Compliance behaviour on Zakat donation: A qualitative approach

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Abstract. Zakat is a mandatory charity that is paid by every Muslim as part of their duty to the creator. This study examines the compliance behaviour on zakat donation. The study further defined compliance in term of religious obligation among the Fakulti Ekonomi dan Pengurusan academicians at Universiti Kebangsaan Malaysia (UKM) using a qualitative approach. This study used interview methods with saturated sample size. The findings of this research revealed there is a diversity of commitments and obligations for compliance behaviour on zakat donation. Amongst the universal themes of zakat paying motivations namely; religious duties, knowledge about the zakat donation into the poor, confidence in the fair disbursement of zakat collection to Asnaf, a blessings from Allah, assisting Muslim society, the inspire of zakat administrators, tax repayment incentive, cleanse one’s revenue and wealth, and control of spiritual teachers. The research suggested that more empirical studies should be done within the area of compliance on zakat donation using a qualitative method since the majority of the prior studies on zakat compliance only focused quantitative method. This study also recommends the future studies might concentrate on internal or psychological obligation and donation on zakat.

1. Introduction
Zakat is a mandatory charity that is paid by every Muslim as part of their duty to the creator. There are five pillars of Islam zakat is the third pillar from the five pillars of Islam. Zakat also stated consistently in the holy Quran and Hadith as well. A Scholar Yusuf Al-Qardawi remarks that there are some Muslim religious scholars highlighted that Quran stated zakat in eighty-two places, whereas according to Al-Qardawi, the zakat is stated about 30 times, while 27 incidences are confirmed composed with the order of regular prayers.

Technically, zakat is the amount of money that must be paid on a particular group of people in exact ways when the particular wealth achieved a specific amount to a certain period. Zakat in Malaysia is under the Islamic religious council for every federal state. The state has its policies on zakat affairs which contain a method of collection, payment policy, of zakat officers, and enforcement. The federal government in Malaysia has an inadequate role in recommending and checking religious affairs in Malaysia.

Despite the zakat collection and payments is administered by spiritual affairs. The zakat collection in Malaysia is still low. The majority of the employees donate revenue tax which is a legal duty; they
do not pay with zakat donation which is a religious responsibility Ahmad Sarkawi et al., (2015), Abdul Rashid, (2017), Khairuddin et al. (2018).

According study done by Raedah et al. (2011), Samargandi et al. (2018), totals collection of zakat funds are still lower than the total collection of tax by the Inland Revenue Division. Despite fatwa which is in help of zakat on income made by particular authorities, zakat on income remains a voluntary practice rather than been very compiled by Muslims in Malaysia. There is an almost no of enforcement at the state level which may impede the efficiency of the zakat regulations. Furthermore, the Zakat ability of income is an ever-contentious issue. Nurbarizah, (2008).

Whereas the most of the prior studies concentrated on the role of zakat from the Administration of Zakat payments in the Practice of Fatwa aspect, a limited prior study that introduced their study compliance behaviour on zakat paying, these previous studies used the Theory of Planned Behaviour (TPB) model for their research. Their study used compliance behaviour on zakat paying without defining the compliance behaviour in Islamic principle duty which is a difference with the tax compliance.

Prior studies researched the compliance behaviour on zakat donation without defining the compliance behaviour in Islamic principle obligation. The zakat donation is different due it serves of Allah (s.w.t), and it is a part of Ibadah whereas compliance behaviour of a tax income it is not a religious obligation or (Ibadah), and if the taxpayer does do not comply with the taxpaying, the government will penalise him or her. The underlying motivations for zakat donation, in particular, need to explored and identified since there is lacking in the definition and dimension of compliance behaviour in the context of zakat donation.

While the individual Muslim relationship with Allah (s.w.t) is so much different conversation since the zakat paying is the third pillar among the five pillars of Islam and the zakat paying is a must, and the definition is different than the tax income.

Whereas the Diabi (1993), Islamic Banking and Finance was defined the compliance behaviour on zakat paying under Islamic principle is different with the tax compliance because zakat is one of the Islamic duties to attain cleanliness and goodness of soul. As clearly stated in the Holy Quran, Surah 87 and Verse 14 mentioned as He indeed is successful who purifies himself.

However, this study wants further research on the definition of the compliance behaviour on zakat donation among the Fakulti Ekonomi dan Pengurusan academicians at Universiti Kebangsaan Malaysia, academicians and to explore whether planned behaviour model can be applied under the zakat paying context.

The aim of this paper is to identify the compliance behaviour among the academician in Faculty of Economics and Management.

2. Literature Review
Since the beginning of the Planned Behavior model Ajzen & Fishbein, (1991) as the underpinning theory in the study of compliance behaviour, researches in a several of fields such as psychology, medicine as well as social science has used the model as the underpinning model.

In the area of tax and zakat compliance behaviour, there have been many studies which have tried to investigate the association between attitude towards behaviour and behavioural intention, subjective norms and willingness/compliance, and perceived control and intention/compliance or any mixtures of the associations.

Also, there have been studies which have tried to introduce additional construct such as moral obligation, Islamic religiosity, and perception towards law enforcement in their theoretical framework of their studies. Nevertheless, the empirical indication so far has revealed that there is no decisive proof as to which variables is significant. The indication so now is mixed at best.

Therefore, there is a research gap in the prior studies concerning the compliance behaviour concerning the planned behaviour model these studies looked on the association side between planned behaviour model constructs and few other external constructs within their framework. The evidence so
far has confirmed that there been mixed evidence regarding the association between planned behaviour model variables with compliance behaviour and external variables as mentioned earlier.

Whereas, there are some studies such as Haji-Othman et al. (2017), (2018) Sapingi et al. (2011), Zainol et al., (2013), Mazni Abdullah et al. (2018), Ram Al-Jaffri and Roszaini (2014) supported the association between attitude and intention. Specifically, Haji-Othman et al. (2017) provided evidence that attitude had a significant effect on the plan to donate zakat.

Wan Zulkifli et al. (2017) studied the administration of zakat payments in the Practice of Fatwa in the state of Terengganu, in Malaysia. The results of the study have shown that the practice of issuing a fatwa in distributing zakat collections in Terengganu can assist the authorities to resolve the distribution issues as it fulfilling current needs and interests of the public and the government.

Nor Hayati Samba Mohamed et al. (2018), studied the title of administrators monitoring System in Asnaf Entrepreneurship Development Program by Zakat centre in Selangor their findings revealed that monitoring element as one of the significant aspects in Simon’s diagnostic control is being actively practised in LZS. Guideline exercised by LZS on the measurement of Asnaf performance is straightforward where Asnaf is considered successful when they manage to break free from zakat.

The Author’s highlighted that there seems to be no proper feedback system to track variances from preset goal such as a systematic database which can show detailed progress of Asnaf. Having an active database system can help officers in the process of giving feedback to Asnaf evaluated.

Khairuddin et al. (2018), with the title of Assembly Housing needs of the poor Muslims through Zakat and Wakaf way. The objectives of the study are to assess the possible of zakat and wakaf in the provision of reasonable poor people, and if so, to classify appropriate strategies to empower the zakat and wakaf authorities in carrying out the task.

Khairuddin et al. presented the main findings from the study and suggested that zakat and wakaf have great possible to help the poor and needy in meeting their housing needs and that the best way forward is for the zakat and wakaf authorities to do so through collaboration, either among themselves or with private property developers.

Their research highlighted the important of the study, and it is results are observed in terms of the advanced idea in encouraging zakat and wakaf authorities to collaborate alternative of working on their own, with conditions that issues related to the Shariah are resolved.

Mazni Abdullah et al. (2018), examined the impact of religiosity, gender and Islamic educational background of Muslims on zakat donation. His research investigates the dimensions classify of religiosity are importantly related to zakat donation.

The author’s findings revealed that the religiosity had an important impact on zakat donation and three dimensions of religiosity, namely obligation, virtues and vices, and optional ritual, were directly related to the zakat donation. Gender was also found to have a direct support with zakat donation, but in a negative direction, recommending that Muslim employed females are fewer donating to zakat obligations compared to their male counterparts. It was found that formal Islamic educational background had no important impact on zakat donation. Hence, their study suggested future studies to concentrate on a religiosity.

Haji Othman et al. (2018) conducted a study titled the Moderating Effect of Islamic Religiosity on zakat donation in Kedah, Malaysia. Their research shown indication that Islamic religiosity was to have direct association in moderating the perceived control and subjective norms towards intention with zakat donation

Haji Othman et al, Research suggested that zakat administrators in Kedah State should organize, manage and implement an operative intervention by emphasizing the significance of zakat donation and zakat disbursement that is a religious responsibility to every Muslims individual who have satisfied the terms and conditions of donating zakat in general and Muslim teachers in specific, which could change their beliefs about the influence of zakat donation.

Al Jaffri Saad et al. (2016) examined the perceived service quality towards zakat administrations amongst 227 Muslim individuals within the business in Malaysia. Their study data were analysed using descriptive statistic.
The author’s results showed that the most of participants rated three features of the quality, namely, tangibles, reliability and courtesy as “Good”. Meanwhile, credibility, competence, responsiveness, access, understanding and communication were features that rated as “Bad. The future studies could test the association among this constructs and zakat donor’s behaviour by seeing a comprehensive sample size.

Agus Faisal & Irma Yuliani, (2017), studied the title of Creative Zakat of Baznas Yogyakarta on the Growth of Micro Business. Agus et al., findings show that Productive ZIS has a encouraging and significant impact on the growth of the micro business. The more distributed productive of ZIS, the fast the growth of the micro business.

Agus Faisal & Irma Yuliani recommended for the future studies; it is expected to conduct more comprehensive research related to the productive ZIS, especially in the use of variables as well as the modelling and analysis of data, so that data is processed more real to describe the result of research.

Although the previous studies are mainly concentrated the administration of zakat disbursement in the Practice of Fatwa, Wan Zulkifli et al. whereas, Mohamed et al. studied the Management Control System in Asnaf Entrepreneurship Growth Program by Zakat centre of Selangor. These authors are focused on the zakat management and distribution and control of zakat.

On the other hand, Mazni Abdullah et al. investigate the effect of religiosity, gender and Islamic educational background of Muslim individuals on zakat donation. While Haji Othman et al. conducted a study titled the Moderating Effect of Islamic Religiosity on Zakat donation in Kedah, Malaysia.

Al Jaffri Saad et al. examined the perceived service quality towards zakat centres amongst 227 Muslim individuals in business in Malaysia. All of these scholars do not concentrate on the definition of the compliance behaviour on the perspective of zakat donating. However, this research wants to further the description of the compliance behaviour on the perspective of zakat donation among the Fakulti Ekonomi dan Pengurusan academicians at Universiti Kebangsaan Malaysia (UKM), academicians.

3. Research design
The study introduces the interpretive design with the case method, by conducting a semi-structured interview with (10) participants. The total population of this research is an individual level; with the sample limited to Faculty of Economics & Management academicians of Universiti Kebangsaan Malaysia. The saturated approach is used to determine sample size. The studies ask participants to identify the compliance behaviour of Economics and Management academicians towards the commitment to zakat paying.

The collection of data was saturated until there’s a new answer to report. This means there are no new motivations are found by asking new participants. Data is obtained through direct interaction with participants by unstructured interviews. In this regard, researchers use a tape recorder and notepad to tape and record the interviewee’s responds. Researchers use the informal questions based on the interview protocol prepared earlier. Example of the interview protocol questionnaire that was asked into the participants is as follows:

1. What is your motivation for paying zakat?
2. How do you pay zakat? Example: salary deduction, internet banking, etc.?
3. Do you belief zakat is the religious obligation?
4. Does your parent influence for paying zakat?
5. Does the zakat Amil influence you to pay zakat?
6. Do you believe that the distribution of zakat by the department of zakat to Asnaf happens somewhat?

Despite that, the participants are free to respond and provide additional points. The rationale is to facilitate researchers us to obtain much more detailed information than what is available through other data collection methods. Where necessary, the researchers ask a few spontaneous questions based on the responses given to encourage more related information and to see whether it reaches the saturation point.
4. Findings of the study
From the data transcription, the research shown there are a diversity of themes for zakat commitment. Amongst the universal issues of donors that are coded are:

- Religious obligation
- Refers the awareness of ethical responsibility on zakat paying while the Zakat is an obligatory Islamic religious responsibility upon all wealthy Muslims to be donated to the poor in the community, and its practice should be achieved according to the recommended approach by the Qur’an and Sunnah.
- Knowledge about Zakat
- Refers to one’s knowledge about zakat and the experience could be obtained through formal or informal learning.
- Help the Poor
- Refers to one’s intention to assist the people in need by donating zakat at the same time it should be noted here that the primary aim of zakat is to eliminate poverty.
- Trust in Fair Disbursement of Zakat donation to the zakat recipient Asnaf
- This means that one’s self-assurance in the fair disbursement of zakat donation by the Department of Zakat to the recipient’s asnaf.
- Reward from Allah
- Refers to one’s intention to donate zakat is to get rewards from Allah in the hereafter.
- Help the Muslim Community
- This means that ones to his/her hope to help the Muslim community by paying zakat.
- Influence of Zakat Amil
- Refers zakat worker to influence on the participants to donate zakat into the zakat centre in Selangor in Malaysia
- Tax Rebate Incentive
- Refers to the tax rebate incentives that are given by the government for the zakat payers (Income Tax Act 1967, 2006)
- Purify One’s Income and Property
- This means that to his/her belief that is paying zakat will purify income and property. Zakat cleanses and cleans wealth, and purifies the soul from stinginess and greed.

Table 1. Demographic profile of the Participants.

| Age | Gender | Qualification | Main Findings |
|-----|--------|---------------|---------------|
| 36  | Male   | Master Degree | Awareness about Zakat as a Religious Responsibility. To assist the Poor and Needy. Understanding about Zakat. |
| 38  | Female | PhD           | Awareness about Zakat as a Religious Duty. To assist the Poor and Needy. Knowledge about Zakat. Influence of Zakat Amil |
| 49  | Male   | PhD           | Confidence in Fairness of Zakat Distribution. Influence of Zakat Amil. |
| 51  | Female | PhD           | Awareness about Zakat as a Religious Duty. To assist the Poor and Needy. |
| 53  | Male   | PhD           | Awareness about Zakat as a Religious Responsibility. To assist the Poor and Needy. Knowledge about Zakat. |
| 47  | Male   | PhD           | Awareness about Zakat as a Religious Responsibility. To assist the Poor and Needy. Knowledge about Zakat. |
| 52  | Male   | PhD           | Awareness about Zakat as a Religious Duty. To assist the Poor and Needy. Knowledge about Zakat. |
Table 1. Demographic profile of the Participants.

| Age | Gender | Qualification | Main Findings                                                                 |
|-----|--------|---------------|-------------------------------------------------------------------------------|
| 50  | Female | PhD           | To Purify Income and Property. To Obtain a Reward from Allah in the Hereafter.|
| 46  | Female | PhD           | Awareness about Zakat as a Religious Responsibility. To assist the Poor and Needy. Effect of Religious Teachers. |
| 55  | Male   | PhD           | To Purify Income and Property. Tax Rebate.                                    |

NOTE: Total number of participants is 10

Table 1 shows that there ten (10) general themes of commitments on zakat paying. Therefore, this study finds that there ten (10) duties on zakat spending among academicians in the Fakulti Ekonomi dan Pengurusan academicians at Universiti Kebangsaan Malaysia. The Commitment to zakat paying among the faculty academicians of National University of Malaysia is as follows:
- Awareness about Zakat as a Religious Obligation
- Knowledge about Zakat
- To assist the Poor and Needy
- Confidence in Fairness of Zakat Distribution
- To Attain Reward from Allah in the Hereafter
- To Help Improve Muslim Community
- Influence of Zakat Amil
- Tax Rebate
- To Purify Income and Property
- Importance of Religious Teachers

5. Discussion and analysis
This study finds that there are (10) commitments or obligations of compliance behaviour on zakat donors within the Fakulti Ekonomi dan Pengurusan academicians at Universiti Kebangsaan Malaysia. The study participants have only focused the Faculty academicians. This study reveals that there Ten obligations and commitments on zakat paying among academicians at the Faculty of Economics and Management.

While most of the participants highlighted that after their salary deduction the University Kebangsaan Malaysia Bursary Department would pay whole zakat money into the zakat centre of Selangor, therefore, the obligation on zakat settling into the Bursary Department at the University Kebangsaan Malaysia then the Bursary pay the zakat into the Centre of the zakat Department in Selangor state.

Furthermore, the study focused on defining the compliance behaviour on zakat among academicians in the Fakulti Ekonomi dan Pengurusan academicians at Universiti Kebangsaan Malaysia. This study result found that most of the participants are donates zakat since zakat is the one of the pillars of Islam among the five pillars of Islam. And the second most themes the participants mentioned was to get a reward from Allah. The third theme that the participants stated was to assist the poor and needy Muslim individuals.

Islamic religious was found to have a direct association with compliance behaviour on zakat donating. The findings of the study are Similar to the results of study done by Mazni et al. (2018), the results revealed that religiosity had an important effect on zakat donation. The result of the Subjective norms is constants with the conclusions of the Haji Othman et al. (2018), the study was found subjective criteria to have significant influence with intention towards compliance behaviour.

Also, perceived control is similar to the study done by Haji Othman et al. (2018), observed control, was found to have a direct association with the intention of compliance behaviour. This study arranges the themes of this study and comes out diagram consisted of Islamic religiosity, subjective norms, perceived control towards compliance behaviour.
This is ten (10) commitments on zakat paying among the academicians:
- Awareness about Zakat as a Religious Obligation
- Knowledge about Zakat
- To assist the Poor and Needy
- Confidence in Fairness of Zakat Distribution
- To Achieve Reward from Allah in the Hereafter
- To Help Improve Muslim Community
- Influence of Zakat Amil
- Tax Rebate
- To Purify Income and Property
- Importance of Religious Teachers

![Figure 1. Commitment to Zakat paying among FEP@UKM academic.](image)

The results of this study are slightly different from findings from a previous literature review on compliance behaviour on zakat paying. Most previously reviewed literature shows that the research on compliance behaviour of zakat uses quantitative analysis. Most of them use the reasoned action & Planned Behaviour Models as the foundation model. Using the planned behaviour model, study plan hypothesis, collect data and accept or reject the hypothesis. This is called deductive reasoning.

However, this study introduces a qualitative research approach. Instead of using deductive reasoning, this study uses inductive reasoning. The study examines the phenomena using interviews, analyse themes, formulate Relationships and come up with a theoretical model as shown in Figure 1.

6. Conclusion and suggestions
This study attempts to further define the compliance behaviour on zakat paying by using interview approach and comes up with a different diagram. The previous studies used to examine the compliance behaviour of income, business and saving zakat using the psychological model of planned action. The expected behaviour model which was proposed the components of attitude, subjective norms and perceived control as the independent constructs which influence intention, which in turn affects compliance behaviour. The previous studies on compliance behaviour on zakat paying that used planned behaviour as underpinning model their findings were mixed at best. This study suggests that
religiosity, subjective norms and perceived behavioural control influences compliance behaviour; it is very significant to recognise zakat donors.

The study can take the essential steps to increase zakat donors. When zakat donors are increased, zakat can play a more vital role as an important tool of reducing poverty and as well near the gap among the poor and the rich in the Muslim Ummah. Although there is an extensive literature on the compliance behaviour on zakat paying, almost all of them use a quantitative approach. The results of this study are different from earlier explore findings due to defined the compliance behaviour on zakat paying as an Islamic principle and using a different approach than the previous studies qualitative approach.

The research suggested that more, inclusive research should be done in the area of zakat compliance using the qualitative method and future researchers could attempt to use the diagram introduced by this study as their theoretical framework.

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