

## **Wasiyyah (Islamic Will) Adoption and the Barriers in Islamic Inheritance Distribution among Malaysian Muslims**

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**Abstract:** *The amount of frozen assets due to unclaimed inheritance in the muslim society in Malaysia is significant. There are is about a million land titles that are still in the name of the deceased owners. In 2012, the amount of frozen estates is estimated to be around RM45 billion and this figure is expected to increase further. This statistics is alarming and calls for an urgent need in solving the problem of unclaimed inheritance in the Muslim society in Malaysia. It is imperative to teach that Muslims have a clear idea on the appropriate instruments and course of actions in estate planning. The majority of Muslims in Malaysia do not view estate planning as a serious matter. Previous researches attest that some of the Mmuslims, themselves, are sceptical about making a Wasiyyah (Islamic Will). This is the evidenced substantiated by the large number of Malaysian Muslims who do not have Wasiyyah. In general, the level of awareness of Wasiyyah practice is not very encouraging, specifically, among Malaysian Muslims. The findings from this study show that 1) knowledge on the concepts of Islamic estate planning and 2) awareness of the importance wealth management have a significant effect towards Wasiyyah practices. In terms of barriers in Islamic inheritance distribution, the biggest obstacles among all the factors are lengthy estate management and distribution process.*

**Keywords:** *Wasiyyah, Will, Islamic Will, Bequest, Islamic Inheritance*

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### **1. INTRODUCTION**

Leaving a *Wasiyyah* (Islamic Will) assists in the smooth processing and settlement of the estate administration. Beyond the provision of *Faraid* (Islamic Law of inheritance) and bequest, Islamic estate planning demands calls for a proper planning. It is important and recommended that for each Muslim to write a will prior to his or her death because a will allows one to decide on what happens to his or her money, property and possessions after death (Harbi, 2013). With reference to a *Hadith* (prophet Muhammad's pbuh<sup>1</sup> saying), narrated by Abu-Huraira: A man asked the Prophet "O Allah's Messenger! What kind of charity is the best?". He replied, "To give in charity when you are healthy and greedy, hoping to be wealthy and afraid of becoming poor. Don't delay giving in charity till the time comes when you are on the deathbed when you say, 'Give so much to so-and-so and so much to so-and-so,' and at that time the property is not yours but it belongs to so-and-so(i.e your inheritors)."

The distribution of estate for Muslims is confined within Islamic system of *Faraid* (Islamic law of inheritance). *Faraid* protects heirs' rights with predetermined fixed entitlements of eligible heirs, whereas bequest/*Wasiyyah* allows Muslims to bequeath up to one-third of the estate to non-heirs and they opt for *Hibah* if unlimited devolution is their main concern. *Waqf*, is an act of giving to charity and is a mean for Muslims to devote their faith to Allah to gain rewards in the hereafter. Therefore, *Wasiyyah* (bequest), *Hibah* (gift) and *Waqf* (charity) are estate planning tools which Muslim can use to accommodate the laws of inheritance.

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<sup>1</sup> Peace be upon him

In Malaysia, Muslims are allowed to manage their property based on *Shari'ah* (rules in Islam rules) principles. Wealth accumulation is permissible in Islam on the condition that there is no element of manipulation, injustice, or monopoly of wealth. Besides Further more that, the way wealth is accumulated must be acceptable and permissible by *Shari'ah* laws. The wealth should also be spent in ways that gets obtains God Allah's blessing and reward.

In order to safeguard wealth, Islamic finance emphasizes on the 1) true ownership of assets, 2) the process to accumulate wealth and 3) the uses of wealth. The process of wealth accumulation should be free from any form of oppression, especially, *riba* (usury usury(*riba*)) (Yahya *et al.* 2012). Wealth is related to prosperity. It refers to the physical belongings of a person, such as, land, cash, business, house and much more. Unforeseen circumstances (such as sudden loss of life) might affect the deceased's distribution of his or her wealth. Proper management of wealth is necessary in ensuring a desirable posthumous distribution of wealth. Wealth management in Islam does not ignore the obligation to ensure that wealth is circulated as widely and fairly as possible in inheritance.

The function of wealth management is to ensure the proper planning of wealth distribution through estate planning, business succession planning, charity and *zakah* (alms-giving) planning. The mechanisms for wealth management in Islam includes *zakah*, *Wasiyyah* (Islamic Will), *Faraid* (Islamic law of inheritance), *Hibah* (gift) and *Waqf* (endowment or charity), trust, *Sadaqah* (donations), *Infaq* (gift to Islamic cause), *hadiyyah* (present or gift), *nazar* (vow) and *statutory disposition* (Billah, n.d.a; Rasban, 2006:191–1999). In 2005, out of 6.2 million acres of unclaimed land, 900,000 acres were still recorded under the name of the landlords who have passed on. From the government's perspective, it loses income in the form of the land tax estimated at RM200 million (Ahmad & Laluddin, 2010). Almost one million land title deeds still belong to the deceased (Salam, 2006). On top of that, the number of unclaimed inheritance is increasing over the years (BERNAMA, 2010; *Dewan Rakyat Parlimen Kedua Belas Penggal Ketiga Mesyuarat Pertama* Bil. 11, 2010; Rakyat Guides 3, 2010; Salam, 2006). The accumulation of unclaimed inheritance is a serious problem and needs to be addressed (Noordin *et al.*, 2012).

## 2. RESEARCH QUESTIONS

The research questions of this study are as follows:-

1. What is the relationship between *knowledge* on the concepts of Islamic estate planning and awareness of the importance *wealth management* among Malaysian Muslims in writing *Wasiyyah*?
2. What are the major life events that individuals experienced which can influence them on *Wasiyyah* adoption?
3. What are the possible institutional related issues with regards to the (*Wasiyyah* writing providers) that affects *Wasiyyah* adoption?
4. What is more likely to be bequeathed in a *Wasiyyah* and how wealth management affects *Wasiyyah* adoption?
5. What are the barriers in Islamic inheritance distribution?

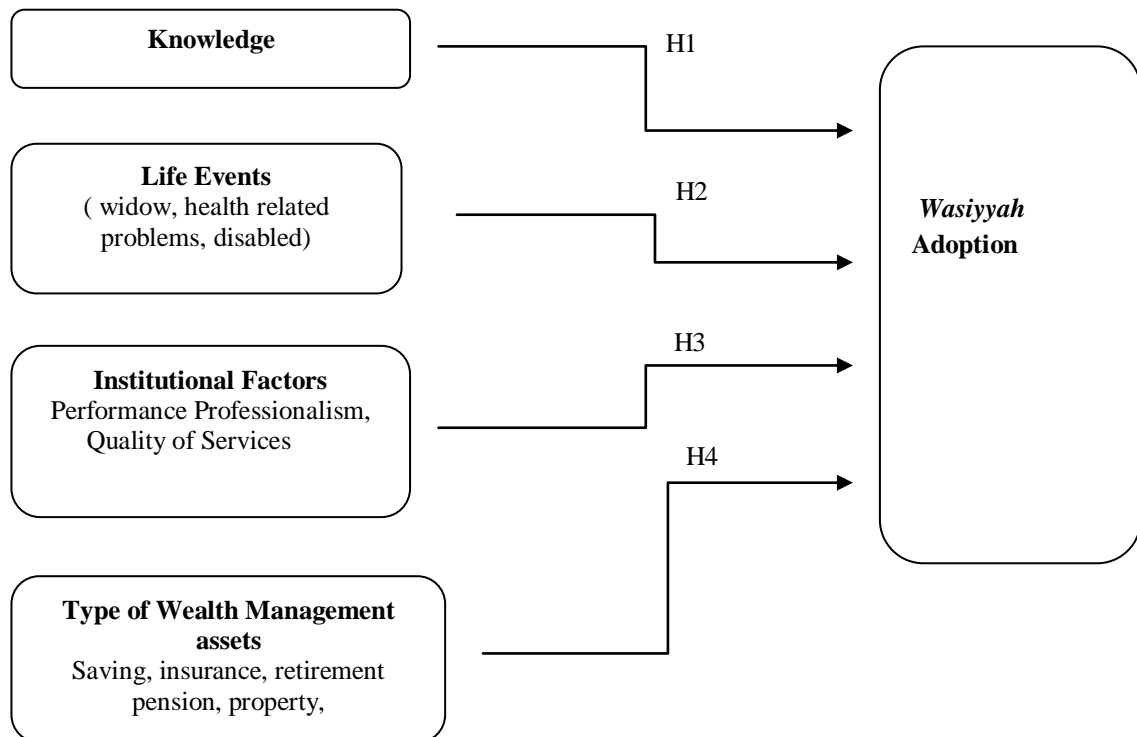
## 3. OBJECTIVES OF THE STUDY

The objectives of this research are:

1. To examine the relationship between knowledge and awareness with regards to *Wasiyyah* adoption among Muslims in Malaysia.
2. To examine the relationship between life events and *Wasiyyah* adoption.
3. To examine the relationship between institutional characteristics (*Wasiyyah* writing providers) and *Wasiyyah* adoption.
4. To examine the relationship between types of wealth management assets and *Wasiyyah* adoption.
5. To identify the barriers in Islamic inheritance distribution.

#### 4. THEORETICAL FRAMEWORK

This research model includes five variables. The dependent variable in this research is ‘adoption of *Wasiyyah* among Malaysian Muslims society’. The (independent variables in this study are; 1) knowledge, 2) type of wealth management assets, 3) institutions, and 4) life events). The ‘factors influencing *Wasiyyah* adoption’ independent variables above takes into account a number of variable clusters. The control variable for this research is socio-demographic factors. The detailed breakdown of the variables related to each of the research clusters can be seen in Figure 1 below.



#### 5. LITERATURE REVIEW

##### Evidence on the relationship between Knowledge, Life Events, types of Wealth Management assets, Institutions and *Wasiyyah* practices

Majority of Muslims in Malaysia are aware and familiar with the term *Wasiyyah* (Islamic Will) but they do not have a clear understanding about it (Ahmad & Peyman, 2008). It is found that the main reasons Malaysian Muslim community practises *Wasiyyah* is 1) to protect adopted children, and 2) to get rewards for good deeds in the hereafter (Yaacob, 2006). He concludes that estate planning matters are mostly neglected by the Muslims of the Malay races compared to other Muslims. Moreover, ARB (n.d.a) claims that, generally, about 90 percent of Malaysians do not have a Will. T, hence this proves that the level of awareness among Malaysian on Islamic estate planning is very low. This percentage is no different between Malaysian Muslims and non-Muslims. The level of *Wasiyyah* adoption is measured by the number of *Wasiyyah* which have been kept under ARB.(Alma’amun, 2010).

To leave a *Wasiyyah* in Malaysia is not a straightforward task due to several aspects. The first hurdle lies in the rules and regulations that are related to estate administration and settlement. Interestingly, in Malaysia, dying intestate and testate is dealt under different legislations and authorized bodies. Even with the involvement of various authorized bodies and compliance with the provisions of legislations, it still does not assure that the process of estate administration and settlement will be smooth. Previous studies show that it is easier to administer and settle testate estate. It may take years to settle the case of dying intestate as it could lead to frozen estate problems and delays in the settlement period. According to Azizi and Abdul Rahman (2010), Amanah Raya Berhad (ARB, a trustee agency) claims that there has been about RM40 billion worth of frozen estates until mid-2009 due to intestate death. This value increased to RM42 billion in 2011 (MStar Online, 2011). In Malaysia, the inefficiency of the estate distribution is the

result of overlapping powers by various authorities that lead to public confusion (Muhamad, 2007). It is important to note that the nominees of the *Wasiyyah* are supposed to act as executors rather than beneficiaries as drawn by fatwas issued in Malaysia (Muhammad, 2007; Saidali, 2007; Osman, 2007; Mohd. Awal, 2007; Hassan, 2008; Awang, 2006).

According to Stum (2000), the occurrence of stressful life events, or the anticipation of such events, may motivate the individual to take observable actions, such as to adopt a Will. Some stressful life events, such as being diagnosed with a terminal disease, may also cause the individual to anticipate additional end-of-life stressors. Some of these stressors may result from an uncertainty about how the individual's personal belongings and emotional artifacts will be distributed to others, or how the distribution of his or her belongings may lead to strife and conflict among family members and friends (Stum, 2000). A will could be used to manage the current and anticipated stressors associated with major life events. Some of these unexpected life events may also result from the uncertainties about how the individual's assets, property or personal belongings will be distributed to others after his or her passing on. Bickerings on how the distribution of his or her belongings may lead to strife and conflict among family members and friends emerge.

To avoid these issues, a *Wasiyyah* could be used to manage the current and anticipated stressors associated with the major life events. Palmer *et al.*, (2006), has identified four life events; (1) becoming a widow, (2) being diagnosed with cancer, (3) retiring, and (4) having a positive change in assets, as connected with an individual's decision to adopt a will and trust.

Previous studies identify money demand as one of the factors that influences Will practices. This study applies the same variable but views it from the Islamic point of view, which is, *Wasiyyah* adoption. Economic definition for money demand is the quantity of money balances that the public wants to hold. There are three basic motives for holding money: for transactions, as a precaution, and for speculation. In general, money demand can be referred to as wealth management. Muda *et al.*, (2006) divide the forms of wealth management into three groups: (1i) managing wealth for the individual's and family's necessities as well as mandatory social obligations, (2ii) managing wealth for other people's necessities, and (3iii) managing wealth for public and general welfare. Tin (2009) states that householders with bequest motives are therefore far more likely to save in monetary assets than those without observable bequest motives.

A previous study done by Rossi and Rossi (1990) reveals that the most common items, things or assets that are given through wills are personal possessions. Thirty-seven percent or more of the respondents in their study are beneficiaries of photographs, books or paintings, jewellery, dishes and silverware, furniture, or a family bible. In comparison, 19% or fewer of the respondents had been are beneficiaries of land or property, stocks or bonds, or vehicles.

According to (Afiqah *et al.*, 2011), the law and the process of claiming estates is viewed by many people as a complex procedure because of the numerous regulations and involvements of several bodies in the its distribution process. On top of this, the complexity has led to the overlapping powers and responsibilities of these entities. As a result of the complex law and procedures, heirs of the deceased may possibly be confused. This may affect his or her decision to claim the estate. No matter where the application of claiming the estate is made, the a specific group of beneficiaries need to apply for the certificate of death from at the Department of National Registration first. If there is an absence of beneficiaries, a lawyer needs to be appointed to manage the deceased estate. The unclaimed estates might be a result of the empowerment of two courts under substantive law and the complex procedures to be followed make the process lengthy and costly. For example, the High Court has been empowered to grant a Probate in testate cases under Section 3 of Probate and Administration Act 1959, and Letter of Administration in intestate cases according to Section 18 of Probate and Administration Act 1959. The period of getting a Letter of Administration is longer than Probate for testate estates. It may take up to four years to settle the case. (Afiqah *et al.*, 2011).

## 6. DATA AND ANALYSIS

This research is considered as an exploratory study on adoption of *Wasiyyah*. Questionnaire and online survey are the main tools to gather information concerning public knowledge about *Wasiyyah*. The sample in this study consists of Muslims in selected area in Malaysia. The specific

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criteria for the sample selection are as follows: 1) respondents must be 18 years and above, 2) respondents must be Muslim. 3) clients or individual who have experience in dealing with Amanah Raya Berhad, or other *Wasiyyah* writing providers, 4) working in private and government sectors, 5) Some of the respondents must have experience in Islamic Inheritance claim processes. One of the reasons for selecting Muslims as target respondents is to gather information on the extent of knowledge of *Wasiyyah* that a Muslim community has. For this study, the final number of sample gathered for this study is 231.

The survey instrument consists of a 10 page structured questionnaire. The questionnaire is comprised of three sections:

- **Section A:** Questions based on nominal scale in order to obtain general information about the respondent's background.
- **Section B:** Questions based on nominal and Likert scales regarding general information on *Wasiyyah* adoption.
- **Section C:** Questions on factors influencing *Wasiyyah* adoption based on four factors that have been identified which are knowledge, types of wealth management asset, life events and institutions. This section also has questions that are based on nominal scales regarding barriers and challenges of Islamic inheritance distribution

TAs stated in the methodology section, this study is considered as an an exploratory research in obtaining information about *Wasiyyah* within a Muslim community in Malaysia. Specifically, this study; 1) looks at the information regarding the reasons for adopting a Will, 2) studies the reasons for not adopting a Will and the barriers in Islamic inheritance, and 3) analyses the significance of each independent variables (knowledge, life events, types of wealth management assets, and institutions) towards the dependent variable (*Wasiyyah* adoption).

The regression coefficients from this analysis have been the main focus in determining the factors that influence Muslims in making a *Wasiyyah*.

Below are the hypotheses for this research:-

### Hypothesis 1

H<sub>1</sub>: There is a significant relationship between Knowledge and *Wasiyyah* adoption.

### Hypothesis 2

H<sub>2</sub>: There is a significant relationship between Life Events and *Wasiyyah* adoption.

### Hypothesis 3

H<sub>3</sub>: There is a significant relationship between types of Wealth Management assets and *Wasiyyah* adoption.

### Hypothesis 4

H<sub>4</sub>: There is a significant relationship between Institutions (*Wasiyyah* writing provider) and *Wasiyyah* adoption.

## 7. FINDINGS AND ANALYSIS

### 7.1. Demographic Profile

Based on table 1 below, there are 29 respondents aged between 18-25 years old. 36 respondents aged between 26-40 years old, 10 respondents aged 41-56 years and above and 156 respondents aged 57 years and above.

Table 1. Age

| Variable           | Frequency | Percent | Valid Percent | Cumulative Percent |
|--------------------|-----------|---------|---------------|--------------------|
| 18-25 years        | 29        | 12.6    | 12.6          | 12.6               |
| 26-40 years        | 156       | 67.5    | 67.5          | 80.1               |
| 41-56 years        | 36        | 15.6    | 15.6          | 95.7               |
| 57 years and above | 10        | 4.3     | 4.3           | 100.0              |
| Total              | 231       | 100.0   | 100.0         |                    |

From the Table 2 below, it can be seen that 163 respondents are married, 56 respondents are single, 10 respondents are divorced while and 2 respondents are widowed.

**Table 2.** *Marital Status*

| Variable | Frequency | Percent | Valid Percent | Cumulative Percent |
|----------|-----------|---------|---------------|--------------------|
| Single   | 56        | 24.2    | 24.2          | 24.2               |
| Married  | 163       | 70.6    | 70.6          | 94.8               |
| Divorced | 10        | 4.3     | 4.3           | 99.1               |
| Widowed  | 2         | .9      | .9            | 100.0              |
| Total    | 231       | 100.0   | 100.0         |                    |

From the Table 3 below, about 100 respondents have bachelor degree, 66 respondents have masters degree, 26 respondents have diploma, 22 respondents have certificates and 16 respondents have Phd (Doctorate)

**Table 3.** *Education Level of the Respondents*

| Variable                           | Frequency | Percent | Valid Percent | Cumulative Percent |
|------------------------------------|-----------|---------|---------------|--------------------|
| Certificates(PMR/SPM/STPM/LCE/MCE) | 56        | 24.2    | 24.2          | 24.2               |
| Diploma                            | 163       | 70.6    | 70.6          | 94.8               |
| Bachelor Degree                    | 10        | 4.3     | 4.3           | 99.1               |
| Master                             | 2         | .9      | .9            | 100.0              |
| Phd(Doctorate)                     | 231       | 100.0   | 100.0         |                    |

Table 4 below shows the general information on respondents who have written a *Wasiyyah*, out of 231 respondent, 19.9% of the respondents have written *Wasiyyah* while 80.1% have not written a *Wasiyyah*.

**Table 4.** *Have you made a Wasiyyah?*

| Variable | Frequency | Percent | Valid Percent | Cumulative Percent |
|----------|-----------|---------|---------------|--------------------|
| Yes      | 46        | 19.9    | 19.9          | 19.9               |
| No       | 185       | 80.1    | 80.1          | 100.0              |
| Total    | 231       | 100.0   | 100.0         |                    |

**Table 5.** *Motives of Leaving a Wasiyyah*

|  | Frequency (N) | Percentage(%) |
|--|---------------|---------------|
| 1) Peace of mind about what will happen to my property when I die  | Yes = 119     | 51.5          |
|  | No = 79       | 34.2          |
| 2) I want to make sure that my family is provided for when I die   | Yes = 114     | 57.6          |
|  | No = 84       | 42.4          |
| 3) I know the importance of having a <i>Wasiyyah</i>   | Yes= 104      | 52.5          |
|  | No= 94        | 47.5          |
| 4) I've learned that Islam encouraged us to have a <i>Wasiyyah</i> .   | Yes= 74       | 37.4          |
|  | No= 124       | 67.6          |
| 5) I make a <i>Wasiyyah</i> because I want to give my assets/property to my non-heirs.                         | Yes= 18       | 9.1           |
|  | No= 180       | 90.9          |
| 6) I have health problems  | Yes= 6        | 3             |
|  | No = 192      | 97            |
| 7) I write a <i>Wasiyyah</i> as instructed by the bank as bound by loan granted.                               | Yes= 7        | 3.5           |
|  | No= 191       | 96.5          |
| 8) I write a <i>Wasiyyah</i> to help in speeding up the process of claiming my assets by my heirs after I die. | Yes= 4 1      | 20.7          |
|  | No= 157       | 79.3          |
| Total Answer   | 198/231       | % 100         |

Table 5 above lists the reasons for the respondents to have a *Wasiyyah*. Based on the results, out of 219 respondents, 198 of the respondents state that they will or have written a *Wasiyyah*. From the results, 57.6% of the respondents state that they want to make sure that their family is

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financially secure and 51.5% of the respondents want to leave a *Wasiyyah* because they want to live in peace by knowing what will happen to their assets after death. 52.5% of the respondents state that they want to leave *Wasiyyah* because they are aware of the importance of leaving a *Wasiyyah*. 37.4% of the respondents state that they want to leave a *Wasiyyah* because Islam encourages us to leave a *Wasiyyah*. Furthermore, 20.7% of the respondents want to leave a *Wasiyyah* because they know that by leaving a *Wasiyyah* it will help in making the process of claiming the assets easier. 9.1% of the respondents state that they want to have a *Wasiyyah* because they want to give some of their assets to their non-heirs. Lastly, 3.5% of the respondents state that they want to have a *Wasiyyah* because they are bound by the loan granted by the bank which requires them to write a *Wasiyyah* and 3% of the respondents state that they want to leave a *Wasiyyah* because of health problem.

**Table 6.** Barriers and Challenges of Leaving *Wasiyyah* and Islamic Inheritance Distribution

|  | Frequency (N) | Percentage (%) |
|--|---------------|----------------|
| 1) The process of distribution of the estate in Malaysia involving more than one legal system makes it complicated.                          | Yes=13        | 44.8           |
|  | No= 16        | 55.2           |
| 2) Estate management and distribution process takes a very long time.  | Yes=22        | 75.9           |
|  | No= 7         | 24.1           |
| 3) Estate management and distribution process require quite high cost.   | Yes= 17       | 58.6           |
|  | No= 12        | 41.4           |
| 4) There is no uniformity in the administration of the <i>Shari'ah</i> Court in all states in Malaysia.                                      | Yes= 16       | 55.2           |
|  | No= 13        | 44.8           |
| 5) It is difficult because only people who get a letter of administration from the Civil High Court have the power to distribute the estate. | Yes= 13       | 44.8           |
|  | No= 16        | 55.2           |
| 6) Process is difficult because it involves many beneficiaries/all heirs   | Yes= 19       | 65.5           |
|  | No= 10        | 34.5           |
| 7) Heirs difficult to reach consensus  | Yes=14        | 48.3           |
|  | No= 15        | 51.7           |
| 8) Difficulties in collecting relevant documents to complete the claim form.   | Yes= 18       | 62.1           |
|  | No= 11        | 37.9           |
| 9)I do not know how to begin the process of claiming the inheritance   | Yes= 6        | 20.7           |
|  | No= 23        | 79.3           |
| <b>Total Answer</b>  | 29/231        | 100            |

Table 6 above shows the barriers and challenges in Islamic Inheritance distribution. Barriers and challenges in Islamic inheritance distribution are identified based on previous study done by Noordin *et al* (2012), Dahan *et al.*,(2012) and Sargeant, A., & Hilton, T. (2006). Out of 231 respondents, only 29 respondents have experienced dealing with *Wasiyyah* writing provider and estate distribution. Based on the results in the table 6 above, 75.9% of the respondents state that the challenges that they faced are estate management and distribution process which takes a very long time to settle. 65.5% respondents state that the process of claiming and distribution of deceased estate is difficult because it involves all heirs/beneficiaries. Meanwhile 62.1% of the respondents state that they faced difficulties in collecting all relevant documents to complete the claim form. Furthermore, 58.6% of the respondents state that another barrier is that estate management and distribution process require quite high cost. 55.2% of the respondents state that there is no uniformity in the administration of the *Shari'ah* Court. Moreover, 48.3% of the respondent find that it is difficult for heirs to reach consensus and this result in delay of the estate distribution process. In addition, 44.8% of the respondents state that the challenges in the process of estate distribution in Malaysia involves more than one legal system that makes it complicated and only people who get a letter of administration from the Civil High Court has the power to distribute the estate.

### 8. INFERENCE ANALYSIS: BINARY LOGISTIC REGRESSION

Binary logistic regression analysis is used in this study to examine the relationship between a set of independent variables (*e.g* factors influencing *Wasiyyah* adoption) and the dependent variable (*Wasiyyah* adoption). Table 7 below shows the logistic regression model classification table. The purpose of this table is to provide an indication of the model's predictive ability. The model

correctly predicts 185 cases out of 185 cases that do not adopt a *Wasiyyah*. However, the model correctly predicts 0 cases out of 46 cases that adopt a *Wasiyyah*.

**Table 7.** Classification Table

| Observed           | Predicted         |     | Percentage Correct |
|--------------------|-------------------|-----|--------------------|
|                    | Wasiyyah Adoption |     |                    |
|                    | Yes               | No  |                    |
| Yes                | 0                 | 46  | 0                  |
| No                 | 0                 | 185 | 100                |
| Overall Percentage |                   |     | 80.1               |

b. The cut value is .500

The correlation between the actual and predicted values of the dependent variable is investigated via the Hosmer and Lemeshow goodness-of-fit statistic. Table 8 shows that the significant value is 0.143 which is bigger than 0.05 indicating a good model fit.

**Table 8.** Hosmer and Lemeshow Test

| Chi-square | df | Sig. |
|------------|----|------|
| 12.177     | 8  | .143 |

Next, the goodness-of-fit for this binary logistic regression model is analysed. Based on table 9 below, this research finds that the value for Nagelkerke R<sup>2</sup> is 0.093, which is close to 1. Similarly, the Cox and Snell value is 0.148 that is also close to  $\pm 1$ . These results suggest that the model fits very well.

**Table 9.** Model Summary

| -2 Log likelihood    | Cox & Snell R Square | Nagelkerke R Square |
|----------------------|----------------------|---------------------|
| 208.026 <sup>a</sup> | .093                 | .148                |

a. Estimation terminated at iteration number 5 because parameter estimates changed by less than .001

Table 10 (Variables in the Equation) provides the information about the binary logistic regression. There are two variables which are significant, (Know=0.027 and Wealth=0.000). Therefore, it can be concluded that the foremost factors that influence *Wasiyyah* adoption are knowledge and wealth management.

**Table 10.** Variables in the Equation

| Variable     | B      | S.E.  | Wald   | df. | Sig. | Exp(B) |
|--------------|--------|-------|--------|-----|------|--------|
| Step 1       |        |       |        |     |      |        |
| KNOWLEDGE    | .712   | .322  | 4.897  | 1   | .027 | 2.039  |
| LIFE EVENTS  | .186   | .206  | .814   | 1   | .367 | 1.204  |
| WEALTH       | -1.080 | .271  | 15.903 | 1   | .000 | .340   |
| INSTITUTIONS | .292   | .259  | 1.277  | 1   | .258 | 1.340  |
| Constant     | 1.397  | 1.226 | 1.298  | 1   | .254 | 4.043  |

a. Variable(s) entered on step 1: KNOWLEDGE, LIFE EVENTS, WEALTH, INSTITUTIONS

## 9. DISCUSSION ON FINDINGS

Based on the findings, among the four factors that are being studied (*i.e* knowledge, life events, wealth management and institutional factors,) knowledge and types of wealth management assets have a significant influence on *Wasiyyah* adoption.

The results show that knowledge has a positive relationship with *Wasiyyah* adoption. Knowledge has been identified as ‘the level of awareness among Malaysian Muslims towards the basic rulings of *Wasiyyah* and legislations of *Wasiyyah* in Malaysia’. This is consistent with the study done by Ahmad & Peyman, (2008). This is also consistent with the study done by Shahanaaz, (2010), Dahan *et al.*, (2012), where they find that there are still many people in Malaysia who believe that the *Will* as not an important document compared to other financial planning documents. This is due to the lack of understanding and awareness on the importance of *Will* writing proven supported by the relatively low number of Malaysians who possessed a *Will* in Malaysia.



Two hypotheses are supported in this study. which. They are hypothesis 1 and hypothesis 3. Hypothesis 1 claims that there is a significant relationship between knowledge and *Wasiyyah* adoption. This finding is consistent with Omar (2009), ZAR Perunding Pusaka (2004b), ZAR Perunding Pusaka (2004c) and Hassan and Yusop (2006) who all observe that one of the reasons behind the poor practice of Islamic estate planning and *Wasiyyah* is the lack of knowledge and also the misunderstanding towards the concept of Islamic estate planning, such as *Faraid* and *Wasiyyah*.

Hypothesis 3 in this study is also supported. There is a significant relationship between types of wealth management assets and *Wasiyyah* adoption. This finding is consistent with Tin (2009), in which, h. He finds that householders with bequest motives are far more likely to save in monetary assets than those without observable bequest motives. Householders with bequest motives save more in monetary assets, especially interest-earning monetary assets, and transfer a larger percentage of their permanent incomes to monetary assets than those without bequest motives.

In conclusion, the more knowledge one has about Islamic inheritance, the higher the intention to make a *Wasiyyah* is. The higher the level of awareness of wealth management is, the higher the intention to make a *Wasiyyah* is.

## **10. RECOMMENDATIONS FOR FUTURE STUDIES**

Future studies could be based on a larger sample and over a longer period of time in order to get more respondents who are involved with *Wasiyyah*. The analysis would be more accurate in determining the factors that can influence people in writing a *Wasiyyah*. This study investigates the Malaysian Muslims' attitudes using primary data through direct questioning of respondents by using a questionnaire survey. Future studies can expand this research by considering using secondary data such as savings, investment, gift transfers and money transfers. It also recommended that government institutions undertake research on these particular topics on a larger scale, since the sample size in this study is relatively restricted due to time and cost constraints. Lastly, future research can be extended to use other methods such as interviewing the *Wasiyyah* writing provider and their clients. By conducting questionnaires and interviews, more in depth information can be gathered to examine the factors that can increase *Wasiyyah* adoption among Malaysian Muslims.

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