Driving Economic Resilience: Assessing Cash *Waqf's* Influence on Micro-Business Sustainability in Malaysia

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ABSTRACT

As the government of Malaysia continues to focus on the welfare of the Bottom 40 (B40) per cent of the population, sometimes referred to as the B40 community, there has been a discernible reduction in the country's poverty level. Hence, wagf is an endeavour to enhance society as it has improved socioeconomic conditions since the time of the Prophet Muhammad (PBUH). Nevertheless, entrepreneurs have received little attention due to waqf constraints, which hold that the waqf fund cannot be reduced from its initial worth. Therefore, this study aimed to explore the impact of the cash waqf program, which Waqaf An-Nur Corporation Berhad administers, has had on the micro businesses that have received funding in Johor, the southern part of Malaysia. A qualitative method was employed, and several interview sessions were held with four (4) respondents. According to the findings, the entrepreneurs agreed that the programs that Waqaf An-Nur Corporation Berhad provided had benefited them in various ways, including enhancing their marketing strategies and increasing their capital, number of customers, and sales. This study can contribute to the existing literature on the waqf sector, particularly cash waqf, and invite other institutions to participate in a waqf project aiding businesses through the Islamic social finance sector. Future research shall explore the success of cash waqf in other domains, such as the health and education sectors, and the application of technology, such as digital platforms and blockchain, in waqf institutions.

Keywords: Cash *Waqf*, Islamic Social Finance, Micro Business, Entrepreneurs, Bottom 40 (B40).

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INTRODUCTION

There has always been much interest in poverty, particularly in emerging countries like Malaysia. Despite this, Malaysia's poverty level has significantly decreased over the past several years. It is a direct result of the government's continued dedication to improving the lives of the bottom 40 per cent of the population, sometimes referred to as the B40 community (The World Bank, 2022). From 2021 till date, this commitment was made through the 12th Malaysia Plan (12th MP). It was also established under the Sustainable Development Goal (SDG) No 1, no poverty and zero hunger. It is buttressed in the government's commitment as alluded to in the speech of the 10th Malaysian Prime Minister, Datuk Seri Anwar Ibrahim where he highlighted several different ways, some of which are more closely associated with religious institutions such as zakat and waqf. In an economic perspective, Zakat is gathered from eligible individuals and subsequently allocated to the eight designated beneficiaries outlined in the Quran (9:60), such as the poor, the needy, the zakat collector, the stranded travellers, and those in debt. The function of the waqf instrument, which any interested donors collect, is significant in Muslim societies due to its support for the elderly, impoverished, and orphaned through educational initiatives, training programs, and business ventures. There is substantial support for the establishment of waqf, particularly cash waqf, given the high cost of land as waqf (Razak, 2020).

Waqf can be divided into a few categories: land, buildings, mosques, cash, and other non-fungible things. The cash waqf model is one of the various transformative models designed for waqf assets in Malaysia to optimise the receipt of waqf expressed in terms of money. Many Islamic religious councils (IRCs), Islamic bank institutions, higher learning institutions, foundations, and non-governmental organisations have produced various cash waqf goods. These products include cash waqf for schools, mosques, dialysis machines, and orphanage houses, among other varieties. The total fund of cash waqf worldwide has been projected to be USD35 billion, as Mohd Ramli (2019) indicated. It might be a significant solution to the issues of poverty that Muslims face. These cash waqf programs are prevalent in Malaysia and Indonesia, and waqf institutions have made many new transformations in collaboration with other parties to maximise their benefits.

However, due to *waqf* regulations stating that the *waqf* fund cannot be reduced from its initial value, business owners have received very little attention. Waqaf An-Nur Corporation Berhad is one of the few institutions that has begun to work with business owners as part of their cash *waqf* programs. Small and micro-entrepreneurs, by and large, are in need of different types of capital vis-à-vis funds and human capital. Unfortunately, many banking institutions refuse to provide them with loans or financing due to perceived high risk (Ayub et al., 2024). Thus, a few institutions came on board to introduce Islamic social finance to help needy entrepreneurs. Among the institutions offering loans or financing to entrepreneurs are Waqaf An-Nur and Dompet Dhuafa Republika (Bakar et al., 2023).

Previous studies have highlighted the significance of cash waqf in economic development, community enhancement, poverty alleviation, and social welfare (Ayub et

al., (2024), Bakar et al., (2023), Laluddin et al., (2021), Sanusi & Shafiai, (2015). The government, the community and the general public recognises the significant potential of cash waqf in empowering and supporting entrepreneurs.

However, there remains a notable gap in the direct impact of cash waqf funds given to entrepreneurs, especially among small and micro businesses in Malaysia. Further investigation is required to assess the performance and economic outcomes of the recipients of cash waqf funding. Therefore, this study used qualitative research to explore the impact and challenges of the cash waqf program administered by Waqaf An-Nur Corporation Berhad in Malaysia on micro-businesses in Johor.

The following section reviews the literature review. Section 3 deliberates on the data collection and analysis method, Section 4 provides the findings and discussion based on the objectives of the study, and the final section concludes.

LITERATURE REVIEW

Waqf is a religious endowment under Islamic law to promote Islamic progress in various endeavours such as daawa, worship, health, and education. This institution was initiated and practised during the magnificent era of the Prophet Muhammad (PBUH). For example, the third Khalifa of Islam, Uthman Affan, purchased a well and endowed it for the people of Madinah when there was a drought in the city. The basis of waqf is to serve the welfare of society at large and provide necessities for sustainable use of the public. It helps beyond the scope of religious activities by covering education, health, social work, economic activities such as business expansion, and other areas of social work. The creation of many types of waqf assets peaked during the Ottoman Empire (13th century). For example, sultans and rulers used waqf assets for schools, hospitals, mosques, and agricultural land. The creation of waqf started when there were donors willing to donate their assets for the sake of society and would receive no physical return from their donation.

Because it provided services to all state sectors without incurring any costs to the government, the waqf institution played a vital role in the state's development. Waqf structures, including commercial facilities such as offices, stores, clinics, and baths, contributed 30 per cent of the waqf's income during the 18th century. Waqf factories, including mills that supplied people with ground maise and wheat for bread manufacturing, fabric factories, and boat industries, also contributed the same amount. Due to Kamal Ataturk's efforts to modernise Turkey, the waqf assets, on the other hand, had slowed considerably. As a result, the waqf has developed in other nations, and its goods have expanded to include a wide range of options over time. One of the most recent waqf items developed is the cash waqf.

A cash *waqf* is a trust fund that is established in the name of Allah S.W.T to assist those who are in need. The funds a *mutawalli* receives will either be invested or transferred to other assets to make some returns. According to Chowdhury et al. (2011), the return will be put towards participating in various religious and social commitments. The Ottoman

Empire in Egypt began to gain prominence, although it originated in ancient Mesopotamia, Greece, and the Roman Empire. According to Cizakca et al. (2004), cash waqf played a significant role during that period since the funds that were collected were utilised to finance the spread of Islam in Europe. In the eighth century, an influential Islamic scholar by the name of Imam Zufar gave his approval to the first monetary waqf in the Islamic world. Chowdhury et al. (2011) put out the idea that cash waqf should be invested per the principles of mudarabah, and the returns obtained should be offered as charitable giving to those less fortunate. Waqf shares system, deposit cash waqf scheme, obligatory cash waqf scheme, corporate waqf scheme, deposit product waqf scheme, and co-operative waqf scheme are the many types of cash waqf programs that are now in existence, according to Mohsin (2013). Nevertheless, Muslim nations do not adhere to all varieties of cash waqf in their financial systems. There may be variations in this circumstance from one nation to the next.

Cash waqf is carried out by collecting funds invested in certain strategic business units to generate profits. The profits are subsequently dispersed for the benefit of the general population. A fresh opportunity to develop waqf transactions in Malaysia has presented itself due to the existence of cash waqf as an Islamic form of social finance. Additional Islamic social finance instruments, such as zakat, qard, and infaq, complement one another and work together to enhance the social and economic well-being of the ummah in Malaysia and worldwide. Research has been carried out on the cash waqf worldwide. Some of these studies include Berakon, et al. (2022), Kasri and Chaerunnisa (2021), Shukor et al. (2019), and Khamis and Salleh (2018). Nevertheless, fewer studies concentrated on the economic and social condition of cash waqf programs for entrepreneurs. This study aimed to investigate cash waqf's impact on individuals who have received loans through the Waqaf An-Nur program.

Challenges of Cash Waqf Implementation

Waqf institutions face a few challenges in managing the waqf assets due to the different laws and regulations for each state in Malaysia (Putra & Isfandayani, 2020; Mujani & Yaakub, 2021). Sometimes, it is unclear because state laws cannot be implemented uniformly in every state even though they refer to the same scenario (Qurrata et al., 2021). For example, in Selangor and Malacca, waqf in specific enactments refers to the donor's act dedicating his property as waqf, not the waqf property itself. The absence of a comprehensive legal framework, insufficient skills among participating parties, weak governance in waqf organisations, and limited transparency in cash waqf operations and distribution are some of the challenges faced by the cash waqf industry in Malaysia (Ali & Markom, 2020).

Sukmana and Widiastuti (2022) discussed waqf challenges in the health sector. According to them, the most challenging issues are related to human resources, funding or finance, coordination, legal issues, accountability, sustainable development, technology, and digitalisation. It was crucial during the COVID-19 pandemic, whereby the coordination was quite difficult to arrange as everyone stayed home. The COVID-19 pandemic had ill effects on all countries worldwide (Razak et al., 2021). In addition, Jalil's

(2020) research also discovered a few additional difficulties associated with *waqf* practices, which were encountered in most locations. These difficulties included a lack of awareness and understanding, insufficient funding, ineffective management, inaccurate record data, and illegal invasion.

Laluddin et al. (2021) discussed the transparency of waqf institutions in managing their funds. Due to that, some companies, such as Finterra, based in Singapore, had introduced blockchain for cash waqf operation, whereby all related parties may be clear and transparent about their operationalisation. However, from the perspective of waqf institutions, the recipients of cash waqf may also created challenges for them. For example, business owners failed to repay the loan they granted and are not serious about their businesses. Sometimes, the money given was used to purchase their daily needs instead of using it for business matters.

Theory of Entrepreneurship

The theory of entrepreneurship, namely the Entrepreneurial Value Creation Theory, was selected for this study. The Theory explains that entrepreneurs experience to the fullest of their intention and the discovery of entrepreneurial opportunity, entrepreneurial competence development, and finally, the rewards (Mishra & Zachary, 2015). The Theory covers internal and external drives for their business. The internal drivers are related to their entrepreneurial intention, resources at hand, and to stimulate external opportunity. The external factors are driven by the resources they can get to affect growth, such as financing from financial institutions, venture capital, or strategic alliances (Muslichah & Sanusi, 2019) razak. Investors in their business may use the entrepreneurs to secure higher valuation offers.

McMullen et al. (2021) identified five elements of entrepreneurial commons across communities but pointed out them differently in each. The five elements are ability, motivation, opportunity, institutions, and process skills. From these five elements, they explained why some entrepreneurs succeed at transforming social structures via entrepreneurial action and some fail in the process. On the other hand, entrepreneurs often face difficulties in predicting consumer demand, such as what they want and when the seller might make it available to them (Packard & Burnham, 2021). Entrepreneurs need to be alert and make judgements in advance, and it requires entrepreneurs' vicarious imagination. Therefore, entrepreneurs must be competent in examining their environment and taking any opportunities granted.

Integrating the concept of entrepreneurship and Islamic finance can link this Theory with cash waqf. Cash waqf, as a part of social Islamic finance and assists small and micro businesses stay resilient in the market (Musa & Salleh, 2018). Organisations have introduced Cash Waqf to help entrepreneurs in terms of moral support and training and provide resources and opportunities such as places for business, financial support, and motivation. Cash waqf has ethical principles and considerations that require the receiver to follow. If the entrepreneurs can follow the principles, they may apply for funding from the organisation. From there, cash waqf may assist entrepreneurs' ventures to achieve

sustainable goals under Sustainable Development Goal number eight (8) on decent work and economic growth, which is aligned with the social Islamic Finance purposes.

METHODOLOGY

This study explored the impact of cash *waqf* on the economic and social aspects of microbusinesses within a program led by Waqaf An-Nur Corporation Berhad. It also aimed to understand the situations micro-entrepreneurs face in Malaysia comprehensively. A qualitative technique was deemed more appropriate for this study than evaluating established models or assumptions, as Patton (2002) suggested. A qualitative approach was more suitable to attain the research objective as there were only a few recipients, providing a better understanding of each individual's responses. Personal in-depth interviews were conducted to collect information from Waqaf An-Nur's senior managers and business owners. This method is more viable as researchers could gather a deeper and more comprehensive knowledge about the subject being examined with the assistance of in-depth conversation (Adam & Cox, 2008). Four respondents (R) engaged in business activities in December 2022 provided the information collected. Through a snowballing sample strategy, each of them participated in this study, which was guided by the recommendations of Waqf An-Nur's personnel.

Interview sessions lasting between 30 and 60 minutes were conducted with each respondent. Respondents were asked to describe their business operations at the beginning of the conversation. Then, specific questions were asked to address the research questions in this study. For instance, one question was, "What kind of support does the Waqaf An-Nur provide to their businesses?". Other lists of questions are as in Table 1.

Table 1: Lists of Guided Questions for Respondents

- 1. What form of assistance did you receive from Waqf Annur?
- 2. How do you use the funds given? (e.g., purchase raw materials, enlarge the factory/office, repair the office, or purchase the company's vehicle for business purposes)?
- 3. Is there any form of training provided to ensure that the business grows better?
- 4. How is the company's sales progress after receiving the loan assistance?
- 5. What are the challenges faced in entrepreneurial business?
- 6. What methods are entrepreneurs implementing to keep their businesses competitive?
- 7. How does the role of Waqf Annur help in this matter?
- 8. Do you have to report to Waqf Annur regularly for recording purposes?

The data analysis followed a general approach with guidance from Miles and Huberman (1994). All interviews were taped during individual interview sessions. This technology would also provide a substantial source of exact materials. Recorded data is

crucial for enhancing the validity of qualitative research (McMillan & Schumacher, 2006). To ensure the validity of the data, the study employed multiple data resources and respondents to cross-check and confirm the findings. Following the interview sessions, the information received were validated with Waqf Annur officer to cross-check the facts and findings. For the reliability of the data collection and analysis, the study utilised standard questions and guides for all the respondents from the small and micro-entrepreneurs. This was to ensure the consistency of the data collected from the respondents.

The participants' responses were classified based on the study questions, and the results are outlined in this report's Findings and Discussion section. Thematic analysis was used to analyse the data. Each respondent was indicated to use the identification alphabet of Resp. A until D to protect their identities. The researchers familiarised themselves with the collected data by transcribing, reading, re-reading it and thinking of the themes. After that, the researchers generated open codes or initial codes by noting down ideas to summarise what was being said in each transcript. Once the initial code process was done, theme development continued by gathering all data relevant to each potential theme. After ongoing analysis, the researchers constantly reviewed the themes and defined the theme's name to refine each theme's specifics and clear definitions (Chai et al., 2020).

The research sample size was relatively small, which is expected in qualitative studies. This is because the primary objective of qualitative research is to comprehensively investigate intricate phenomena, comprehend participants' viewpoints, and produce abundant and nuanced data. Collecting and analysing data can be demanding, but it can be done effectively with a smaller sample size. Sampling was inductive and ceased when no new themes emerged, subsequently reaching data saturation. Table 2 provides the details of each respondent.

Company's Respondent **Position** Location **Business Activity** Name Waqaf An-Nur Resp. A Senior Ansar Tower Waaf Manager Entre A Resp. B Agent Stulang Village Agent for fresh milk Entre B Resp. C Business Taman Bukit Mushroom agricultures Owner Mutiara Entre C Resp. D Larkin Central Business Massage and centre Owner crackers

Table 2: Background of Respondents

Program Background

This study explored the effect of cash *waqf* on entrepreneurs under the Waqaf An-Nur Corporation Berhad program. Waqaf An-Nur, as a wing for the corporate social responsibility of Johor Corporation, had utilised its RM834 million assets to assist the public in Malaysia. At relatively low costs, it was accomplished by offering various support services, including mobile clinics and dialysis machines. Waqaf An-Nur initiated their programs focusing on entrepreneurs to serve as a special *mutawalli* for the Johor

Islamic Religious Council. It was done since numerous micro-business owners requested financing a long time ago. Consequently, the late Tan Sri Ali Hashim, the founder of Waqaf An-Nur, contributed RM10,000, in addition to a charitable donation of RM4,000 from individuals and a dividend of RM500,000 received from the *waqf* shares investment as *manfaat*, bringing the total amount to RM514,000. It was done to initiate financing programs for business owners in the Johor area. Dana Niaga, Waqf Community Centre (*Pusat Waqf Komuniti*), and Waqafpreneurs were the three finance programs available to entrepreneurs.

Dana Niaga, which started in 2007, provided Islamic micro-credit to entrepreneurs, which can be divided into three categories. They may start small with a loan of RM1,500 for 15 months without any charges. It is followed by *Qardhul Hassan* financing with a value of RM3,000/5,000 or 7,000 for 24 months. The most significant capital loan entrepreneurs can borrow under Dana Niaga is the *Murabaha tawarruq* concept. Under this financing method, the entrepreneurs can receive a loan of RM10,000 up to RM20,000 with a profit-sharing of 4 per cent, and they need to pay the loan for 24-60 months. All three respondents had borrowed a loan from Waqaf An-Nur under Dana Niaga. Resp. B received RM1,500 to proceed with her fresh milk business, Resp. C received a loan of RM20,000 to run his mushroom business and Resp. D received a loan of RM3,000 to run her crackers shop at Larkin Sentral, Johor Bahru. For fresh milk products, some of the loan collection came from the Global Charity program, managed by Waqaf An-Nur, whereby they pooled the money from the donors, and once it had touched RM1,500, it was given to the loan recipient to generate more income. For Resp. B and Resp. D, they used the loan to purchase stocks, while for Resp. C, he used the loan to expand his mushroom production.

Once they have paid back the total amount of their previous loan, these business owners were eligible to use Waqaf An-Nur for additional financing. Resp B must register with the Companies Commission of Malaysia (CCM) to be eligible for a bigger loan. However, some business owners disliked doing so. Waqaf An-Nur, on the other hand, needed that kind of devotion from the business owners to show that they were serious about their enterprise. In addition, Waqaf An-Nur investigated the participants' personal, financial, and health histories and their motivation to engage in business. Ensuring they were in excellent health was paramount to ensure they could work and repay the loan. The age requirement was between 19 and 55 years old, for participation.

Additionally, the Waqf Community Centre offered training to company owners interested in starting a sewing or hairdressing business. After finishing the trainers' modules, they could work part-time or full-time as businesses. It may increase their family's monthly income, particularly for the homemakers. Waqaf An-Nur would ask these participants to participate in programs with schools or orphanages for hair-cutting sessions to ensure that participants would be active in the haircut industry. This situation would ensure that participants engaged in the haircut business. As a gesture of appreciation, each participant will receive RM4 per head, with the token amount determined by the number of students participating in that session. Since Waqaf An-Nur initiated this course of action, more than ten thousand students had been provided with the opportunity to get hair-cutting services.

In the meantime, Waqafpreneurs was established in 2019. As part of this initiative, Waqaf An-Nur would train aspiring business owners from where they have no output from their companies until they can function independently. Approximately ten individuals were chosen to be the final entrepreneurs for the program. The summary of each program for micro-entrepreneurs under Waqaf An-Nur is elaborated in Table 3.

Table 3: Summary of Fund from Waqaf An-Nur as an Islamic Social Finance Vehicle

Programs	Details
Dana Niaga	Islamic micro-credit facilities for Muslim entrepreneurs.
	• Loan ranges from RM1,500 to RM20,000 with zero to four per cent profit sharing and six months to 60 months of repayment.
	• The participants may borrow again once they have fully paid the current loan.
Waqf Community Centre	• Sewing (six months) or hair cutting (three months) training for entrepreneurs to increase their monthly income, especially among the bottom 40 group.
	 A small charge (RM100-RM300) is incurred for participants to purchase relevant materials for training. This charge is also incurred so that they can appreciate their lessons better.
Waqafpreneur	• Inclusive entrepreneurs development through waqf instrument.
	• Under PERINTIS (Pembangunan Entrepreneur Sosial) to groom Muslim entrepreneurs responsive to society and the environment.
	• Utilises strategic collaboration with small and medium enterprises (SMEs) and crowdfunding platforms to develop comprehensive entrepreneurs.
	• Waqaf An-Nur will closely monitor participants' performance as part of their monitoring system.

FINDINGS AND DISCUSSION

To address the research objectives, the findings and discussion are divided into two main sections. The first section focuses on the challenges faced by the small and microentrepreneurs, and the latter section highlights the impact of the program from the participants' perspectives.

Challenges of Entrepreneurs in Business

The fact that every single company can face difficulties has been brought to everyone's attention (Kanchna et al., 2013). Prior to becoming an agent for the fresh milk program, Resp. B was a housewife. She would sell fresh milk from her home and in front of her house before she joined the Waqaf An-Nur program. She would also sell `nasi lemak` (traditional Malay dishes prepared with rice and coconut milk) early in the morning with very little milk stock in her possession. However, due to the decreased number of marketing methods being implemented, it became increasingly challenging for her to acquire new customers. Most of the time, consumers place orders for milk for her, but they do not collect the milk kept in containers. Dealing with this circumstance had left her dissatisfied with how she worked. She learned and implemented various strategies to boost her sales when she participated in the program with the assistance of her mentor, who was also a Waqaf An-Nur loan recipient and a dealer of fresh milk. For example, she enhanced her business operations by participating in a farmer's market thrice a week, selling her milk at two different coffee cafes, and participating in any activities Waqaf An-Nur offers. Waqaf An-Nur and her team, which the distributor and other agents lead, have provided her with support and assistance in marketing, advertisement, and awareness, increasing her motivation to do better. Now, she could sell ten cartoons weekly and was fairly pleased with her achievements. This entrepreneurial assistance propels micro, small, and medium enterprises in developing countries (Bhaskar et al., 2022). Hence, the findings support the Theory of Entrepreneurship, suggesting that support and motivation help individuals overcome business challenges and achieve their desired performance outcomes.

Resp. B stated:

With support from Waqaf An-Nur, I have extended my business areas to a few more places, and in return, it increased my sales. For Resp. C, he had borrowed a small loan from Waqaf An-Nur before applying for murabahah tawarruq financing. He rented one and a half acres of land to grow his mushroom agriculture activities. Earlier, he had learned to do mushroom business with an expert for two years. One challenge with mushrooms is their sensitivity to the weather. It cannot be too hot, dry, or rainy for the mushroom to grow. He has had to remove all of his mushrooms a few times due to defects during the growing process. This setback caused him many problems since mushrooms will take about 30- 60 days to ripen. He always uses the 45-day seed to plant as 60 days was too long, while 30 days will produce a less attractive mushroom. On top of managing his mushroom supplies, he also needed to see the market response, as the consumer-based situation was challenging to predict. The increase in prices for groceries was a volatile factor for his farm. It is not recommended that he hold large quantities of stocks in hand as mushrooms can only survive for three to five days before they get rotten. Once, he had to throw away about 60kgs of mushrooms since no orders were received from customers. After joining the Waqaf An-Nur program, he had the opportunity to expand his business into other areas, allowing him to reduce losses from excess inventory. This aligns with the Entrepreneurship Theory, which asserted that external opportunities are crucial for the success of small and micro businesses.

Resp. C explained that:

Waqaf An-Nur has given me an opportunity to re-produce the mushroom after my earlier losses. It is a blessing for me because mushrooms give me many returns, especially if I package them in small sizes.

Near the bus station, where people would commute daily, Resp. D had her business stall as well. However, she encountered many competitors in the area where her business works, which resulted in difficulties for her in getting sales. A smaller number of customers will likely pass by her stall because it is situated at the rear of the building. Nevertheless, she made a few hundred sales daily despite the location being not strategic for the crackers business. However, since she combined it with a massage business, the demand for her services had risen consistently, particularly among customers from Singapore. She has no issues with her massage business. The massage centre and the crackers stall ran concurrently.

Her massage services had earned her much popularity among Singaporeans and Johoreans. As a result, she could bring her items while performing her massage services to solve the issue with the crackers business. To sell the crackers to her customers, she will ensure they were fresh and delicious enough to sell. Regarding the company's operation, capital was essential since the more extensive her capital, the more stocks she can purchase. Furthermore, she had borrowed money from Waqaf An-Nur and Amanah Ikhtiar Malaysia, both concurrently. Because she had a monthly commitment of more than RM3000, she was responsible for ensuring that her business operated efficiently. These obstacles, such as market access credit cost, can be managed with capacity building and institutional interventions such as Waqaf An-Nur (Shaji, 2020).

Resp. D opined:

I borrowed money from Waqaf An-Nur two times. I ensured that I pay back before the deadline. Waqaf An-Nur is very supportive. They help me so much.

From the point of view of Resp A, who was in charge of Waqaf An-Nur, he observed that many business owners, primarily those belonging to the B40 group, struggle with attitude issues, and it was difficult for them to change their thoughts. Although they were interested in obtaining loans, entrepreneurs could not satisfy the requirements imposed by the program. One of these requirements was registration with the Companies Commission of Malaysia (CCM).

The findings indicated that each respondent faced various challenges. However, their motivation to succeed and improve their economic status drove them to continue striving for better outcomes. From the above findings, the author noted that each respondent has numerous challenges. However, the support from Waqaf An-Nur and its ecosystem had been instrumental for many participants. Waqaf An-Nur consistently promoted related events, allowing business owners to participate at no cost, even when they could charge for these opportunities. Even more, training was also provided to

participants to help them enhance their businesses in the future. It has been discussed from the view of the Theory of Entrepreneurship, where internal factors play significant roles in entrepreneurs' success (Alawamleh et al., 2023).

The Effect of the Program on Participants

From an economic point of view, every respondent concurred that joining the program had increased their earning capacity. Both Resp. B and Resp. D had been fortunate enough to get invitations from Waqaf An-Nur to participate in their weekly and monthly events and the possibility to organise their events without incurring any fees.

Resp. D opined:

Waqaf An-Nur always invites us to participate in their programs with communities. We can have our stall in the event without any charges imposed.

Due to these opportunities, they had generated an average of RM600-RM800 in sales for every event. Various training programs were available to improve their expertise in areas like digital marketing, with the expectation that this type of marketing would lead to a substantial increase in sales in the near future. These trainings were conducted through a collaboration between Waqaf An-Nur and strategic partners, including public universities, Islamic religious councils, and the National Institute of Entrepreneurship (INSKEN), thus achieving one of the strategies of Malaysian academic-industry linkages as in the Master Plan 2030 (NIMP, 2023).

Resp. B had promoted her products through social media and online marketplaces to boost sales. Resp. D only had social media to promote her products, but word of mouth was more potent as customers would inform their relatives and friends if they were satisfied with the service. They would be more than happy with the loan given by Waqaf An-Nur as their sales had increased to double or triple the previously recorded amount after joining the program. It had been understood that Resp. D's sales increased from RM2,000-RM3000 before the program to RM7,000-RM8,000 monthly after joining Waqaf An-Nur events. Resp. C focussed on his existing customers, such as the morning market, grocery stores, and fried mushroom stalls. For the past two years, COVID-19 and Movement Control Order (MCO) had affected his business tremendously until he needed to stop mushroom production. With the loan given, he planned to restart the business. Before he joined the Waqaf An-Nur program, he managed to sell 40 to 50 kgs of mushrooms daily, but this had increased to 70 to 80 kgs after the capital injection, which overcame one impediment of MSMEs growth in a World Bank Study, i.e., finance gap (Alper et al., 2013).

As stated by Resp. A, the senior manager of Waqaf An-Nur, there were numerous examples of successful business ventures that originated from the Waqaf An-Nur program. Under the Waqafpreneur initiative, a few of them were subjected to close monitoring. Entrepreneurs were supplied with a multitude of support to guarantee that they

couldsucceed in their business endeavours and contribute back to society by participating in knowledge-sharing sessions or training for new entrepreneurs. In the same vein, Waqaf An-Nur would ensure that *Shariah*-based components were incorporated into the various aspects of the program as part of their obligation as Muslims to treat other Muslims with respect. Regarding how hair is cut, for instance, business owners should cut their customers' hair following the Islamic kind that is considered appropriate. Islamic Business Talks are held weekly by Waqaf An-Nur to allow participating business owners to expand their understanding of Islamic *Shariah* in addition to the business expertise they become familiar with.

Waqaf An-Nur and its ecosystem had assisted a significant number of individuals who participated in the Waqafpreneur network. They consistently promoted any activities relevant to the business owners, inviting them to participate without charging them any fees, although they could do so. In addition, participants were always allowed to receive training to enhance their business in the future. This environment was consistent with the Theory of Entrepreneurship covered in the literature which stated that entrepreneurs were supported by the external motivation to achieve success and maintain their success in the following years (Mc Mullen et al., 2021).

CONCLUSION

In conclusion, the study aimed to explore the impact of cash *waqf* on business owners in Malaysia by analysing the situation of Waqaf An-Nur Corporation Berhad and it was proven during the interview sessions. Interviews were conducted with three business owners and the senior manager of Waqaf An-Nur to learn more about the program and how it could help them better their socioeconomic standing or situation. The practice of *waqf* has been around since the time of the Prophet Muhammad (PBUH), and it is widely acknowledged that it has the potential to benefit society in various settings. This success story was proven by the selected entrepreneurs, whose income increased after they joined the program dedicated to Waqaf An-Nur.

This study contributes to the study and research on waqf, particularly cash waqf in Malaysia. It enhances the knowledge of cash waqf's contribution to Malaysia's small and micro businesses and addresses the gap in the past literature, especially cash waqf for business purposes. It studies the impact of cash waqf on their businesses and the challenges they face. As the Theory of Entrepreneurship mentioned, it positively impacts small and micro-scale companies if they are earnest about improving their business by having internal and external support. Malaysian and Indonesian institutions have developed many types of cash waqf as part of the revolution of cash waqf practices to assist the needy in social Islamic finance. For this reason, Waqf Annur is a good resource for other government agencies and institutions looking to execute cash waqf programs effectively.

Nevertheless, public awareness about cash *waqf* remains limited, and there is less enthusiasm for this form of charity than other forms of *sadaqah* and *zakat*. Hence, it is essential to continue promoting and increasing awareness to boost cash *waqf* collection in

Malaysia by partnering with various SIRCs, Yayasan Waqaf Malaysia, and Islamic banks. Promoting *waqf* to the younger generation is crucial to ensure the long-term sustainability of *waqf* to help reduce poverty and hunger, as outlined in Sustainable Development Goal 1 (no poverty) and 2 (zero hunger).

Future studies suggested including researching many areas of cash waqf that have not yet been explored as cash waqf is considered new compared to other types of waqf. For example, implementing technology for cash waqf collection using digital platforms or introducing blockchain for waqf management shows greater waqf management, governance, and transparency. Other studies may use different methods, such as survey questionnaires or focus group discussions among the experts in waqf institutions.

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