

FACTORS THAT INFLUENCE REPEAT CONTRIBUTION OF CASH WAQF

Code	Variables and Items	Estimate	C.R.	P	Factor Loading	Justification of Modification
	Trust in Waqf Institutions					
L.TrstWI1	The process of collecting funds of <i>waqf</i> institutions is trustworthy.	1.000			0.792	Accepted
L.TrstWI2	The behavior of <i>waqf</i> institutions meets my expectations.	.995	16.247	***	0.745	Accepted
L.TrstWI3	I trust that <i>waqf</i> institutions do their best to help beneficiaries.	1.021	18.449	***	0.821	Correlated with L.TrstWI4 and introduced a new free parameter
L.TrstWI4	I think I can trust <i>waqf</i> institutions.	1.095	20.946	***	0.902	Correlated with L.TrstWI3 and introduced a new free parameter
L.TrstWI5	The management of <i>waqf</i> institutions is trustworthy.	1.057	20.400	***	0.885	Correlated with L.TrstWI6 and introduced a new free parameter
L.TrstWI6	<i>Waqf</i> institutions can be trusted. They faithfully help beneficiaries.	1.064	16.072	***	0.739	Correlated with L.TrstWI5 and introduced a new free parameter
	Benevolence					
P.Benv1	I expect I can count on <i>waqf</i> institutions to consider how their actions affect me.	1.000			0.788	Accepted
P.Benv2	I expect that <i>waqf</i> institutions put beneficiaries' interest before their own interest.	1.137	17.007	***	0.837	Correlated with P.Benv3 and introduce a new free parameter
P.Benv3	I expect that <i>waqf</i> institutions have good intentions.	.945	15.438	***	0.761	Correlated with P.Benv2 and introduce a new free parameter
P.Benv4	I expect that the intentions of <i>waqf</i> institutions are benevolent.	.966	13.864	***	0.691	Accepted

Code	Variables and Items	Estimate	C.R.	P	Factor Loading	Justification of Modification
	Familiarity					
L.FamWg1	Compared with others, I know significant information about cash <i>waqf</i> .	1.000			0.707	Correlated with L.FamWg2 and introduce a new free parameter
L.FamWg2	I am not aware of other types of cash <i>waqf</i> .	1.131	15.277	***	0.818	Correlated with L.FamWg1 and introduce a new free parameter
L.FamWg3	I am familiar with the different causes of different <i>waqf</i> institutions.	1.185	15.820	***	0.851	Correlated with L.FamWg4 and introduce a free parameter
L.FamWg4	I am aware of diverse <i>waqf</i> institutions that collect cash <i>waqf</i> .	1.073	14.620	***	0.781	Correlated with L.FamWg3 and introduce a new free parameter
L.FamWg5	I know what kind of activities <i>waqf</i> institution employ.	1.046	14.443	***	0.771	Correlated with L.FamWg6 and introduce a new free parameter
L.FamWg6	I know cash <i>waqf</i> is collected for a specific project.	.827	11.366	***	0.602	Correlated with L.FamWg5 and introduce a new free parameter
	Access					
L.Access1	Electronic methods, such as monthly salary debit and SMS, are appropriate for individual contributors/donors.	1.000			0.839	Accepted
L.Access2	The direct debit method is appropriate to cash <i>waqf</i> contributors for consistent and continuous contribution.	1.061	18.703	***	0.937	Accepted
L.Access3	The appointment of cash <i>waqf</i> agents (<i>mutawalli</i>) are needed for the public to contribute to the fund.	.745	13.558	***	0.632	Accepted

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Code	Variables and Items	Estimate	C.R.	P	Factor Loading	Justification of Modification
IntDA1	Intention to repeat cash waqf contribution I will repeat cash waqf contribution in the near future.	1.000			0.741	Accepted
IntDA2	There is a big chance that I will repeat cash waqf contribution in the future.	.809	11.869	***	0.723	Accepted
IntDA3	I will repeat cash waqf contribution in the next three months.	1.055	11.739	***	0.709	Accepted
IntDA4	I do not have any intention to donate cash waqf.	.304	3.764	***	0.212	Deleted; error term is greater than 15 in modification indexes and low factor loading.

*** Indicate a highly significant at <0.001

Table 2 shows that maximum likelihood estimation, factor loading, and modification justification were conducted to modify good fitness indexes. A total of 11 items or parameters were accepted, which consist of L.RelOb3, L.TrstWI1, L.TrstWI2, P.Benv1, P.Benv4, L.Access1, L.Access2, L.Access3, IntDA1, IntDA2, and IntDA3. Twelve items or parameters introduced new free parameters. These items consist of L.TrstWI3, which is correlated with L.TrstWI4; L.TrstWI6, which is correlated with L.TrstWI5; P.Benv2, which is correlated with P.Benv3; L.FamWg1, which is correlated with L.FamWg2; L.FamWg3, which is correlated with L.FamWg4; and L.FamWg6, which is correlated with L.FamWg5. Two items or parameters have low factor loadings. This finding is justified by the requirement that a minimum of three items should exist to represent the variables or parameters. This justification was made because the error term can be accepted as long as the model is satisfied with good fitness indexes. The items involved were L.RelOb5 and L.RelOb6. Four items were deleted because the error term is higher than 15 in modification indexes and has low factor loading. The items involved were L.RelOb1, L.RelOb2, L.RelOb4, and IntDA4. Table 3 provides the new fitness index after modification.

Table 3: Fitness Indexes Before and After Modified

No.	Indexes	Before	Modified
1.	Chi-Square Statistics	1083.034	458.080
2.	Degrees of Freedom (df)	362	210
3.	Goodness of Fit Index (GFI)	0.829	0.909
4.	Adjusted Goodness-of-Fit Index (AGFI)	0.794	0.880
5.	Comparative Fit Index (CFI)	0.881	0.949
6.	Root Mean Squared Error of Approximation (RMSEA)	0.071	0.054
7.	Tucker-Lewis Index (TLI)	0.866	0.938

Table 3 shows the result of fitness indexes before and after modification. After the modification, the result indicates that measurement model is $\chi^2 = 458.080$ with 210 degrees of freedom (df), $p=0.000$, $GFI = 0.909$ (spec. >0.95), $AGFI = 0.880$, $CFI = 0.949$ (spec. >0.95), and $RMSEA = 0.054$ (spec. < 0.080). These findings indicate good fit. Figure 2 shows the findings of the research measurement model.

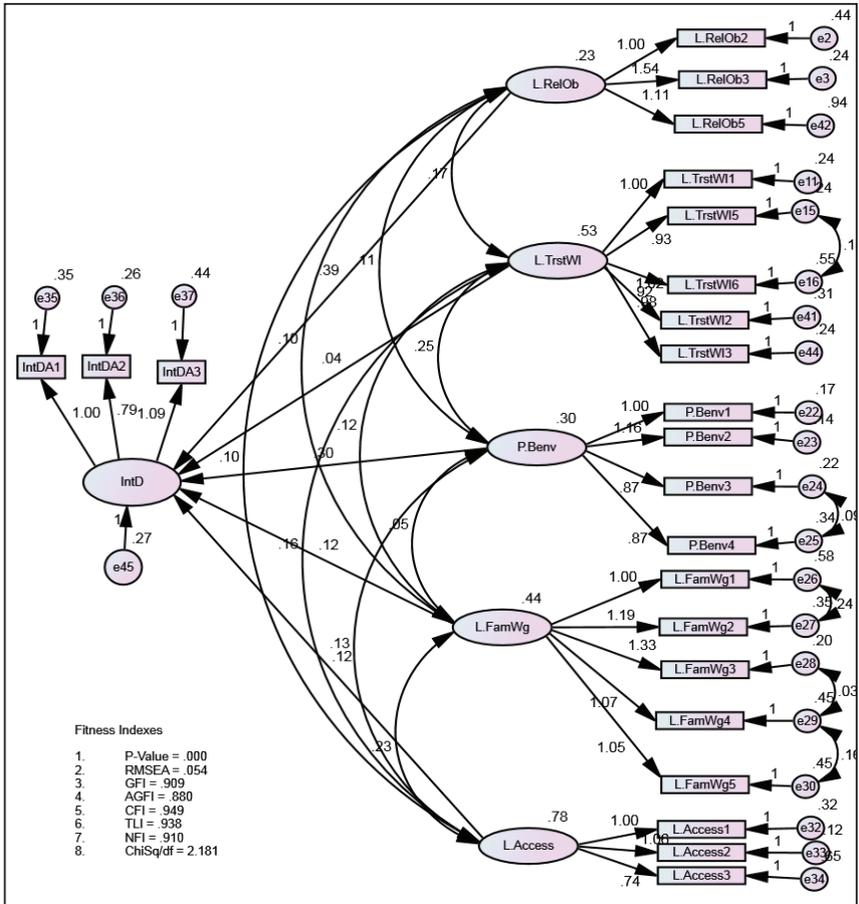


Figure 2: Finding of Research Measurement Model

Hypothesis Testing

The proposed model with all measurement items from the CFA was estimated for hypothesis testing. The SEM results of hypothesis testing are reported in Table 4.

Table 4: Hypothesis Testing Result

		C.R	P	Spec.	Result
H1	Religious obligation is positively related to intention to repeat cash <i>waqf</i> contribution.	3.831	000	<0.001	Supported
H2	Trust toward <i>waqf</i> institution is positively related to intention to repeat cash <i>waqf</i> contribution.	0.506	0.613	>0.05	Not supported
H3	Benevolence is positively related to intention to repeat cash <i>waqf</i> contribution.	3.210	0.001	< 0.001	Supported
H4	Familiarity with <i>awaqf</i> institution is positively related to intention to repeat cash <i>waqf</i> contribution.	2.017	0.044	< 0.05	Supported
H5	Access to cash <i>waqf</i> is positively related to the intention to repeat cash <i>waqf</i> contribution.	2.639	0.008	< 0.01	Supported

Table 4 shows the findings of the research measurement model after fulfilling the required fitness indexes. Hypothesis 1 states that religious obligation is positively related to intention to repeat contribution of cash *waqf*. This hypothesis was supported (critical ratio = 3.831, $p = 0.000$, spec. <0.001) and is highly significant. Hypothesis 2 proposes that trust in *awqaf* institution is positively related to the intention to repeat contribution of cash *waqf*. This hypothesis was not supported (critical ratio = 0.506, $p = 0.613$, spec. > 0.05). Thus, trust on *awqaf* institution is not significant in relation to the intention to repeat contribute of cash *waqf*. Hypothesis 3 states that benevolence is positively related to the intention to repeat contribution of cash *waqf* (critical ratio = 3.210, $p < 0.001$, spec <0.001). Hypothesis 4 states that familiarity with *waqf* institution is positively related to intention to repeat cash *waqf* contribution (critical ratio = 2.017, $p = 0.044$, spec <0.005). Hypothesis 5 states that access to cash *waqf* is positively related to the intention to repeat cash *waqf* contribution (critical ratio = 2.639, $p = 0.008$, spec. < 0.01). Therefore, Hypotheses 1, 3, 4, and 5 are supported.

Conclusion

The primary aim of this study is to identify the internal factors associated with donors' (*waqif*) intention to repeat contribution of cash *waqf* among Muslims in Malaysia. Cash *waqf* inculcates the culture of giving through Islamic philanthropy. Several internal factors influence donors' intention to repeat contribution of cash *waqf* again. The findings show that four out of five internal factors, religious obligation, benevolence, familiarity with *waqf* institution, and access to cash *waqf*, significantly influence intention to repeat contribution of cash *waqf*. The majority of respondents agreed that religious obligation is given the highest consideration when repeating contribution to cash *waqf*. However, most respondents do not trust *waqf* institutions. Trust is a significant internal factor in intention to repeat donation of cash *waqf*. This finding suggests that *waqf* institutions should build good reputation and integrity to raise trust and level of intention of big among Muslims in Malaysia. *Waqf* institutions should consider these factors to ensure that funds could accommodate further development for the benefit of the *ummah*. The importance of *waqf* in socio-economic development is shown in the ability of *waqf* to function as a third sector distinct from the profit-motivated private sector and the authority-based public sector. This third sector, which is assigned to education, health, social, and environmental welfare, could help reduce the rich-poor gap in the *ummah*. The third sector can also provide defense services and public utilities. Therefore, the economically poor in society will be assisted to enable them to improve their socio-economic status. Strong support from donors of cash *waqf* can inculcate the culture of giving through Islamic philanthropy thereby enhancing the economy of the *ummah*.

Acknowledgement

Our appreciation and gratitude go to the Ministry of Education of Malaysia for providing the FRGS grant code (USIM/FRGS/FEM/32/51113) for the research titled "*Membangun kerangka model pungutan wakaf tunai berdasarkan faktor kejayaan kritikal di Institusi wakaf di Malaysia.*" Our special thanks also go to Muhammad Mohammad Yusoff, Nor Masitah Orip, and Abdul Azeez Seun for assisting us in the final process of this project.

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