issue is trust compared to others such as human resource and system. The same situation for the case of Japan dan Netherland whereby trust becomes the key to the growth of charitable organizations (Taniguchi & Marshall, 2012; Bekkers, 2003). Thus, as concluded by Sargeant *et al.*, (2006) that trust and giving behavior are related sequentially.

In Islam, trust it is known as *amānah* which relates to reliability, trustworthiness, faithfulness, integrity and honest. This concept takes a significant role in developing the moral behaviour of a Muslim (Hasan and Siraj, 2017). Allah SWT has mentioned this in *Surah al Baqarah*, verse 283, which means;

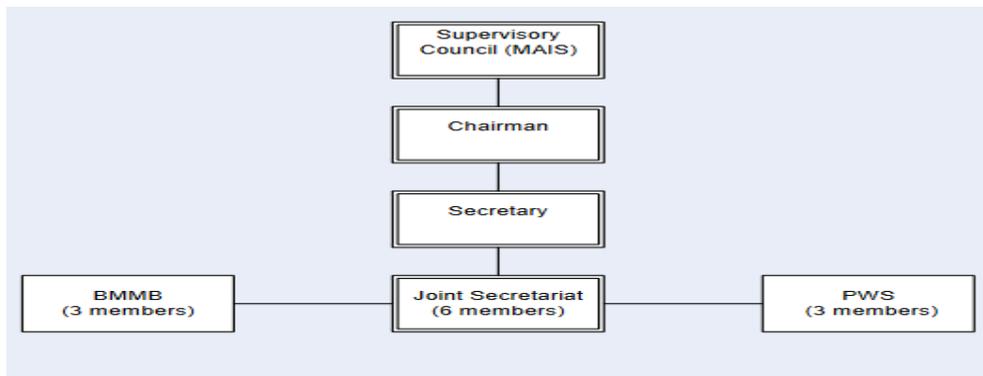
“If you trust one another, then let him know who is trusted fulfil his trust, and let him be conscious of God, his Sustainer”

Hence, according to Hasan & Siraj, (2017), the achievement of a high degree of trust in the early Muslim’s world has led toward the accomplishments of them in various fields such as education, health, economic, social and culture.

Overview of WSM Service by BMMB

The WSM cash *waqf* service is the result of a strategic partnership between BMMB and Perbadanan Wakaf Selangor (PWS), a subsidiary of Selangor Islamic Religious Council (Majlis Agama Islam Selangor (MAIS)). This service involves the collection, distribution and fund management of WSM’s cash *waqf* fund (Bank Muamalat Malaysia Berhad, 2019). A special joint management committee (JMC) has been established as detailed out in Table 1.

Table 1: The structure of JMC



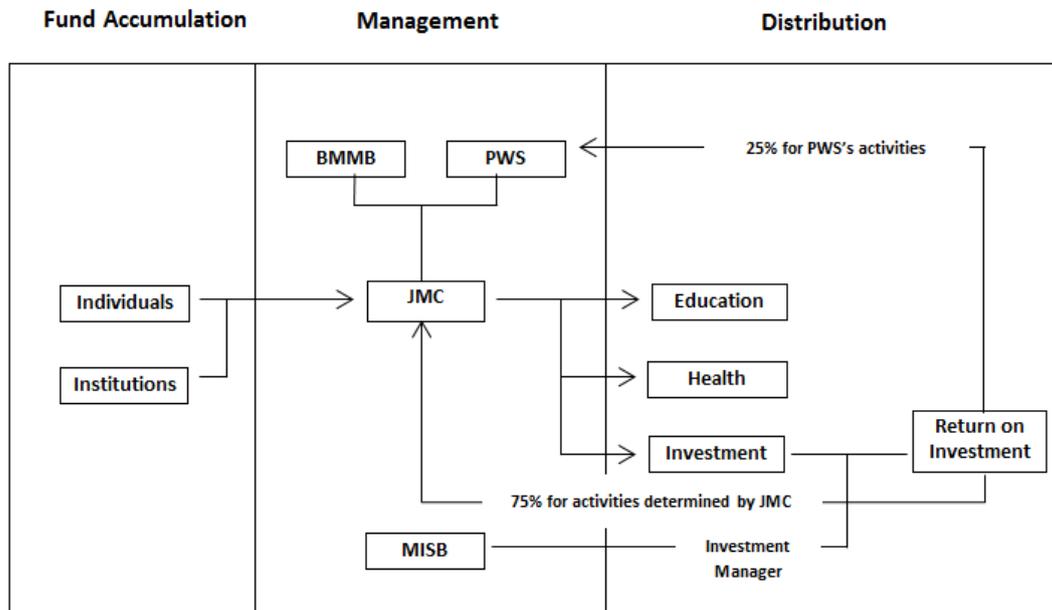
Source: Ramli & Jalil, 2014

This JMC should operate and manage WSM cash *waqf* funds independently. Therefore, three members represent BMMB and another three from PWS. Its Chairman is independent personnel, no interest in BMMB, nor PWS. Among the main duties of JMC are having decision-making powers and policies, policy makers associated with the collection, distribution or use of funds and are responsible to MAIS (Bank Muamalat Malaysia Berhad, 2019).

The source of WSM *waqf* fund is acquired through 64 BMMB’s branches nationwide. Individuals or institutions may contribute their cash *waqf* over the counter, standing instruction from deposit account, salary deduction, ATM, CDM, debit card, credit card and e-payment facility such as JomPAY. Furthermore, interbank transaction (IBT) service is also available. The minimum contribution is RM10 by individuals and RM100 by institutions and there is no maximum amount for contribution by both (Ramli & Jalil, 2013). A very interesting fact about the WSM service is that the service offers to the public is free of charge. At the same time, contributing to WSM *waqf* fund also entitled the donors to get income tax relief, based on the section 44 (6) of the Income Tax Act 1967 (Bank Muamalat Malaysia Berhad, 2019).

The fund basically would be managed by JMC, focusing three main sectors namely health, education and investment. For investment, it should be administered by Muamalat Invest Sdn. Bhd (MISB), a subsidiary of BMMB. The allocation of fund will be invested in *Shari’ah* compliant instruments. As agreed by BMMB and PWS, 25% of the investment return will then be distributed to latter and another 75% will be channeled back to main WSM *waqf* fund. This will be redistributed by JMC to the area deemed appropriate (Bank Muamalat Malaysia Berhad, 2019; Mokhtar *et al.*, 2015). Table 2 details out the operation framework of WSM *waqf* fund.

Table 2: Financial and Operational Framework of WSM



Source: Bank Muamalat Malaysia Berhad, 2019; Ramli & Jalil, 2013

Based on data available, more than RM12 million has been distributed accordingly. Summary of WSM fund distribution program or allocation is depicted in Table 3.

Table 3: WSM fund distribution program

No.	Beneficiary	Asset	Sector	Amount
1.	Religious School, Kelantan	Academic Buildings	Education	RM470,000
2.	Primary School at Ranau Sabah	Academic Buildings	Education	RM41,000
3.	Islamic Primary School, Perak	12 Classrooms	Education	RM65,000
4.	Sekolah Rendah Islam, Selangor	Academic Buildings	Education	RM500,000
5.	KPJ Damansara Specialist Hospital	Mobile Clinic	Healthcare	RM255,000
6.	KPJ Perdana Specialist Hospital	Mobile Clinic	Healthcare	RM245,000
7.	Beacon Hospital	Mobile Clinic	Healthcare	RM260,000
8.	Angkatan Tentera Malaysia (ATM)	Mobile Clinic	Healthcare	RM700,000
9.	Majlis Kanser Nasional (MAKNA)	Nitrogen Storage Tank	Healthcare	RM100,000
10.	Hospital Waqaf An Nur, Johor	Dialysis Machines	Healthcare	RM180,000

Source: Bank Muamalat Malaysia Berhad, 2019; Ramli & Jalil, 2014

METHODOLOGY

This qualitative study is based on literature reviews of cases, events and *waqf* activities handled by BMMB and PWS, commencing from the year of 2012 until 2018. Besides that, in order to gain more insights on the subject matter, this study also uses a semi-structured face-to-face interview approach. According to Marshal & Rossman, (2006), data collection in semi-structured interview must be conducted in cordial discussion to attain authentic and accurate information. Therefore, the questions were primarily based on the standardized set of questions with a few adjustments to ensure its suitability (Suryani, 2008). Through this approach, the data become more systematic, sensitive to different styles, attributes or approaches, comprehensive, thorough and focused. Furthermore, this technique minimizes researcher's biasness, and the reliability of the answers given is maintained, as the answers are obviously obtained from the individual's own perspectives or thoughts (Horton *et al.*, 2004). Thus, at this stage, this study aims to obtain the view of stakeholders on the issues of administration and management of WSM cash *waqf* fund and we believe that qualitative method is the best suitable method to explore and understand them.

For this purpose, WSM service of BMMB is chosen because BMMB is regarded by the Malaysian banking players as the pioneer cash *waqf* business. Secondly, with professionalism and governance of a banking institution in managing the cash *waqf* fund for more than five years, the selection of BMMB can be considered a suitable and appropriate institution for the study.

Sample

Two staff of Dakwah, Wakaf and Zakat Department (DWZ) of BMMB were interviewed to capture their views, thoughts and experiences on WSM service. As a common standard and practice, all interviewees' names were coded to safeguard privacy and confidentiality of the subjects. Details of the interviewees are outlined in Table 4. Each interviewee's quotation is numbered (DWZ1 and DWZ2) for ease of references to the respondent's profile. All interviews were conducted mainly in the English language. Therefore, their familiarities and observations are supported by the understanding of theoretical and conceptual framework of WSM in BMMB.

Table 4: Profile of the interviewees

No.	Institution	Position	Code
1.	Bank Muamalat Malaysia Berhad	Deputy Manager	DWZ1
2.	Bank Muamalat Malaysia Berhad	Executive	DWZ2

Data Collection

The study used semi-structured interview to get the DWZ staff's views, thoughts and experiences on WSM service. The interview questions were divided into four sections. The first section explores their view on JMC members. Second part is basically touching on reporting and disclosure of WSM *waqf* fund. Third section is concerning the issues of administration and management of WSM *waqf* fund managed by a banking institution. Lastly is on the impact of trust towards cash *waqf* commitment. All conversations are tape-recorded and then transcribed verbatim. When further clarification is required, the interviewees were contacted via telephone and email. After collecting the data, the data were analyzed thematically in order to discover any relevant issues from the interviewees' views.

RESULTS AND DISCUSSION

1) WSM *waqf* fund Management by Joint Management Committee (JMC)

The participants in the interview were questioned on WSM *waqf* fund Management supervised by JMC. At the same, they were asked about specific policy or guideline that governs JMC members in performing their duties. Below are some of the responses generated from the interviews:

The JMC managed WSM fund by segregating the fund into three sectors i.e. education, health, and investment. The agreed proportionate to these three sectors are 20% for the latter and another 40% for two other sectors respectively. The background of JMC members are coming from various fields in term of education, position and experience. Furthermore, Mufti of Selangor is one of the members. With regard to frequency of meeting, JMC will be sitting on monthly basis or in urgent cases, decision will be made via circulation. All power and jurisdiction of JMC are governed by the collaboration agreement and terms of reference (TOR). (DWZ1)

WSM *waqf* fund is managed by channeling this *waqf* fund into three sectors which are education sector, health sector and investment sector. All decisions of the *waqf* fund applications are made by monthly meeting or via circulation. Furthermore, screening process of *waqf* application is made by WSM secretariat depends on certain criteria and policy. In terms of policy or guideline, JMC of WSM is subject to collaboration agreement and specific term of references. (DWZ2)

Based on the above findings, the interviewees highlighted that the roles and duties of JMC in managing WSM *waqf* fund effectively. Basically, by virtue of power conferred to PWS, appointed JMC through collaboration agreement between BMMB and PWS has an authority to look after all *waqf* businesses accordingly. In Selangor for example, Section 32 Wakaf (State of Selangor) Enactment 1999 (No.7 of 1999), states that: "Notwithstanding any provision to the contrary contained in any instruments or declaration creating, governing or affecting any wakaf, Majlis Agama Islam Selangor (MAIS) shall be the sole trustee of all wakaf, whether wakaf am (general wakaf) or wakaf khas (specialized wakaf), situated in the state of Selangor" (Thaker and Thaker, 2015). Hence, from the enactment point of view, it is very clear that all *waqf* matters are within the purview of MAIS. In 2011 however, with the objective of strengthening further the administrative of *waqf* affairs, incorporation of PWS by MAIS comes to effect.

In the context of JMC members, those appointed are Ybhg. Tan Sri Datuk Seri Panglima Dr. Abdul Rahman Arshad (Chancellor of UCSI and Pro-Chancellor of UiTM), Ybhg. Dato' Hj. Mohd Redza Shah Abdul Wahid (Chief Executive Officer of BMMB), Ybhg. Dato' Setia Mohd Tamyas Abdul Wahid (Mufti of Selangor), Ybhg. Tn. Hj. Azizi Che Seman (Chairman, Shariah Committee of BMMB), Ybhg. Datin Paduka Ungku Arfah Ungku Tahir (Board, PWS), Ybhg. Tn. Anuar Hamzah Tohar (Deputy

Chief Executive Officer of PWS) and Ybhg. Tn. Hj. Mohd Hafiz Fauzi (Head, Dakwah, Wakaf and Zakat Department of BMMB) (Bank Muamalat Malaysia Berhad, 2019). Based on appointed JMC members' background and experience, it demonstrates the seriousness and resilient commitment from BMMB and PWS in managing WSM's operation accordingly. This involvement also will ensure that a proper check and balance is practicing when utilizing the WSM *waqf* fund. Furthermore, they are also be guided by specific term of reference and guideline in discharging their duties.

In terms of fund segregation, only 20% channeled for investment, while remaining 80% will be distributed to education and health programs respectively. Return from investment will be considered as *manfaah* (benefit) fund whereby 75% will be channeled back to WSM's general fund and remaining 25% will be directly transferred to PWS for operational consumption. With such distribution, it reflects a specific mechanism to guarantee WSM *waqf* fund is purposely maximized for benefit of beneficiaries and charitable activities.

2) WSM *waqf* fund Reporting and Disclosure

The participants in the interview were further requested to explain on WSM *waqf* fund reporting and information disclosure. The question focuses on the content of reports, its frequency and the selection of accessible channels for disclosure. The justification and rational of management to issue such report is also probed. Below are the participants' views:

WSM reporting is done on regular basis i.e. by month, quarter, and annual. The fund is presented not just to the JMC but to BMMB, PWS, and MAIS too. In term of disclosing the report to public, interviewee highlighted that the availability of the said report in BMMB's Wakaf website is a good corporate governance practice. Consequently, this would bring more confidence and trust to all stakeholders and potential donors. (DWZ1)

The WSM *waqf* fund report is generated on monthly basis. The report is presented to JMC, BMMB, PWS and MAIS. The disclosure of such information shows a transparency of WSM management. Thus, it will surely gain a trust from contributors to donate with WSM. (DWZ2)

Based on the above findings, the participants opined that disclosure of information concerning WSM *waqf* fund activities is really important. All stakeholders including potential donors would benefit from the disclosure, resulting more confidence and trust gradually established. These views are similar to findings of available information significantly contributed towards donors behavioral to donate (Jalil, 2018; Shukor *et al.*, 2015; Amin *et al.*, 2014). Therefore, the practice of WSM management in disclosing through website all relevant information is a good governance approach.

3) WSM *waqf* fund administration by BMMB (Islamic Financial Institution)

The participants were asked their views concerning the administration and management of WSM *waqf* fund under purview of BMMB. How it differs from non-financial institution such as state Islamic religious authority or non-government organization in managing charitable affairs. The interviewee also requested to share issues related to administration and management of WSM *waqf* fund by BMMB. Below are the participants' observations from the interviews:

BMMB has expertise in fund management. The fund will be diversified into different portfolio to gain maximum income thus more beneficiaries can get the benefit. In term of issues, the interviewee emphasized among others the issue of receipt issuance, customer identification and manpower of DWZ in monitoring day to day activities of WSM service. (DWZ1)

As a banking institution, BMMB is having a pool of expertise in various fields including fund and asset management. Moreover, recognition from community compared to other non-financial institution is higher. This advantage will lead to increase of *waqf* fund collection so that more beneficiaries will benefit. With regard to the issue, the interviewee stressed on proper filing and receipt issuance. (DWZ2)

Based on the above findings, the interviewees highlighted that WSM *waqf* service involves a financial institution which is managing the collection, distribution and operation of the cash *waqf* fund. Accordingly, several other practices of managing *waqf* fund are run by government institution, non-government institution (NGO) or non-profit organization (NPO). BMMB model is definitely different from others because by nature it is a corporate entity with commercial achievement was their main agenda. Nevertheless, the emergence of cash *waqf* has stretched the issue of accountability and transparency in the management of this asset. A number of activities such the accumulation, investment and distribution of the fund may require high skill and expert personnel (Nadwi, 2015; Iman & Mohammad, 2014). Hence, an engagement with corporate body will transpire all of these into professionalism in handling the fund. Consequently, the role of Islamic financial institution in the *waqf* fragment will be seen promoting a balance between commercial growth and social commitment (Dusuki, 2008).

In addition to that, respondents also shared their concerns on several issues beforehand. This shall include the issue of administrative and manpower. Issuance of receipt, identification of customer and filing of documentation are amongst the hurdles that need to be faced by interviewees. Donors usually would request the confirmation of contribution for the tax incentive purpose. Suggesting internal reconciliation between parties involved need to be enhanced further. With regard to manpower matters, inadequacy of staff is crucial issue for interviewees. This is in fact in line with the study conducted by Rusdiyana & Devi (2014);

Haron *et al.*, (2016); Fatah *et al.*, (2017) and Khamis & Salleh (2018) whereby sufficient manpower together with the right skill and knowledge would resolve many issues surrounding *waqf* management.

4) Trust and impact to cash *waqf* contribution

The participants were interviewed on the impact of trust towards cash *waqf* contribution. It relates to the integrity in managing WSM *waqf* fund whether it will significantly improve the cash *waqf* giving commitment by donors. In addition to that, they also demanded to share their opinion on other factors that may influence cash *waqf* contribution. Below are the respondents' understandings produced from the interviews:

Yes, because integrity has a strong correlation with financial performance in any institution. With regard to other factors that may influence cash *waqf* contribution, interviewee has outlined convenience, branding, accessibility to the information and good governance. (DWZ1)

Absolutely agreed because it demands truthfulness and honesty. Interviewee further outlined demographic factor, efficiency of management, tax incentive and religious satisfaction are other determinants that may influence cash *waqf* donors. In addition to that, promotion and awareness should be focused more because when people understand the concept and implementation cash *waqf* fund, positive result on the *waqf* asset development will be gradually materialized (DWZ2)

Based on the findings from the interview, interviewees of the views that trust and commitment to contribute are interrelated. According to Jalil *et al.*, (2016), many literatures recognized trust as a substantial reason for donors to participate in cash *waqf* charitable path. Masyitah *et al.*, (2005) further stressed that many people did not trust the management as cash *waqf* may eventually involve to a large amount of funds that require a highly capable institution to ensure trustworthiness. This can be seen in the collection trend of WSM fund for two consecutive years. Details are depicted in Table 5. Hence, trust plays a significant role in defining donors' willingness to engage in cash *waqf* giving commitment.

Table 5: Trend of Collection from 2016 - 2017

No.	Year	Quarter	Total Collection
1.	2016	1 st Quarter	RM1,000,000
		2 nd Quarter	RM730,000
		3 rd Quarter	RM670,000
		4 th Quarter	RM670,000
2.	2017	1 st Quarter	RM528,000
		2 nd Quarter	RM786,000
		3 rd Quarter	RM500,000
		4 th Quarter	RM570,000

Source: Bank Muamalat Malaysia Berhad, 2019

With regard to other factors that may influence cash *waqf* contribution, interviewees observed convenience, branding, accessibility to the information and good governance may give an impact to donors. Nevertheless, a further study needs to be executed in order to examine the abovementioned determinants.

Concerning the theory of Commitment-Trust in the practice of WSM fund management by BMMB, it is very clear that according to CTT, when one partner has confidence towards their exchange partner's reliability and integrity, trust comes to effect. According Morgan & Hunt (1994), they propose that commitment and trust are key variables for successful relationships, resulting both partners may fulfill their needs. Therefore, the higher degree of trust and commitment ultimately leads to greater affiliations in a long term run (Hilman & Hanaysha, 2015). This happens in WSM service whereby when the components of integrity in management, transparency in disclosure, good governance in operation and administration are putting in place, the result shows a consistent contribution from the donors or *waqf* givers. This is a strong reflection of trust and commitment from donors to WSM management.

CONCLUSION

As a conclusion, the objective of the study is to explore the practice of WSM *waqf* fund management in BMMB. The study found out that the organizational structure of JMC members, WSM *waqf* fund disclosure and involvement of Islamic financial institution, in this case BMMB, was significantly important and effective in *waqf* affairs. This involvement further is parallel with the need of financial institution to participate in value-based intermediation (VBI) initiatives (Bank Negara Malaysia, 2019). It helps a corporation to deliver valuable impacts to community, economy and environment through charitable course. Therefore, providing WSM cash *waqf* service is one of the approaches in realizing the said mission (Bank Muamalat Malaysia Berhad, 2019). Although this study was limited to the practices of WSM and BMMB, other institutions could also benefit from the business and the administrative point of views.

The analysis also found out that the appropriateness of commitment-trust theory (CTT) in the case of WSM fund management. As highlighted by Water (2010), in gaining donors' trust, an organization has to cultivate good relationship and always maintain the confidence for future and long term engagement. Commitment of BMMB in this charitable motive has been paid off by public. Trust given is a proof that corporate entity through WSM cash *waqf* management model shall work hand-in-hand with SIRC in serving the need of ummah.

Besides that, the issues on administrative and manpower concerning WSM *waqf* management are becoming pertinent to be resolved. Nevertheless, more emphasize should be given to inadequate manpower's matter because shortage of manpower may interrupt the smoothness in administering and managing cash *waqf* fund. Hence, in some cases and subject to cost incurred, recommending technology to be adopted where necessary. Nevertheless, the scope of this study was limited to WSM *waqf* service of BMMB. Moving forward, it could be applied to other *waqf* institutions in Malaysia including other Islamic financial institution which involves in *waqf* initiative.

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