

# Member's Perceptions and Expectations of Mutual Benevolent Death Fund Managed the Malaysian Mosque Committees

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## Abstract

**Purpose:** This study aims to investigate members' perceptions and expectations of the Mutual Benevolent Death Fund (MBDF) managed by Malaysian Mosque Committees.

**Design/methodology/approach:** Employing a qualitative research method, the study employs various techniques including interviews, content analysis, and small-group discussions to explore beliefs, attitudes, and concepts of normative behavior related to the fund. Purposive sampling is utilized to collect data from participants with specific characteristics, and semi-structured interviews are conducted to examine the aspects of their perceptions and expectations. The study follows a four-phase interview protocol framework, ensuring alignment with research questions, constructing an inquiry-based conversation, receiving feedback, and piloting the refined protocol. Data analysis is conducted using Atlas ti software, employing techniques such as coding, smart codes, smart groups, and word cruncher to organize and interpret textual and verbal data. Thematic analysis is applied to explore participants' experiences, meanings, and realities, shedding light on current management practices of the Mutual Benevolent Death Fund and contributors' expectations from mosque committees.

**Findings:** The results indicate that the majority of members prefer a young and educated leader to manage the fund, primarily due to innovative and creative ideas. The fund committee also needs to clearly understand its role, whether it is solely for providing financial support in case of death or for managing funds in various areas, considering that different preferences exist in different regions.

**Research limitations/implications:** Limited sample size. Future research might expand to other places including Sabah, Sarawak and Asean countries.

**Practical implications:** The research can be made as a guidance for Mutual Benevolent Death Fund committee to replicate the best conduct for the future.

**Keywords:** Mutual Benevolent Death Fund, Malaysian Mosque Committees, Qualitative research, Member preferences

## Introduction

In the diverse landscape of financial instruments designed to support and empower communities, Mutual Benevolent Death Funds (MBDFs) have emerged as a distinctive approach to provide financial security and foster benevolence among members. In the Malaysian context, where mosques play a central role in community life, the management of MBDFs by mosque committees holds particular significance role in the area. This research

investigates into the area of member perceptions and expectations concerning MBDFs, in most of the Malaysian region, managed under the Malaysian mosque committees.

MBDF have attracted global attention for their potential to transcend the traditional realms of insurance and welfare, aligning financial protection with social structure and philanthropy (Smith, 2019; Davis, 2020). In Malaysia, where Islam is the predominant religion and mosques are focal points of community life, MBDFs have been integrated into the core foundation of communal support systems. The administration of these funds by mosque committees is a practice deeply rooted in Islamic principles, emphasizing collective responsibility and the well-being of all community members (Ahmed, 2017).

While the concept of MBDFs and their management by mosque committees appears promising, it is paramount to comprehensively understand the perceptions and expectations of the members who are the lifeblood of these initiatives. This study recognizes that the success and efficacy of MBDFs are contingent on the alignment of member perceptions and expectations with the objectives set forth by the mosque committees (Johnson, 2018).

Our research aims to bridge this knowledge gap by examining the nuanced dynamics that shape member perceptions and expectations regarding MBDFs managed by Malaysian mosque committees. Through a multidisciplinary approach that integrates insights from Islamic finance, community development, and social psychology (Hassan, 2015; Chen, 2021; Ibrahim, 2019), we seek to shed light on the factors that influence members' trust, engagement, and satisfaction in these arrangements.

In the context of Malaysia, where multiculturalism and multi-ethnic communities exist, the study further explores how cultural diversity and individual beliefs intersect with member perceptions and expectations within MBDFs. Understanding these intersections is crucial for the design of inclusive and responsive financial solutions that respect and reflect the values of all participants (Ismail, 2016).

The significance of this research is underscored by its potential to enhance the effectiveness of MBDFs managed by mosque committees in Malaysia, facilitating better alignment with the socio-cultural environment and member needs. Furthermore, the findings can inform the development of similar community-based financial initiatives worldwide, promoting financial inclusion and strengthening social bonds.

In the following sections, the researcher will explore into the research methodology, data collection techniques, and analysis processes used to explore member perceptions and expectations of MBDFs within Malaysian mosque committees. The study seeks to contribute to the existing body of knowledge on community-based financial instruments, thereby empowering not only the members themselves but also the communities they serve.

The main objective of this paper is to investigate member's perceptions and expectations of the Mutual Benevolent Death Fund Managed the Malaysian Mosque Committees.

### **Literature Review**

Mutual Benevolent Death Funds (MBDFs), commonly managed by mosque committees in Malaysia, serve as vital financial safety nets for the Muslim community. Members' perceptions and expectations of these funds are integral to their success and impact on the community. In

this literature review, we explore the diverse aspects of MBDFs, ranging from trust and transparency to cultural influences and the adherence to Islamic principles.

### ***Trust and Transparency***

Trust is paramount in the effectiveness of MBDFs. Abdul Rahman and Yusof (2018) emphasized the significance of clear communication and transparency in fund management, as members expect mosque committees to be transparent and trustworthy. Trust-building is crucial for members to have faith in these funds, which are often vital during times of bereavement. In Malaysia, since MBDF is fall under mosque management, the trust by local society is assumed to be strong. Most of local did not bother to ask for the report and thus, transparency of the fund flow is normally skip.

### ***Social and Cultural Factors***

Social and cultural factors significantly shape members' perceptions. Ismail et al. (2017) noted that community ties and shared values within the mosque community influence expectations and participation. The cultural context plays a vital role in determining the importance of MBDFs and the level of trust members place in them.

### ***Financial Security and Welfare Expectations***

MBDFs are expected to provide financial security and welfare during times of bereavement. Research by Abdullah and Shukri (2016) highlighted that members view MBDFs as a crucial source of financial assistance when dealing with the financial burdens associated with death-related expenses. Fulfilling these expectations is vital for member satisfaction and continued participation.

### ***Membership Satisfaction and Loyalty***

Member satisfaction is a key outcome measure for MBDFs. Hassan et al. (2019) found that satisfied members are more likely to remain engaged and continue contributing to the fund. Members' experiences with MBDFs significantly affect their trust and expectations of future benefits.

The literature underscores challenges faced by MBDFs managed by mosque committees. Governance issues, administrative challenges, and the need for effective fund management were highlighted in a study by Mohammed et al. (2020). Addressing these challenges is critical for enhancing member trust and satisfaction.

Islamic Principles and Ethical Considerations are central to MBDFs. Adherence to Islamic financial principles, as discussed by Ahmad and Hassan (2017), contributes to members' trust in these funds. Members often expect these funds to adhere to Islamic principles, making this a critical aspect of member expectations.

### **Research Methodology**

The objective of this study is to describe and interpret issues or phenomena systematically from the point of view of the individual or population being studied and to generate the idea of perception by the local. Therefore, this study will utilise a qualitative research method. The qualitative methods are used to answer questions about experience, expectations, perceptions, meaning and perspective, most often from the standpoint of the participant. These data are usually not amenable to counting or measuring.

This study used common qualitative research techniques such as ‘interviews’, ‘contents analysis’ and ‘small-group discussions’ for investigating beliefs, attitudes, and concepts of normative behaviour; ‘semi-structured interviews’, to seek views on a focused topic or, with key informants, for background information or an institutional perspective; ‘in-depth interviews’ to understand a condition, experience, or event from a personal perspective; and ‘analysis of texts and documents.

The interviewees were members or participants of the MBDF which fall under the Malaysian mosque committees.

## **Method**

### ***Sampling***

This study is exploratory. Therefore, it employs nonprobability sampling where a participant’s likelihood of being selected in the sample is based on the availability of the committee of the MBDF and the funder. The researcher calls and set an appointment with the MBDF committee and spend around three hours for one interview process. Each state choose in this research will represent at least five district MBDF which mostly the same committee with the mosque.

This study used purposive sampling to collect a manageable amount of data (Ames et al, 2019). To draw a purposive sample, we select participants from their sampling frame because they have characteristics that we desire. We determine specific characteristics that we wish to examine and then we seek out research participants who cover that full range of characteristics. Under this research, the researcher manages to collect data from MBDF around three state in Malaysia which are Melaka, Pahang and Selangor.

### ***Semi-structured Interviews***

We use interviews as the main instruments to collect data. Interviews enable us to get thick, rich, data (Creswell, 2013); and is aimed at answering questions related to “how” and “why— data that would not have been easily obtainable from the use of a survey questionnaire, the research team conducted a series of semi-structured interviews with a sample of interviewees. In order to increase the reliability and to strengthen the quality of the data obtained throughout the entire study, this study follows the interview protocol framework developed by Castillo-Montoya, M. (2016). An interview protocol that consists of a set of rules, guidelines and questions are prepared according to research objectives and designed before the actual interview session (Abd Ghani et al., 2020).

The interview focuses on the alignment between interview questions and research questions. This alignment can increase the utility of interview questions in the research process (confirming their purpose) while ensuring their necessity for the study (eliminating unnecessary ones). To check the alignment of questions we create the following matrix for mapping interviews. The interviews are conducted in Bahasa Melayu as it is the mother tongue of the local of this selected area. Each interview taken around three hours to completed.

The researcher developing an inquiry-based conversation through an interview protocol with a) interview questions written differently from the research questions; b) an organization following social rules of ordinary conversation; c) a variety of questions; d) a script with likely follow-up and prompt questions. The researcher divided the team and go to Melaka, Pahang and Selangor.

### ***Data Analysis***

Responses from the participants are analysed using Atlas ti. Responses for each group of participants are analysed using analytical techniques available in the software such as coding, smart codes, smart groups, and word cruncher to work with the textual and verbal data. It is very useful to help us with the systematic collection, organization, description, and interpretation of textual, verbal data that we gather from the interviews and documents.

Thematic analysis will be carried out to explore experience, meanings and the ‘reality’ of participants’ experiences as they can be used to explore how these experiences, ‘realities’ and meanings might indicate current management practices by the MBDF committees, the underlying reasons why these practices need to be more structured and formalised as well as the expectations of the contributors on how the mosque committees should be accountable to the stakeholders.

From the data analysis, this study hopes to determine to study members’ perception and expectations of the MBDF committee in managing the fund.

### **Findings**

During the data collection process and the interview, the researcher confirmed that the MBDF is not under State Islamic Council (Majlis Agama Islam Negeri) but it is fall under society which is governed under Registrar of Society (ROS). In other words, MBDF in independent association and not necessary to report under mosque committee. However, as the local culture and practise, mosque committee and MBDF committee are normally among the same members.

The role between mosque and MBDF committee is significantly different. MBDF is the fund provider to cover all cost incurred when the death is happened in the area while the committee of the mosque are the one who manage the funeral. All cost incurred including shroud, wages for gravediggers and others are cover by the MBDF. Most of the interview area stated that the cost is roughly RM1,000.

On the other hand, the results also indicate that the majority of members prefer a young and educated leader to manage the fund, primarily due to innovative and creative ideas. One of them is stated that, “..after the appointment of the new leader of the MBDF, the rules and regulations of the organisation become clearer..”. This is after the appointment of their new leader, which is considered young and educated among the committee. Most of the committee members are around the age of 65 and above. The younger and educated leader also goes through the rules and regulations of the Registrar of Society (ROS) to ensure the MBDF is fully utilised and sustainable for a period of time. This came from one of the interviewees which mentioned that the changes in the collection of fees among members being improved to ensure the members received more benefits. However, certain decisions are not agreed by all local members and some members decided to resign their membership.

Other than that, the local did mention regarding the trust toward the committee who being appointed to handle the MBDF as trusted “..that is between him with Allah..”. However, each and every interviewee agrees that once in a while for the MBDF to go through audit procedure to ensure the accuracy of the record. Certain area which manages by younger generations, the record of the MBDF is computerized but not in few areas, where still based on manually recorded book.

The Covid-19 era gave the management of MBDF awareness that the need to ensure the sustainability of the fund. Due to the increase in death of numbers of local in the area, most of MBDF are short during the period. The change in the leadership lead to more systematic collection of funds from the member of the MBDF. However, different areas prefer a different method as some method being seen as inconvenience toward others.

Each of the fund committees also clearly understand their role. As the role of the MBDF is providing financial support in case of death or for managing funds in various areas, considering that different preferences exist in different regions. It is based on the previous practise, and it is continued as long as it seems convenient by everyone.

### **Discussion and Conclusion**

The leader of the MBDF has a significant role in the management and direction of MBDF. Younger and educated leaders seem to give a fresh and innovative idea toward the management of the MBDF with much compliance with rules and regulations. MBDF reliability increases among members if it is led by a younger and more educated leader. Future research might consider this as one of the success factors of MBDF.

Other than that, members of the MBDF trust the committee of the MBDF as it is a religious fund. In addition, most of the MBDF committee members at the same time, are mosque committee members. However, all of the members agreed if MBDF is audited once in a while just to prove its financial reporting. Some members also suggest the MBDF accounts be maintained by qualified accountant. However, in most areas, the fees are considered expensive unless it is based on volunteer basis.

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