The Practice of *Waqf* by Resilient Organisations

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The world has enough resources to feed everyone, but the resources are not equitably distributed. The level of inequality has increased tremendously in the past 50 years (Shaikh et al., 2017). Today, research in the Islamic context has initiated a profound discussion of the social instruments that the economic and financial sector can make available to the well-being of society (Almarri and Meewella, 2015). Even more so, in view of the current Covid 19 pandemic. Islamic finance offers Islamic economies various social tools, what could be the gearing actions on the social level bearing in mind role of *zakat, waqf, Qard Hassan,* and *sukuk* (EJIF, 2020).

Prior research on the potential of *waqf* has demonstrated that the system can substantially aid in poverty reduction by offering options for income generation through advantageous economic activities (Ali, 2014; Haneef et al., 2013; Hassan, 2010; Shirazi, 2014; Zarka, 2007). *Waqf* refers to the transfer of property from private ownership to the dedication of its benefits for charitable purposes (Mohsin, 2012). *Waqf* can effectively leverage the potential of altruistic charity contributions for enhanced economic impact in specific societal sectors (Shaikh et al., 2017).

Waqf means the appropriation of the property from ownership to the dedication of its usufruct to charitable purposes (Mohsin, 2012). *Waqf* can harness the potential of selfless charitable giving in an effective way for better economic impact in the targeted social segments of society (Shaikh et al.,2017). Due to the current covid-19 pandemic, *waqf* has to play its role.

Global economic instability has exerted strain on the education sector. Government budgets can no longer be the exclusive source of funding for educational institutions. Educational institutions urgently require greater independence and the implementation of a charity framework. The Islamic endowment system known as *waqf* serves as a significant source of revenue. A number of Muslim and non-Muslim nations adopted this method several decades prior. In Malaysia, *waqf* is utilised to fund education across several types of institutions, including Sekolah Agama Rakyat (SAR), Sekolah Agama Negeri (SAN), Madrasah, Pondok, and public universities such as the International Islamic University and the Islamic Science University of Malaysia, among others. This implementation in Malaysia highlights the successful integration of the Islamic endowment system (*waqf*) within the financial framework of educational institutions.

A vital component of the Government's current program is to significantly augment the financial resources provided by public universities through what is termed "third stream" income. This is the most significant projected influx of capital currently being planned. Third-stream revenue includes several sources, such as commercial operations, grants, endowments, and *waqf*. Endowments and *waqf* are essentially synonymous, with *waqf* specifically referring to an Islamic form of endowment motivated by religious principles. This funding method is beneficial for many esteemed universities worldwide. Revenue generation from both commercial and philanthropic sources substantially enhances their financial sustainability (IDEAS, 2017).

Public universities in Malaysia have the opportunity to attain more financial autonomy. Government funding for public universities was significantly diminished in both years. Budget 2017 exemplifies a drop in funding for all 20 public institutions, totalling RM 1.5 billion, or a 19 percent decline relative to the prior year. A similar reduction occurred the prior year, amounting to 16.5 percent or RM 1.4 billion (IDEAS, 2017). A significant challenge faced by Malaysian universities is the inadequacy of financial resources and insufficient investment in higher education. While certain universities have achieved notable rankings, they often do so with less resources relative to their global counterparts. Insufficient funding adversely affects many aspects of university life, including professor compensation, research financing, infrastructure development, and technological progress. In 2020, a report from the Malaysian Ministry of Higher Education indicated that public institutions faced funding constraints, hindering their ability to attract top talent and invest in research and development.

Numerous Malaysian public universities are proactively tackling the difficulties arising from the present reduction in financing for public institutions. These exemplify resilient organisations: Universiti Utara Malaysia founded Uniutama Property Sdn Bhd and Uniutama Travel & Tours Sdn Bhd as business ventures; Universiti Putra Malaysia created Dana Wakaf Ilmu to foster philanthropy from individuals and organisations; University Malaya established the International University of Malaya Wales in partnership with the University of Wales to generate profit; and Universiti Tun Hussein Onn Malaysia launched K-UTECH Edu Sdn Bhd, a private college dedicated to pre-university courses (IDEAS, 2017).

Resilience serves as the moderating element, examining organisations that, despite encountering difficulties, engage in *waqf* practices to foster the development of educational institutions for the benefit of both the populace and the nation. Gunasekaran et al. (2011) characterised resilience through the attributes of flexibility, responsiveness, sustainability, and competitiveness. The operation of global supply chains has been disrupted, impacting enterprises worldwide and perhaps resulting in millions of job losses in the forthcoming months (Fernandes, 2020). Organisations and enterprises will face challenges to endure.

Resilience is the term of the day. Individuals exhibiting resilience will recover, whereas those lacking it may gradually deteriorate and perish. Prior literature adopts a post-disruption perspective on resilience, examining the aftermath of disturbances: resilience that empowers individual entrepreneurs to recover from failure or endure challenging periods (e.g. Hayward et al., 2010), and resilience as a dynamic process involving the adaptation of individuals, firms, and macro-level entities to novel contextual conditions (e.g. Dewald and Bowen, 2010).

Resilience has a pivotal role in influencing the distribution of waqf funds and their efficacy in achieving social and economic development goals. Resilience is the capacity to maintain competent functioning in the face of major life stressors. (Kaplan, Turner, Norman, & Stillson, 1996, p. 158). Resilience means the skills, abilities, knowledge, and insight that accumulate over time as people struggle to surmount adversity and meet challenges. It is an ongoing and developing fund of energy and skill that can be used in current struggles. (Garmezy, 1994 in Saleebey, 1996, p. 298). Resilience has a vital part in ensuring the effectiveness of *waqf* in achieving its goals as the *waqf* system has shown itself to be an effective and sustainable model for funding education and promoting social and economic development.

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