

## **Financial Crisis as a Factor of Stress and Conflict among *Asnaf* Families in Perlis**

**Nurul Naimah Rose<sup>1</sup>\*, Aida Shakila Ishak<sup>1</sup>, Nur Hidayah Marzuki<sup>1</sup>**

<sup>1</sup>Faculty of Business & Communication, Universiti Malaysia Perlis (UniMAP), Kangar, Perlis, Malaysia

\*Corresponding author: Nurul Naimah Rose (naimahrose@unimap.edu.my)

### **ABSTRACT**

This study explores the impact of financial crisis on stress and conflict among *asnaf* families in Perlis. Using a qualitative approach, in-depth interviews were conducted with 10 families registered under *asnaf* assistance programs with Perlis religious council. The findings highlight how financial instability exacerbates psychological distress, generates inter-family conflicts, and affects coping strategies. Four main themes emerged; financial hardship and psychological stress, economic strain and family conflict, coping mechanisms and resilience and lack of financial aids. The study provides insights for policymakers to design targeted interventions for vulnerable families.

**Keywords:** Financial Crisis, Family Stress, Family Conflict, Poverty, Coping Mechanisms

### **1. Introduction**

Financial crisis is often associated with increased vulnerability among low-income families, particularly those categorized as *asnaf* under zakat institutions. *Asnaf* families, who depend on limited income and external assistance, are more likely to experience stress and conflict when facing unstable financial conditions. In the context of Perlis, financial challenges such as unemployment, rising living costs, and debts exacerbate the strain within households. This study seeks to understand how financial crisis acts as a factor contributing to stress and conflict in *asnaf* families, and how they cope with such pressures.

The relationship between financial hardship and family well-being has long been recognized in social science literature. Conger et al. (2010), through the family stress model, demonstrated that economic strain creates a “family stress process” in which limited resources trigger psychological distress and conflictual interactions within households. Similarly, Voydanoff (1990) noted that financial pressure often spills over into family dynamics, increasing tension between spouses and reducing emotional availability to children. In Malaysia, the situation is particularly complex as financial struggles among *asnaf* families intersect with structural issues such as limited job opportunities, rising consumer prices, and dependence on external aid (Ahmad et al., 2019). These conditions increase the vulnerability of families, making them more exposed not only to material deprivation but also to emotional and relational challenges.

Despite numerous initiatives by zakat institutions and government agencies to provide financial assistance, many *asnaf* households continue to struggle. The assistance, while helpful, is often insufficient to meet the increasing demands of daily living, children's education, and healthcare expenses. Furthermore, the stigma attached to poverty and welfare dependency sometimes deepens the psychological burden, creating feelings of shame, inadequacy, and hopelessness (Nor & Ismail, 2021). In such contexts, financial crisis cannot be viewed merely as a lack of monetary resources but as a multidimensional phenomenon that reshapes family dynamics, communication patterns, and coping behaviours.

This study critically examines the impact of financial crisis on stress and conflict among *asnaf* families in Perlis, adopting a qualitative approach to capture their lived experiences. By exploring the voices of affected families, the research highlights not only the struggles but also the resilience strategies employed to survive under persistent financial strain. In doing so, the study contributes to a deeper understanding of how economic pressures influence family well-being, offering insights that can inform social work practice, poverty alleviation programs, and policy development. The findings are intended to provide a nuanced perspective on poverty, emphasizing the need for integrated interventions that address both financial and psychosocial dimensions of vulnerability.

While stress and conflict in families may arise from multiple factors such as interpersonal issues, health problems, or parenting challenges, this article focuses specifically on financial crisis as the central driver of distress among *asnaf* households. This focus is grounded in the recognition that economic insecurity often acts as a root cause that exacerbates other family difficulties. For low-income families, financial hardship is not merely an external pressure but a persistent reality that shapes daily decision-making, emotional well-being, and relational stability. By narrowing the scope to financial crisis, this study emphasizes the structural and material dimensions of family stress, highlighting how persistent financial strain can destabilize even the most resilient households.

### **1.1. Statement of problem**

Financial insecurity is a major stressor that threatens family stability, particularly among *asnaf* households in Malaysia who rely on limited income and zakat assistance. In line with the Family Stress Theory, financial strain often acts as a precipitating factor that disrupts family functioning, creating tension in relationships and increasing the likelihood of conflict (Conger et al., 2010). For *asnaf* families in Perlis, challenges such as unemployment, rising living costs, and mounting debts amplify stress within households and reduce their capacity to cope effectively (Biju, Diya Susan & Veerta Tantia, 2024; DOSM, 2022). These conditions not only affect individual psychological well-being but also contribute to marital disagreements, intergenerational disputes, and weakened family cohesion (Zakaria & Hassan, 2022).

Although stress and conflict may stem from multiple sources, financial crisis remains the most persistent and structural factor influencing family dynamics among *asnaf* households. In Perlis, where poverty incidence is comparatively high, the inadequacy of financial support and instability of income further intensify vulnerability, pushing families into stress and conflict (Abdullah et al., 2019). Despite its significance, there is limited empirical research that explores how financial

crisis directly contributes to stress and conflict among *asnaf* families. Addressing this gap is essential for advancing theoretical understanding and informing zakat institutions, policymakers, and practitioners in designing interventions that not only provide financial relief but also strengthen family resilience in the face of chronic economic hardship.

## **2. Literature review**

The *asnaf* group, recognized under zakat institutions in Malaysia, represents individuals and families living in poverty or facing severe economic vulnerability. While zakat is intended to alleviate hardship, many *asnaf* households continue to struggle with unstable income, lack of assets, and dependence on financial aid (Zailani, Satar, Zakaria, & Rasiah, 2024). In states such as Perlis, where poverty incidence is relatively higher compared to wealthier states, *asnaf* families face persistent socio-economic challenges, making them particularly vulnerable to financial shocks. The multidimensional nature of poverty among *asnaf* including inadequate housing, low education, and unstable employment further complicates their ability to achieve sustainable well-being, leaving families caught in cycles of deprivation and vulnerability.

Research shows that financial crises exert a direct influence on family stress. Among low-income households, irregular income, unemployment, and rising cost of living have been identified as significant predictors of financial stress (Salim, Md Yatim, & Abu Said, 2024). The Family Stress Theory suggests that when families face economic hardship, their ability to manage daily life diminishes, which increases stress levels and weakens family resilience (Conger, Conger, & Martin, 2010). For *asnaf* families, financial instability is not temporary but chronic, creating continuous pressure on household functioning. In Perlis, where employment opportunities are limited and wages are often low, financial hardship frequently translates into heightened psychological distress for both parents and children.

Studies indicate that when financial resources are insufficient, tensions within households increase, often manifesting in marital disputes, disagreements over spending priorities, and strained parent-child relationships (Zakaria & Hassan, 2022). In the context of *asnaf* families, this conflict is intensified by feelings of powerlessness and dependence on external assistance such as zakat. Research on Malaysian low-income families highlights how debts, unmet needs, and the inability to provide for children's education or healthcare become major triggers for arguments and dissatisfaction within households (Mainal, Shahairul, Karim, & Nordin, 2024). Thus, financial crisis operates not only as an economic challenge but also as a relational one that destabilizes family dynamics.

Another critical dimension is the inadequacy of financial aid. While zakat and government assistance aim to relieve the burden of poverty, studies suggest that such aid often remains insufficient or inconsistently distributed, limiting its capacity to address long-term needs (Ramli, Hassan, Noordin, & Abdul Razak, 2024). For many *asnaf* families in Perlis, assistance provides temporary relief but does not eliminate the structural vulnerabilities that cause recurring financial stress. This lack of sustainable support perpetuates dependency and leaves families at risk of repeated crises, further intensifying household conflict and stress. Moreover, the mismatch between aid distribution mechanisms and the actual needs of recipients often creates frustration and feelings of exclusion among *asnaf* communities.

Taken together, the literature indicates that financial crisis is a central factor influencing stress and conflict among *asnaf* families. In Perlis, the combination of high poverty incidence, limited employment opportunities, rising costs of living, and inadequate aid mechanisms exacerbates the strain on households. While prior studies have explored poverty and zakat distribution broadly in Malaysia, few have specifically examined how financial crisis directly impacts family relationships in the *asnaf* community. Addressing this gap is crucial not only for advancing academic understanding of family stress in low-income groups but also for informing policymakers and zakat institutions in designing targeted interventions that strengthen family resilience while addressing the root causes of financial vulnerability.

### **3. Methodology**

This study employed a qualitative case study design to explore stress and conflict among *asnaf* families in Perlis, with particular attention to financial crisis as a contributing factor. A total of 10 families registered under the State Islamic Religious Council as *asnaf* were selected through purposive sampling. The selection criteria included; (i) families officially recognized as *asnaf*, (ii) households experiencing ongoing financial hardship such as unemployment, unstable income, or debt, (iii) families with at least one dependent child, and (iv) willingness to participate in interviews and share personal experiences. These criteria ensured that participants could provide rich, relevant insights into the interplay of financial crisis, stress, and family conflict.

Data were collected using in-depth, semi-structured interviews conducted with the head of the family and, where relevant, spouses or other adult members. Each interview lasted between 60 to 90 minutes and was conducted in the participants' homes to create a comfortable environment. The interviews explored financial challenges, stress experiences, conflict dynamics, and coping strategies. All sessions were audio-recorded, transcribed verbatim, and analysed thematically using Braun and Clarke's thematic analysis framework (Terry, G., Hayfield, N., Clarke, V., & Braun, V, 2017). To enhance trustworthiness, strategies such as member checking, triangulation of perspectives, and reflexive journaling were employed, ensuring credibility, dependability, and authenticity of the findings.

### **4. Findings and Analysis of Results**

The analysis of in-depth interviews with ten (10) *asnaf* families in Perlis revealed several interconnected themes that highlight the role of financial crisis in shaping family stress and conflict. Thematic analysis identified four (4) major themes; financial hardship and psychological stress, economic strain and family conflict, coping mechanisms and resilience and lack of financial aids. These themes are interrelated, illustrating that financial crisis not only disrupts daily survival but also creates lasting emotional and relational consequences. Limited economic resources not only disrupt daily survival but also generate psychological distress, tension in marital relationships, and conflicts in parent-child interactions. The following sections present each theme in detail, supported by participants' narratives to illustrate their lived experiences.

#### **4.1. Theme 1: Financial Hardship and Psychological Stress**

Participants consistently described their financial hardship as a direct source of psychological stress. The absence of stable income and the constant struggle to meet basic needs such as food, school expenses, and rent created feelings of anxiety, helplessness, and mental exhaustion. Stress was not limited to the breadwinner but affected the entire family, as children and spouses absorbed the emotional tension.

*“When money is short, I cannot sleep at night. I keep thinking about what to eat tomorrow or how to pay the bills. The children notice my mood, and sometimes I get angry easily even though it’s not their fault.”* (Participant 4, Male, 41)

This theme highlights how financial hardship directly contributes to heightened psychological distress, lowering overall family well-being.

#### **4.2. Theme 2: Economic Strain and Family Conflict**

The economic challenges faced by *asnaf* families often led to conflict within the household. Disagreements between spouses commonly arose regarding financial priorities, while children’s unmet needs sometimes triggered arguments. Many participants linked marital strain and quarrels directly to financial shortages.

*“Most of our arguments are about money. My husband says I spend too much, but actually the money is just not enough. Even buying school shoes can turn into a fight.”* (Participant 7, Female, 36)

This theme shows that financial strain not only reduces household stability but also increases the likelihood of interpersonal conflict, creating cycles of tension.

#### **4.3. Theme 3: Coping Mechanisms and Resilience**

Despite their challenges, families demonstrated resilience through coping strategies such as relying on extended family networks, spending wisely, and strengthening their faith. Religious practices, particularly prayer and patience, were frequently mentioned as ways of maintaining hope. Some families also developed resilience by adjusting expectations and prioritizing essentials over other needs.

*“When things are difficult, I remind myself to be patient. We pray and believe Allah will provide. Sometimes neighbours help with food, and that gives us strength to carry on.”* (Participant 9, Female, 40)

This theme illustrates the adaptive strategies families use to endure stress, reflecting resilience even in prolonged financial hardship.

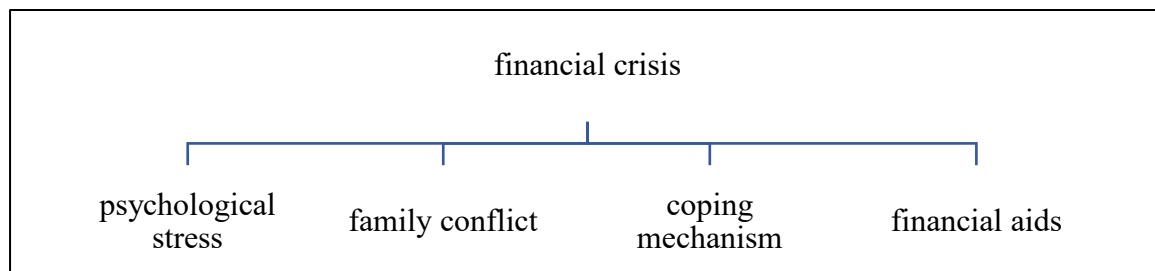
#### 4.4. Theme 4: Lack of Financial Aids

Several participants voiced dissatisfaction with the level of assistance provided, especially from zakat institutions. Aid was often described as irregular, inadequate, or insufficiently aligned with families' needs. This perceived gap contributed to feelings of neglect and heightened vulnerability, reinforcing stress and conflict in the household.

*"Yes, we get zakat, but it's not regular and it's too little. After buying school supplies and rice, it's gone in one week. We feel left out after that."*  
(Participant 2, Male, 39)

This theme underscores the importance of reliable and sufficient financial aid as a buffer against stress and conflict, and its absence increases the difficulties faced by *asnaf* families. To illustrate these interconnected findings more clearly, a thematic framework was developed, as presented in Figure 1, which highlights the role of financial crisis as the core factor influencing stress and conflict among *asnaf* families in Perlis.

Figure 1: Thematic framework for Financial Crisis.



The thematic framework illustrates the interconnected relationship between financial crisis and the challenges faced by *asnaf* families in Perlis. At the centre of the framework lies the financial crisis, which acts as the core condition influencing the daily realities of these households. From this central issue, four main themes emerged. First, psychological stress relating to financial hardship highlight how unstable income, debts, and unemployment directly contribute to feelings of anxiety, sadness, and helplessness among family members. Second, family conflict demonstrate how limited financial resources often trigger disputes within households, including disagreements between spouses, tension in parenting, and strained family communication. Third, coping mechanisms reflect the strategies employed by families, such as relying on social support, religious faith, and adjusting daily consumption to manage stress and maintain harmony. Finally, lack of financial aids underscores the perception among participants that existing assistance is insufficient, irregular, or not well-targeted, leaving them vulnerable during financial shocks. Together, these themes show how financial crisis not only exacerbates vulnerability but also shapes the psychosocial dynamics of *asnaf* families. The framework therefore provides a holistic understanding of how poverty-driven stress and conflict emerge, as well as the coping strategies families adopt in response.

The findings of this study reinforce the applicability of the Family Stress Model (Conger et al., 2010), which posits that financial strain contributes to emotional distress and conflict within

households. The themes of *financial hardship and psychological stress* as well as *economic strain and family conflict* clearly demonstrate this connection, as participants frequently associated financial instability with heightened anxiety, tension, and quarrels among family members. This is consistent with previous research in Malaysia that highlights how low-income households, particularly *asnaf* families, often face significant psychosocial burdens due to limited resources and rising living costs (Johari, M., Azim, N., & Wahid, H., 2025). The findings therefore contribute empirical evidence to the growing body of literature that links financial difficulties with stress and family dysfunction in vulnerable communities.

At the same time, the themes of *coping mechanisms and resilience* and *lack of financial aids* emphasize the importance of social support structures and institutional assistance in mitigating the negative impact of financial crises. While some families displayed resilience by adjusting their lifestyle and drawing strength from religious and social networks, many still expressed dissatisfaction with the adequacy and accessibility of financial assistance programs. This echoes earlier studies that argue for more sustainable and targeted aid distribution by zakat institutions and government bodies (Mustamin, et. al., 2025). Thus, the thematic framework developed in this study not only illustrates the direct impact of financial crises on stress and conflict but also underscores the critical role of external support in strengthening family resilience.

## **5. Conclusion and Recommendation**

This study highlights the profound impact of financial crisis on stress and conflict among *asnaf* families in Perlis. The findings show that financial instability is not merely an economic issue but a multidimensional challenge that affects psychological well-being, family relationships, and overall household stability. The four themes that emerged *financial hardship and psychological stress*, *economic strain and family conflict*, *coping mechanisms and resilience*, and *lack of financial aids* provide a holistic understanding of how financial struggles shape the lived experiences of vulnerable families. These insights extend the understanding of family stress and conflict within the local *asnaf* context, while also supporting theoretical perspectives such as the Family Stress Model. In light of these findings, several recommendations can be made. First, zakat institutions and relevant government agencies should strengthen the effectiveness, consistency, and targeting of financial aid to ensure that it meets the real needs of *asnaf* families, especially during times of crisis. Second, family-focused support programs, such as counselling, stress management workshops, and financial literacy training, should be introduced to reduce the negative effects of financial strain on family dynamics. Third, enhancing access to sustainable livelihood opportunities, including skills training and microenterprise support, may help families build resilience and reduce dependency on irregular assistance. By integrating financial support with psychosocial and capacity-building interventions, policymakers and practitioners can better support *asnaf* families in managing stress, preventing conflict, and fostering long-term resilience.

## **Acknowledgment**

The authors would like to acknowledge and extend special gratitude to the Faizuddin Centre of Educational Excellence (FCoEE), MAIPs who granted the Short-Term Grant Scheme Phase 2, 2024.

## **References**

Abdullah, N., Ismail, S., & Mohd Noor, A. (2019). *The effectiveness of zakat distribution in alleviating poverty among asnaf in Malaysia*. International Journal of Zakat and Islamic Philanthropy, 1(2), 15–28.

Ahmad, N., Yusof, R., & Rahman, H. (2019). Poverty and family well-being: A study among zakat recipients in Malaysia. *Journal of Islamic Social Sciences*, 14(2), 45–58.

Biju, Diya Susan, and Veerta Tantia. (2024) "The path to resilience: Exploring household financial vulnerability." *Contemporary Research and Practices for Promoting Financial Literacy and Sustainability*. IGI Global. 20-49.

Conger, R. D., Conger, K. J., & Martin, M. J. (2010). Socioeconomic status, family processes, and individual development. *Journal of Marriage and Family*, 72(3), 685–704. <https://doi.org/10.1111/j.1741-3737.2010.00725.x>

COVID-19 pandemic: A case study of Malaysia. *Journal of Risk and Financial Management*, 17(12), 544. <https://doi.org/10.3390/jrfm17120544>

Department of Statistics Malaysia (DOSM). (2022). *Household income and basic amenities survey report 2022*. Putrajaya: DOSM.

Johari, M., Azim, N., & Wahid, H. (2025). Classification of the Homeless as one of Asnaf Zakat: A Case Study of the Federal Territory of Kuala Lumpur. *International Journal of Research and Innovation in Social Science*, 4273-4287.

Terry, G., Hayfield, N., Clarke, V., & Braun, V. (2017). Thematic analysis. *The SAGE handbook of qualitative research in psychology*, 2(17-37), 25.

Mainal, S. A., Shahairul, M. A. I., Karim, N. I. A., & Nordin, N. (2024). Household financial strain in Malaysia: Investigating the drivers of elevated cost of living. *International Multidisciplinary Business Review*, 1(2), 101–115.

Mustamin, S. W., Mansyur, F., Ridwan, M., Amri, U., & Fitrayani, F. (2025). The role of zakat in Islamic macroeconomics: A fiscal instrument for stability during global economic crises. *Journal of Islamic Economics Lariba*, 11(1).

Nor, M. N. M., & Ismail, Z. (2021). The psychological impact of poverty among zakat recipients in Malaysia. *Malaysian Journal of Social Sciences and Humanities*, 6(5), 120–131.

Ramli, W. N. W., Hassan, R., Noordin, N. H., & Abdul Razak, M. Z. (2024). Sustainable mechanisms of distributing financial assistance to asnaf and B40 entrepreneurs in Malaysia: Case study of Bank Rakyat. *International Journal of Islamic Banking and Finance Research*, 6(1), 45–56.

Salim, A. S., Md Yatim, N., & Abu Said, A. M. (2024). The relationship between sociodemographic attributes and financial well-being of low-income urban families amid the Zakaria, N., & Hassan, H. (2022). Financial stress and family well-being: A Malaysian perspective. *Malaysian Journal of Social Sciences and Humanities*, 7(8), 112–124. <https://doi.org/10.47405/mjssh.v7i8.1832>

Voydanoff, P. (1990). Economic distress and family relations: A review of the eighties. *Journal of Marriage and Family*, 52(4), 1099–1115.

Zailani, M. N., Satar, N. H. M., Zakaria, R. H., & Rasiah, R. (2024). The multidimensional poverty characteristics of the poor and destitute asnaf in Kuala Lumpur. *International Journal of Business and Society*, 25(1), 133–150.