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# Priority of *Waqf* Development among Malaysian Cash *Waqf* Donors: An AHP Approach

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**Abstract**

The practise of cash *Waqf* is increasingly gaining popularity among the Malaysian Muslim. *Waqf* institutions (SIRCs) are responsible to utilise the collection of cash *Waqf* to develop relevant projects in order to benefit the society in general. The purpose of this study is to explore the cash *Waqf* donors' priority toward what types of development that fulfilled the current need of the society. Hence, to accomplish this purpose; thirty (30) Muslim employees who have contributed cash *Waqf* were interviewed. This study employs analytical hierarchy process (AHP) analysis to identify the rank of the developments that priorities by donors. The result shows that the cash *Waqf* contributors prefer to channel their money for *Waqf* development in the following rank order: (1) education, (2) health, (3) masjid and madrasah, (4) social-care and welfare (5) trade and commerce (6) environment (7) infrastructure and (8) art, culture and heritage.



*Keywords*: AHP, *Waqf*, Donor.

## 1. Introduction

*Waqf* is most comparable to the English word 'endowment' or literally in Arabic language means 'stop'. *Waqf* is recognized under the Islamic law as one of the voluntary charitable act which is recommended by Prophet Muhammad (peace be upon him- hereinafter pbuh) in the early age of Islam. Sait and Lim (2005) say that *Waqf* involves a dedication of fixed asset for the purpose of charity and generating income which will benefit the beneficiaries in a perpetuity basis. There are four essential criteria for a donation to qualify as *Waqf*: (1) the intention or declaration; (2) the donor; (3) the property or any tangible or intangible asset given as *Waqf*; (4) the beneficiary (this could be the named people such as family members or usually is the public at a local place) (Mahamood, 2006; Abu Zahrah 2007).Even though there are no specific references of *Waqf* in the Qur'an (Kuran, 2001) but *Waqf* has served a broad societal objective of charitable deeds in Islam (Raissouni, 2001; Deguilhem, 2008). Beneficiaries of *Waqf* are not only restricted for the use of Muslim community and religious activities, but it have covered broader scope of activities which the main aims are to improve and strengthen the development of social and economic of a country (Cajee, 2007).

The development of *Waqf* went through a significant growth, stagnant and even downturn (Cizakca, 2000). Similarly to Malaysia, the practised of *Waqf* is started during the 15th century of the ascendency of Malacca Sultanate. During this period, *Waqf* become one of the popular practised among the Malaysian Muslim. There are some of the *Waqf* properties are found informed of mosque and Islamic school (Aun, 1975). However, the developments of *Waqf* assets are interrupted especially after the colonisation periods. The colonisation period started by Portugese (1511 CE-1641 CE) (Aun, 1975) and continued by Dutch (1641 CE-1824 CE) (Ibrahim &Joned, 1987) and followed by British (1826 CE-1946 CE). British occupation was interrupted in 1941 CE to 1945 CE due to Second World War (WWII). However, during

this period, Japan took control of Malaysia and thereafter, British took back Malaysia from Japan in 1946 CE (Aun, 1975). British colonisation period ended in 1957 CE and lead to the independence of Malaysia (Aun, 1975). Salleh (2009) says that during the colonisation period *Waqf* practised went through a significant changes especially in term of trustee, restructure of *Waqf* properties in the country due to loss of *Waqf* deeds and even some of the *Waqf* properties were no longer considered as *Waqf* due to loss of documentation evidences.

Malaysian Muslims have contributed many *Waqf* lands which are under the responsibility of state Islamic religious councils (SIRCs*). *Jabatan Wakaf*, Zakat and Hajj (JAWHAR) website reported that the total amount of *Waqf* land in Malaysia is 8,825.03 hectares which is equivalent to almost RM 63,729,853.50 (JAWHAR, 2012). Beside *Waqf* lands, Selangor [†] state PWS has collected RM 2,007,775.43 of cash *Waqf* in year 2011 and RM 4,106,956.15 in year 2012 (Perbadanan Wakaf Selangor). There are many types of *Waqf* property have been developed by SIRCs. So far, the completed *Waqf* projects are comprises of mosque[‡] and Islamic school[§] in the area of Selangor state (Perbadanan Wakaf Selangor). The developments of *Waqf* in the past do not only focus on the religious development such as mosque and Islamic school. The development shows that Malaysia government has significant contribution in developing mosque and Islamic school. This means, SIRCs may probably shift the focused toward developing general development instead of religious development. There are some of the important sectors in Malaysia are getting ineffective and expensive due to increase of demand and less of availability of supply such as university (Benjamin et al., 2011) and health sectors (Health, 2011).*Waqf* resources should be used to support government in providing the public needs. Hence, in order to make a comprehensive decision, SIRCs have to explore the donors' views on what types of development that becomes necessary in the present environment. Based on the donors' feedback, SIRCs may have preliminary information in order to make a better decision which will benefit the society in general. Thus, based on this missing feedback of donors, this study aims to explore the donors' priority toward what types of development that SIRCs should considered for the present development of *Waqf* assets. There are several types of development which are comprises of religious and general developments are identified from literatures and practical practised. This study uses the analytic hierarchy process (AHP) analysis to identify donors rank their priority of development in the present environment.

The organisation of the study is follows; the next section highlights related literature review, discussion of relevant research methodology, discussion of the findings and finally is the conclusion of the study.

## 2. Literature review

*Waqf* played a vital role in Islamic civilization and become one of the economic instruments that have combination of philanthropy and purification of self toward Allah SWT. Shatzmiller (2001) says that *Waqf* is "an instrument of liberation and social integration". The idea of *Waqf* can be traced from Prophet Ibrahim (pbuh) who used his wealth for charity including the construction of Kaabah, in Makah. However, the common view of Muslims scholars, *Waqf* is basically practised during the time of Prophet Muhammad (pbuh) (Fay, 1998).

In Islamic history, Quba' mosque is the first *Waqf* mosque that built by Prophet Muhammad (pbuh) in Medina city upon the arrival of Prophet Muhammad (pbuh) in 622 CE (Cizakca, 2004). Six (6) month later, Prophet Muhammad (pbuh) built another mosque which is called 'Prophet Muhammad' (pbuh) mosque at the centre of Medina. This mosque is the second most active mosque in the world after Haram mosque. Kahf M. (2010) says that *Waqf* assets that used for the purpose of building sacred place such as

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[*] Since the independence of Malaysia in 1957, SIRC is a government institution and legally appointed as the sole trustee of *Waqf* and the management of *Waqf* assets are under the SIRCs responsibility. In national level, recently Malaysian government established *Jabatan Wakaf, Zakat dan Hajj* (JAWHAR).

[†]Selangor state has Waqf subsidiary entity which is called as *Perbadanan Waqf Selangor* (PWS) which is the only state that seriously focuses on generating cash Waqf.

[‡]Mosque TengkuAmpuan Jemaah, Bukit Jelutong (RM25 Million), Mosque TengkuKelana Jaya Petra, Taman Bandaran, Kelana Jaya (RM8 million), Mosque An- NurKampungKunci Air Buang, TanjongKarang (RM350 thousand), Mosque Glenmarie, Shah Alam (RM8 million).

[§]Islamic School MifthahulUlum, Hulu Langat (RM20 million) and Islamic School Pulau Indah, Klang (RM2 million).

mosque are under the category of religious *Waqf*. Religious *Waqf* is fundamentally used for building religious based development which is used to satisfy the religious needs and benefit the future generation. The unique characteristic of *Waqf* is the ownership of the property where the Shari'ah law prohibited anyone or even leaders of a country to own or sell the *Waqf* properties. This mean any declared *Waqf* property will be in perpetuity basis and continue benefiting the society.

The development *Waqf* does not only focus on religious activities but it also has huge contribution to social services. There are some evidences of *Waqf* toward social developments which is called philanthropic *Waqf*. This type of *Waqf* development is basically focused on the improvement of community which focused on providing public utilities, funding the poor and needy, libraries, health services, lending to small businessmen, parking, and bridge and even funding scientific research (Kahf M., 2010). Philanthropic *Waqf* started during the era of Prophet Muhammad (pbuh) in Medina when the inflow of immigrant has caused for scares of water supply. This has caused for expensive price of water in Medina. Prophet Muhammad (pbuh) called anyone of his companion to purchase the Bir' Ruma (it is a Ruma well) and declared it for *Waqf*. Caliph Uthman volunteers himself and buys the well and declares it as *Waqf* for the Medina societies. Another example is a man wrote a letter to Prophet Muhammad (pbuh) and wishes to give his seven (7) orchards to Prophet Muhammad (pbuh) after his death. Four (4) years later, the man is death and Prophet Muhammad (pbuh) took hold the seven (7) orchards and declares it as charitable *Waqf* for the benefit of the local people. These two examples show the philanthropic *Waqf* practised by Prophet Muhammad pbuh in the past.

Boudjellal (1998) stated that for centuries, the Muslim caliphates and states did not have any specific ministries or department that managed the public works, roads, bridges, mosques, schools, libraries or hospitals, all the maintenance are covered from *Waqf* assets. For example, Zubaidah, the wife of Caliph Harun Al-Rashid, declared all her wealth for the purpose of developing road from Baghdad to Makah (Hasan S., 2001). The history recorded that most of the *Waqf* properties are used to build educational institutions (religious and general), for example, more than hundreds of high school and universities in cities like Al Quds, Damascus, Baghdad, Cairo and Nisapur are fully supported by *Waqf* (Hasan, 2001). Cizakca (2000) says that education is the second most popular *Waqf* based development after religious development such as mosque. Kahf M. (2010) also mentioned that most of the *Waqf* developments are in form of mosque and education centre. Kahf M. (2010) says that, since the beginning of Islam, education was fund by using *Waqf* and other voluntary contribution in early of seventh century. Al Azhar University is one of the famous *Waqf* based university in Cairo, Egypt which was established since 972 CE until present. This institution is the world's oldest Islamic educational institutions and continuously been financed by *Waqf* until today. This shows that *Waqf* development is not restricted to religious studies but also promote on general knowledge studies which are basically called as fardhu Kifayah under Islamic teaching. Furthermore, *Waqf* helps to create scholars especially those who were from poor and slave segment of the societies. The opportunity to anyone to gain knowledge is an ultimate objective for a Muslim who needs knowledge in order to make important criteria of making dynamic change in social economic of Muslim society. This environment has positive impact especially to Muslim society where the power of wealth and the gap between poor and rich will be eliminated slowly from the societies. Besides education, health sector becomes another significant development for *Waqf*. Kahf M., (2010) says that health services are another important development of *Waqf*. The revenue of *Waqf* covers construction of the building hospitals and spending on physician, apprentices, patients and medicines. Shishli Children Hospital in Istanbul is one of the examples of health *Waqf* which was founded in 1898 CE. For example, Mansori Hospital in Cairo, Egypt is one of the largest hospitals ever built. This hospital was a palace and then Sultan (King) Mansur Qalaun converted the palace into hospital in 1248 CE and it was fully financed by *Waqf*.

The past evidence of *Waqf* development shows that the donors have the right to decide into various types of development which include religious and general projects. The focused on religious and social economic development are the fundamental focus in *Waqf* where the communities will improve in their standard of living if these two factors are fulfil. *Waqf* developments become an interesting topic in the present Islamic finance area. There are many past studies have conducted in broad area of *Waqf* such as financing (Sabit, 2009; Ismail and Arshed, 2009; Kahf M. ,2007; Ramli, 2005; El -Gari, 2004), law (Sabit, 2006), management of *Waqf* institution (Hassan &Shahid, 2010; Sait and Lim, 2006; Cizakca, 2000;

Mahmood, 1998; Ahmad and Khan, 1998) and awareness among the Muslim society to develop the *Waqf* land and properties (Sabit, 2006). Therefore, this study expands the research on *Waqf* area by exploring the preference of donor toward what type of development that becomes their priority based on the present environment.

## 3. Data and Methodology

### 3.1 Data

The data that used in this study is based on interviews that conducted with thirty (30) Muslim employees who have contributed cash *Waqf* in Selangor state. The respondents were approach based on convenient sampling technique at the Perbadanan *Waqf* Selangor (PWS). The researcher prepared interview questions which follows the conditions of using the AHP as tool of analysis. Table 1below shows the example of AHP interview form that the researcher used to fill based on the respondent responses regarding on the priorities of list of development.

Table 1. Types of Waqf Development

| Criteria | Edu. | Health | Mosque | SC&W | T&C | AC&H | Environment | Infrastructures |
|---|---|---|---|---|---|---|---|---|
| Education | | | | | | | | |
| Health | | | | | | | | |
| Mosque | | | | | | | | |
| Social Care & Welfare (SC&W) | | | | | | | | |
| Trade & Commerce (T&C) | | | | | | | | |
| Art, Culture & Heritage (AC&H) | | | | | | | | |
| Environment | | | | | | | | |
| Infrastructures | | | | | | | | |

The data is recorded by using pairwise comparison scale e.g. 1 refer to "equally preferred" until 9 refer to "extremely preferred" (See table 2). For example, respondent A strongly prefers education than health per se, and then the interviewer put 5 inside the cell row 1 column 2. Or, if he strongly prefers health instead of education, then the interviewer put 1/5 inside the corresponding cell.

Table 2. Pairwise comparison scale for Analytical Hierarchy Process Preferences

| Numerical rating | Verbal Judgement of Preferences |
|---|---|
| 1 | Equally Preferred |
| 3 | Moderately Preferred |
| 5 | Strongly Preferred |
| 7 | Very Strongly Preferred |
| 9 | Extremely Preferred |
| 2,4,6,8 | Intermediate values between the two adjacent judgements |
| Reciprocals | When an activity *i* compared to *j* is assigned one of the above numbers, then activity *j* compared to *i* is assigned its reciprocal |

### *3.2 Analytic Hierarchy Process (AHP)*

This study employs analytical hierarchy process (AHP) because of its suitability in evaluating multiple criteria decision-making problems (Saad, 2001). AHP is a theory that measures the quantifiable and/or intangible criteria. Saaty and Kearn (1985) say that this is a multi-criteria decision making approach that employs pairwise comparison to obtain at a scale of preference among a set of alternatives. It is well-

known that AHP is a simple mean to rank the importance of alternatives based on some defined criteria. The aggregate individual priorities (AIP) framework of AHP is one of the methods to obtain the rank-of-priority of certain criteria from many individuals when they acting on their right and researcher concern about each individual's result alternative priorities.

According to Zahedi (1986) says that AHP involves four steps in decision making such as:

1. Structuring the decision hierarchy by breaking down the decision problem into a hierarchy of interrelated decision elements (criteria, decision alternatives).
2. Collecting input data, depicted by matrices of pairwise comparison, of decision element,
3. Using the eigenvalue method to estimate the relatives weights of the decision elements,
4. Aggregating the relative weights of decision elements to arrive at as set of ratings for the decision alternatives.

While according to Harbi (2001) there are seven steps involved in AHP:

1. Defining the problem and determining its goal.
2. Structuring the hierarchy from the top (the objectives) through the intermediate levels (criteria) to the lowest level (alternatives).
3. Constructing a set of pair-wise comparison matrices (size n x n) for each of the lower levels with one matrix for each element in level immediately above by using the relative scale measurement. The pair-wise comparisons are done in term of preferences of one element over the other.
4. There are n (n-1)/2 judgements required to develop the set of matrices in 3. Reciprocal are automatically assigned in each pairwise comparison.
5. Hierarchical synthesis is now used to weight the eigenvectors by the weight of the criteria and the sum is taken over all weighted eigenvector entries corresponding to those in the next lower level of the hierarchy.
6. The consistency of all pairwise comparisons are determined by using the eigenvalue λmaxto calculate the Consistency Index, CI where CI = (λmax– n) / (n-1) where n is the matrix size. Judgement consistency can check by seeing the value of consistency ratio, CR for the appropriate matrix value in table 3 If CR ≤0.1, the judgement matrix is acceptable, otherwise it is considered inconsistent matrix, judgements should be reviewed and improved.
7. Step 3-6 are performed for all levels in the hierarchy.

Consistency step 6 above is referring to the degree to which the perceived relationship in the pairwise comparison is maintained. It is important because lacking in the comparison consistency may indicate the respondents did not understand the differences in the choices presented. On the other hand, lack of information about the criteria being compared or lack of concentration during the judgment process can also cause inconsistency.

Table 3. Average random consistency index (RI)

| Size of Matrix | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|---|---|---|---|---|---|---|---|---|---|---|
| Random Consistency | 0 | 0 | 0.58 | 0.9 | 1.12 | 1.24 | 1.32 | 1.41 | 1.45 | 1.49 |

Saaty and Vargas (2001) proved that for consistent reciprocal matrix, the largest eigenvalue is equal to the size of comparison matrix, or $\lambda_{max}=n$, where n is the size of comparison matrix. Then Saaty and Vargas (2001) gave measure of consistency, called Consistency Index (CI) as deviation or degree of consistency by using the following formula,

$$CI = \frac{\lambda max - n}{n - 1}$$

Where, $\lambda_{max}$ = largest eigenvalue
n = size of comparison matrix

After getting the value of consistency index, we need to compare it with the appropriate value from the random consistency index (RI). The next step is to get the value of consistency ratio (CR) from the following formula,

$$CR = \frac{CI}{RI}$$

The rule of thumb given by Saaty and Vargas (2001) is that if the value of consistency ratio (CR) is smaller or equal to 10% or 0.1, the inconsistency is acceptable. If the consistency ratio (CR) is greater than 10 %, we need to revise the subjective judgment. Instead of using the term CR, software package Expert Choice version 11 uses the term of 'inconsistency value' which refer to CR with similar meaning and interpretation.

Saaty (1988) states that "the value of the consistency ratio should beneficiaries 10 per cent or less. If it is more than 10 per cent, the judgement maybe somewhat random and should perhaps beneficiaries revised". The AHP is able to show one by one, in a sequel order, which judgements are the most consistent. The AHP also suggests the value that best improve inconsistency. The decision maker then could refine the information on the criteria.

After verification of the consistency ratio, we calculated the weights or the normalized scores for the different criteria. The normalized scores are computed by using geometric means because the geometric mean for a series (e.g. 1, 2….N) is less affectedly by extreme values than the arithmetic mean. Besides, it is useful as a measure of central tendency for some positively skewed distribution. For a series containing n elements, the geometric mean is given by the root of the product of the scores and the normalised criterion weight is given by the ratio of the geometric mean divided by the sum of the geometric mean of all the element of the series. For the criteria Cp, p = 1, 2... N, the geometric mean (GM c p) is given by (∏i=1N,j= 1r pj) 1/N and the normalised score (NS c p) is given by GM Cp /$\sum_{p=1}^{N} GMcp$.

Table 4 illustrates the procedure for computing the geometric mean and normalised scores for the N criteria. Let us denote the type of *Waqf* development by WCqwhere q=1, 2…M. The geometric mean GM cpWCq is given by ∏i=1N ,j= 1r qij, q= 1, 2…, M. The normalised score NS CpWCqis given by GM CpWCq/ Σp=1,…N,q=1…M GM CpWCq. Table 4 shows the normalized score for the M *Waqf* development with respect to N criteria. The calculation of geometric mean and the normalised score for the *Waqf* development is done for each criterion in an identical way as the computation of criterion weights.

Table 4. Normalized Pairwise Rating of Criteria

| Criteria | Geometric mean | Normalised Score |
|---|---|---|
| $C_1$ | $GMc_1 = (1x\ r_{11} x\ r_{12} x\ r_{13} x\ \ldots r_{1n})^{1/N}$ | $NSc1 = \frac{GMc1}{GMc1 + GMc2 + GMc3 \ldots\ldots + GMcN}$ |
| $C_2$ | $GMc_2 = (1x\ r_{11} x\ r_{12} x\ r_{13} x\ \ldots r_{1n})^{1/N}$ | $NSc2 = \frac{GMc2}{GMc1 + GMc2 + GMc3 \ldots\ldots + GMcN}$ |
| $C_N$ | $GMc_N = (1x\ r_{N1} x\ r_{N2} x\ r_{N3} x\ .x\ 1)^{1/N}$ | $NScN = \frac{GMcN}{GMc1 + GMc2 + GMc3 \ldots\ldots + GMcN}$ |

Forman and Peniwati (1998) suggest two possible ways to aggregate information when more than one individual participated in the decision process are:

i. Aggregating individual judgements (AIJ) and ,
ii. Aggregating individual priorities (AIP).

Using the AIP or AIJ framework depends upon the assumption given to the group whether the group is assumed to be a synergistic unit or simply a collection of individuals (Abduh & Omar, 2012). AIJ is

applied when individuals are willing to abandon their preferences and the organisation or the group 'individual' and behave like one. Meanwhile, AIP is applied when individuals are acting in their own rights and researchers concerns about each individual's resulting alternative priorities.

Forman and Peniwati (1998) say that treating the group as a new 'individual' in AIJ entails fulfilment reciprocity condition for the judgements. However, when aggregating n individuals where the reciprocal situation is assumed, the harmony and homogeneity condition must exist and therefore only geometric mean is suitable as the method to aggregate the individual's priorities (Aczel & Saaty, 1983). In the case of AIP, Ramanathan and Ganesh (1994) suggest to use arithmetic mean instead of geometric as the method of aggregating individual priorities. However, Forman and Peniwati (1998) had proven mathematically that even in the case of AIP, both arithmetic and geometric mean can be used (Forman and Peniwati, 1998. P167). In this study, AIP framework is used because the tested group is not seen as a new individual, but concerns on individual's priorities instead. The method to aggregate the individual's priorities in this study is geometric mean.

## 4. Findings and Discussion

### *4.1 Demography of Respondents*

Table 5 shows that out of 30 interviewed respondents, 17 respondents (56.7%) were male and 13 respondents (43.3%) were female. Majority of the respondent were Malay which comprised of 28 respondents (93.3%) and 1 respondent (3.3%) are both comprised of Indian and Chinese Muslim. The marital status distributions were 12 respondents (40%) married, 15 respondents (50%) were single, 2 respondents (6.7%) were widowed and 1 respondent (3.3%) was divorced. While for the education background, 15 respondents (50%) were bachelor holders, 8 respondents (26.7%) were professional holders, 6 respondents (20%) were diploma holders and 1 respondent (3.3%) was a PhD holders.

Table 5. Demography of the Respondents

| Variable | Level | Frequency | Percentage (%) |
|---|---|---|---|
| Gender | Male | 17 | 56.7 |
| | Female | 13 | 43.3 |
| Age | <= 40 | 23 | 76.7 |
| | > 40 | 7 | 23.3 |
| Employment Sector | Public Sector | 10 | 10 |
| | Private Sector | 90 | 90 |
| Income | RM1100- RM2100 | 3 | 10 |
| | RM2200-RM3100 | 12 | 40 |
| | RM3200-RM4100 | 12 | 40 |
| | RM5200-RM6100 | 2 | 6.7 |
| | Above RM6200 | 1 | 3.3 |
| Education | Diploma | 6 | 20 |
| | Professional | 8 | 26.7 |
| | Bachelors | 15 | 50 |
| | PhD | 1 | 3.3 |
| Marital Status | Married | 12 | 40 |
| | Widowed | 2 | 6.7 |
| | Single | 15 | 50.0 |
| | Divorced | 1 | 3.3 |

In term of working sectors, 3 respondents (10%) were working with public sector and remaining 27 respondents (90%) were working with private sector. With regard to monthly average income, most of respondents, 12 employees (80%) were earning between RM 2200.00 to RM3100.00 and RM3200.00 to RM4100.00 per month. Second majority earner were 3 (10%) respondents were earning RM1100.00 to RM2100.00 per month and 2 respondents (6.7%) were earning RM 5200.00-RM6100.00 and only 1 respondent (3.3%) earned RM 6200.00 monthly.

### *4.2 Analytic Hierarchy Process (AHP)*

Table 6 shows the calculated geometric mean of aggregated individual's priorities based on pairwise comparison for the selected types of *Waqf* development in Malaysia. This result is analysed and converted into priorities vector which showed the rank for each criterion.

Table 6. Aggregated individual's Priorities Matrix Using Geometric Mean

| Criteria | Edu. | Health | Mosque | SC&W | T&C | AC&H | Environment | Infrastructures |
|---|---|---|---|---|---|---|---|---|
| Education (Edu.) | | 1.329 | 1.906 | 1.331 | 1.176 | 1.841 | 1.688 | 1.883 |
| Health | | | 1.59 | 1.639 | 1 | 1.445 | 1.761 | 2.288 |
| Mosque | | | | 1.453 | 1.507 | 3.316 | 1.626 | 1.853 |
| Social Care & Welfare (SC&W) | | | | | 1.432 | 2.347 | 1.892 | 1.716 |
| Trade & Commerce (T&C) | | | | | | 1.85 | 1.554 | 1 |
| Art, Culture & Heritage (AC&H) | | | | | | | 1 | 1 |
| Environment | | | | | | | | 1.257 |
| Infrastructures | | | | | | | | |

*n= 30 observations*

Table 7 present the priority vectors along with the inconsistency ratio. The inconsistency ratio is 0.02 for the vector priorities and it is within the acceptance range (i.e. inconsistency ratio < 0.1), indicating reasonable consistent result.

Table 7. Priority Vectors for all Criteria of the Decision Hierarchy and Inconsistency Result

| | |
|---|---|
| Education | 0.177 |
| Health | 0.163 |
| Mosque | 0.156 |
| Social Care & Welfare | 0.138 |
| Trade & Commerce | 0.121 |
| Environment | 0.086 |
| Infrastructures | 0.082 |
| Art, Culture & Heritage | 0.076 |
| | |
| Inconsistency | 0.02 |

Based on the priority vector, education sector become the first priority and then followed by health, mosque, social care and welfare, trade and commerce, environment infrastructures and finally is art, culture and heritage. This finding is similar with the Islamic history of *Waqf* development where education becomes the first preference of donor to contribute for philanthropy *Waqf* (Cizakca, 2000). This may probably the donors have same perception which similar to the finding of Benjamin et.al,(2011) who found the present challenges of education sector especially the tertiary level such as limited of government university and expensive fee charged by private university have affected the affordability especially poor students to further their study at tertiary level. Based on these issues, this may probably influences the cash *Waqf* donors to give most priority to education sector development compare to other. Similarly to health sector, according to the report of Malaysia Ministry of Health (Health, 2011) reported that Malaysian government are facing shortage of government hospital to fulfil the increase of demand. Furthermore, expensive fees charged by private hospital become another constraint people poor people to get health services in private hospital. Based on these challenges in health sector may probably influence the cash *Waqf* donors to rank health sector as the second most important development after education sectors.

Besides these two philanthropies *Waqf*, development of mosque becomes the third priority for the *Waqf* donor. The development mosque become third priority to the donor because of the Malaysian government has contributed significant development of building mosque. Other types of developments that listed in study also can be considered by SIRCs in future especially when the developments of *Waqf* become important to the public.

## 5. Conclusion

This study tries to add on this literature by exploring further on the multifactor decision making in the development of *Waqf* by using analytic hierarchy process (AHP) as it is main tool of analysis. The main objective of the study is to explore what is the donor's priority and to understand the present development that becomes preference by Muslim community. The AHP result shows that education and health sectors become the first and second priority respectively for cash *Waqf* donor. This is because of the present necessity and challenges of education and health sectors in Malaysia which are getting expensive and lack of supply. Therefore, *Waqf* institutions can focus on these types of sectors in order to help the people. As a Muslim country, SIRCs have to include the Muslim participation especially to understand the needs of the society in the *Waqf* development and utilise the *Waqf* property wisely in order to prosper the future of the Muslim community.

## 6. Limitations and Suggestions

This study has some constraints where the focuses of the donors are focused in Selangor state. This result of the donor may influence based on Selangor state environment instead of Malaysia. Therefore, among the suggestion for future study are: (i) to include the cash Waqf donors in various states in Malaysia and (ii) to use different method of analysis to test the robustness of the results.

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