Conference Paper

Website and Social Media Usage for Internet Reporting (Case Study at Zakah Management Organization)

Ahmad Nurkhin¹, Kardoyo¹, Muhsin¹, Hasan Mukhibad¹, and Sumiadji²

¹Faculty of Economics, Universitas Negeri Semarang
²Accounting Department, State Polytechnic of Malang

Abstract

Zakah Management Organization (ZMO) is demanded to improve its transparency and accountability including presenting financial and non-financial information by internet. This study aims to describe and compare the usage of website and social media to report many kinds of information by ZMO at state university in Indonesia. This is descriptive qualitative study. The research object is website and social media of Rumah Amal Salman, Rumah Amal Lazis UNNES and LAZIS UNS. Moreover, the data is collected by observation and documentation method. In addition, the data then analyzed by content analysis. Results show that those ZMO have utilized well both website and social media for internet reporting, especially non-financial information. Website is used to deliver organization profile, product information and other important information that can be useful for donor or muzakki. However, there are two ZMO that have not used website and social media to report their financial state. It is Rumah Amal Lazis UNNES which conducts internet financial reporting but limited to Fund Statement. Furthermore, Facebook and Instagram are considered as social media that mostly used by ZMO. Twitter has not been actively used. In addition, YouTube application has not been maximized. In summary, interaction to muzakki through social media needs to be improved by the ZMO.

Keywords: internet reporting, website, social media, facebook, instagram, twitter, ZMO

1. Introduction

Paying zakah is an obligation for a muslim. Zakah is obliged to be paid by every muslim who fulfil the conditions (muzakki) to clean their asset by distributing their zakah to mustahik (zakah receiver). Indonesia has muslim-citizen majority as much as 216,66 million people or about 85% from the total population (BPS, 2015). Several researches show huge potential of zakah in Indonesia. FEBS FEUI used muzakki approach from muslim population in Indonesia with the assumption of 95% muzakki pay their zakah, there will be zakah fund for Rp12,7 trillion in 2009. A research by UIN Syarif Hidayatullah Jakarta indicates that national zakah can reach Rp19,3 trillion. In addition, a research
conducted by BAZNAS demonstrates that in 2015 the potential of national zakah reaches to Rp286 trillion (BAZNAS, 2016).

Table 1 describes increase of ZIS collection in Indonesia during 2010-2015. The amount of ZIS fund is far away from the exist potential. There are some efforts conducted by government through act of zakah. Law No. 23/2011 about Zakah Management is the highest regulation. According to the law, zakah organization can be formed as BAZNAS (National Council of Zakah Collector), LAZ (Institute of Zakah Collector), and UPZ (Zakah Collector Unit).

| Year | Rupiah (Million) | USD (Million) | Growth (%) |
|------|-----------------|---------------|------------|
| 2010 | 1500            | 109.17        | 25.00      |
| 2011 | 1729            | 125.84        | 15.30      |
| 2012 | 2200            | 160.12        | 27.24      |
| 2013 | 2700            | 196.51        | 22.73      |
| 2014 | 3300            | 240.17        | 22.22      |
| 2015 | 3700            | 269.29        | 21.21      |

Source: (BAZNAS, 2016)

Huge potential of zakah is responded by government by establishing BAZNAS in regional area and create UPZ to assist collecting ZIS fund. Moreover, society has its contribution by developing LAZ. Several state university (PTN) in Indonesia also establish LAZ and UPZ to participate in zakah fund collection and distribution. In national state university in Central Java, there are LAZ UNS, Rumah Amal Lazis UNNES, and so on. Furthermore, there are many others such as Rumah Amal Salman ITB, LAZ UGM, Rumah Amal Untirta, etc.

To increase people intention of paying zakah can be driven by increase trust towards zakah management organization. There will be an improvement of transparency and accountability of financial and other information reporting. When those organization becomes more transparent and accountable, muzakki will have his trust and undoubt-edly pay his fund to ZIS manager. This study aims to describe and compare website and social media usage as media to report financial and non-financial information of zakah management organization in PTN of Indonesia. Moreover, muzakki in PTN is lecturer who has high education qualification and thus they will encourage ZMO to be more transparent and accountable. This study refers to Rini (2016) who found that only 1 of 19 ZMO in Indonesia applied financial reporting through internet (Rini, 2016). Therefore, Islamic accountability of ZMO is low. In summary, this study recommends the
government to enforce financial reporting of ZMO through law. This recommendation
is also supported by the finding of previous researcher (Mubarok & Fanani, 2014) that
financial reporting of ZMO has not been fully transparent. Accountability in Islam is
unique accountability of two parties. Accountability in Islam is more than about hierarchy
but accountability from moral duty (Mordhah, 2012).

There are several factors that presumably affect low number of national zakah fund
realization. Society may not put their trust on ZMO, there are several muslim that don’t
understand on how to calculate zakah, and to whom the zakah can be trusted to be
delivered. Poor law framework and enforcement and also zakah institutional contribute
to take this problem in worse condition. In addition, there is inefficient and ineffective
of zakah fund management (Mubarok & Fanani, 2014).

We believe that social media and social networks are powerful mechanisms for
reaching and keeping in touch with a large number of stakeholders, thus guaranteeing
an interactive dialogue with them at very low costs (Manetti & Bellucci, 2016). Social
media is becoming an important part of everyone’s agendas – from maintaining your
personal online presence to uses in marketing, business, and notably, the nonprofit
sector (Cole, 2014). Social media usage becomes essential for OMZ to maintain their
relationship to muzakki and also find prospective muzakki through positive interaction.
Furthermore, ZMO can increase its zakat management transparency by financial and
non-financial reporting through their website. Thus, society will be easier to access
existing information and ultimately increase their trust of ZMO.

In the last few years the use of the internet for disclosure purposes has created
a great deal of debate among academics as well as professional bodies all over the
world. Most companies in developed countries – and some in developing nations –
have established websites to be used as a platform for disclosing financial and non-
financial information (Ahmed, Burton, & Dunne, 2017). Both corporations and non-profit
organizations generally utilized their websites as information dissemination tools, where
the information flow is one-way, although the percentage of both corporations and
non profits that used interactive features offered by new media has increased slightly
between 2004 and 2009 (Sriramesh, Rivera-Sanchez, & Soriano, 2013).

Social media has changed the way businesses are conducted. It enables open com-
unication which helps organizations to understand customer needs and also motivates
organizations to proactively respond to customer needs in an efficient manner. Social
media usage has a very strong positive impact on organizations’ performance, in terms
of cost reduction, improved customer relations, and enhanced information accessibility
Benefits from the use of websites and social media sites include an increase in awareness and inquiries, enhanced relationships with customers, an increase in the number of new customers, enhanced ability to reach customers on a global scale, and co-promotion of local businesses that enhance the image of small businesses in the region (Jones, Borgman, & Ulusoy, 2015).

Research on website and social media application to report information is interesting to be conducted. Similar research that has been executed such as website optimization as publication media of zakat management by Lembaga Dompet Dhuafa (Ni'mah, 2015). However, this research is different in the usage of content analysis to reveal information published in ZMO website and then compare those. Content analysis has been used to examine existing information in website for corporate internet reporting research and social media usage in sustainability reporting (Aly, Simon, & Hussainey, 2010; Manetti & Bellucci, 2016; Rini, 2016; Vourvachis & Woodward, 2015). The purpose of this paper is to explain the use of social media and website for internet reporting by ZMO in State University in Indonesia.

2. Method

This study used mix-method approach by descriptive qualitative design. In addition, this study reveals website and social media application to report information (financial and non-financial) by ZMO at PTN in Indonesia. Research object is website and social media account of three observed ZMO, there are Rumah Amal Salman, LAZIS UNS and Rumah Amal Lazis UNNES. Those ZMO is chosen due to their active activity among others. The research was conducted in June to July 2017.

Data is collected by documentation and observation. Documentation is used to capture information reported by ZMO through website and social media account. Furthermore, observation method is employed to gain information related to interaction of website and social media administrator.

The data is analyzed using content analysis. Content analysis is research method to identify text conclusion. In other word, content analysis is research method to reveal author ideas either explicit or implicit (Weber, 1990). Stages is conducted based on Krippendorff (2004), started from unitizing, sampling, reording, reducing, inferring, and naratting.
3. Results

3.1. Website Usage by ZMO

This research was conducted in June to July 2017. Table 2 shows website usage by observed ZMO. Website usage is measured by four attributes, which are organization profile, non-financial information, financial information and website design and accessibility. Generally, the observed ZMO have used website as information media of organization profile and non-financial information. There is many information that can be obtain from their websites, such as organization profile, product information, program or activity, others important information like zakah calculator, zakah consultation and other information. Information about product and service has been presented clearly. Donor can donate directly, by pick-up zakah service, or transfer to ZMO bank account. ZMO has several bank accounts and this eases the donor to transfer their donation fund. Information related to program and activity which has been and will be conducted is delivered well and accurately. The information can be seen in new/activity menu and attached by activity photos. Therefore, ZMO has implement accountability of their zakah management by reporting non-financial information. Results also indicate that the website of ZMO is designed beautifully and easy to be accessed.

| Construct and Indicator | Rumah Amal Salman | Rumah Amal Lazis UNNES | LAZIS UNS |
|-------------------------|-------------------|------------------------|-----------|
| **a. Profile**          |                   |                        |           |
| Website URL             | http://rumahamal.org/ | http://lazisunnes.org | http://lazis.uns.ac.id/ |
| Profile                 | Vision, mission and strategy | Vision, mission and strategy | History, vision, mission sprit, and manager |
| ZMO contact             | Jl. Gelap Nyawang No. 4 Bandung | Gedung Eks BNI 46 | Kompleks Masjid Nurul Huda Universitas Sebelas Maret Jl. Ir. Sutami No. 36A Surakarta, Jawa Tengah |
|                         | Call Center: 08112228333 | Semarang 50229 | Telp. (0271) 646994 |
|                         |                   | Telp. (024) 864 582 66 | EXT.462 |
|                         |                   | SMS Center            | SMS/Call/WA: 085725005065 |
|                         |                   | 085726317439          | e-mail: lazis@uns.ac.id |
|                         |                   | Email: lazisunnes@gmail.com | website: www.lazis.uns.ac.id |
| Live chat service       | Yes, not always online | No | No |
| **b. Non-financial Information** | | | |
| Product Information     | Zakah, wakaf, scholarship, economy development, infaq, social | Education, syiar, social-religion, economy development | Education, syiar, social, ramadhan, qurban, special program |
| Construct and Indicator | Rumah Amal Salman | Rumah Amal Lazis UNNES | LAZIS UNS |
|-------------------------|------------------|-----------------------|----------|
| Activity information    | News (reported in news accurately and update) | There is activity menu (reported accurately and update) | There is news menu (reported accurately and update) |
| Others information      | Ziskaf pick-up service, qurban pick-up service, health service, zakah calculator, taushiyah, about zakah, news around us, zakah consultation, related website link | Announcement, article, zakah consultation, agenda, download, related website link | Donation program (ZIS, auto zakah, caretaker, share happiness, orphan scholarship, GISS, and Wakaf, volunteering information, download menu (LAZIS profile, forms, activity proposal, activity report), related website link |
| Activity photos and videos | No specific menu, but including in program news and news around us menu | No specific menu | Yes |

### c. Financial Information

- **Financial information summary**: Not found
- **Financial Statement**: Not found
- **Information of bank account**
  - BCA, BNI, Mandiri, Mandiri Syariah, BNI Syariah, CIMB Niaga Syariah, Muamalat
  - Mega syariah, CIMB Niaga Syariah
  - BTN, BRI, BNI, BNI Syariah

- **Donation information**
  - Zakah, infaq, dan sadaqoh (payment types, donation types, description and amount), donation profile
  - Pick-up donation service
  - Donation service

### d. Website design and accessibility

| Website Design | Attractive, elegant, white main color | Attractive, elegant, green main color | Attractive, elegant, blue main color |
|----------------|--------------------------------------|---------------------------------------|-------------------------------------|
| Accessibility  | Can be accessed via desktop or mobile | Can be accessed via desktop or mobile | Can be accessed via desktop or mobile |
| Register and login menu | Yes | No | No |

However, only Rumah Amal LAZIS UNNES which conduct internet financial reporting even though it is limited to fund statement. Fund Statement is reported periodically (each semester or annual). There is no periodic financial statement reported by Rumah Amal Salman and LAZIS UNS. There is only financial statement of incidental program in LAZIS UNS website. It is expected that ZMO present their complete financial statement according to PSAK 109, such as Balance Sheet, Fund Statement, Asset Statement, Cash Flow Statement and Notes of Financial Statement.
Results show that website has been used well as information media of non-financial information, however it has not been maximized for internet financial reporting. It is presumably because financial information is crucial and sensitive. Rumah Amal Salman website has registration and login menu. It indicates that only the donor that can login and access more information. Nevertheless, internet financial reporting is important to be implemented as it can increase donor or muzakki trust to ZMO. Therefore, ZMO is considered as more transparent and accountable in managing zakah. This finding support Rini (2016) who stated that LAZ in Indonesia has not implement internet financial reporting well.

3.2. Social Media Usage by ZMO

Results of social media usage by ZMO can be seen in Table 3. The observed social media account is facebook, twitter, instagram, and youtube. Those social media are mostly used by Indonesian. This research finds that ZMO also have those social media account. However, Rumah Amal LAZIS UNNES does not have youtube account. Table 4 describes that facebook and instagram is the most-active social media used by observed ZMO. Twitter account of Rumah Amal Salman and Rumah Amal LAZIS UNNES is non-active for a year (last update in 2016). Nevertheless, social media account of ZMO is successfully used to report non-financial information, such as program, commemoration of great day, advice. The information is delivered by text, photos, and videos.

| TABLE 3: Social Media Usage by ZMO. |
|-------------------------------------|
| **Construct and Indicator** | **Rumah Amal Salman** | **Rumah Amal Lazis UNNES** | **LAZIS UNS** |
|-------------------------------------|
| **a. Facebook** | | | |
| Account name | Rumah amal salman | Rumah Amal Lazis Unnes LAZIS UNS and LAZIS Universitas Sebelas Maret |
| Delivered information | Realized program (photos/videos), advice (text, photos, and/or videos) | Realized program, great day commemoration, and advice in text, photos, videos, and/or website link | Realized program, great day commemoration, and advice in text, photos and/or videos |
| Activeness and interaction | A fanpage. Liked by 704 persons and followed by 716 persons. Being active until July 2017. Less comment, like, or others in its status | Has 3,516 friends. Active in delivered information. Last posting is July 2017. There are some give likes, share. However, there are limited comments. | A fanpage of nonprofit organization. Liked by 1,630 persons and followed by 1,630 persons. Being active until July 2017. Less comment, like, or others in its status |
| **b. Twitter** | | | |
| Construct and Indicator | Rumah Amal Salman | Rumah Amal Lazis UNNES | LAZIS UNS |
|-------------------------|-------------------|-----------------------|-----------|
| **Account name**        | @rumahamalsalman  | @LazisUnnes Sejak 2014| @UNSberbagi |
| Sejak November 2012     | 866 followers     | 177 followers         | Sejak November 2009 |
| 420 following           | 1698 tweets       | 394 tweets            | 542 following   |
| 31 likes                 | 536 photos & videos |                      | 971 tweets     |
|                         |                   |                       | 19 likes       |
|                         |                   |                       | 280 photos & videos |
| **Delivered information** | Program of Rumah Amal, great day commemoration, advice, awarded quiz, picture and videos share | Realized program, advice, and great day commemoration | Realized program, advice (goodness allurement, commemoration, etc) |
| **Activeness and interaction** | Being active in delivering information till October 2016. There is limited retweet or likes. | Last update in March 2016. Small followers and lack of retweet or like. | Being active till June 2017. Lack of retweet or like. |
| **c. Instagram**        |                   |                       |             |
| **Account name**        | @rumahamalsalman  | @lazis.unnes          | @lazisuns    |
| 1956 follower           | 1026 follower     | 599 follower          | 538 followers|
| 183 following           | 169 follower      | 142 following         | 15 kiriman   |
| 1126 kiriman            |                   |                       |             |
| **Delivered information** | Photos and videos related to realized program, advice/allurement/ alarm and other information | Photos about realized activity, advice/allurement and information about UNNES | Photos about realized and unrealized program, advice/allurement and other information |
| **Activeness and interaction** | Being active in posting photos and videos. Las status is in July 2017. Many followers give likes, about 50 likes for each status, but limited comment. | Being active in posting photos. There is no video. Last posting in July 2017. About 50 followers give likes for each status but lack of comment. | Inactive in posting photos and videos. Las posting is in May 2017. Small number of followers and has about 15 likes in |
| **d. Youtube**          | Rumah Amal Salman ITB | Not found | LAZIS UNS |
| **Delivered information** | Realized and unrealized program, Friday speech | Not found | Profile, realized program/activity, testimonials and allurement |
| **Activeness and interaction** | Last video uploaded in May 2017. There are 19 videos. Mostly viewed 50 times and there are 10 subscribers | Not found | Joined on 11 January 2013. There are 457 views and 2 subscribers. 8 videos are uploaded. Last updated in 2016. A video is viewed by about 60 times. |

In Facebook, LAZIS UNS has not updated its news. The information is more active delivered through twitter and website. Rumah Amal Salman is the most active ZMO that uses Instagram among two others. It has posted 1126 stories, either by photos or videos. In contrary, Rumah Amal LAZIS UNNES only has 169 stories and LAZIS UNS has 15 stories. Furthermore, Rumah Amal Salman is more active using you tube than LAZIS UNS. Meanwhile, Rumah Amal LAZIS UNNES dose not have any you tube account.
4. Conclusion

Rumah Amal Salman, Rumah Amal LAZIS UNNES, and LAZIS UNS is ZMO at PTN in Indonesia which active in managing zakah, infaq, and sodaqoh. The three ZMO can utilize website for non-financial information reporting well. It is only Rumah Amal LAZIS UNNES which conduct internet financial reporting. In addition, the observed ZMO also use social media as internet reporting and maintain their relationship and communication to donor or muzakki. Results indicate that ZMO can deliver complete, accurate, and factual non-financial information. Many information can be obtained from website and social media account of ZMO. However, internet financial reporting needs to be improved by ZMO to increase their transparency and accountability.

Acknowledgements

We thanks to Faculty of Economics Universitas Negeri Semarang for research funding. We thanks to the committee of International Conference of Economics, Business, and Economic Education Science (ICEBEES) 2019 for publishing the article.

References

[1] Ahmed, A. H., Burton, B. M., & Dunne, T. M. (2017). The determinants of corporate internet reporting in Egypt: an exploratory analysis. Journal of Accounting in Emerging Economies, 7(1), 35–60. https://doi.org/10.1108/JAEE-04-2015-0024

[2] Aly, D., Simon, J., & Hussainey, K. (2010). Determinants of corporate internet reporting: evidence from Egypt. Managerial Auditing Journal, 25(2), 182–202. https://doi.org/10.1108/02686901011008972

[3] BAZNAS, P. (2016). Outlook Zakat Indonesia 2017. Jakarta: PUSKAS BAZNAS.

[4] Cole, C. (2014). Social Media Best Practices for Nonprofit Organizations; A Guide. Wakefield, Quebec. Retrieved from http://www.ccghr.ca/resources/social-?-media-?-modules

[5] Jones, N., Borgman, R., & Ulusoy, E. (2015). Impact of social media on small businesses. Journal of Small Business and Enterprise Development, 22(4), 611–632. https://doi.org/10.1108/JSBED-09-2013-0133

[6] Krippendorff, K. (2004). Content Analysis: An Introductions to its Methodology. California: Sage Publications, Inc.
[7] Manetti, G., & Bellucci, M. (2016). The use of social media for engaging stakeholders in sustainability reporting. *Accounting, Auditing & Accountability Journal, 29*(6), 985–1011. https://doi.org/10.1108/AAAJ-08-2014-1797

[8] Mordhah, N. (2012). Self – Accountability: The Link between Self-Accountability and Accountability in Islam Najwa Mordhah PhD student. *International Journal of Humanities and Social Science, 2*(5), 240–245.

[9] Mubarok, A., & Fanani, B. (2014). PENGHIMPUNAN DANA ZAKAT NASIONAL (Potensi, Realisasi dan Peran Penting Organisasi Pengelola Zakat). *PERMANA, V*(2), 7–16.

[10] Ni’mah, K. (2015). *Optimalisasi Penggunaan website sebagai Media Publikasi Pengelolaan Zakat oleh Lembaga Dompet Dhuafa*. Universitas Islam Negeri Sunan Kalijaga Yogyakarta.

[11] Parveen, F., Jaafar, N. I., & Ainin, S. (2016). Social media ’s impact on organizational performance and entrepreneurial orientation in organizations. *Management Decision, 54*(9), 2208–2234. https://doi.org/10.1108/MD-08-2015-0336

[12] Rini. (2016). Penerapan Internet Financial Reporting Untuk Meningkatkan Akuntabilitas Organisasi Pengelola Zakat. *Jurnal Akuntansi Multiparadigma, 7*(2), 288–306.

[13] Sriramesh, K., Rivera-Sanchez, M., & Soriano, C. (2013). Websites for stakeholder relations by corporations and non-profits. *Journal of Communication Management, 17*(2), 122–139. https://doi.org/10.1108/I3632541311318738

[14] Vourvachis, P., & Woodward, T. (2015). Content analysis in social and environmental reporting research: trends and challenges. *Journal of Applied Accounting Research, 16*(2), 166–195. https://doi.org/10.1108/JAAR-04-2013-0027

[15] Weber, R. P. (1990). *Basic Content Analysis*. California: Sage Publications, Inc.