



**PROMOTING AND ENHANCING TRUST IN UMMAH
SUSTAINABILITY THROUGH CASH WAQF FUND MODELLING**

اونیورسیتی تیکنیکل ملیسیا ملاک

**UNIVERSITI TEKNIKAL MALAYSIA MELAKA
SITI FARAH FADILA BINTI ABD RAZAK**

DOCTOR OF PHILOSOPHY

2025



Institute of Technology Management and Entrepreneurship

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SITI FARA FADILA BINTI ABD RAZAK



A thesis submitted
in fulfillment of the requirements for the degree of
Doctor of Philosophy



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UNIVERSITI TEKNIKAL MALAYSIA MELAKA

Institute of Technology Management and Entrepreneurship

UNIVERSITI TEKNIKAL MALAYSIA MELAKA

2025

DECLARATION

I declare that this thesis entitled “Promoting And Enhancing Trust In Ummah Sustainability Through Cash Waqf Fund Modelling” is the result of my own research except as cited in the references. The thesis has not been accepted for any degree and is not concurrently submitted in candidature of any other degree.



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APPROVAL

I hereby declare that I have read this thesis and in my opinion this thesis is sufficient in terms of scope and quality for the award of Doctor of Philosophy.



Signature

Supervisor Name

Date

UTeM

: DR AB RAHIM BIN IBRAHIM.....

... 18 JULY 2025.....

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DEDICATION

I dedicate this thesis to my beloved mother, father and my family.



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ABSTRACT

This thesis investigates the underlying factors limiting the effectiveness of Cash Waqf as a sustainable Islamic philanthropic mechanism in Malaysia, particularly focusing on donor trust, information transparency, and institutional accountability. While Cash Waqf holds great promise for addressing socio-economic disparities, its practical implementation is hindered by fragmented governance, inconsistent reporting practices, and limited donor engagement across State Islamic Religious Councils (SIRCs). Through a mixed-methods approach that combines qualitative interviews with key stakeholders including Waqf authorities, donors (Waqif), and subject matter experts with quantitative analysis, this study aims to design and validate a comprehensive Cash Waqf Fund Model. The proposed model integrates the principles of trust, commitment, and transparency within an Islamic framework, drawing on Social Exchange Theory, Commitment-Trust Theory, and Islamic behavioral perspectives. The research identifies critical dimensions influencing Waqif commitment, including financial and non-financial information disclosure, communication quality, and institutional governance. It further introduces the Green Waqf Financing Evaluation System (GFWESs) as a practical solution to systematically verify giving behavior and address trust deficiencies. The model's validation confirms that structured reporting, Shariah-compliant investment mechanisms, and digital engagement significantly enhance donor confidence and sustained contributions. The study also reveals substantial disparities in Cash Waqf collection and utilization across Malaysian states due to regulatory inconsistencies and limited investment capabilities. By addressing these challenges, the research contributes theoretically to Islamic social finance literature and practically to the improvement of Waqf governance. It proposes a standardized and adaptable Cash Waqf management model that can be replicated across institutions to maximize asset utilization, support socio-economic development, and ensure Ummah sustainability. The findings advocate for policy reforms that mandate financial transparency, institutional capacity building, and donor-focused communication strategies. This thesis ultimately positions Cash Waqf as a transformative tool for inclusive development in line with the objectives of the 12th Malaysia Plan and the United Nations Sustainable Development Goals (SDGs).

MEMPROMOSIKAN DAN MENINGKATKAN KEPERCAYAAN TERHADAP KEMAMPAAN UMMAH MELALUI PEMODELAN DANA WAKAF TUNAI

ABSTRAK

Tesis ini mengkaji faktor-faktor utama yang menghalang keberkesanan Wakaf Tunai sebagai mekanisme filantropi Islam yang mampan di Malaysia, dengan memberi tumpuan khusus kepada isu kepercayaan penderma, ketelusan maklumat, dan akauntabiliti institusi. Walaupun Wakaf Tunai berpotensi besar dalam menangani ketidaksamaan sosio-ekonomi, pelaksanaannya berdepan pelbagai cabaran termasuk tadbir urus yang tidak seragam, ketidakkonsistenan dalam pelaporan, serta penglibatan penderma yang rendah di kalangan Majlis Agama Islam Negeri (MAIN). Dengan menggunakan pendekatan kaedah campuran yang merangkumi temu bual kualitatif bersama pihak berkepentingan utama termasuk pihak berkuasa wakaf, Waqif (penderma), dan pakar serta analisis kuantitatif, kajian ini membangunkan dan mengesahkan satu Model Dana Wakaf Tunai yang menyeluruh. Model ini menggabungkan prinsip kepercayaan, komitmen dan ketelusan selaras dengan kerangka Islam, serta disokong oleh Teori Pertukaran Sosial, Teori Komitmen-Kepercayaan dan perspektif tingkah laku derma Islam. Kajian ini mengenal pasti dimensi utama yang mempengaruhi komitmen Waqif, termasuk pendedahan maklumat kewangan dan bukan kewangan, kualiti komunikasi, serta tadbir urus institusi. Kajian ini turut membentangkan pembangunan Green Waqf Financing Evaluation System (GFWESs) sebagai penyelesaian inovatif untuk mengesahkan tingkah laku penderma dan menangani isu kepercayaan. Pengesahan terhadap model ini menunjukkan bahawa pelaporan berstruktur, mekanisme pelaburan patuh Syariah, serta penglibatan digital dapat meningkatkan keyakinan dan kesetiaan penderma secara signifikan. Sumbangan utama tesis ini adalah dari aspek teori dalam memperkaya literatur kewangan sosial Islam, dan dari aspek praktikal dalam memperkuuh tadbir urus institusi wakaf. Ia mencadangkan satu model pengurusan Wakaf Tunai yang seragam dan boleh disesuaikan di pelbagai institusi untuk mengoptimumkan penggunaan aset, menyokong pembangunan sosio-ekonomi, dan menjamin kelestarian Ummah. Dapatan kajian juga menyeru kepada pembaharuan dasar yang mewajibkan ketelusan kewangan, peningkatan keupayaan institusi dan strategi komunikasi yang berfokus kepada penderma. Tesis ini akhirnya meletakkan Wakaf Tunai sebagai instrumen transformasi pembangunan inklusif selaras dengan matlamat Rancangan Malaysia Ke-12 dan Matlamat Pembangunan Mampan (SDGs) Pertubuhan Bangsa-Bangsa Bersatu.

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In the Name of Allah, the Most Gracious, the Most Merciful

All praises and thanks are due to Allah SWT, the Lord of the Worlds, whose boundless mercy, infinite wisdom, and unwavering guidance have granted me the strength, patience, and perseverance to complete this remarkable and transformative journey toward the Doctor of Philosophy degree. Every step of this arduous voyage was only made possible by His divine will, and to Him alone belongs all gratitude and glory.

This thesis stands as a testament not only to personal perseverance but also to the immense support, mentorship, and encouragement I have received from individuals who have walked beside me, believed in me, and uplifted me throughout this journey.

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Above all, this thesis is humbly dedicated to the Ummah, in the hope that this work may, in some small way, contribute to the betterment of society through the revitalization of Islamic social finance and the strengthening of Waqf as a tool for sustainable development and empowerment.

May Allah accept this humble effort as a sincere contribution in the pursuit of knowledge and service to humanity. Ameen.

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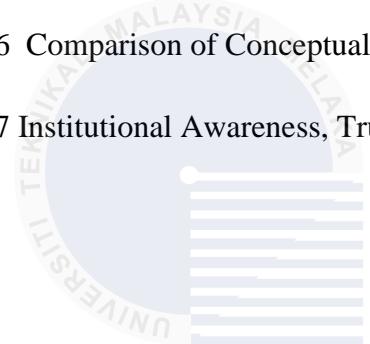
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LIST OF SYMBOLS

X"	- Means The Donors Need A Response From The Fundraiser
X	- Giving Generously But Prudent
Y	- Giving Unreservedly To The Poor
Z	- The Virtue Of Charity Is Its Reward



LIST OF ABBREVIATIONS

ANOVA	- Analysis of Variance
AVE	- Average Variance Extracted
AWQAF SA	- National Awqaf Foundation of South Africa
AH	- After Hijrah
BIBF	- Bahrain Institute of Banking and Finance
AD	- Anno Domini
BMA	- Bahrain Monetary Agency
BR1M	- Bantuan Rakyat 1 Malaysia
CGB	- Charity Giving Behavior
CPF	- Central Provident Fund
CR	- Composite Reliability
CTT	- The Commitment-Trust Theory
GoF	- Goodness of Fit
HTML	- Hyper Text Markup Language
IBBL	- Islamic Bank Bangladesh Limited
ICT	- Information and communications technology
IP	- Internet Protocol
JAKIM	- Jabatan Kemajuan Islam Malaysia
JAWHAR	- Jabatan Wakaf, Zakat, dan Haji
KMO	- Kaiser-Meyer-Olkin
KPI	- Key Performance Indicator
LUKMAL	- Lembaga Urusan Wakaf, Zakah dan Baitumal
LV	- Latent Variable
MAIS	- Majlis Agama Islam Selangor
MUIS	- Majlis Ugama Islam Sabah
NCVO	- National Council for Voluntary Organizations
NPO	- Non-Profit Organization
PBUH	- Peace be Upon Him

PLS	- Partial Least Square
SEM	- Structural Equation Modelling
SIBL	- Social Investment Bank Limited
SIRC	- States Islamic Religious Council
SPSS	- Software Package used for Statistical Analysis
SWT	- Glory to Him, the Exalted
URL	- Uniform Resource Locator
USM	- Universiti Sains Malaysia
WFF	- Waqf Future Fund
WW	- World War
YWM	- Yayasan Wakaf Malaysia
AD	- Anno Domini
AV	- Analysis of Variance
AWQAF SA	- National Awqaf Foundation of South Africa
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