

## **Acculturation of Entrepreneurial Activity: An Exploratory Case Study of Several Mosques in Kelantan**

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**Abstract:** The main purpose of this study is to identify the entrepreneurial activities run by mosques that were chosen based on their entrepreneurial attributes. This study was conducted using qualitative data selection through in depth interviews on three different mosques in Kelantan. The findings of this study show that their entrepreneurial and business activities were still at an average level. This was due to the fact that all of the mosques under study were strategically located and thus would not have any problems in regards to receiving continuous public contributions. However, there are ways suggested by the study to acculturate entrepreneurial activities in their management.

**Key words:** Acculturation, entrepreneurial activity, mosque, strategically, Malaysia

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### **INTRODUCTION**

Mosques are synonymous with Muslim community as their house of worship together with the smaller 'surau' and 'madrasah'. A mosque is not only limited to be a house of worship for Muslim communities but rather a premise where many other activities take place such as for celebrating festivities, organizing meetings, gatherings, religious talks and classes teaching Quran.

Majority of mosques were highly dependent on contributions by the public as their fund. There were some mosques that did not have any specific funds from any parties. Most of them did not utilize the fund effectively and they were more inclined to park the fund in banks or any financial institutions as their saving investment only to have minimal gain in return. This somehow limited the resources for the mosques to organize activities for the locals. Lack of funds would impact the activities for the local community as well as the mosque's physical development.

There were not many studies done on mosques and thus the source of reference was very limited. In addition, most of the previous studies were more focused on financial and fund management and its administration in general while studies on its entrepreneurial activities were still lacking and seldom done. Therefore, this study was done to observe closely and in depth related to the

entrepreneurial activities done by the mosques in order to expand and strengthen their source of fund so that they can sustain their financial ability to fund future programs to be organized as well as their operational expenses and development.

**Objectives:** The specific aims of this study are as follows:

- To analyse entrepreneurial activities organized by the mosques
- To study the benefits of the mosques entrepreneurial activities on local communities

### **Literature review**

**Islam and entrepreneurship:** Islam is a universal religion which covers the whole aspects of human lives. The teachings of Islam are not only focusing on matters related to worship but also includes businesses, judiciary, economy, management, administrative and defence among others. Islam promotes the believers to develop the community in various ways and forms. One of which is through economic advancement of the ummah by involving in businesses or any other entrepreneurial activities. There are many verses from the Holy Quran as well as al-hadith that touch on business activities and trading. In one of those verses, Allah commands:

Those who consume interest cannot stand (on the Day of Resurrection) except as one stands who is being beaten by Satan into insanity. That is because they say, "Trade is (just) like interest" But Allah has permitted trade and has forbidden interest. So whoever has received an admonition from his Lord and desists may have what is past and his affair rests with Allah. But whoever returns to [dealing in interest or usury]-those are the companions of the Fire; they will abide eternally therein

Narrated by Zubair bin Awwam (RA), the Prophet (PBUH) said, "it is better for anyone of you to take a rope (and cut) and bring a bundle of wood (from the forest) over his back and sell it and Allah will save his face (from the Hell-Fire) because of that rather than to ask the people who may give him or not".

Although entrepreneurs were defined as individuals or group of individuals that are smart in exploiting opportunities arise, entrepreneurship should not be seen as only focusing on those who are involved in business.

It should be seen with a wider perspective including its characteristics and attributes especially through an Islamic perspective. Sains (2014) in his study outlined 18 attributes that an Islamic entrepreneur must possess. The attributes were knowledgeable, having initiatives, risk taker, customer oriented, involvement with staff, thinking strategically, innovative, excellent, hardworking, patient, visionary, optimist, stresses on halal/permissible income, honest and trustworthy, care for social welfare, ethical, not wasteful and fear for Allah.

Gumusay placed entrepreneurship in Islam on three different pillars. The first pillar was based on the definition of entrepreneurship itself which is those who are smart in chasing and grabbing available opportunities. The second pillar was the socio-economy or ethics centred towards social norms, values and guidelines. The third pillar was the spiritual and religious values which can be defined as the relationship of oneself with God. Based on the third pillar, the main objective to be achieved was the blessings from Allah. Looking at the Islamic entrepreneurship pillars, the main drive in business was not solely on profit-making but to achieve a far greater success by obtaining his blessings. Islam stresses that wealth is not for individuals but to be shared with others who are more in needs by obligating zakat, giving alms and waqf endowment in order to maintain the welfare of local socio-economy as well as an act of spiritual enhancement. Furthermore, an entrepreneur must oblige to basic values of Islamic Laws and balancing between community and

individuals privileges. The values include fairness and equality, non-exploitation of the poor, moral responsibility and accountability in financial consultation (Dana, 2010).

**Mosque and entrepreneurship:** In order to strengthen the roles and functions of mosques in assisting local communities, it is now essential for mosques to be involved in entrepreneurship. Borhan *et al.* (2011) was in the opinion that involvement of mosques in entrepreneurial activities would be essential in dealing with their community's financial constraint and overcoming their socio-economic struggles, eradicating poverty and supporting the development of local entrepreneurs by providing start-up capitals and etcetera. Omar *et al.* (2015) in his study found that there were mosques that involved in entrepreneurial activities as their initiative to increase their fund. He was also in the opinion that social entrepreneurship amongst mosques and non-governmental agencies were able to generate funds to ensure the sustainability of social activities and local community development. Davis (2013) also thought that entrepreneurship should be beneficial to the community by providing activities that bring positive impact as well as donating it to the one in needs or providing assistance in development of other mosques.

One effort that could be taken is by establishing a cooperative. The mosque's committee members could appoint capable individual to run and manage the cooperative. This effort was not only to increase their funds but could also be seen as creating jobs for the locals. Hoque *et al.* (2014) promoted that involvement of mosques in cooperative was the greatest strategy in generating income for the mosques. According to him, participation of mosques in cooperative ensures a greater income and increase of fund in the long run and its benefit can be enjoyed through the distribution of profit by the cooperative. This opinion was also supported by Borhan *et al.* (2011) and Razak *et al.* (2014) who believed that involvement of mosques in entrepreneurial activities could be realized through cooperatives and rentals of their assets and facilities by external parties.

## **MATERIALS AND METHODS**

A semi-structured interview was done on main respondents which is the mosque's management committee members and the administration. The study used objective sampling technique which is commonly used in a qualitative research where it can be defined as choosing units from examples by individuals, group of individuals and institutions based on certain related objectives in answering the research questions.

## RESULTS AND DISCUSSION

This exploratory study involved three mosques that were chosen across Kelantan which are Mosque A-C. Interviews were done with mosques officers in order to obtain relevant data related to the research objectives and questions. As a result, it was found that there were similarities in term of involvement of these mosque in entrepreneurial attributes and activities between the three mosques.

**Mosque A:** The effort and commitment given by the Mosque A in generating its own fund through entrepreneurship activities was high. In comparison with the other mosques within this research scope of study, the committee members of this mosque were very actively committed and involved in many discussions, planning and the implementations of their agenda. Therefore, it would not be a surprise to know that the mosque had once received a first place in Malaysia Mosque Awards 2014 with RM 100,000 cash-prize.

This mosque had done a significant transformation when they were not only focusing on spiritual activities but also physical activities. This is significant to ensure all parts of the community felt involved with the activities organized by the mosque.

Mosque A had fund allocated specifically for the people in needs. This policy was established based on the capability of the mosque to generate income through contributions as well as its entrepreneurial activities. The mosque possessed enough fund to allocate it not only for individuals in need but also those other small mosques in its area. The mosque also ensured that they would be able to help and contribute in the form of money or physical needs for every incident occurred elsewhere such as flood and fire.

This scenario was in line with the recommendation by Davis (2013). He was in the opinion that entrepreneurship is supposed to be beneficial to the community by providing activities that bring positive impact as well as donating it to the one in needs or smaller mosques that in needs of fund.

**Mosque B:** This mosque had built kiosks within its vicinity. These kiosks were considered to be an indirect source of fund for the mosque. However, MAIK's policy do not allow the mosque to manage the kiosks by their own since it is considered to be a set off to MAIK as they were the one that contributed the fund in the first place. So, only MAIK has the right to collect rentals of the kiosks.

The mosque's management had a very interesting agenda using their fund. They had been organizing an annual youth carnival before. The carnival intended to provide opportunities for youth who were interested in entrepreneurship activities where they were allowed to do businesses within the mosque's premises. This carnival was organized by the Mosque Youth Club as a platform and support system for youth to venture in businesses.

The mosque had also distributed the fund by giving some donations to the people that were in need and came to the mosque for help. It was not limited only for the local community but for everyone in Kelantan. People that came and seek for help from this mosque were from various backgrounds. Some were in severe financial circumstances, no cash to spend, no income and orphans. However, the fund for the mosque kept on increasing ever since the mosque started to donate the fund to those in needs regardless of their background. It was observed that the public started to donate more to the mosque when they started to trust more on what the mosque did with the fund they donated. Dana (2010) in opinion that an entrepreneur must oblige to basic values of Islamic Laws and balancing between community and individuals privileges. The values include fairness and equality, non-exploitation of the poor, moral responsibility and accountability in financial consultation.

**Mosque C:** Compare with the other mosques, this mosque only involves in minimum activities of entrepreneurship. The distribution of fund by Mosque C was more focused on its normal operational activities and supporting tahfiz programs. There was no specific fund distributed for entrepreneurial activities or businesses that can generate further income for the mosque.

## CONCLUSION

The findings from this study showed that these mosques had a various sources of fund with majority of it came from contributions by the public. The distribution of funds was also done efficiently and was optimally used on activities related to the mosque development and engagement with the community. However, the role played by mosque's management in Kelantan in terms of entrepreneurial activities for the communities was still considered to be at an average level. This was due to the fact that they were not too worried on fund collections since they would continuously be receiving fund from the public.

Overall, the three mosques studied had a quite similar source and distribution of funds as well as the efficiency

and background of their committee members. However, it could be seen that some were more active than the other especially in terms of their entrepreneurial activities and income generating programs. It was proven from the study that the involvement of mosques in entrepreneurial activities was highly depending on the effort and commitment of their committee members. In other words, the efficiency and background as well as the professional experience of the committee members were not enough without having interest and giving full commitment to generate fund through various kinds and scopes of entrepreneurial activities. In a nutshell, generating funds for the mosque through entrepreneurial activities that impacted local community was highly dependent on efforts and commitment of the committee members.

Based on the findings of this study, the management of mosques should provide more variety of solutions in utilizing their funds so that it would be more holistic and in the end able to give positive impact on the local community. Some of the ideas raised in regard to strengthen the fund management of mosques and assimilating entrepreneurial activities in their management were by organizing a seminar on entrepreneurship for the committee members of the mosques, properly utilizing the fund for entrepreneurship activities, establishing benchmarking programs and increasing the number of activities that can be both rituals as well as income generating for the mosque institution.

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