THE REALTIONSHP AMONG ATTITUDE, SUBJECTIVE NORM AND BEHAVIORAL INTENTION ON ZAKAH

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ABSTRACT

Previous study has shown that there is still low compliance reported in the payment of zakat. However, most of the researchers only focused on the payment of zakat on employment income and business income. An increasing number of people are reported to save their money in saving, fixed deposit and current saving accounts. The collection of zakat on saving is the fourth highest collection reported by Lembaga Zakat Selangor (LZS) after zakat on employment income, zakat on trade and zakat on property. Because of this, this study is driven to examine zakat compliance intention on saving among employees of Lembaga Hasil Dalam Negeri Malaysia (LHDNM) via using theory of reasoned action. A total of 205 questionnaires were returned and used to measure the two independent variables which are attitude and subjective norms towards the intention to comply with zakat on saving. Using multiple regression analysis, the results indicated that attitude and subjective norm were found to significantly influence intention to comply with zakat on saving. Generally, theory of reasoned action can be used to explain zakat compliance intention behavior on saving. The suggestions of the study were also discussed.

Key words: Attitude, Subjective Norm, Intention, Zakah On Saving

1.0 Introduction

Zakat is one of the pillars which consists of five in Islam beside testimony of faith, prayer, fasting and pilgrimage to Mecca. It is also known as almsgiving. Zakat is not just any form of voluntary charity, alms giving, tax or contribution and nor is it simply an expression of sympathy or generosity. Zakat is all of these combined and much more, for it also includes Allah-consciousness as well as spiritual, ethical and moral and social objectives. Zakat also is an ordinance from Allah Himself and it is not the payment method such as voluntary contribution or other party obligation. Zakat is necessary in process to reform and restructuring both financial and spiritual. Zakat also can avoid unhappiness and sadness and self-indulgence to stabilize the Islamic economy which one of the principal to stability and prosperity.
Zakat institutions have introduced various ways to help zakat payers to fulfill their obligations to Allah such as internet banking, schedule for zakat deduction, moveable counter, post office, by bank draft, and so on. Zakat collection by Lembaga Zakat Selangor (LZS) which is zakat authority for collection and distribution under Majlis Agama Islam Selangor (MAIS) in three subsequent years of 2012, 2013 and 2014 are RM 451,325,027.00, RM 517,305,275.00 and RM 582,255,890.00 respectively. Besides that, zakat on trade is also reported to be increasing that is, RM 84,925,124.00 (year 2012), RM 92,713,771.00 (year 2013) and RM 108,015,979.00 (year 2014). Zakat on saving is also reported to be on the rise with the minimum rate of increasing as follows: RM 30,479,991.00 in 2012, RM 33,957,712.00 in 2013 and RM 34,056,383.00 in 2014.

Zakat on saving is the fourth highest collection reported by LZS. The figure shows that it plays an important role in helping the country reduce the gap of income among the rich and the poor, and reduce the poverty reported in the country. Even though the zakat collection has increase, but previous studies prove that the Muslims’ compliance in paying zakat is still low in Malaysia (Kamil, 2002; Mohd Ali, Hairunnizam & Nor Ghani, 2004). For example, zakah compliance on saving in Kedah state shows that only 41% made payment to zakah authority. One of the issue being analyze in this study is the impact of two main variables in the theory of reasoned action which is attitude and subjective norms towards intention of an individual. Thus this study attempts to investigate the factors that influence zakat compliance intention on saving among employees at Lembaga Hasil Dalam Negeri Malaysia.

2.0 Review of Related Literature

Zakat compliance and Hypotheses Development
Many studies have been conducted on zakat compliance in Malaysia. Zakat compliance becomes a crucial issue when it was found that low compliance behavior among the Muslims on paying zakat. Approximately only 4.2% of Muslims fulfilled their obligations to pay zakat in Wilayah Persekutuan (Mohd Ali et al., 2004). Kamil (2002) and Kamil et al. (1997) also obtained the same result in the northern region. Only 35% of the Muslims in each state pay zakat on employment income reported in Kedah and Perlis. Although there is an increase in the collection of zakat every year, previous studies have shown that the complying to pay zakat is still low.Zainol, Kamil and Faridahwati (2009) used theory of reasoned action to predict compliance intention on zakat on employment income. According to Mohd Hassan (1998), some individuals assume payment of tax is equivalent to the payment of zakat. However, the fact is that the actions of both obligators are clearly very different because the tax instrument acts as one of the elements in improving the country’s economy.

Nur Barizah and Hafiz Majdi (2010) conclude that, only 33% of eligible tax payers in IIUM who pay zakat, and this clearly shows that the level of tax compliance is still low and actions need to be done by the zakat authorities in the process of zakat collection.

3.0 Theory of Reason Action
According to the theory of reasoned action, attitudes are believed to have a direct effect on behavioral intention. Ajzen and Fishbein (1980) defined attitude as the degree to which an individual has a good or poor evaluation on a particular behavior. As highlighted in the theory of reasoned action, the key point of theory is intention. Intention acts as a motivational factor in influencing people is behavior. It expresses how people are eager to do something and how much of an effort they put in executing the behavior (Ajzen & Fishbein, 1980). Thus, attitudes and subjective norm in the theory of reasoned action will affect individual is intention to perform the behavior.

Many researchers found that attitudes are a significant predictor of behavioral intention. In the context of zakah and taxation. In the context of zakah, Zainol and Kamil (2007) and Zainol, Kamil, and
Faridahwati revealed a significant and positive relationship between attitudes toward zakah on employment income and behavioral intention of giving zakah on employment income. Farah Mastura and Zainol (2015) found that attitude to significantly influence zakat compliance behavior on saving in Kedah state in Malaysia. In the taxation field, Bobek, Robin and John (2007) and Hanno and Violette (1996) reported that attitudes have a significant relationship to tax compliance intention. Zainol and Faridahwati (2013) conclude their research on good and service tax (GST) that attitude is significantly related to behavior intention. The relationship between attitude and behavioral intention has attracted substantial numbers of scholars in various fields such as leisure choice, psychology and hospitality management (Ajzen & Driver, 1992; Cheng, Lam & Hsu, 2005; Poulter, Chapman, Bibby, Clarke & Crundall, 2008).

The second major determinant to intention in the theory is subjective norms, which refer to the person’s view of the social pressures in performing or opposing to the behavior (Ajzen, 1991). It is a belief in another form which is normative belief. It refers to the belief towards an important individual in life such as parents, siblings, peer, spouse, teachers, and any other people who are close to the individual. Many studies also have found a significant effect of subjective norms on behavioral intention. For example, in zakah environment Zainol et al. (2009) and Zainol and Kamil (2007) found that subjective norms have positively related to intention to pay zakah on employment income. Farah Mastura and Zainol (2015) also found that subjective norms are significantly influence zakat compliance behavior on saving in Kedah state in Malaysia. Same goes to Zainol and Faridahwati (2013), they found that subjective norms have a positive relationship with behavioral intention. Zainol, Zolkafli, and Shalihen (2011) have a same conclusion where subjective norm relates positively with local sales tax compliance intention.

H1: Attitude is positively related to behavioral intention to comply with zakah on saving.

H2: Subjective norms are positively related to behavioral intention to comply with zakah on saving.

4.0 METHODOLOGY

Unit present of analysis in the present study was an individual Muslim working in Inland Revenue Board of Malaysia (LHDNM) in Selangor branches, Malaysia. Under the Selangor State Director's Office of Lembaga Hasil Dalam Negeri Malaysia, there are four branches involved which are Shah Alam Branch, Klang Branch, Petaling Jaya Branch and Shah Alam Investigation Branch. This study used a self-administered questionnaire to collect the data. The online questionnaire was send thru email directly to the respondents which is Muslim employee of LHDNM in Selangor. The online questionnaire or survey form was created using free Google Form free application. Simple random sampling was used after the list of Muslim employees obtained from human resource department of LHDNM. The measurement of attitude, subjective norms and intention variables were adapted from Zainol (2008). Four questions were asked, on a five-point Likert scale ranging from '1' “strongly disagree” to '5' “strongly agree”.

Descriptive analysis

A total of 600 questionnaires were distributed to the employees of all branches. However, only 212 questionnaires were returned and 205 were useable. As shown in Table 1, the respondents consist of 205 respondents with portion in percentage are 42.9% male and 57.1% female. Most of them were technical staff (86.6%) which related with the core business of organization and in the range of 31-40 years old (61.4%). The core business and activities of organization is tax assessment. Generally, their monthly income are around RM 6,501.00 and above (66.8%) and they had a bachelor qualification (77.6%). Only 47.3% did not have a saving RM 10,000.00 a year and the rest 52.7% have it. It means that, majority of them fulfill the requirement of paying zakat on saving. Out of 205 respondents, only 55 respondents had not paid zakat on saving in previous year. 73.2% from...
the respondents alert and know about the zakat on saving because they paid this zakat for the previous year.

Table 1
Respondent Profile (N=205)

<table>
<thead>
<tr>
<th>Items</th>
<th>Frequency</th>
<th>Percentage %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sex</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>88</td>
<td>42.9</td>
</tr>
<tr>
<td>Female</td>
<td>117</td>
<td>57.1</td>
</tr>
<tr>
<td><strong>Age</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20-30 years</td>
<td>34</td>
<td>16.6</td>
</tr>
<tr>
<td>31-40 years</td>
<td>126</td>
<td>61.4</td>
</tr>
<tr>
<td>41 years and above</td>
<td>45</td>
<td>22.0</td>
</tr>
<tr>
<td><strong>Current position hold</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Technical</td>
<td>175</td>
<td>86.6</td>
</tr>
<tr>
<td>Non-technical</td>
<td>30</td>
<td>13.4</td>
</tr>
<tr>
<td><strong>Academic qualification</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Doctorate</td>
<td>0</td>
<td>0.0</td>
</tr>
<tr>
<td>Masters</td>
<td>46</td>
<td>22.4</td>
</tr>
<tr>
<td>Bachelor</td>
<td>159</td>
<td>77.6</td>
</tr>
<tr>
<td><strong>Income</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>RM 3,500.00 – RM 5,000.00</td>
<td>41</td>
<td>20.0</td>
</tr>
<tr>
<td>RM 5,001.00 – RM 6,500.00</td>
<td>27</td>
<td>13.2</td>
</tr>
<tr>
<td>RM 6,501.00 – RM 8,000.00</td>
<td>64</td>
<td>31.2</td>
</tr>
<tr>
<td>RM 8,001.00 – RM 9,500.00</td>
<td>22</td>
<td>10.7</td>
</tr>
<tr>
<td>RM 9,501.00 and above</td>
<td>51</td>
<td>24.9</td>
</tr>
<tr>
<td><strong>Is your last balance of saving account / fixed deposit account / current saving account equivalent to RM10,000 a year?</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yes</td>
<td>108</td>
<td>52.7</td>
</tr>
<tr>
<td>No</td>
<td>97</td>
<td>47.3</td>
</tr>
<tr>
<td><strong>Have previously paid zakat on saving?</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yes</td>
<td>150</td>
<td>73.2</td>
</tr>
<tr>
<td>No</td>
<td>55</td>
<td>26.8</td>
</tr>
</tbody>
</table>

Reliability and Validity Test
The result of reliability test was performed for the three all variables reliability is measured by using Cronbanch’s alpha (Nunnaly, 1978). The result is good if the value is more than.70. In this study, the results for all the three variables are between 0.876 and 0.972. In this study also, using the principle component (PCA), author do the factor analysis with varimax rotation based on the all variables. Kaiser-Meyer Olkin (KMO) and Barlett Test of Sphericity (BTOS) was used as a measurement scale. KMO and BTOS is applied to investigate sample of sufficiency and to know the
suitability of factor analysis respectively (Hair et al., 1998). As a results, KMO for all variable lies between 0.781 and 0.947, therefore factor analysis is suitable to be conducted. Besides that, BTOS is applied to test correlation matrix and it can ensure whether the factors model can be used or not based on the result. The results in the present study are 0.000 and it significant which less than 0.05 is. Every significant variable was exactly look at the factor loading of each item in the variable. The results shows that all the factor loadings are in the range of 0.736 and 0.946.

Multiple regression analysis
Multiple regression analysis shows 49% of the variance in zakat compliance intention on saving was explained by the constructs of attitude and subjective norms. This value indicates that another 46% can be explained by the other variables. As indicated in Table 2, the results also show a significant relationship between attitude and intention to comply with zakat on saving (t = 6.308, p = 0.000). There are relationship between subjective norms and intention to comply with zakat on saving was also found (t = 2.824, p = 0.005. Based on the result found, H1 and H2 are supported in this present study.

Table 2
Regression of Attitude and Subjective Norms against Zakat Compliance Intention

<table>
<thead>
<tr>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
</tr>
<tr>
<td>Constant</td>
<td>0.714</td>
</tr>
<tr>
<td>Attitude</td>
<td>0.574</td>
</tr>
<tr>
<td>Subjective norms</td>
<td>0.217</td>
</tr>
</tbody>
</table>

Note: *p<0.01
Adjusted R Square = .489, F- statistic = 95.507, Sig at .000

5.0 Discussion
The present study has attempted to investigate the influence of subjective norms and attitudes on behavioral intention to comply with zakah on saving. To achieve the research objective, theory of reasoned action was used as a basis to explain zakah on saving. Based on the findings reported earlier, the research objective outlined has been supported. The findings point out that the theory of reasoned action is able to explain 49% zakat compliance intention on saving. The findings revealed seem to be consistent with those reported in previous studies in zakah and various fields (Farah Mastura & Zainol, 2015; Bobek, 1997; Hanno & Violette, 1996; Zainol, et al. 2009; Zainol & Kamil, 2007). Because of the significant effects attitude and subjective norms have on behavioral intention to contribute to zakah on saving, the findings have important implications on zakah collection exercise carried out by zakah collection agencies. This study suggests that TPB model is capable to clarify the factors that influence zakat compliance intention on saving among employees of Lembaga Hasil Dalam Negeri Malaysia.

Main factor that must be addressed is the attitude of individuals. Because the payment of zakat is the voluntary, the positive reception of the community to the zakat authorities is important. Zakat authorities should improve the image, reputation and credibility especially in carrying out their transparency in process to perform the responsibility on collection and distribution of zakat to the society. Other than that, authorities also need to carry out more efforts to increase promotional activities and special explanation to the public regarding the obligation of zakat payment for zakat on saving. Other than that, zakat authorities must do the
promotion through mass media. The media also play an important role in exposing and give
information about the zakat collection centre. Varios types of promotional activities can be done
through the mass media such as distribute a scheduled press release to the media to report the
programs and activities, conduct the press conference session for special activities which involved
many peoples, special interview on the television and radio programs through major channel, special
columns and interviews in Islamic magazines that highlight the issues of zakat on saving, and also get
the media coverage at the site of zakat contribution activities and programs.

This study concentrated only on the the theory of reasoned action. There are other variables that
not being tested in previous study. For instance trust, knowledge and enforcement of zakat on
saving. it is suggested that future studies on zakat compliance intention on saving made on larger
populations where the population consists of all individuals Muslim in Malaysia.

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