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Article

The Participation of Alumni in Successful Endowment and *Waqf* Funds: A Study of Selected Higher Educational Institutions (HEIs) in Malaysia

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ABSTRACT - Endowment and *waqf* funds are essential sources of income for Higher Educational Institutions (HEIs) in many countries, including Malaysia. Identifying the elements that contribute to the success of these funds can help sustain them. The previous scholars discovered that several elements drive the success of endowment funds in HEIs; one such element is alumni networks. This was also discovered to determine successful fundraising in another study. In this regard, this study examines this element in the context of Malaysia to observe its role in determining the success of endowment and *waqf* funds, particularly in public universities in this country. Simultaneously, this study also investigates the factors that drive the establishment of these alumni networks. To achieve these objectives, this study adopted a qualitative approach using interviews. Several representatives from selected universities were interviewed, and the information obtained was transcribed and analyzed. It was discovered that alumni networks are essential determinants of the success of endowment and *waqf* funds at the selected universities. Several key factors were identified that can help build alumni networks, such as assistance from alumni associations, a positive experience while studying, and awareness of charitable giving. This study suggests that universities can emphasize these three factors to build relationships with alumni and ensure continual contributions.

INTRODUCTION

The funding for Higher Educational Institutions (HEIs) derives from both the public and private sectors, which is crucial for financial sustainability. Public universities in Malaysia are largely funded by the Malaysian government as the main stakeholders in the nation's higher education sector. Public universities depend on government funds for more than 90% of their expenses (Kementerian Pendidikan Tinggi Malaysia, 2016). Since this dependency is considered very high, the government has taken the initiative to reduce it by granting universities the autonomy to seek their own funds. According to Amran and Muhammad (2015), this autonomy requires universities to earn 30% of their income. This is, however, not good news for universities since it increases their workload. Rather than just focusing on teaching and research, they must seek funds to continue operations. Leaving their former comfort zones, universities must now devise and operate income-generation activities to meet this new requirement.


HEIs obtain financial resources from private sources through the tuition fees imposed on students; financial resources provided by third parties through voluntary donations is another source of income for HEIs. Voluntary donations are considered the main fundraising income stream for most institutions (Pérez-Esparrells & Torre, 2012). This is demonstrated in the USA, where private voluntary financial support greatly contributes to HEIs, about $49.60 billion in 2019. This was an increase of 6.1% in 2018 ($46.73 billion) and was the highest amount ever reported in the Voluntary Support of Education (VSE) Survey conducted by the Council for Advancement and Support of Education (CASE), published in 2020.

According to Johnstone (2006), several channels are available for voluntary donations to HEIs, such as endowments, current gifts, or the redistribution of tuition fees (some students or parents pay less since there is a surplus of money paid by wealthier parents). In this study, voluntary donations in the form of endowments will be the focus. Since *waqf* is considered the Islamic form of endowment, it is thus also a focus of this study. These two funds (i.e., endowment and *waqf*) are supported and encouraged by Malaysia's Ministry of Higher Education (MoHE) for its HEIs. MoHE's serious support and encouragement are evident from the publication of its "Purple Book" and the *Panduan Pengurusan Wakaf: Institusi Pendidikan*. Meanwhile, Yaqoob Arab and Zakariyah (2023), Usman and Ab Rahman (2023), and Hasbullah and Ab Rahman (2021) asserted that creating an endowment or *waqf* fund within HEIs is considered a groundbreaking measure for achieving financial sustainability.

By 2019, all public universities in Malaysia had implemented endowment funds, while 17 had also implemented *waqf* funds, compared to only 12 universities in 2017 (Mahamood et al., 2018a). Malaysia's public universities have thus responded positively to the government's recommendations. This study only selected some public universities for discussion of their endowment and *waqf* funds: Universiti Malaya (UM), Universiti Kebangsaan Malaysia (UKM) and Universiti Teknologi Malaysia (UTM) for endowments, and Universiti Putra Malaysia (UPM), Universiti Sains Islam Malaysia (USIM) and Universiti Sultan Zainal Abidin (UniSZA) for *waqf*. These universities were selected for this study since they are among the top public universities that recorded the highest collections of endowment and *waqf* funds based on data provided by MoHE to the authors through email. Figure 1 below displays endowment and Figure 2 illustrates *waqf*.
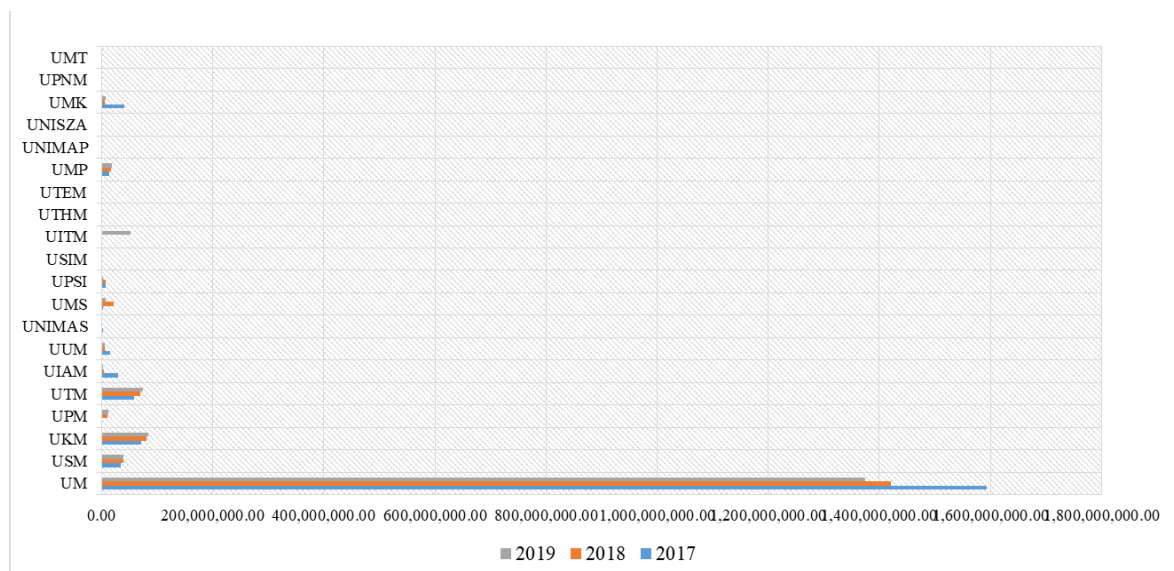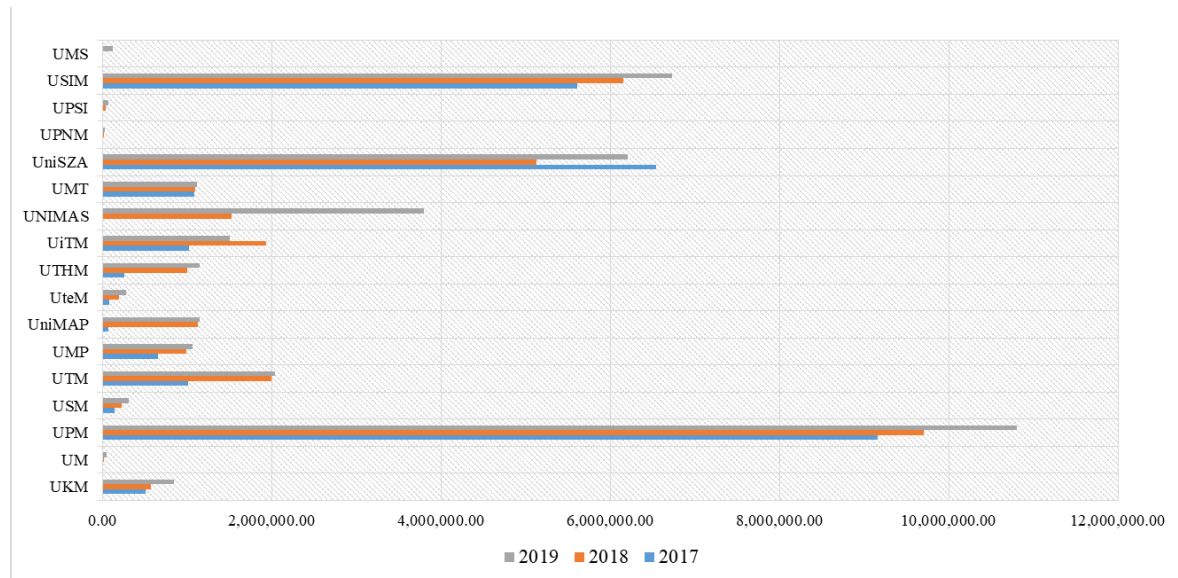

Source: MoHE (Malaysia)

Figure 1: Collection of endowment by Malaysian public universities (2017–2019)

It can be observed from the figures above that the collection of endowment funds by UM is higher than other public universities for the period. For 2019, UM recorded a collection of RM1.37

billion, followed by the UKM and UTM, collecting RM84 million and RM74 million, respectively. The university recording the highest *waqf* collection for those three years is UPM, based on the figures below. In 2019, UPM recorded the collection of *waqf* funds of RM10.8 million, followed by USIM and UniSZA, with the collection of RM6.73 million and RM6.21 million, respectively.

Source: MoHE (Malaysia)

Figure 2: Collection of *waqf* by Malaysian public universities (2017–2019)

Based on both figures above, it is also evident that many universities are still far behind in the collection of funds (either endowment or *waqf*). Therefore, the elements that drive these funds' success need to be further explored, especially in the Malaysian context. Therefore, this study was conducted empirically for several public universities that had received the highest amounts of endowment and *waqf* in Malaysia, as listed above.

In the case of endowment and *waqf* funds for higher education, one financial resource that can be utilized is alumni. Contributions from alumni are essential in increasing the size of endowment and *waqf* funds at universities since the number of alumni is large and increases every year. Lerner et al. (2008) argued that alumni networks are a significant factor in determining the success of endowment funds. Similarly, Tsao and Coll (2004) discovered this factor to determine the success of fundraising. The role of alumni in endowment and *waqf* funding cannot be treated lightly. This conclusion is supported by an annual survey conducted by CASE (2020), which reported that alumni contributed 22.6% ($11.20 billion) of total voluntary support ($49.60 billion) to HEIs in the USA in 2019. Hence, this study explores the role of alumni in the Malaysian context in order to reveal whether they are contributing increasingly to the endowment and *waqf* funds of HEIs, especially for public universities. At the same time, this study also investigates the factors influencing the establishment of these alumni networks. Furthermore, since there is no published empirical research to verify this matter in the Malaysian context, this study also addresses this gap in the literature by providing research data that can be useful for all universities.

LITERATURE REVIEW

HEIs funding is provided by both the public and private sectors. Their contributions are vital to maintaining HEI's financial sustainability. Additionally, a range of channels is offered to ensure that everyone engaged may easily channel funding to HEIs. The sale, lease, or contract research, as well as tuition fees, are the private sector's avenues for obtaining funding. Voluntary donations serve as the foundation for further external funding sources for HEIs. Notably, people who are

eager to contribute can do so through various channels, including current gifts, redistribution of tuition fees, endowment, or *waqf*. In this study, endowment and *waqf* are the primary subjects.

It is crucial to identify the successful elements in increasing endowment and *waqf* funds with the aim that universities can identify the keys to improving their funding. One significant factor in determining the success of endowment funding, as discovered by Lerner et al. (2008), is alumni networks. In addition, Tsao and Coll (2004) also highlighted the role of alumni networks in determining the success of fundraising. Since alumni can significantly contribute to voluntary support for the HEIs, as reported by CASE above, but are not on campus, building networks with them becomes a priority for universities. Therefore, those universities that have not yet established networks with alumni need to consider the investment with commitment, time, and resources, as stated by Ebert et al. (2015).

According to Ebert et al. (2015), a critical foundation for building a successful long-term alumni network is having good, flexible access to alumni databases containing the information universities require to communicate with their alumni. Suppose universities do not have good access to such data. In that case, it may be difficult for them to reach their alumni in order to inform them of endowment and *waqf* funds. Moreover, alumni data can typically be obtained from alumni associations at universities. The assistance of these associations is thus required to build relationships with alumni. Zhimin et al. (2016) also emphasized the importance of alumni associations in reaching alumni.

The involvement of alumni associations can establish a relationship between universities and their alumni and assist the university's fundraising (Mazambani et al., 2017). Furthermore, such associations are crucial in influencing alumni to contribute to their university, as discovered by Iskhakova et al. (2016) and Wang (2018). This is attributed to the fact that they cultivate links with alumni that encourage future giving, as well as organizing social events that strengthen relationships among alumni (Mazambani et al., 2017). According to Sun et al. (2007), alumni marketing efforts, such as parties, reunions, newsletters, and solicitation, may also influence alumni to contribute. Parties and reunions are campus activities discovered to have a positive relationship with alumni giving by Bruggink and Siddiqui (1995), Hanson (2000), Holmes (2009), and McNamee III (2021). This is proven by a study conducted by Byun (2021), who discovered that money for the communal fund of the alumni association at Hani High School in Seoul, South Korea, had been collected periodically over the past 30 years through alumni reunions. Accordingly, these efforts not only contribute to the financial well-being of the university but also encourage alumni to establish life-long relationships with their *alma mater* (Weerts & Ronca, 2007).

According to Koenig-Lewis et al. (2016), building strong relationships between universities and their alumni help alumni to recall their academic experiences while being students at university. This experience is vital in fundraising since it influences the readiness of alumni to support their university, as discovered in numerous studies. This includes McDearmon and Shirley (2009), Wallace (2012), Skari (2014), Freeland et al. (2015), Saraeh, Abdul Rahman, Noordin, Ramlan, Ahmad, and Sakdan (2018), Vidal and Pittz (2018), and Wang (2018). Similarly, Monks (2003), Clotfelter (2003), Gaier (2005), and Sun et al. (2007) discovered that higher levels of satisfaction with the undergraduate experience make alumni more likely to contribute to their *alma mater*. According to Gallo (2018), experiences can be built through mentorships, offering work placements, or improving university infrastructure. At the same time, a leadership position in an extracurricular activity can motivate an alumnus to contribute more to their former university (Clotfelter, 2001). Conversely, financial aid or support is considered one such good experience by several researchers, such as Marr et al. (2005) and Freeland et al. (2015), who discovered that scholarships could increase the likelihood of alumni giving. Although Meer and Rosen (2012) and Forrest et al. (2016) discovered the opposite, alumni who received scholarships were better donor prospects (Newman & Petrosko, 2011). In addition, Monks (2003) and Freeland et al. (2015) discovered that alumni who received loans while studying tended to contribute less to their former HEI than those who did not receive loans.

Awareness is another aspect that contributes to the act of giving. Several studies, such as Schlegelmilch (1988), Snipes and Oswald (2010), and Bekkers and Wiepking (2011), discovered awareness to be one of the most critical factors driving charitable giving. In the context of alumni giving, Bruggink and Siddiqui (1995) discovered that alumni are more likely to contribute to their old university if they feel and know that their support is essential to the funding of the institution. In order to increase alumni awareness of charitable to universities, the marketing efforts discussed above need to be more evident about their role. In performing such efforts, religious teaching should be included in raising awareness since it is also one of the factors that determine alumni giving to their *alma mater* (Weerts & Ronca, 2009). Religion is crucial for charitable giving as it provides a cognitive framework that fosters caring and benevolent behavior (Wang & Graddy, 2008). Furthermore, several studies, such as Brown and Ferris (2007) and Bekkers and Schuyt (2008), have discovered that people with religious beliefs are more generous than those without.

Based on the literature reviewed above, several aspects need to be emphasized when building relationships with alumni (one of the most significant factors in determining funding success): assistance from alumni associations, a positive experience during studies, and an awareness of charitable giving. Hence, this study will verify whether these three aspects can help build relationships with alumni. These findings may provide significant insight to universities in building their relationships with alumni to secure continuous contributions. Such contributions will assist in the financial sustainability of universities with the aim that they can continue operating. This study was conducted in Malaysia, where the government encourages public universities to enhance their endowment and *waqf* funds. Therefore, it will contribute to the knowledge of how alumni influence policymakers in this country, including universities and their endowment and *waqf* units, in their spending of these funds.

METHODOLOGY
Design
A qualitative approach was appropriate for this study and comprised of interviews and content analysis. Interviews were conducted in order to ascertain from informants whether alumni networks are a successful element of endowment and *waqf* funds at Malaysian public universities. Moreover, detailed information from informants was also required to identify the critical aspects of how they built relationships with their alumni that encouraged them to contribute. In addition, interviewing is vital for researchers who want rich and detailed information rather than "yes-or-no" or "agree-or-disagree" responses, as mentioned by Rubin and Rubin (2012). Content analysis was used to draw replicable and valid inferences from verbal or written data describing a specific phenomenon. This method is useful since it can provide new insights and increase a researcher's understanding of a phenomenon under study, as discussed by Krippendorff (2004).

Informants
Based on data obtained from the MoHE, as discussed in the introduction above, this study specifically examined Malaysian public universities with the highest recorded collections of endowment and *waqf* funds. UM, UKM and UTM recorded the highest collection of endowment funds, and UPM, USIM, and UniSZA recorded the highest collection of *waqf* funds. Since this study is focused on the successful element of endowment and *waqf* funds at these universities, those managing such funds were thus suitable informants about alumni networks as a successful element of philanthropic funding.

Interviews were conducted with six informants who are representatives from each endowment and *waqf* management section. The informants were selected using purposive sampling determined by the endowment and *waqf* management of the universities themselves after a consensus with the authors was reached. This sampling technique is essential for the present study as it can increase the likelihood that variability common in the phenomena under study will be

represented in the data obtained, as stated by Maykut and Morehouse (1994). The positions of all informants are disclosed in Table 1 below. Although six informants were interviewed in this study, only five informants are reported in the table and study. This is because the information relating to the UM informant was excluded, as they stated that contributions from alumni are not included under their endowment fund. The same applies to UKM. However, since interviews were conducted with their representative from the Chancellor's Foundation, who is responsible for collecting, generating, and managing financial funds from alumni, the details of their representative were included in Table 1.

Table 1: Positions of the informants

Informant	University	Position and Unit
1	UKM	Assistant Registrar, Chancellor Foundation
2	UTM	Director, Endowment Unit
3	UPM	Head, *Waqf* Management Section, Centre for Management of *Waqf*, *Zakat* & Endowment (WAZAN)
4	USIM	Assistant Registrar, Centre for *Awqaf* & *Zakat* (PWZ)
5	UniSZA	Assistant Registrar, Office of *Waqf* & Endowment

Source: Current study

Data Collection

Data was collected in the informants' offices or over the phone between February and March 2020. Prior interview arrangements were made through telephone conversations or email exchanges to determine a suitable day and time. The interview started with a self-introduction by the main author, followed by a clarification of the aim of the study. All interviews were initiated with an open-ended question: "How active are the institution's alumni in contributing to the endowment/*waqf* fund?" If the answer was positive, the next question asked how the institution ensured their alumni continuously contributed to the endowment/*waqf* fund. In order to encourage informants to think more deeply about the questions and obtain in-depth data, follow-up questions included "What are the approaches used to instill a sense of belonging among alumni toward their *alma mater*?" and "What are the platforms provided to aid alumni in creating a sustainable relationship with this institution?" All these interview questions went through an evaluation process with two relevant experts. All the questions were used and included in this study only after no other amendments were required. Each interview lasted 30–60 minutes and was audio recorded.

Data Analysis

After collecting the interview data, the first author listened to the audio recordings and transcribed them verbatim. The transcribed texts were read several times to gain familiarity with themes relating to the aim of the study. The process of coding the interview texts to the identified themes was systematic, using the ATLAS.ti program. This phase of analysis was categorized as "manifest content" since the text dealt with more "…visible, obvious components…," as discussed by Graneheim and Lundman (2004). Consequently, several discussions were held with the second author to ensure that the coded texts could answer the research questions appropriately. This phase of analysis was categorized as "latent content" since it dealt with the "…relationship aspect and involved an interpretation of the underlying meaning of the text…" (Graneheim & Lundman, 2004). In ensuring the study's credibility, the authors also included several quotations from the selected data materials to explain the theme under discussion.

Ethical Consideration

This study was conducted with the approval of the University of Malaya's Research Ethics Committee (UMREC) in Kuala Lumpur. The informants received a letter outlining the aim of the

study, its procedure, and its benefits. As evidence of the voluntary participation of the informants, a consent form was attached to the letter to be completed by them. They were assured that their participation in this study entailed minimal risk. However, they were entitled to withdraw their participation in the study if, at any time, they felt uncomfortable during its conduct. Furthermore, they were also assured that their participation was confidential and that their names would not be publicly disclosed. In addition, they were also supplied with the phone number, email, and mailing addresses of the UMREC if they had any concerns or questions about the study.

RESULT

Based on the results of the interviews with the six representatives of selected public universities, this study used information from four representatives as relevant. The four representatives were from UTM, UPM, USIM, and UniSZA. The informants from these universities acknowledged that their alumni played a vital role in increasing their funding. For example, UTM's endowment funding contributed by their alumni was approximately RM4.6 million at the end of 2019. It is thus evident that the alumni made a substantial contribution to increasing endowment and *waqf* funds. Therefore, building relationships with them is the best way to secure their contributions after leaving university. This was practiced by UTM and UKM, who stated that their relationship with their alumni is very close and good. For example, the informant from UKM measured their good relationship with their alumni at 9 on a scale of 10.

Building relationships with alumni must be emphasized by the universities with endowment and *waqf* funds: the informants from UTM and UPM acknowledged that their alumni networks were an element that contributed to their success. Thus, alumni networks play an essential role in determining the success of the funding of Malaysian universities. This accords with the research of Lerner et al. (2008) and Tsao and Coll (2004). Several factors are critical for universities in building relationships with their alumni: alumni associations, a positive experience during study, and an awareness of charitable giving. These three factors will now be discussed in detail.

Alumni Associations

All informants in this study mentioned that alumni associations were crucial in maintaining relationships with alumni. The involvement of these associations was vital since they can assist the universities in promoting endowment or *waqf* funds to alumni. They also promoted various activities that could bring alumni closer to their *alma mater* so that their contributions could be better secured. This is demonstrated in these informant statements:

> *We work together with the alumni association. Besides promotion, they help us carry out activities such as campaigns, engagements, homecomings, and so forth to bring the alumni closer to us so that they can contribute continuously.* (UTM informant)

> *Alumni at UPM have two [associations]. The first is called the Alumni Centre and is under the responsibility of UPM. The second is the Alumni Association, which is a non-profit organization under the ROS. Both of these associations implement many programs and activities. The functions of WAZAN are more like invitations to make a collection, give talks, co-organizers, and so forth. This is what I mean by that cooperation with them is better compared to previously.* (UPM informant)

Besides promotion, the programs and activities run by alumni associations are very significant in increasing endowment and *waqf* funds for the universities. The UTM and UPM informants stated that their funds increased periodically through the implementation of such activities:

We have many campaigns, engagements, and so forth with UTM alumni so that they can continue to contribute to the Endowment Alumni UTM. That is why the fund continues to increase from time to time. (UTM informant)

If you want to list [them], I think there are very many activities carried out, and the commitment is increasing from time to time compared to previous years. (UPM informant)

Based on these statements from the UTM and UPM informants, it is evident that alumni associations establish a relationship between universities and their alumni and raise funds for their universities through their programs and activities. This is consistent with the findings discussed by Mazambani et al. (2017). Their efforts in organizing programs and activities that assemble alumni should be commended, as these can influence alumni to contribute, as argued by scholars. This similarly supported by Sun et al. (2007), Hanson (2000), and Bruggink and Siddiqui (1995). Such programs and activities simultaneously encourage alumni to establish life-long relationships with their university. The other sample university, USIM, is still in the process of developing a *waqf* fund. However, they have also gained the assistance of their alumni centers to build relationships with alumni and promote the *waqf* fund to them:

We cooperate with the Alumni Centre. For example, they organize high teas, and we sponsor tables in that program. We then did a presentation. (USIM informant)

Cooperation at UniSZA between Wakaf UniSZA and the alumni association has not been established. However, they have plans to establish this. They believe in the ability of this association to approach and attract alumni to contribute to their *waqf* fund.

Positive Experience during Study

Besides alumni associations, another factor that can contribute to building relationships with alumni is the experience alumni have during their student days at the university. Their experience of the university's facilities, infrastructure, activities, and welfare, among others, should be positive. Suppose a student has a positive experience with the university. In that case, the possibility that the university can build a relationship with them after graduation is higher, particularly if they are in a position to influence their friends and other alumni. This is applied by USIM:

We use the USIM icon [ic alumni] to help us; for example, Ustaz Hariri … We appointed him as ambassador at the PWZ. (USIM informant)

The appointment of Ustaz Hariri was based on his capacity as a former president of the Student Representative Council (SRC). This accords with Clotfelter (2001), who discovered that alumni who had held a leadership position in an extracurricular activity tended to contribute more. His role in the *waqf* fund at USIM can be observed in his participation in terms of time, energy, and ideas in promoting the fund to his friends and other alumni. This is attributed to the fact that he has the influence to attract them. At the same time, UTM's informant pointed out that some alumni who contribute to their endowment funds are those who gained scholarships during their studies:

…there is a contribution to us from those who have received the benefits from the alumni endowment fund. Some of them are already working, then they contribute back to the fund. (UTM informant)

Financial assistance provided by the university to current alumni while they were students thus incentivizes them to contribute. This finding aligns with studies by scholars such as Marr et al. (2005) and Freeland et al. (2015). Therefore, universities should not doubt the value of allocating some money to their students with the aim that they can have a positive experience while studying. Accordingly, this practice can make students feel grateful to the university and motivate some to contribute back to the university later.

Awareness

Awareness is another crucial aspect of building relationships with alumni. An individual will not be interested in establishing a relationship with their university or contributing to it if they are unaware of the funds promoted by the university. This was acknowledged by informants from USIM and UniSZA, who stated that a lack of awareness amongst alumni makes it quite challenging to gain contributions from them. This is not unexpected since the implementation of *waqf* funds at HEIs is still considered new, particularly at public universities, as discussed by Mahamood et al. (2018b). Therefore, awareness of endowment or *waqf* funds should be promoted by universities to their alumni, especially those universities that are newly implementing these funds. This is with the purpose that alumni can support the university through their relationship with it and their contributions.

One method of increasing alumni awareness about contributing to endowment or *waqf* funds is through promotional activities and campaigns. This is noted by informants in this study. An example is the UTM informant:

> *One of them is a campaign using any method. One of the success factors of our funds is through the campaign. When we do not create a campaign, people do not know about it … So the information related to the endowment can be spread widely. So, Alhamdulillah. When people know about the endowment, their contributions from them can be gained easily, which means that they know.*

Thus, promotional activities are essential since they not only influence alumni to contribute but also promote awareness to alumni who are not yet aware of funds at their former HEI. This is in line with Bruggink and Siddiqui (1995), who mentioned that alumni are more likely to contribute to their *alma mater* if they feel and acknowledge that their support is vital to the wealth of the institution. At the same time, religious teachings were discovered to be used by the selected universities in their promotions:

> *Insert verses from the al-Quran and ḥadīth to convince [people] because sometimes they do not understand about sadaqah. The concept of sadaqah has become one of our strengths to share. Islam says that sadaqah is an honorable practice that can gain rewards. Therefore, it is always used as a reminder to us that, in Islam, sadaqah jariah is important. In engaging anybody, I always reminded them that when we die, three things will continue, and one is sadaqah jariah. We do not bring our wealth; we do not bring our big home; we do not bring our beautiful wife; we do not bring our handsome husband [into death]; what is sure that we can bring is our sadaqah jariah* (UTM informant)

> *Insert Islamic elements (e.g., Quranic and ḥadīth verses) in doing the campaign.* (UPM informant)

> *Insert Islamic elements into the campaign.* (USIM informant)

> *We will find verses from al-Quran and ḥadīth so that, like I said earlier, we inform people that awareness is the most important thing. When a person has awareness, I think he or she will practice waqf.* (UniSZA informant)

Hence, religious teaching has a role in raising awareness amongst alumni of contributing to funds promoted by the university. This accords with Wang and Graddy (2008), who discovered that religious teachings could foster caring and benevolent behavior.

DISCUSSION

In this study, alumni networks are examined in order to verify whether they are an element that determines the success of endowment and *waqf* funds in selected Malaysian public universities. The results suggested that alumni play an essential role in increasing the size of these funds. Since alumni will leave their university after graduation, the best way to ensure they stay in touch with their *alma mater* is by building a relationship with them. This is also an element in determining the success of endowment and *waqf* funds at public universities (i.e., UTM and UPM) in this study. These findings further support those of Lerner et al. (2008) and Tsao and Coll (2004), who discovered alumni networks to be a significant factor in determining the success of funds.

It can be concluded from the thematic analysis conducted on interviews in this study that there are several vital factors in HEIs building relationships with their alumni: assistance from alumni associations, a positive experience during the study, and an awareness of charitable giving. Alumni associations can be intermediaries between universities and alumni. Notably, alumni associations are significant for universities since they can help universities reach their alumni in the community. They can also help universities by implementing promotional activities and other programmes to benefit their funds. Simultaneously, information relating to the endowment and *waqf* funds of the universities can thus be communicated to alumni in order to gain contributions from them. Consequently, the role of alumni associations in establishing a relationship between universities and alumni, as well as increasing funds, aligns with, for example, the research of Mazambani et al. (2017).

In addition, a positive experience while being a student also has a role in building a relationship with alumni, especially those who have influence or positions in the university during that time. It is easier for universities to gain assistance from those who held positions while at university, such as an SRC. Clotfelter (2001) also discovered that those alumni who held leadership positions in extracurricular activities tended to contribute more to their university. In this study, the contribution from these individuals can be observed in terms of time, energy, and ideas in promoting funds amongst alumni. Since such people are well known among their friends and other alumni, they could attract contributions of energy, motivating others to contribute to the promoted funds. At the same time, this study also discovered that financial assistance in the form of student scholarships could later encourage alumni to contribute to their *alma mater*, as highlighted, for example, by Freeland et al. (2015). Such assistance should, therefore, not be considered unimportant as it greatly impacts the university in gaining future funding after students who receive scholarships become alumni.

Awareness is another crucial aspect in building alumni relationships to secure their contributions. Universities with newly implemented philanthropic funds, either *waqf* or endowment, should increase awareness of these among their alumni since people will only contribute to such funds if they are aware of their existence. One method to increase alumni awareness about endowment and *waqf* funds at universities is through promotional activities. These activities are essential since they not only increase the awareness of alumni but also influence their contributions to funds. This accords with research by Sun et al. (2007). Moreover, including religious teachings in promotional activities also has a role as it reminds alumni that the practice of giving is encouraged by the religion, encouraging alumni to contribute. The discussion above is summarized in Figure 3 below.
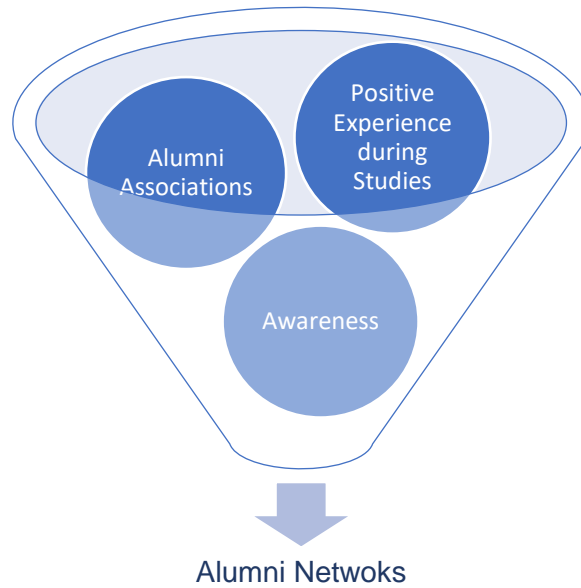
Figure 3: Prominent factors in building alumni networks

Based on the above discussion of these three factors, building a relationship with alumni to gain their contributions is not impossible for other universities in Malaysia as it is being practiced by the sample universities in this study. Furthermore, securing collections from alumni is also quite possible. HEIs in the USA have proven that alumni are able to make a significant contribution of $11.20 billion out of $49.60 billion for total voluntary support (in 2019).

IMPLICATION AND CONCLUSION

Universities, on the whole, are in need of continuous contributions from their alumni to increase their philanthropic funds, either endowment or *waqf*, to ensure their financial sustainability. In order to obtain this continuous support, alumni networks need to be built and maintained, particularly in the context of Malaysian public universities. Thus, universities need to consider several essential factors in building relationships with their alumni. This includes assistance from alumni associations, positive experiences while studying, and awareness of charitable giving. Note that all these need emphasis as having a role in building relationships with alumni.

This study has developed two aspects: fund collection and the theory of financing for HEIs. In terms of fund collection, this study reveals the importance of endowment and *waqf* units in universities and the role of alumni in increasing their endowment and *waqf* funds. Alumni themselves can also be made aware of the importance of their role in increasing such funds for their *alma mater*. Furthermore, this study also provides strategies for universities to build relationships with their alumni so that their continuous contributions can be secured to ensure their financial sustainability. Other than that, this study has revealed that establishing alumni relationships in Malaysian public universities results in high collections of endowment and *waqf* funds. This has provided ideas for other universities about strategic cooperation for fruitful experience, knowledge, methods, and planning.

Meanwhile, regarding the theory of financing for HEIs, this study reveals alumni networks to be an element that can contribute to the success of endowment and *waqf* funds in Malaysia's public universities. In addition, this study also reveals the critical aspects of building such relationships with alumni. It would be desirable to conduct more in-depth and extensive research into each aspect to build effective relationships with alumni. However, this study cannot be generalized to all HEIs in Malaysia as it only focuses on public universities; other researchers

might, therefore, conduct similar research into private universities on the contribution of alumni there.

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