

Analyzing Social Viability of the Commercial Real Estate Waqf in Malaysia

Analisis Kesediaan Sosial bagi Wakaf Hartanah Komersial di Malaysia

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ABSTRACT

The housing crisis in Malaysia, characterized by prohibitive costs and supply-demand disequilibrium, necessitates innovative and context-specific solutions. Commercial real estate waqf, an Islamic endowment model, has emerged as a potentially efficacious remedy to address the country's intractable housing challenges. This study investigates factors influencing the societal embrace of commercial property waqf in Selangor; using robust quantitative techniques. A sufficiently powered sample size was determined through statistical power analyses to enhance generalizability. Using PLS-SEM modeling, the impact of four determinants was assessed: community understanding and acceptance; religious beliefs and cultural norms; trust in management; and socioeconomic status. Our findings reveal community understanding and religious/cultural factors significantly increase receptiveness to commercial waqf, aligning with research on attitudinal drivers. Effective governance through managerial trust and transparency also plays a pivotal role in engendering community confidence. However, counterintuitively, socioeconomic status does not significantly influence waqf embrace, suggesting potential mainstream appeal across diverse strata. While valuable, this study acknowledges contextual limitations as findings are confined to Selangor. Further nationwide research could enrich generalizability. Overall, this timely investigation underscores Waqf's promise in addressing housing needs, while emphasizing sociocultural and governance elements essential for successful implementation. Mainstreaming commercial waqf necessitates nuanced, community-centric solutions addressing contextual specificities.

Keywords: Commercial Waqf; Community Acceptance; Housing; Islamic Instruments; Governance

ABSTRAK

Cabaran krisis perumahan di Malaysia berpunca daripada faktor kos yang tinggi dan ketidakseimbangan pasaran memerlukan kepada penyelesaian yang inovatif dalam konteks yang khusus. Oleh itu, telah muncul konsep wakaf hartanah komersial sebagai satu solusi. Kajian ini mengkaji faktor-faktor yang mempengaruhi penerimaan masyarakat terhadap wakaf harta komersial di Selangor dengan menggunakan teknik kuantitatif. Saiz sampel ditentukan melalui analisis kuasa statistik untuk meningkatkan kebolehgeneralisasian. Manakala bagi analisis kuantitatif bukan parametrik, kajian ini menggunakan pemodelan PLS-SEM. Impak terhadap empat faktor telah dinilai iaitu; pemahaman dan penerimaan masyarakat; kepercayaan agama dan norma budaya; kepercayaan dalam pengurusan; dan status sosioekonomi. Penemuan kajian mendedahkan pemahaman masyarakat dan faktor agama/budaya secara signifikan meningkatkan penerimaan terhadap wakaf komersial, sejajar dengan dapatan penyelidikan lepas. Manakala dari sudut pengurusan, tadbir urus yang berkesan melalui amanah pengurusan dan ketelusan juga memainkan peranan penting dalam menzahirkan keyakinan masyarakat terhadap sesebuah produk yang berasaskan wakaf. Walau bagaimanapun, kajian ini mendapati bahawa status sosioekonomi tidak banyak mempengaruhi penerimaan wakaf. Ini menunjukkan potensi daya tarikan produk berasaskan wakaf industri ini merentas pelbagai strata dalam arus perdana pasaran. Namun kajian ini mempunyai batasan konteks kerana fokus hanya terhad kepada Negeri Selangor sahaja. Penyelidikan lanjut di seluruh negara boleh memperkayakan lagi dapatan dan penemuan yang lebih tepat. Secara keseluruhannya, kajian ini menggariskan potensi wakaf dalam industri perumahan yang dapat menangani isu perumahan, sambil menekankan elemen sosiobudaya dan tadbir urus yang penting dalam operasinya. Kajian ini juga dapat menjadi asas kepada gabungan komuniti-budaya di dalam industri perumahan wakaf yang semakin dilihat dalam arus perdana industri hartanah tersebut.

Kata kunci: Wakaf Komersial; Penerimaan Masyarakat; Perumahan; Instrumen Islam; Tadbir Urus

INTRODUCTION

The current economic climate has exacerbated existing challenges in the housing sector. Myriad factors including rising housing costs (Ramli et al., 2020), constraints on funding sources, and imbalances between housing supply and demand have restricted access to affordable accommodation (Adzhar et al., 2021). This situation underscores the need for alternative approaches to addressing the housing crisis. An inclusive and safe housing environment is an important aspect that needs to be addressed by every country to ensure the well-being of society (Yazid et al., 2022). Waqf in residential and commercial real estate could ameliorate housing shortages resulting from precarious economic conditions.

Waqf helps guarantee custody of rights and welfare for the poor, orphans, the needy, and society overall (Mohamad et al., 2023). It facilitates access to quality housing for the economically disadvantaged (asnaf) via charitable endowments. Moreover, waqf's commercial properties and housing can benefit communities through programs catering to diverse housing needs. Waqf also enables robust asset stewardship and value-driven administration. Assets endowed are allocated long-term for philanthropic purposes.

Therefore, the care of waqf assets is important to ensure that the property is well managed and the benefits are enjoyed by the rightful. A value-based administration system such as trust, fairness, and sustainability is applied in the management of waqf property to ensure its effectiveness in the long term. Housing waqf and commercial real estate are considered to be the best instruments for addressing the challenges of the current economic situation. The advantages of waqf in providing affordable housing and asnaf rights care make it a good choice in addressing housing problems. In addition, waqf also plays an important role in developing the commercial property sector by providing business opportunities and sustainable economic development. In this context, housing waqf and commercial real estate provide double benefits to society and promote overall socioeconomic sustainability.

PROBLEM BACKGROUND

The study of the acceptance and desire of the community towards the agenda of waqf of commercial real estate has become an important subject in the academic literature related to the development of waqf in Malaysia. Community acceptance plays an important role in understanding the acceptance and effectiveness of the implementation of commercial waqf, including real estate waqf development. In this context, academic literature has involved studies that research and analyze the level of knowledge, awareness, religious and cultural factors, belief in management and transparency, as well as socioeconomic factors and community interests that influence society's acceptance of the commercial property waqf agenda.

While the theoretical underpinnings and conceptual models of waqf instruments for real estate development have been extensively deliberated in the literature, there remains a paucity of empirical research examining the on-ground implementation and applicability of such frameworks within prevailing socioeconomic contexts. Although pioneering housing waqf projects like Waqf Siti Aisah in Malaysia have operationalized rental waqf models for impoverished beneficiaries (asnaf) (Anuar et al., 2022), scalable real estate waqf geared towards open market viability mandates a rigorous feasibility analyses and risk management protocols. Further research using mixed methodology combining qualitative case studies and quantitative analytical techniques

could enrich the evidence base around realistic and context-specific waqf financing mechanisms for contemporary real estate development. This would provide pathways for translating conceptual waqf models into scalable solutions balancing financial sustainability and social welfare goals.

In the field of practices, waqf faces challenges in the financing and administration of endowed properties. Faturhman et al., (2020) suggest that a primary obstacle is the lack of liquidity and funding for the maintenance, rehabilitation, and development of waqf properties. Often, waqf assets are locked in perpetually without avenues to unlock their economic potential. Meanwhile Abdur-Rashid (2021) stated that the prohibition of the sale or mortgage of waqf restricts the ability to raise finances through these conventional means. There is an over-reliance on cash waqf despite its limitations. Also, Kasri & Chaerunnisa (2022) suggest that the lack of financial expertise among *mutawallis* (waqf managers) also constrains the efficient financing.

Further, complex laws and regulations surrounding waqf inhibit innovative financing solutions. Ambiguities in the interpretation of waqf laws across jurisdictions hamper growth (Jalil, 2020). There is also resistance from waqf authorities towards financial engineering instruments, like sukuk. Comprehensive legal reforms, capacity building of *mutawallis*, and adoption of Islamic instruments like *ijara* could catalyze innovative waqf financing models. Robust waqf financing is imperative to unlock waqf's socioeconomic potential.

Hence, the study plays a role in the context of effective and sustainable waqf development. The importance of this study covers the social, cultural, economic, and religious aspects that influence the acceptance and application of commercial real estate waqf by the community. This study can also identify and overcome the challenges and shortcomings in the implementation of the waqf. Knowledge of negative acceptance or misunderstanding that may arise in the community can help to plan effective communication strategies to improve acceptance and convey the benefits and purpose of commercial property waqf to the community. This can also provide an impetus for researchers and practitioners to study the impact and effectiveness of commercial real estate waqf in achieving the desired social and economic goals. By understanding the acceptance of society, we can assess the extent to which commercial real estate waqf provides benefits to society as a whole, including aspects of housing, community development, and economic sustainability. The importance of the study on the acceptance and desire of society towards the agenda of waqf of commercial real estate (can be seen from several perspectives, as described below).

COMMUNITY UNDERSTANDING AND ACCEPTANCE FACTOR (CUA)

The Community Understanding and Acceptance (CUA) factor assumes a comprehensive role in scrutinizing consumer behaviour within the market landscape. It encapsulates a nuanced amalgamation of comprehension, trust, and the collective endorsement of a product or service. This factor emerges as a critical determinant over consumer decisions and market trends, thereby underscoring the intricate interplay between societal perceptions and commercial success. Noteworthy insights into CUA have been gleaned from seminal works in consumer trends, such as the study conducted by Qiu et al., (2023), and from investigations into the role of online communities in shaping CUA, as elucidated by Velázquez et al. (2022). These scholarly contributions provide valuable perspectives on how CUA manifests in consumer behavior, offering a deeper understanding of its multifaceted impact on market dynamics. The community's understanding and acceptance of the concept of waqf and its benefits in the context of commercial real estate can help to increase the contribution, participation, and community support towards the implementation of the waqf. Good knowledge and high awareness of waqf commercial properties will strengthen the community's commitment to contribute and engage in waqf activities. The

public's understanding and acceptance of commercial property waqf plays an important role in the effectiveness and success of the implementation of the waqf. The importance of understanding and acceptance of society can be seen from several aspects. A good understanding of the concept of waqf and its benefits in the context of commercial real estate enables society to realize the value and potential of socio-economic development that can be achieved through commercial real estate waqf. This understanding also provides awareness to the community on the importance of strengthening contributions and involvement in the implementation of waqf, especially in the financing and management of commercial property projects. In addition, the public's acceptance of commercial real estate waqf affects the sustainability and effectiveness of the implementation of the waqf. Strong community support will facilitate fundraising, asset management, and utilization of waqf proceeds for the benefit of society as a whole. This acceptance also ensures the integrity of the management and the distribution of waqf benefits to the entitled recipients.

In addition, understanding and acceptance of society helps to overcome the challenges and shortcomings that may arise in the implementation of commercial real estate waqf. With the right understanding, the community can provide constructive views and suggestions to enhance the implementation of commercial real estate waqf, overcome concerns and doubts, as well as improve the negative acceptance that may be present. Understanding and acceptance of society also allow for the development of more effective communication strategies. Good communication with the community about the benefits and purpose of commercial real estate waqf can build trust, eliminate misunderstandings, and strengthen society's commitment to the waqf. Thus, understanding and acceptance of society helps to promote the values of waqf in society more broadly. With a good understanding, society can recognize the potential of commercial real estate waqf as an instrument that can help meet the social and economic needs of the community, as well as strengthen its role in sustainable development. Thus, the hypothesis for that factor is:

H1: Community Understanding and Acceptance have a significant positive impact on the desire for waqf commercial properties in Malaysian society.

RELIGIOUS AND CULTURAL NORMS (RCN)

Religious beliefs and cultural norms play an important role in shaping society's acceptance of the commercial property waqf agenda (Kasri et al., 2022). Religion as a source of moral values and teachings is often the basis and justification for the implementation of waqf as a social and religious responsibility (Qurrata et al., 2020). Local culture such as traditions and norms can also influence the public's acceptance of commercial property waqf. Religious and cultural beliefs play an important role in shaping society's acceptance of the commercial property waqf agenda. Religion as a source of moral values and teachings is often the basis and justification for the implementation of waqf as a social and religious responsibility. Local culture such as traditions and norms can also influence the public's acceptance of commercial property waqf. Religion, as a key factor in shaping the acceptance of society, provides guidance and arguments that influence the way society views commercial real estate waqf. Islam, for example, encourages its ummah to do good deeds and make donations for the public good. A study by Ahmad (2019) shows that religious teachings are one of the main factors influencing the attitude and intention of society to implement commercial real estate waqf.

In addition, local culture also plays a role in shaping the community's acceptance of commercial property waqf. Cultural traditions and norms are often the basis for the public's assessment of the effectiveness and relevance of commercial property waqf in the local context. A

study by Razak et al. (2019) shows that local cultural norms and traditions influence society's acceptance of commercial property waqf in Malaysia. In the cultural context, traditions and norms also form a society's understanding of commercial real estate waqf. Local culture reflects the way of life and beliefs of the community, and a study by Akbar & Ihsan (2023) shows that local culture influences the public's acceptance of commercial property waqf in Malaysia.

In addition, religious and cultural beliefs also play a role in the public's understanding and knowledge of the concept of waqf and its benefits in the context of commercial real estate. Religion as a source of moral teachings and values often provides a deep understanding of social and religious responsibility in contributing to society. A study by Abdul Mujahidah & Rusydiana (2023) shows that a good understanding of religion influences society's understanding of waqf and its benefits in the context of commercial real estate. Thus, the hypothesis for that factor is:

H2: Religious holdings and cultural norms have a significant positive impact on the desire for commercial property waqf in Malaysian society.

TRUST IN MANAGEMENT AND ADMINISTRATIVE TRANSPARENCY (TMAT)

Public trust in management and transparency in the implementation of commercial property waqf is important to ensure the sustainability and integrity of waqf. This factor allow us to identify the needs and concerns of society regarding the administration of waqf assets, fund management, and the involvement of beneficiaries. Community trust is an important foundation to ensure continuous support of commercial property waqf and safeguard the integrity of waqf property for long-term benefits. The Community Trust Factor in Management and Administrative Transparency is an important aspect in the context of organizational and administrative, ensuring maintenance of waqf asset sustainably. Several factors influence public trust in administrative management and transparency. Integrity and administrative ethics play an important role in shaping public trust. Transparent, fair, and ethical governance reflects good practice and gains community support.

In addition, transparency and accountability in the management of organizations affect public trust. When the administration practices transparency, displaying accurate and up-to-date information to the community, trust can be built. A study by Bélanger & Carter (2008) shows that transparency is a factor that influences public trust in administration. In addition, the effectiveness of the management and implementation of policies as well as a decision-making process that is fair and centralized to the public interest also gives RCNak the trust of the community. Research by Kim et al., (2012) underlines that society is more likely to trust an administration that can produce fair results and meet their needs. In addition, community involvement in management and administrative processes can help build trust. When society is allowed to contribute opinions, give feedback, and engage in decision-making, trust can be enhanced. A study by Van Dijk et al., (2012) showed that community engagement influences their belief in administration. In addition, effective communication is also important to gain public trust in administrative management and transparency. Clear, accurate, and continuous communication helps to develop positive acceptance and gain support from society. According to a study by Moliner et al., (2018), good communication is a factor that affects public trust in administration. Thus, the hypothesis for that factor is:

H3: Trust in management and administrative transparency has a significant positive impact on the desire for commercial property waqf in Malaysian society.

SOCIO-ECONOMIC LEVEL OF SOCIETY (SEL)

The socio-economic factors of society play an important role in the development of commercial real estate waqf. These factors affect the needs, inclinations, and potential of society to engage in commercial real estate waqf. Several socio-economic factors can influence the development of commercial real estate waqf. First, the income level of society plays an important role. People with high incomes tend to be more able to engage and engage in commercial real estate investments. Adequate income provides financial freedom to make a significant and effective contribution to commercial real estate waqf. A study by Lamido & Haneef (2021) shows that income factors influence society's desire to be waqf. Secondly, economic stability affects the development of commercial real estate waqf. Stable economic conditions provide confidence and certainty to investors and stakeholders to engage in commercial real estate waqf. Economic stability creates an environment conducive to the growth of the commercial real estate sector and provides opportunities for the effective development of waqf projects. A study by Kassim et al. (2023) shows the relationship between economic stability and the intention to contribute to waqf.

In addition, the social disparity factor also plays a role in the development of commercial property waqf. High social and economic disparities in society can be a focal point for the implementation of commercial real estate waqf projects. Commercial real estate waqf can help reduce social and economic disparities by contributing to the development and improvement of the well-being of marginalized communities. A study by Ramli et al., (2016) shows the relationship between the development of waqf and the improvement of the well-being of marginalized communities.

Cultural factors and social values also play a role in the development of commercial property waqf. A culture of solidarity and social values that promote the welfare of society can strengthen society's tendency to prosper. This culture and values support the development of commercial property waqf as a development strategy that can benefit the community collectively. A study by Rahman & Hassan (2019). shows the relationship between cultural factors and the development of waqf. Lastly, the educational factor and public awareness of waqf commercial real estate also influenced the development of waqf. A high level of awareness and understanding of commercial property waqf can motivate the community to waqf and support the development of related waqf projects. Effective education and nurture campaigns can enhance the public's understanding of the potential and benefits of commercial property waqf. A study by Listiana et al., (2020) shows the importance of education and awareness in the development of waqf. Thus, the hypothesis for that factor is:

H4: Socio-economic society has a significant positive impact on the desire for waqf commercial properties in Malaysian society.

DESIRE FOR COMMERCIAL PROPERTY WAQF AGENDA (DCPW)

This study aims to examine the acceptance rate and desire of the community towards the agenda of commercial property waqf. Society's acceptance of commercial real estate waqf refers to their impressions, views, and assessments of the concept, benefits, and implementation of commercial real estate waqf. Meanwhile, the desire of society refers to their inclinations, interests, and intentions to engage in the agenda of commercial real estate waqf.

Previous studies have shown that there is a variation in society's acceptance of commercial real estate waqf. Some of the factors affecting the acceptance of society include knowledge of

commercial real estate waqf, acceptance of the benefits of commercial real estate waqf, cultural and social factors, as well as economic factors. Adequate knowledge of commercial real estate waqf will enhance the public's understanding of the concept and potential of commercial real estate waqf. In addition, acceptance of benefits, such as economic stability, social welfare, or religious rewards, can influence society's acceptance rate of commercial real estate waqf.

The desire of society to engage in the agenda of waqf of commercial real estate is also influenced by similar factors. Adequate knowledge and positive acceptance of the benefits of waqf commercial real estate will increase the desire of society to engage in commercial real estate waqf. In addition, cultural and social factors such as social norms that promote the welfare of society as well as economic factors such as economic stability and the financial situation of individuals can also influence the society's desire for commercial real estate.

Previous studies, such as those presented by Aziz et al., (2017), Sapuan & Zeni (2021), and Listiana et al., (2020), have covered issues related to the acceptance and desire of society toward commercial real estate waqf. Through the analysis of data and findings from these studies, we can understand the society's acceptance rate and desire for the commercial property waqf agenda more deeply. The results of this study will provide guidance and contribution to stakeholders in planning and implementing a commercial property waqf program that is more effective and relevant to the community.

CONCEPTUAL MODEL OF STUDIES

The background of the study on society's acceptance of the waqf agenda of commercial real estate requires a quantitative approach to understand and measure the factors that influence such acceptance. This study used PLS-SEM (Partial Least Squares Structural Equation Modeling) as a data analysis method to test the relationship between independent variables and bound variables. To collect data, survey form instruments were used in this study. This survey form is designed based on previous preliminary studies to ensure the validity and reliability of the instrument. The survey form consists of several sections that measure factors such as community knowledge of commercial property waqf, acceptance of the benefits of commercial property waqf, cultural and social factors, and economic factors that influence their acceptance of the commercial property waqf agenda. For sampling purposes, cluster sampling methods were used in this study.

This study investigates factors influencing the community's financial intentions towards waqf property in Malaysia. The dependent variable is the financial intention to participate in or contribute to waqf real estate (FIWP). The independent variables comprise four key determinants: community understanding of waqf, strength of religious beliefs and cultural norms, trust in waqf asset management and transparency, and socioeconomic status. The conceptual model posits that a greater community understanding of the shariah principles and social benefits underlying waqf will positively influence financial intentions. Stronger adherence to Islamic religious norms and waqf-related cultural values is also expected to increase willingness to contribute financially. Robust trust in waqf administrators and transparent governance mechanisms should similarly engender confidence in the integrity of waqf institutions and assets. However, the impact of socioeconomic status is ambiguous; waqf may appeal across income strata if affordability issues are addressed through innovative financing techniques. Quantitative hypothesis testing using structural equation modelling will empirically assess the significance and relative influence of these determinants on FIWP.

In this method, the population of the community is taken as a cluster group, and each cluster is randomly selected in each area in Selangor. The justification in Selangor is that this study is done to the surrounding community with homogeneous economic power. The total number of respondents involved in this study was $n=310$. Cluster-sampling methods of the population are selected to ensure that different groups of society can be represented in the study. The hypothesis of this study was formed based on previous literature and an understanding of the factors that influence society's acceptance of commercial real estate waqf. There are four independent variables proposed in this study, namely knowledge of commercial property waqf, acceptance of the benefits of commercial real estate waqf, cultural and social factors, and economic factors. The variable (dependent variable) in this study is society's acceptance of the commercial property waqf agenda. These hypotheses will be tested using statistical analysis corresponding to PLS-SEM. Using quantitative approaches, survey form instruments, cluster population sampling, and hypothetical formation, this study is expected to provide a deeper understanding of society's acceptance of the commercial property waqf agenda. The results of this study are expected to contribute to the field of commercial property waqf studies as well as provide guidance to stakeholders in planning and implementing a more effective commercial property waqf program. With the debate, the conceptual model of the study is shown in the following Figure 1.0:

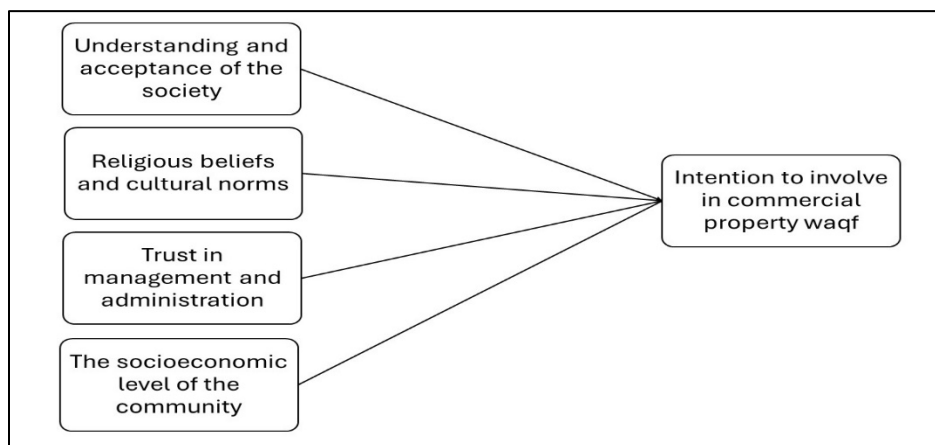


FIGURE 1.0. Conceptual Model of the Study

RESEARCH METHODOLOGY

The research methodology involved collecting data from 310 respondents through surveys distributed between March 2023 and May 2023. The self-filling approach is used, and the respondents are selected through the cluster sampling method in Malaysia, categorized according to geographical locality i.e. urban, suburban, and inland. The participants willingly participated in the study without receiving any compensation. Data collection was carried out using Google Forms, using a simple sampling method. The sample size is determined using cross-confidence G-Power analysis, with the desired power of 0.8 and a critical F^2 value of 2.48588 (Ken & Kay, 2019). The analysis revealed that a sample size of 129 would give the desired statistical power of 8.0, as shown in Figure 1.0:

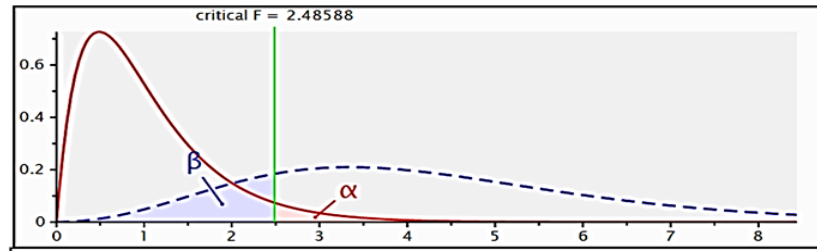


DIAGRAM 1.0: Statistical power with G-power manual

STUDY INSTRUMENTS

The study used a study instrument consisting of two parts. The first is allocated for collecting demographic data of participants, while the second part is devoted to collecting feedback on conceptual model factors. The "7-point Likert Scale" is used to Measure the model in the second approach (Adam, 2020). Prior studies suggest that 7-point Likert scales might yield data with stronger psychometric properties, including reliability and validity. Reliability refers to the consistency of the scale in measuring the intended construct, while validity reflects whether the scale truly measures what it is designed to measure. Research by Lewis (1993) and validated by Joshi et al., (2020) indicates that 7-point scales may produce data with better correlations in statistical tests compared to 5-point scales, suggesting potentially higher reliability. Each item that is an instrument of study is encoded with a specific series of figures and reference for the link between the constructs in the PLS-SEM analysis. In testing the validity of each factor, preliminary tests were carried out. This study was to examine the relationship between four non-dependent variables, namely understanding of commercial property waqf, factors of belief in management and administrative transparency, religious and cultural holding factors, as well as economic factors, with one dependent variable, i.e. society's desire to make a commercial property waqf.

In this context, knowledge of commercial real estate waqf is considered a variable that may affect society's desire to make a waqf of commercial real estate. The higher the level of public knowledge on the concept and implementation of commercial real estate waqf, the greater the probability of them being interested and willing to engage in the agenda of commercial real estate waqf. Among the questions for this factor are; "I understand the waqf of commercial real estate", "I understand the benefits of waqf commercial real estate to the community", and "I realize that waqf properties are among the sustainable waqf developments".

Cultural and religious factors can also influence the community's desire to make a waqf of commercial real estate. A culture of solidarity, welfare values, and social norms that promote the welfare of the community can strengthen the tendency of the community to waqf and contribute to the agenda of commercial real estate waqf. Among the questions asked in the measurement of this factor are; "I adhere to the values of Islam", and "I care about the welfare and values of philanthropy in the community".

As such, the trust factor in the management and transparency of the administration also influences consumers or society in engaging themselves in a financial plan. The study used this factor as an independent variable. Among the questions asked in the measurement of this factor are; "I believe in the management of waqf property by the State Islamic Religious Council", and "I care about the transparency of the administration in the waqf project". Furthermore, economic factors are also an important factor that influences the desire of society to make a waqf of

commercial real estate. If society has stable and adequate economic conditions, they are more likely to engage in commercial real estate investment and make waqf commercial real estate as a form of long-term investment. Among the questions for this factor are; "I can do waqf in cash", and "My family management can participate in a property waqf".

STUDY FINDINGS AND DISCUSSIONS

The study used a two-stage approach as recommended by Hair et al., (2014). First, this reflective assessment-based study assesses the validity of convergence between items and constructs, alpha reliability, and discriminatory validity. Convergence validity can be ensured if the loading is greater than 0.5 (Hair et al., 2014), the reliability of the composite is greater than 0.7 (Sarstedt et al., 2022), and the average variance extracted is more than 0.5. Structural models were first tested. The demographic characteristics of the data findings are as per table 1.0 below:

TABLE 1.0. Demographics of respondents

Demographic characteristics	Category	Number	Percentage (%)
Gender	Men	134	43.04
	Female	177	56.96
Age	18 down	0	0
	19-30 years old	34	11.39
	31-40 years old	96	30.89
	41-50 years old	121	39.49
	51 and above	56	18.23
Locality	Interior	53	16.71
	Sub City	149	48.35
	City	109	34.94
Total sampling in the state of Selangor		310	100%

RELIABILITY AND VALIDITY

In the analysis of the reliability of the proposed model, a value of R2 of 0.513 was obtained for the subject of study (DCPW). R2 is a measure of variance, representing the proportion of variance in the endogenous construct described by the model. It is also referred to as the predictive power in the sample. Based on this R2 value, DCPW was found to have moderate R2. This suggests that there is a significant difference in the results of the five exogenous variables, indicating that it has limited explanatory power concerning DCPW (Joe F. Hair et al., 2014).

TABLE 2.0. R-square

R Square	
DCPW	0.513

Note: DCPW= Desire for commercial property waqf

Hair et al., (2019) propose the use of composite reliability as a substitute for the reliability of internal consistency that measures in social science research, rather than conventional Alpha Cronbach. Therefore, this study uses it to measure the reliability of internal consistency. In this case, the measurement of the composite reliability coefficient of consistency and internal reliability has been evaluated and reported in Table 3.0 below. In the study, the value of the composite

reliability coefficient ranged from 0.805 to 0.924, indicating a sufficient range of 0.5 cut-off points. Thus, it can be ensured that the instrument is reliable and can be passed on to the analysis of hypothetical tests. The reliability value of n alpha (α) is around 0.677 ~ 0.891 considered sufficient (Taber, 2018). In addition, the reliability analysis can be completed with the calculation of Average Variance Extracted (AVE) in individual constructs, which are expected to exceed 0.5. Table 3.0 lists the alpha values of Cronbach's compound Reliability (CR) as proposed by Hair et al., (2019); All of them are equally adequate with the respective standard cutting points.

TABLE 3.0. Alpha (α), Composite Reliability

	Cronbach's Alpha	Composite Reliability	Average Variance Extracted (AVE)
DCPW	0.705	0.819	0.531
CUA	0.891	0.924	0.754
SEL	0.790	0.876	0.703
TMAT	0.677	0.805	0.510
RCN	0.742	0.838	0.565

Note: DCPW= The desire for commercial property waqf, CUA= Community Understanding and Acceptance, RCN= Religious holdings and cultural norms, TMAT= Trust in administrative management and transparency, SEL=Socio-economic level of society

The study also tested the validity of discrimination using a heterotrait-monotrait correlation ratio (HTMT) assessment (Joseph F. Hair et al., 2019). Using HTMT as a criterion to assess the legality of discrimination, researchers need to compare with a predetermined threshold. Therefore, if the HTMT value is greater than the set threshold, the researcher can make the case that there is no discriminatory validity. As shown in Table 3.1:

TABLE 3.1. Heterotrait-Monotrait Ratio (HTMT)

	DCPW	CUA	SEL	TMAT	RCN
DCPW					
CUA	0.697				
SEL	0.721	0.557			
TMAT	0.899	0.717	0.817		
RCN	0.847	0.606	0.874	0.805	

Note: DCPW= The desire for commercial property waqf, CUA= Community Understanding and Acceptance, RCN= Religious holdings and cultural norms, TMAT= Trust in administrative management and transparency, SEL=Socio-economic level of society

The results show that all constructive correlation values are lower than the threshold level, indicating a satisfactory degree of discriminatory validity between constructs. According to the HTMT criteria, the value of the constructed joint relationship must be below 0.90. After identifying each item and the construct has passed the validity and reliability test, this study analyzed the route coefficient with 5000 subsamples as proposed by Hair et al., (2019), as shown in Table 3.2:

TABLE 3.2. Structuring Model Assessment

	Sample Mean	Standard Deviation	T Statistics	P Values
CUA -> DCPW	0.193	0.056	3.512	0.000*
SEL -> DCPW	0.100	0.076	1.384	0.168
TMAT -> DCPW	0.225	0.072	3.019	0.003*
RCN -> DCPW	0.222	0.076	2.919	0.004*

Note: DCPW= Desire for commercial property waqf, CUA= Community Understanding and Acceptance, RCN= Religious holdings and cultural norms, TMAT=Trust in administrative management and transparency, SEL=Socio-economic level of society

HYPOTHESIS TEST AND DETERMINATION COEFFICIENT

Together with the PLS-SEM approach with the maximum possible estimate, the structural equation model is used to measure interdependence on various theoretical constructions of structural models. So, the proposed hypothesis was evaluated:

H1: Community Understanding and Acceptance have a significant positive impact on the desire for waqf commercial properties in Malaysian society.

The public's understanding and acceptance of commercial property waqf has a significant positive influence on their desire to be waqf with significant value t-statistics=3.512 and value-P=000. This study supports the findings of past studies that have been done to clarify this relationship. Abdul Razak et al. (2019) found that the understanding and acceptance of the community, especially the younger generation of Muslims, influenced their desire for commercial real estate. Nuryitmawan (2022) show that understanding and acceptance of people influenced by religious factors, in turn, has a positive effect on their desire to be waqf. Hassama & Ismail (2023) concluded that the understanding and acceptance of society influenced their desire to waqf and that people who understand the concept and benefits of commercial real estate waqf are more likely to have a desire to be waqf. Mujahidah & Rusydiana (2023) found that the understanding and acceptance of the community have a positive effect on their desire for commercial real estate. Bolkan et al., (2023) also found a positive relationship between understanding and acceptance of the community and their desire for commercial real estate.

H2: Religious holdings and cultural norms have a significant positive impact on the desire for commercial property waqf in Malaysian society.

Religious holdings and cultural norms have a significant positive impact on the desire for commercial real estate waqf with significant value t-statistics= 2.919 and value-P=004. These findings show that religious beliefs and cultural norms play an important role in influencing the community's desire for commercial real estate in Malaysian society. This study supports several past studies that have been done to research the relationship between religion, culture, and commercial property waqf desires. This includes research by Hapsari et al., (2022) showing that religion has a positive influence on society's desire to be waqf, including waqf of commercial real estate. People with strong religious beliefs tend to be more motivated to participate in commercial property waqf. In addition, the study by Laila et al., (2022) emphasizes the role of cultural norms in shaping the desire for commercial real estate waqf. Cultural norms that value and encourage

waqf can influence the acceptance and desire of society to engage in commercial real estate waqf. Another study conducted by Wadi & Nurzaman (2020), shows that the public's understanding and acceptance of the concept of waqf influenced by religion and culture also contributes to their desire for commercial real estate. People who have a good understanding of the concept of waqf and accept the importance of waqf as a social and religious responsibility are more likely to have the desire to waqf commercial real estate.

In conclusion, religious beliefs and cultural norms have a significant positive influence on the community's desire for commercial real estate in Malaysian society. A good understanding of the concept of waqf, as well as the public's acceptance of social and religious responsibilities in maintaining and managing waqf, are important factors that affect the desire for waqf commercial real estate.

H3: Trust in management and administrative transparency has a significant positive impact on the desire for commercial property waqf in Malaysian society.

Trust in management and administrative transparency has a significant positive impact on the desire for commercial real estate waqf with significant value t -statistics= 3.019 and value- $P=0.003$. Belief in administrative management and transparency plays an important role in influencing the public's desire for commercial real estate in Malaysian society. Several studies have been done to research the relationship between trust in management and administrative transparency and the desire for commercial real estate waqf. This study supports previous findings by Akbar & Ihsan (2023) which found that public trust in waqf management and administrative transparency has a significant positive influence on their desire for commercial real estate. People who have high confidence in the ability of waqf managers and transparent administrative processes are more likely to have a desire to engage in commercial property waqf.

In addition, a study by Abdul Razak et al., (2020) shows that the public's belief in administrative management and transparency is also related to their acceptance of the integrity and sustainability of commercial property waqf. People who believe that waqf management is done well and the administration is done transparently tend to have a positive acceptance of the desire for commercial real estate. Other research conducted by Maulina et al., (2023) emphasizes the importance of public trust in the management and transparency of the administration in developing good relations between the management of waqf and the community. A high degree of trust in management and administrative transparency helps to strengthen relationships and magnify society's desire for commercial real estate.

In conclusion, the belief in management and administrative transparency has a significant positive influence on the public's desire to create commercial real estate in Malaysian society. Belief in the ability of waqf managers, acceptance of the integrity of waqf, and confidence in administrative transparency play an important role in shaping the desire for commercial real estate waqf.

H4: The Socioeconomic level of the community has a significant positive impact on the desire for commercial property waqf in Malaysian society.

The socioeconomic level of society does not have a significant impact on the desire for commercial property waqf in Malaysian society with a t -statistical value= of 1.384 and a value- $P=0.168$. A study by Haron et al. (2023) shows that socio-economic factors such as income, education, and

employment do not have a significant influence on society's desire for commercial real estate. Although there are differences in the socio-economic level of society, this does not significantly affect their desire to engage in commercial property waqf. The results of this study were stated by previous researchers. Yusuf et al., (2019) also supported the findings. They found that socio-economic factors did not have a significant relationship with the desire for commercial property waqf among the Malaysian community.

Other studies conducted by Amin et al., (2024) highlighted that other factors such as religious beliefs, acceptance of the benefits of waqf, and knowledge of waqf have a stronger influence on the desire for commercial property waqf than socioeconomic factors. In conclusion, the results showed that the socio-economic level of society does not have a significant influence on the desire for commercial property waqf in Malaysian society. Other factors such as religious beliefs, acceptance of waqf benefits, and knowledge of waqf are more dominant in influencing society's desire for commercial real estate.

CONCLUSION

This study uses quantitative measurements to look at the effectiveness of commercial property waqf acceptance factors among the community. The results showed that the understanding and acceptance of the community towards the concept of waqf commercial real estate can be a significant factor in the participation of the waqf. In addition, religious beliefs and cultural norms serve as the basis and justification for the implementation of waqf as a social and religious responsibility. While trust in the management and transparency of the administration of waqf is significant in the integrity and sustainability of commercial property waqf.

This study has some limitations. First, this study was only done in a limited population, i.e. the community in the State of Selangor. Therefore, the findings of this study may not be generalized to the wider population throughout Malaysia. As a recommendation, the study would be broader and more representative if it involved populations from across the country. For the study of the front, several recommendations can be taken into account. First, the study uses a quantitative approach by using survey forms as data collection instruments. Therefore, future studies can take a qualitative approach to research in depth the public's perception and desire towards commercial real estate waqf. In addition, further studies can also involve a wider target group such as various levels of society, including not only individuals involved in commercial property waqf, but also individuals who have not been involved. This will provide a more comprehensive understanding of the public's perception and desire towards commercial property waqf.

Overall, this study provides a deeper understanding of the factors that influence the public's perception and desire towards the agenda of commercial property waqf in Malaysian society. Despite some limitations, the results of this study provide valuable initial insights to researchers and stakeholders in understanding the factors that need to be noted in planning and implementing the commercial property waqf program in Malaysia.

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