

# The Importance of Financial Planning in Preparedness for Self-death

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## Abstract:

The unclaimed estate is a major source of economic hardship for Muslims. It may take a long time to liquidate the estate since it could be frozen. The deficiency of knowledge in financial management caused the family to face burdens such as sudden death debt and being unprepared for death. Aspect finances are important for individuals and communities in increased well-being of the self, family, and good death. Preparedness for death is important in unexpected things such as chronic illness and sudden death. However, the research readiness for death based on finances has still been less studied. Is society prepared to have a financial planning readiness for death? Is there a level of understanding among people and communities that death has a financial aspect? In-depth semi-structured discussions with the experts in several domains included readiness for death. This discussion was conducted online, such as via Google Meet, and audio was recorded. This interview was transcribed and coded using an inductive approach. The participants consist of experts in the fields of education and finance. Experts from the National University of Malaysia (UKM), International Islamic University (IIUM), Institute of Islamic Studies Malaysia (IKIM), and University of Science Malaysia (USM). The result is based on a thematic analysis of the preparedness for death-self financial in Malaysia.

## Introduction

Planning inheritance is one of the most crucial aspects of managing property for people before and after death (Norazlina et al., 2021). Due to a RM 70 million Unclaimed estate, preparedness for death negatively influences the national economy (Norazlina et al., 2021). According to statistics, 5 out of 10 Malaysians do not have insurance to safeguard themselves and their families from unforeseen events like untimely death (Lajuni et al. 2020). Malaysian communities have poor financial literacy and a 4.8% life insurance penetration rate (Masud et al., 2021). In addition, 34% of Malaysians don't have any long-term savings (Bank Negara Malaysia Report 2022–2026).

According to United Nations (UN) Women, 350 million more women than men have experienced a spousal death (248 million males). The financial component impacts the quality of life and

preparation for dying (Giberti et al., 2021). Before passing away, a person must make financial plans. Knowing death and making preparations for it (Dewey-Daniel 2017). Adults have the awareness to prepare for death, but Dewey-Daniel (2014) found that they lack the knowledge on how to do so. This is because, prior to the COVID-19 epidemic, more than 60% of Malaysians only had enough savings to cover a loss of income for fewer than six months (Yusoff et al., 2021). According to Yusoff et al. (2021), applying knowledge of Islamic financial planning in the family is necessary to ensure the family's well-being.

Financial stability for people, families, and economic growth depends on financial literacy (Swiecka et al. 2020). Financial literacy affects the degree of insolvency, which is measured by economic indicators, including debt, savings, and financial management (Swiecka et al., 2020). Financial planning savings can reduce anxiety about readiness for death (Zaleskiewicz 2013). Savings is important when experiencing emergencies and being able to pay off debts after death. Retirement savings are an economic preparation for life after retirement and death (Hurd & Rohwedder 2016). Retirement money helps ensure the family's well-being after death. According to modern society, the accumulation of property is a factor in sustaining life and happiness. This is because health insurance is cost-effective in the healthcare industry (Davies et al. 2016). In Switzerland, health insurance is a method of coping with death for those with chronic diseases (Berlin et al. 2014).

The family's well-being is impacted by the family's readiness for unforeseen circumstances such as abrupt death, illness, and lack of insurance (Loke 2016). According to Loke (2016), 79% of people did not adhere to the basic standards for handling emergencies if they arose for at least three months. The importance of preparing for undesirable risks such as death and permanent disability is among the main factors in the insurance industry, which is why *takaful* was developed. The financial benefits of facing the unexpected can reduce the burden on the family and improve the quality of life.

Adults struggle with financial ignorance that compromises their long-term financial security. (Hanson & Olson 2017). This is due to how having financial awareness affects a family's readiness, concern for lifestyle, and lack of materialism. 25% of Malaysians, according to Ahmad and Omar (), have excessive credit card debt and poor financial management. Due to poor money management,

people in their 30s and 40s are more likely to have credit card debt.

## **Methods**

### **Settings and ethics approval**

Due to the COVID-19 epidemic and the panelists' comfort and consent, this survey was done online through Google Meet. The National University of Malaysia provided support for this research. The National University of Malaysia accepted the study's ethics. In a letter of appointment, the expert consents to being interviewed.

### **Study design**

Data for the study were gathered between 2021 and 2022. Because prior research was insufficient to investigate the readiness for death from a financial perspective, the qualitative grounded theory technique was adopted in this study. The Grounded Theory method allows for a conceptual understanding of readiness for death based on financial perspective and themes derived from the data collected. Interviews with experts in various fields (finance, economics, education, etc.) in Malaysia from different backgrounds were conducted using purposive sampling methods. Experts are selected based on their contribution to economic development, knowledge, experience, and expertise in their respective fields of knowledge.

The experts are Associate Professor Madya Dato' Dr. Mohd Izhar Ariff Mohd Kashim (Deputy Dean of Industry and UKM Alumni), Dr. Mohd Farid Mohd Shahrhan (Director of Institute of Islamic Understanding Malaysia (IKIM)), Prof. Datuk Dr. Noor Aziah Awal, an expert in family law Prof. Dr. Aisyah Abdul Rahman (expert in finance), Associate Professor Dr. Haniza Rais expert in counseling & grief, Dr. Kamaruddin Mohd Nor, economic scientist of Perbadanan Nasional Berhad (PNB), Prof. Dr. Intan Hashimah Mohd Hashim (expert in positive psychology), Prof. Dr. Marhani Midin (expert in psychiatry), Associate Professor Dr. Haniza Rais (expert in counseling and education), Prof. Dr. Dayang Anita Abdul Aziz (pediatrician and Director of Women Leadership) and Prof Madya Salleh Amat (expert in education).

## Procedures and data analysis

Experts are interviewed in-depth using an approach depending on their area of expertise. All conversations are transcribed, translated, and documented as audio, video, and research experiences. In this study, ten experts were interviewed, and each transcript was coded inductively by the researchers using the qualitative data analysis and research program (Atlas TI). The codes are compared in the study, and the discrepancy is settled by a conversation among the original coders. In-depth interviews with experts were also analyzed to identify any similarities and differences. Data analysis begins with collecting data.

The researcher listens to interviews and transcripts of data to improve also understanding of the study's data. Then, with a thorough reading of the transcript and a line-by-line analysis process, The open-coding process for identifying concepts related to death readiness and financial planning Data collection ends as soon as the data reaches a saturation level and no new concepts or categories are found. The next step is the axis code. The researcher needs to make an open code classification and classify the code. Positional coding starts with order-based transcripts. Next, the researcher will create categories of themes and sub-themes. Next is axial coding, which connects the concepts to the five main categories of measurement principle themes: economic preparation, taking out insurance, property accumulation, law, and partner trust.

## Findings and Discussion

### Taking care of the Heirs' Welfare

Islam establishes thorough regulations through faraid law to ensure the well-being of successors in accordance with the laws' faraid. In addition to granting a will to the legitimate acquirer (Musa 2017). In keeping with the opinions of financial experts, it is crucial to ensure the welfare of the heirs by distributing wills and appointing executors. In addition to granting a will to the legitimate acquirer (Musa 2017). In keeping with the opinions of financial experts, it is crucial to ensure the welfare of the heirs by distributing wills and appointing executors.

## Will

According to the research findings, making a will is essential for preparing for death. In contrast to civil law, Islamic law has a distinct concept of a will that is tied to religion (Nor Muhammad 2017). According to Islamic law, it is for the surrender or release of property (Aisyah 2019).

*“The will that my father created does not conflict with Islamic law. My father has fulfilled a Muslim obligation known as a will. The optimum method for dividing an estate in Islam is called faraid, or the division of property. My brother is interacting with Amanah Raya since my father appointed executors in accordance with Faraid law. I reside in Bangi, while my mother resides in Muar to facilitate the selection of executors, who will be my younger sister. There are issues if there are three or four distinct lands and all women receive an eighth because one land has eight different owners’ names. I had three kids and a spouse when I passed away “ (Prof Dr. Aisyah Abd Rahman).*

## Hibah

Hibah instruments have been applied to takaful products as provided in the Islamic Financial Services Act 2013 (Ismail et al. 2019). Hibah for the recipient based on affection Hibah reality is growing rapidly in Malaysia. That is because commercial companies such as Amanah As-Salihin offer hibah services and the distribution of inheritance (Azhar et al. 2018).

*“Based on the hibah wasiat made, it is necessary to state the things that need to be discussed in detail.” It is not expensive to create a wasiat and documents; for example, Amanah Raya costs between RM250 and RM500, depending on the promotion. Wasiat and documents do not burden society with a high price. Wasiat and documents do not burden society with a high price. The payment for documentation is worth RM 250, and the ASB grant has been reduced from RM 200 to RM 100. A lawyer can assist you in purchasing a home with a conditional hibah. We have to grab the opportunity to get the services of a lawyer when buying a house. The hibah has been implemented, but there are additional costs in addition to documentation. Heirs claiming grants or bequests after death have different charges”.*(Prof Dr Aisyah Abd Rahman).

*“Syarikat Amanah Raya has a rate for setting the first payment and a percentage according to rates. First, the payment is when the heir wants to claim the right to the executed will or hibah. Second, some early buyers*

*usually pay early but normally buyers pay later due to the possibility that the value of the bungalow will increase from RM 1 million to RM 2 million. A cost of 1 percent will be charged according to the market value at that time. Some individuals don't want house prices to rise and require early payments. Individuals who don't want house prices to rise high have early payments. Individuals who used Wassiyah Shoppee, as-Salihin Trustee Berhad service will be implemented without deducting the remaining money from the account. Later payments when the heir claims the right to the prices of a bungalow worth RM 2 million, one percent will charge to the payments. The cost of the company that was appointed to implement the hibah or wasiat will increase and depend on the current market value". (Prof Dr. Aisyah Abdul Rahman).*

### **Conditional Hibah**

In addition to wills and faraid, conditional gifts are frequently employed in the takaful business to address the estate administration issue. Conditional hibah has the potential to be a very effective instrument in estate planning. That is because conditional hibah instruments are more flexible and unrestricted than faraid and wasiat (Nor Muhamad et al. 2017). However, the problem of selfishness and property disputes will not be solved and cause families to fight (Nor Muhamad et al. 2017).

*"Today, the lack of male heirs means that the uncle inherits the estate and the niece receives a small inheritance." In Islam, uncles have a great responsibility for protecting their nieces. When uncles already had an inheritance, they were irresponsible to their nieces. The division of estate and hibah conditional was established because of neglected issues concerning the welfare of female heirs. Conditional hibah can be obtained by appointing a lawyer to purchase a house. Lawyers or financial management firms, such as As-Salihin and Wassiyah Shoppee, appoint a lawyer to manage four houses to be divided among the daughters to avoid fights. House values vary according to the market price and depend on the writer of the wasiat. (Prof Dr. Aisyah Abdul Rahman).*

This assertion is consistent with the statement made by Prof Madya Salleh Amat, who said:

*"when we already have passed away and don't want our loved ones to suffer".*

## Retirement

Financial planning of retirement money, knowledge, and family support affect the well-being of retirees and families (Adam et al. 2017).

Pensions are available after the death of a spouse. Children are also eligible to get pensions until they are 21 years old (Prof Datuk Dr. Noraziah Awal).

## Separate Salary

*“The spouse’s salary needs to be separated. Because after the death of the spouse, the joint account will be frozen. There was a case when the husband died and quickly withdrew the money, and the bank found out about the dead spouse. Therefore, the money must return to the bank because the account is frozen. The staff in question needs to open a new account for salary entry. The younger generation considers opening a joint account as a benefit in fact has a bad impact after the death of a spouse”* (Prof Datuk Dr. Noraziah Awal).

## Insurance

Insurance is a requirement for society in unexpected situations such as chronic diseases, accidents, and death (Rachmawati et al., 2021). In addition, life insurance reduces the debt burden after death and provides for spouses and families (Shukla et al. 2012). This statement, suitable based on the findings of economist Dr. Kamaruddin, stated that it reduces the debt burden.

*“Insurance and takaful policies after the death of a spouse will obtain remuneration, returns, and insurance and reduce the debt burden for the family. Do not have burdensome debt every month. Early preparation provides the necessary finances. In addition, the general public is becoming more aware of the value of insurance, or takaful.”*

## Takaful

The Malaysian government heavily encourages low-income people to take out takaful as the micro-family takaful program (Abdullah et al., 2021). A family’s financial security is guaranteed by a takaful certificate (Salleh et al. 2019).

*“Purchase a takaful for yourself and state the takaful has a value of RM350,000 in the will. Car companies suggest taking takaful to free heirs from the problem of debt”*. (Prof Dr Aisyah Abd Rahman).

*“The life insurance that I bought will pay off the condominium payment debt as a faraid to the heirs”.* (Prof Dr. Aisyah Abd Rahman).

### **Passive Income**

Investments generate passive income and create wealth. Investment is important in financial planning for the long term as well as in the development of the economic system (Abdullaevich 2020). Economists also support side opinions with investments. Passive income consists of dividend investments, which we can get from Amanah Saham Nasional Berhad (ASNB) investments. At the end of the year, we will get 5 percent or 4.5 percent. We invest monthly money, which is handed over to a professional money manager to manage it. (Dr. Kamaruddin). Investment money can be distributed in the form of dividends. Community awareness of the importance of generating income in the current economic situation is increasing. (Dr. Kamaruddin).

### **Accumulation of property**

The accumulation of wealth based on shares, properties, and houses is very important in long-term planning.

*“I have an opinion on accumulating wealth in case of illness to be ready for the unexpected. I made a will in 2016. I looked at my late housemate, and immediately make a will”.* (Prof Dr Dayang Anita Aziz).

### **Checklist**

*“First, I will list all my bank accounts and salaries near the bank. Then, I will list bank accounts, savings, and purchased assets, such as asset houses and government deductions. If we buy a condominium as an investment, the bank statement will list them. I’ll list the bank account, that’s it. What account do I buy? All types of cars will be listed”* (Prof Dr. Aisyah Abd Rahman).

*“Second, I will list all the investment money of Amanah Sham Nasional Berhad (ASB). I will list the account, the last account number, and Lembaga Tabung. Trust shares, such as public mutual funds or Rakyat Bank, that we have purchased and used, will be included in the list. Checklist, I will enter the investments I have”* (Prof Dr. Aisyah Abd Rahman).

*“Thirdly, I’ll talk about all grants—including those for cars, lands, and other grants things are kept together. There will be a list of medical*



*takaful and children's education". (Prof Dr Aisyah Abd Rahman).*

*"The list of medical takaful and children's education must be listed to make it easier for the children, heirs like my husband will know information about finance and grants if I die. I will list the agent number of all the takaful that I joined" (Prof Dr. Aisyah Abd Rahman).*

*"Then I will list the conditional hibah I have made, for example, to ASB Bank. My conditional grant with ASB will determine the grantee if anything happens to me. So the distribution of grants no longer depends on the faraid law. The reason for the distribution of faraid will refer to the heirs, and the conditional is free. Because to be distributed to anyone according to the owner. I list ASB conditional hibah in Lembaga Tabung . I made a conditional hibah to nominees and Islamic bank shares and will state them." (Prof Dr. Aishah Abdul Rahman).*

*"I will list my card's ATM PIN. If the children die in an emergency, they want to wait for the faraid property, waiting a long time for the continuation of life. When an individual obtains a death certificate, an institution can detect it; however, the reality is that I have also been able to obtain information from the bank as long as the bank's system does not have a link indicating that individual A has died, then the money can be withdrawn" (Prof Dr. Aishah Abdul Rahman).*

*"The heirs who act as executors; for example, I have an eldest son who is 22 years old and has not yet worked. For life support, one can spend as much as RM1000–2000 to buy food and care for the body. Making a feast will cost money, and so on. So I will list the PIN near the checklist for emergencies." (Prof Dr. Aishah Abdul Rahman).*

*"I will list the number of garden parishioners to contact for funeral purposes. Individuals participate in facilitating funeral arrangements. A checklist for the afterlife makes it easier for heirs to manage death" (Prof Dr. Aishyah Abd Rahman)*

*"Wise people are those who remember death. wise persons, irrespective of age. We should plan based on the checklist I have listed" (Prof Dr. Aishah Abd Rahman)*

## **Property Management**

*"The community does not understand the management of the inheritance as it requires a lawyer to solve it" (Prof Datuk Noraziah Awal)*

## Handing over Property

*“My father has divided all the property and changed the name of the owner of the property, such as the house, to the family” (Dayang Anita).*

## Planning Property

That is an adaptation of the statement of financial expert Prof Dr. Aisyah Abdul Rahman, who stated:

*“The division of inheritance needs an open heart. There must be an agreement with other families. The value of assets received equally at the current price. If the situation does not have enough assets, you can add money. When I was dead, no one was sad about the division of inheritance” [Prof Dr. Aisyah Abd Rahman].*

*“Property planning for preparedness by hibah and wasiat individuals who are ready to die will care about the properties of the families” (Dr. Mohd Farid Shahran).*

## Savings

*“Individuals who are readiness for death, such as Hibah and Wasiat, will be concerned about their families’ properties. We investigate the reasoning behind the disparity between B40 income and monthly salary. If you earn RM 10,000 per month or RM 12,000 if you die, you should set aside money for the family left behind to begin a new life for at least a year. If within one or two months, the period is too short because looking for a job takes at least six months. When a family member dies, the family finances are affected due to a lack of funds, which causes depression and psychology to take a long time; it takes 6 to 1 year to begin a new life. That’s because when we go to the bank, is there an ASB loan for RM30,000–RM50,000? Individuals with a salary above RM2000 may not be able to borrow with Maybank ASB and cannot borrow as much as RM200000 due to their low salary and not being able to pay a monthly” [ Dr. Kamaruddin]*

*“Prepare for ourselves when we die. We don’t want our children to be difficult. Like that, at least we have a foundation in terms of the family; the children’s schools are finished; they get an education, and they have some finances. If we have died, there is no debt bank, and so on. Because the amount of property to be divided is small, property disputes are avoided. So we are ready to die when we experience the deaths of family and friends” [ Prof Madya Salleh Amat].*

*“Scammers take advantage of vulnerable people in order to generate income in difficult economic times. People wanted to get rich quickly in the 1980s, so they invested RM 1000 to get RM 100,000. Some have more than a hundred billion. Most of the people who are deceived are Bumiputera Malays” (Dr. Kamaruddin).*

*“My father used to put money underneath the mattress to manage death. I did not use the money for the funeral and gave it to my mother” (Prof Datuk Dr. Noraziah Awal).*

### **Savings that are difficult to withdraw**

*“I will put my salary in the hajj fund due to withdrawing money. I will make savings for my husband and children amounting to RM 500 every month because it is a discipline in life. We need to learn about finances and try to learn about the advantages of the accounts we have. If the money is not in the account, it leads to spending habits” (Prof Datuk Dr. Noraziah Awal).*

### **Lifestyle**

*“The safe value of savings to children after death is a subjective matter that varies according to lifestyle. A healthy lifestyle was essential in teaching children to be frugal.” (Prof Dr. Aisyah Abd Rahman).*

### **Financial Literacy**

*“For side income, we need to look at return and risk. The investment will have risks. However, the risk of facing death is reduced with the preparation of children’s education, long-term planning, and a low-risk rate with a satisfactory rate of return; therefore, we need to put money into a licensed or professional financial manager” (Dr. Kamaruddin).*

### **Investment**

Knowledge and attitudes toward finance influence the decision to make long-term plans such as investments (Hasunuh & Putra, 2020). That is in line with the statement of financial expert Prof Dr. Aisyah Abdul Rahman.

*“Assets such as houses are long-term gifts to give to children or short-term investments” (Prof Dr “Aisyah Abdul Rahman)*

*“Our investment starts with Amanah Saham Malaysia” (Dr. Kamaruddin).*

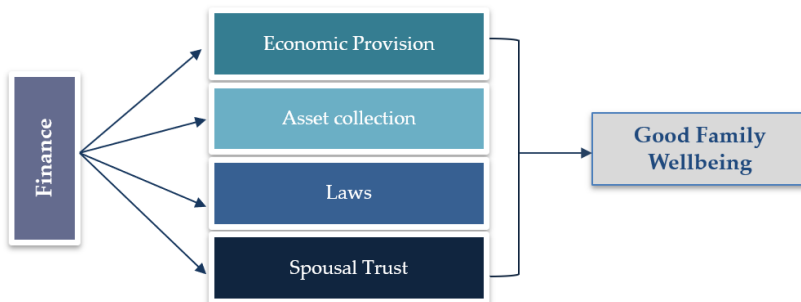
**Law**

*“I used to campaign on inheritance and was involved with Amanah Raya. We can name nominees to manage the inheritance managed by Amanah Raya. For example, the house I live in is a trust I will give my children. After I died, the properties did not need to be divided in a faraid way for the family. I made a wasiat not to inherit the children. When my children are adults, I will call my children and sign the document. When the children agree, the property given during my life will be divided after my death. I still have my mother I will give property 1/6 for my mother if I die. We can make an intestate wasiat except for the 1/3, left to people who do not get properties” (Prof Datuk Dr. Noraziah Awal).*

**Trust**

*“Couples need to trust each other like they would when making a loan to buy land. There are cases of people making loans without a loan shark license due to having no money to pay and having to hide. The loan shark extorted her wife to pay her husband’s debt because the husband was hiding. There is a case in the newspaper of a woman imprisoned for seven years. She worked as the head of the post office or bank in Cyberjaya due to a breach of trust. Her husband is a bank employee who stopped wanting to do business and made loan shark loans. Due to not being able to pay her husband’s debt, she disappeared. Loan sharks look for wives, blackmail wives, and threaten to rape their children. Because he was surrendered and self-punished for seven years, broken trust usually carries a prison sentence of 10 to 15 years” (Prof Datuk Dr. Noraziah awal).*

**Figure 1: Conceptual Framework**



The diagram above explains the readiness to face death based on financial planning. Financial planning entails caring for family heirs, purchasing insurance, acquiring property, adhering to the law, and putting your spouse's trust in the hands of experts in various fields. Financial planning has a positive impact on family well-being and a good death.

### **Discussion of the study**

In this journal, the researcher used in-depth interviews to examine the factors of financial readiness to face death (taking care of welfare heirs, taking insurance, side work, lifestyle, law, and trust in a spouse) in Malaysia. In this journal, researchers look at aspects of self-death's impact on family well-being and a good death. This journal contributes to the literature on readiness for self-death based on financial aspects. The researcher proposed a framework using "Grounded Theory" for readiness for self-death based on financial aspects to be a reference for the community.

First, take care of the heirs of virtue in readiness for self-death. Based on this study, finance, economics, psychiatry, and education experts suggest that "a will consists of property, wasiat, hibah, conditional hibah, and property that has a positive effect, such as overcoming financial problems." This finding is in line with the previous study on the importance of keeping heirs' welfare and giving to those entitled to inherit property (Musa 2017; Muhammad Asni et al. 2016). Conditional hibah is a more flexible property planning method and is preferred among the Muslim community in Malaysia (Nasrul Hisyam et al. 2017). Institutions that manage conditional grants include Amanah Raya Berhad (ARB), Wasiyyah Shoppe Berhad, as-Salihin Trustee Berhad, CIMB, Tabung, Amanah Saham Nasional Berhad (ASNB), and Prudential BSN Takaful Berhad (Othman et al. 2017). Property planning is very important to avoid fighting between families and to be fair in the division of inheritance (Kambol 2019).

In addition, leave enough property to the family and those who have the right to get it (Nur et al. 2021). After the death of a spouse and children, those who are 21 years of age or younger and still single are eligible for a pension from the Retirement Fund (2022). They suggest a wasiat (or wasiyah) for real estate planning. Hibah proposals represent faraid estate planning. The legal division of Islamic inheritance (Farid) is used in Islam in the fair division

of inheritance (Abubakar 2019). In Malaysia, waqf consists of land that contributes to economic growth and generates income (Ibrahim et al. 2016). Property management through hibah instruments can strengthen social relationships in the community (Nasrul et al. 2017).

A study by Ketkaew et al. (2019) suggests the accumulation of financial assets such as stocks, real estate, and investments in side income for long-term planning. The COVID-19 pandemic is driving consumer behavior to be more materialistic in buying branded items [Moldes et al., 2022]. Moldes et al. (2022) give recommendations for reducing materialistic behavior and focusing more on health and well-being. In Germany, a good level of health needs a lifestyle that affects the quality of life as well as post-materialistic values [Kolves et al. 2006]. A healthy lifestyle plays a role that is important in the prevention of chronic diseases and community disability in Malaysia [Fernandez et al. 2019].

Second, insurance and takaful play roles in risk management when dealing with the unexpected, such as death. Insurance and takaful eased the family's financial burden. Zulkifli et al. (2019) and Aziz (2017) describe how insurance solved debt problems after death in this finding statement. Insurance protects insured individuals from expected events such as sudden death (Lajuni et al., 2020). ASB is a popular investment in Malaysia that strengthens finances and cultivates character, saving it for alternative storage (Kassim & Ariffin 2020). Individual and community preparedness for death is increasing with the purchase of insurance, which is influenced by the death experience of the family (Song et al., 2019).

The third is that wealth accumulation was essential to be divided among the families fairly and equally. Property accumulation, property management, and handing over property are important practices among Malaysians, especially the Muslim community. Nasr (2015), Talib (2016), and Luqman et al. (2016) discuss inheritance planning from the accumulation of properties and their management up to the division of inheritances. Estate planning becomes an obligation for every Muslim in Malaysia because there are risks before and after death. Property management requires individuals to understand that management takes time and money. The community needs an understanding of property management; the appointment of an executor requires payment according to Section 43, and the executor can charge a "commission" or estate management fee of up to 5% of the value of the inheritance at death. Property planning

prepares early for property distribution due to the possibility of sudden death. Property planning consists of the division of property by the property owner during his lifetime (Alias, 2017).

The fourth factor is important savings for family supplies, especially for children after death. KWSP savings are a guarantee for loved ones to ease the financial burden after death (KWSP 2022). Financial literacy is influenced by socioeconomic factors such as income, employment, and psychological factors. The perception of the future significantly affects financial knowledge (Kadoya & Khan, 2020). A study by Yusoff et al. (2021) found that 10.8% of people in urban Malaysia have enough savings to face “financial shocks” due to unexpected factors such as job loss, economic crisis, physical disability, and death. Families need to nurture their children to save money and make savings at the Lembaga Tabung. A study by Kasim et al. (2020) found that young people are aware of making savings, especially in banks, which are 49.34%, Lembaga Tabung (26.41%), and gold savings (0.13%).

The fifth is the legal factor in the division of a wasiat. Wasiat shares some similarities with Amanah Raya Berhad (ARB) in terms of the appointment of executors, the purpose of enactment, cancellation, and termination of the contract, and both are related to civil law (Abdullah et al. 2021). Grant of trust property with a rate of 1/3, consent to wills to heirs, custody of minors, acts, and enactments, and flexibility in property planning for which property is purchased, assigned or pledged to a financial institution or bank as collateral (Abdullah & Awang 2021).

The sixth factor consists of the husband and wife trust each other’s property, and finances were important to overcome problems before and after death. The issue arises from the misunderstanding of the spouse, which causes the neglect of responsibilities and maintenance because they think that the wife has her own source of income (Firdaus Abdul Gani 2020). Issues that often occur in relationships are attitude and financial management, neglect of responsibility, communication, conflict management, or differences of opinion (Nur Faedah & Bahiyah, 2022).

#### Conclusion and Recommendation

Financial planning is important for individuals and communities in readiness for death. Early death preparation is necessary for the family’s well-being in overcoming debt, especially after a death or a sudden death. This early readiness for death has benefits for families

and society.

A thrifty way of life must be instilled in the family through financial education. This practice is important in forming the personality trait of having a frugal lifestyle. The importance of savings and taking out insurance are important in overcoming unexpected problems such as sudden death, chronic illness, and debt. Community knowledge about the division of inheritance and wills so as not to procrastinate and be concerned about the division of inheritance. That is because the issue that often arises is the poverty of single mothers and orphans due to fights over the division of inheritance.

In addition, the division of inheritance takes a long time and requires a conditional hibah to continue their marriage and responsibilities to the children after the deaths of their spouses. Studies on the readiness to self-death based on financial aspects have not yet been widely conducted. In conclusion, five principles were identified as guidelines for preparing for financial self-death. Based on the aspects discussed, it becomes a guide for individuals and society to be more prepared for self-death. Accordingly, this study can be continued by diversifying the involvement of participants in future studies.

The findings of the study found that, based on the expert's view as a whole, taking care of the heirs of the family's welfare consists of law and financial planning in readiness for death. There are research limitations to this study because it is based on the opinions of experts and requires that the public overcome issues related to financial planning readiness for death. This journal does not go into detail about current issues related to financial planning for self-death for families and communities. For new studies, the researcher suggests examples of quantitative studies and mixed-method methods, and community perceptions provide more extensive information.

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