

DETERMINANT FACTORS AFFECTING THE INTENTION OF MUZAKI TO PAY PROFESSIONAL ZAKAH

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ABSTRACT

The objective of this study is to demonstrate empirically the effect of reputation, transparency, accountability of LAZ (*Lembaga Amil Zakah* or institutions that collect *zakah* which is a kind of Islamic tithe or alms), the religiosity of *muzakki* (communities who are obliged to pay *zakah*), and the trust of *muzakki* in LAZ on the strength of the intention of *muzakki* to pay professional *zakah* through *amil* (collectors). In addition, this study will also demonstrate empirically the factors that influence reputation of LAZ and the trust of *muzakki* in LAZ. The population of this study is civil servants in Pati District, Central Java, who already have an obligation to pay *zakah*. The sample is determined by the incidental method and has produced 73 respondents. Data analysis uses the Structural Equation Model with the WarpPLS tool. Research shows empirically that the reputation of LAZ is positively influenced by the transparency and accountability of LAZ. The trust of *muzakki* in LAZ is influenced by the reputation of LAZ and the religiosity of *muzakki*. Furthermore, the strength of the intention of *muzakki* to pay *zakah* is influenced by the reputation of LAZ, the transparency of LAZ, the religiosity of *muzakki*, and the trust of *muzakki* in LAZ. The potential of *zakah* can be increased by improving LAZ performance (reputation, transparency) and the religiosity of *muzakki*.

Keywords: intention to pay *zakah*, transparency, reputation, religiosity

INTRODUCTION

Indonesia is the country with the largest Muslim population in the world. Data from 2017 show that 12.9% of the world's Muslims lives in Indonesia (Pew-Research-Forum, 2017). This large number of Muslims among the population has an impact on the collection of funds called *zakah* (an Islamic tithe). Expenditure of resources for *zakah* is an obligation for Muslims (Halim et al., 2015; Wahab, Rahim, & Rahman, 2013). However, the data show that the collection of *zakah* funds in Indonesia is still not optimal. The chairperson of the National Amil Zakah Board (BAZNAS), Prof. Bambang Sudibyo, stated that in 2015 national *zakah* collection totalled IDR 3.7 trillion which was only 1.3% of its potential. That is, 98.7% of the potential of charitable donations of this kind was not being collected (Maharani, 2016; Laela, 2010; Yuningsih, Abdillah, & Nasution, 2015).



One reason for the low rate collection of *zakah* funds is that people prefer to distribute their own *zakah* (Yulianto, 2017; Zainal, Abu Bakar, Al, & Saad, 2016; Syafei, 2016). This means that trust in *amil* institutions (LAZ) is low, including LAZ in Indonesia (Khoer, 2013; Ahmad & Rusdianto, 2018; Permana & Baehaqi, 2018; Syafiq, 2016); Malaysia and Pakistan (Mustafa, Mohamad, & Adnan, 2013).

One of the variables affecting the low level of trust in muzakki at the *amil* institution is the reputation of the institution. Reputation is very important for collecting and distributing zakat to the community. This is based on reputation and transparency to provide a positive influence on the perceptions and views of muzakki to pay zakat to the institution concerned (Saad & Haniffa, 2014). In addition, the reputation of the institution will also have a positive influence on consumer trust (Ali, Jin, Wu, & Melewar, 2017; Gul, 2014; Keh & Xie, 2009).

This low level of trust is due to the poor reputation and transparency of LAZ (Taha et al., 2017). This is because institutions with a good reputation will improve how they are perceived and increase the desire to pay *zakah* through the LAZ in question (Saad & Haniffa, 2014) and increase customer trust (Ali, Jin, Wu, & Melewar, 2017; Gul, 2014; Keh & Xie, 2009).

If one looks at the literature, there is no research that explores the factors that influence *muzakki* in professional *zakah* payments through LAZ. This research will fill this gap by using Pati District in Central Java as the object of study. The reason is that Pati District is an area that has an above average proportion of population that is living in poverty when compared to the national average. Optimal distribution of *zakah* can be used as a solution to reduce poverty (Htay & Salman, 2014). In addition, Pati District also has problems that cause the collection of *zakah* by LAZ to be not yet optimal. This is evidenced by the amount of *zakah* collected amounting to only 15% of the potential total. Other data show that, in 2017, BAZNAS in Pati District collected IDR 5 billion in *zakah* funds from a potential total of IDR 20 billion (Asmani, 2018).



In addition to exploring the reasons for the phenomenon of a low rate of *zakah* collection, this study has been conducted because there is still only a limited amount of research related to the behavior of *muzakki* in paying *zakah* (Saad & Haniffa, 2014). Research which is even less common is that related to *zakah* payments by working Muslims which is called professional *zakah* (Saad & Haniffa, 2014). This research focuses on the desire to pay professional *zakah* for *muzakki* who already have income that exceeds *nisab* (the minimum amount that a Muslim must have before being obliged to pay *zakah*).

Some researchers have explored many factors that influence the intention *muzakki* to to pay *zakah*. Bin-nashwan, Abdul-jabbar, & Romle (2016) used the attitude, subjective norm and perceived behavior control factors to explain the compliance of corporate zakat. The variables derived from the Planned of Behavior Theory (TPB). The three factors above are used by Bidin, Deraman, & Othman (2016); Bidin, Othman, & Azman (2013); Haji-othman, Nazjmi, Fisol, Sholeh, & Yusuff (2018); Huda, Rini, Mardoni, & Putra (2012) and use the theory of planned behavior as the grand theory. Meanwhile Saad & Haniffa (2014) use the Theory Of Reasoned Action (TRA) and produce are variables attitude, subjective norm and intention in explaining *muzakki* compliance. Basically the theory of planned behavior emphasizes the psychology of *muzakki*.

The behavior approach has been widely used by researchers in explaining zakat compliance (Khamis, Salleh, & Nawawi, 2011). Hasbullah, Mahajar, & Salleh (2014) assessed that TPB is still much debated in explaining behavior. We argue that zakat compliance is not only influenced by *muzakki* psychology, but also external factors that can form the trust of *muzakki* against *amil* and then as a basis for acting to pay zakat to the *amil* which it believes. The expansion of this method is in line with the opinion of Hasbullah et al. (2014) which states that relevant external factors are needed to strengthen in predicting intentions



THEORETICAL BASIS AND HYPOTHESIS DEVELOPMENT

There are two types of popular theories that explain the behavior of muzakki in paying zakat, namely TRA, and TPB. Both of these theories have an approach that the decision to pay zakat is influenced by muzakki psychology (behavioral attitude, subjective norm, perceived behavioral control). Hasbullah et al., (2014) developed TPB by adding service quality and trust variables as factors that influence the intensity of muzaki paying zakat. The reason is that service quality shows that products meet customer desires and the needs and trust is an important factor affecting loyalty. The development of TPB theory is The Extended Theory of Planned Behavior (ETPB) (Hasbullah et al., 2014).

In research in the management study, there have been factors that affect loyalty, namely reputation (Gul, 2014; Wai Lai, 2019; Abd-El-Salam, Shawky, & El-Nahas, 2013; Helm & Tolsdorf, 2013). The company's image is considered as an emotional component and the psychological dimension that shapes the company's reputation. Reputable companies have the ability to satisfy their customers (Gul, 2014). In addition, service delivery is also influenced by accountability (Aghayi & Ebrahimpour, 2015) and transparency (Busser & Shulga, 2019; Hortamani, Ansari, & Akbari, 2013; Kim & Kim, 2016). Transparency (products, services, management etc) give perceptions of customer and further increases loyalty (Busser & Shulga, 2019). Based on this explanation, we added the reputation, accountability and transparency of the amil zakat institution as a factor that influences the compliance of muzakki in paying zakat through amil.

Reputation is the view that stakeholders (*muzakki*) have regarding the image or reputation of the institution. Companies that have a good reputation will easily gain the trust of consumers. Companies that have a good reputation will easily gain this trust in three ways; firstly in terms of economic and institutional incentives, companies have a valuable role in meeting the customers' needs (Keh & Xie, 2009). Secondly, a good reputation will strengthen the belief that companies have a low risk of failure when serving



customers' needs. Thirdly, a good reputation is built based on an entity's superior performance during a certain period (Keh & Xie, 2009; Rindova, Williamson, & Petkova, 2005). Meanwhile, (Rindova et al., 2005) assess that a reputation can be shaped through product quality and stakeholders' confidence. Customers tend to use indicators of interrelated features, like credibility, reliability, responsibility, and trust (Keh & Xie, 2009). Keh & Xie (2009); Ali et al. (2017); and Gul, (2014) have demonstrated empirically that the reputation of institutions will increase customers' trust. Rosa (2009) revealed that the company's reputation is able to influence the way various stakeholders behave towards an organization, such as employee retention, customer satisfaction, and customer loyalty.

In the context of *zakah* collecting institutions (LAZ), those which have a good reputation will increasingly convince *Muzakki* that they are able to channel *zakah* funds well, accountably, and in accordance with Sharia. That is, a LAZ is able to meet the needs of *muzakki* to fulfill the obligation to donate *zakah*. In addition, a LAZ having a good reputation eliminates the perception on the part of the *muzakki* that the LAZ may fail in channeling their funds. Thus, the hypothesis can be developed as follows:

H1: A *zakah* collecting institution's reputation has a positive influence on the trust *muzakki* (a Muslim community obliged to pay *zakah*)

A *zakah* collection institution which has a good reputation finds that it strengthens the trust of *muzakki* that it is able to carry out its functions. A good reputation can be built based on the performance achieved by the *zakah* collection institution. Performance includes the variety of products, accountability, services, and compliance with Sharia, and is able to meet the needs of *muzakki*. A good reputation can increase customer satisfaction and loyalty (Gul, 2014). This means that a good reputation is able to form a brand that is good for *muzakki* and then able to increase the desire of *muzakki* to pay *zakah* through the *zakah* collection institution. Thus, the hypothesis can be developed as follows:



H2: A *zakah* collection institution's reputation has a positive influence on interest in paying *zakah*.

The *zakah* collection institution is basically an intermediary between *muzakki* (Muslims obliged to pay *zakah*) and *mustahiq* (those who are entitled to receive *zakah*). The *zakah* collection institution will collect *zakah* funds which are then channeled to *mustahiq* or often referred to as the eight *asnaf* (categories of poor people who are entitled to *zakah*). *Zakah* recipients are classified into eight groups, namely the indigent, poor, collectors of *zakah* (*amil*), converts, slaves, people who are in debt (debts due to genuine needs), *fisabilillah* (religious activists), and *ibnussabil* (stranded travelers) (Saad, Aziz, & Sawandi, 2014). The contractual relationship between *amil* and *muzakki* which has entrusted their *zakah* funds gives rise to transparency about the uses to which the collected funds are put.

Taha et al., (2017) assessed that the transparency of *zakah* collection institutions was still low. This condition is not ideal because transparency is needed by stakeholders, whether they be business entities or non-profit entities. Transparency involves disclosure of information to stakeholders about the use of funds. Schnackenberg & Tomlinson (2014) show that there are three main aspects of transparency, namely information disclosure, clarity, and accuracy. Daniel (2017) and Berggren & Bernshteyn (2007) reveal that the quality of transparency will support efficient and effective performance by reducing costs and improving company goals. In addition, transparency is able to increase consumer trust (Park & Blenkinsopp, 2011; Schnackenberg & Tomlinson, 2014), including the trust *muzakki* in *zakah* collection institutions.

H3: The transparency of a *zakah* collection institution has a positive influence on the trust of *muzakki*.

Increased trust by *muzakki* and transparency can increase the desire to pay *zakah*. This is because transparency about how *zakah* funds are used is a factor that is wanted by *muzakki*. Syarif Hidayatullah's UIN study found that 63% of respondents wanted guaranteed accuracy in distributing *zakah*



(Mutmainah, 2015). Transparency makes the biggest contribution to the implementation of good corporate governance by *zakah* collection institutions (Amalia, Rodoni, & Tahliani, 2018). That is to say, transparency in the use of *zakah* funds is one of things that *muzakki* need. Indeed, a low level of transparency is the cause of low levels of *zakah* payment (Nugraha, Wardayati, & Sayekti, 2018). Mutmainah (2015); Nikmatuniayah, Marliyati, & A, (2017); dan Pangestu & Jayanto (2017) have demonstrated empirically that transparency in *zakah* collection institutions has a positive influence on the strength of the intention of *muzakki* to make *zakah* payments.

H4: Transparency in *zakah* collection institutions has a positive influence on interest in *paying zakah*.

In addition to building trust and interest in paying *zakah*, transparency can also be used as a factor in creating the brand or reputation of the institution. Stakeholders use various components to assess a company's credibility, reliability, transparency, and responsibility and to develop trust in the company (Keh & Xie, 2009). That is to say, transparency can be used to improve reputation (Diez & Sotorrió, 2012). Even management practitioners advocate transparency as a "tool" for reputation management and as a way to increase customer trust (Albu & Flyverbom, 2019). Good transparency in a *zakah* collection institution will build the image in the eyes of stakeholders that the institution in question is performing well. Image is a manifestation of an institution's reputation. Thus, this hypothesis can be developed:

H5: Transparency has a positive influence on the reputation of *zakah* collection institutions.

For accountability, institutions must be fully transparent by ensuring that their processes, organization, and information are accessible and adequate for the relevant parties, especially for stakeholders, for monitoring purposes. (Saad et al., 2014). Accountability is emphasized strongly in Islam. Accountability in the management of *zakah* funds is driven by Islamic



principles, which cannot be seen in isolation from the teachings and path of Islam (Saad et al., 2014).

An accountable entity will satisfy the interests of stakeholders and then the entity will become trusted (Swift, 2003). The accountability of *zakah* collection institutions has been demonstrated empirically to be able to increase public trust (Ahmad & Rusdianto, 2018). This trust will further enhance the reputation of those institutions.

H6: Accountability has a positive influence on the trust of muzakki.

H7: Accountability has a positive influence on the reputation zakah collection institutions

Institutional accountability also has an impact on a stronger demand by *muzakki* to pay *zakah*. A *zakah* collection institution, which has high accountability, will be responsible for all *zakah* received to be channeled to the parties entitled to receive. Accountability will affect the satisfaction of *muzakki* (Ahmad & Rusdianto, 2018) and will further increase interest in paying *zakah* through the collection institution. Mutmainah (2015); Nikmatuniayah et al. (2017); and Pangestu & Jayanto (2017) have demonstrated empirically that the accountability of *zakah* collection institutions has a positive influence on the intention of *muzakki* to pay *zakah*.

H8: Accountability has a positive influence on interest in paying zakah.

On the other hand, rational principles in Islam are influenced by one's understanding of religion or one's belief. For every decision made by a muslim person, it is very important for achievements to be in terms of two dimensions of life: in this world and in the hereafter (*al-falah*). In Islam, rational principles are not only based on physical utility (one's present life) but also include utilities in the afterlife (*al-falah*) (Zulkifli and Sanep, 2010). That is to say, the decision to pay *zakah* is based on consideration of one's life in this world and also in the hereafter. This aspect is called the level of faith or religiosity.

Religiosity is the inner thoughts of *muzakki* in terms of their understanding of Islamic teachings and putting them into practice in all aspects



of their lives. Islam does not recommend a direct relationship between *mustahiq* and *muzakki*. This is based on the appointment of *amil* (*zakah* collectors) by the Prophet. Rofiq (2018) believes that all *zakah* is *collected* by the government, or by institutions (*amil*) assigned to replace it, to collect *zakah*. Sedjati et al. (2018) and Satrio; & Siswantoro (2016) has demonstrated empirically that the level of religiosity affects the interest in paying *zakah*. Religiosity as a part of subjective norm. Based on TRA theory, we can be developed:

H9: Religiosity has a positive influence on interest in paying *zakah*.

Zakah is a form of compulsory expenditure for Muslims. When the *muzakki* has paid *zakah* to a collection institution, then the obligation of *muzakki* to pay *zakah* has been dealt with. That is to say, the fulfilment of the personal obligation to distribute *zakah* is not affected by the distribution of *zakah* funds by a collection institution. This concept strongly encourages *muzakki* to have faith in *zakah* collection institutions. By contrast, for *zakah* collection institutions, the trust they earn from *muzakki* must be followed up with the distribution of *zakah* funds that are accountable and in accordance with Sharia.

H10: Religiosity has a positive influence on the trust of *muzakki*.

Gaining the trust of stakeholders is the most important factor in supporting the sustainability of the entity's business. Gul (2014) and Asiyah, Hadiwidjojo, & Sudiro (2014) added that trust has a significant impact on consumer loyalty. This hypothesis is supported with ETPB's theory. The trust of *zakah* payers has helped the survival of private *zakah* collection institutions when the government introduced compulsory *zakah* collection in Pakistan (Mustafa et al., 2013). The trust *muzakki* have in *zakah* collection institutions (*amil*) can be based on performance over time or based on previous *zakah* payment experiences. The performance of *amil* that can foster public trust is when it relates to superior programs in terms of their success and compliance with Sharia, as well as their transparency and accountability.



H11: The trust of *muzakki* has a positive influence on their interest in paying *zakah*.

METHODOLOGY

The population of this study is civil servants in Pati District, Central Java. The research sample was determined by selecting civil servants who had income above *nisab* (the minimum before being obliged to pay *zakah*) and who were willing to be part of the research sample. Selection was based on the incidental sampling method. These criteria resulted in 73 respondent being included in the sample.

All variables used were measured using questionnaires with a 5-point Likert scale. The reputation variable was measured by indicators of interest in vision, mission, goals, relationships between *muzakki* and *mustahiq*, organization, and financial performance (Chun & Davies, 2001; Rosa, 2009). The transparency variable is measured using indicators regarding financial statement openness, income information, reporting time, media delivery questions, and availability of public information systems (Nasim & Romdhon; 2014; Taufiq, 2015). The accountability variable is measured in terms of accountability to God, accountability to society, management and monitoring systems, availability of policies, accuracy of distribution, and availability of productive programs (Basri, Siti Nabiha, & Majid, 2016; Ihsan, Sulaiman, & Adnan, 2010). The religiosity variable is measured by indicators regarding religious awareness, obligations of fellow humans, the concept of income, and the concept of humans having a relationship with God (Muniaty Aisyah, 2014; Safiek Mokhlis, 2009). The trust variable is measured using indicators regarding the trust of *muzakki* about information, compliance with Sharia, and the reputation of the supervisory board (Nomran, Haron, & Hassan, 2018).

The data analysis uses the Structural Equation Model and using the WarpPLS tool. SEM is used with the WarpPLS tool because this tool does not regulate the amount of data. The WapPLS tool can be used for small data or



large data (Ghozali, 2014; Solimun & Fernandes, 2017). Test fit models based on Average path coefficient (APC) values, Average R-squared (ARS), Average adjusted R-squared (AARS), Average block VIF (AVIF), Average full collinearity VIF (AFVIF), Sympton's paradox ratio (SPR), R-squared contribution ratio (RSCR), Statistical suppression ratio (SSR), and Nonlinear bivariate causality direction ratio (NLBCDR) (Solimun & Fernandes, 2017).

RESULTS AND DISCUSSION

Table 1 below displays the distribution of respondents' answers in terms of all indicators used to measure all the variables.

Table 1. Frequency Distribution

Variables	Answer				
	Negative		Positive		
	1	2	3	4	5
Reputation	0.51%	1.37%	5.65%	54.28%	38.18%
Transparancy	1.64%	0.82%	5.21%	55.89%	36.44%
Accountability	0.55%	4.38%	6.85%	45.48%	42.74%
Religiosity	0.27%	4.38%	8.49%	55.34%	31.51%
Trust	0.46%	3.42%	7.08%	51.83%	37.21%
Interest in paying Zakah	1.10%	1.92%	5.48%	55.07%	36.44%

Table 1 shows that many respondents gave quite good answers about the level of reputation of *amil*, which was 54.28% and 38.18% of respondents who gave very good answers. A similar situation is also shown about the level of reputation of *amil*, which are quite good. Respondents considered if the *amil* had very good accountability. 55.34% of respondents have religiosity, trust in *amil*, and interest in paying zakah, which is quite good.

The results of testing the relationship between independent and dependent variables are presented in the following figure:



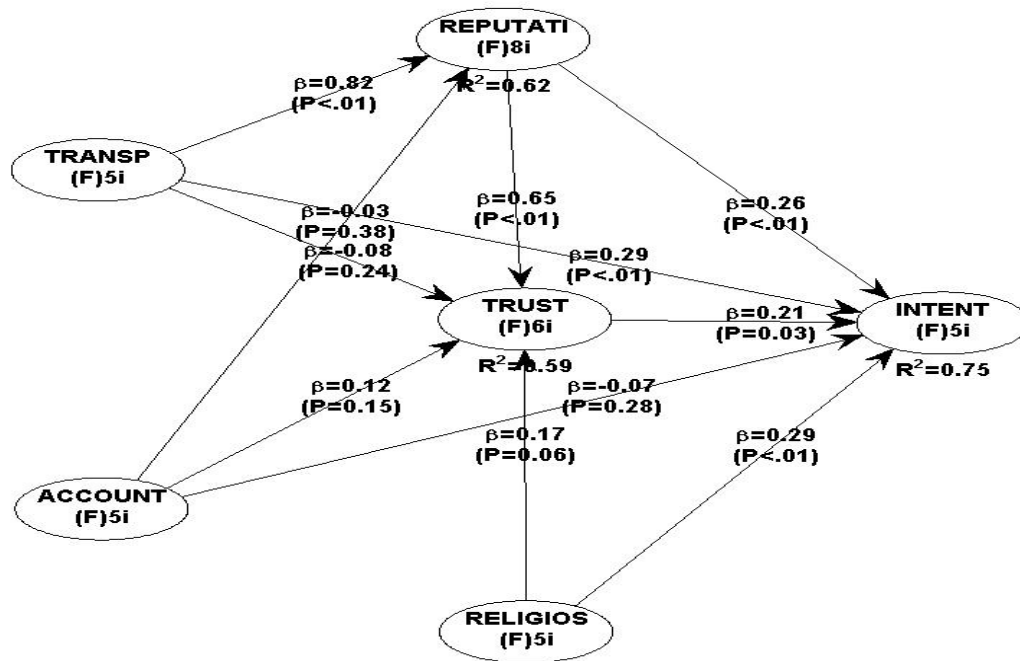


Figure 1. Model

Based on the model produced, it can be summarized in the following table:

Tabel 2. Results of Hypothesis Testing

Dependent Variables	Independent Variables				
	Reputation	Trans- parency	Accoun- tability	Religiosity	Trust
Path Coefficients					
Reputation	-	0.816	-0.034	-	-
Trust	0.653	-0.079	0.118	0.172	-
Intention to Pay Zakah	0.257	0.291	-0.068	0.287	0.215
P Values					
Reputation	-	<0.001***	0.384	-	-
Trust	<0.001***	0.244	0.149	0.063*	-
Intention to Pay Zakah	0.01***	0.004***	0.277	0.005*	0.027**

Significance to a level of: ***1%; **5%, *10%.

The result of the model feasibility test is as follows:



Table 3. Model Feasibility Test Result

Indicator	Standard Value	Model Test Result	Conclusion
APC	P<0,05	0,272, P = 0,003	Good
ARS	P<0,05	0,656, P=0,001	Good
AVIF	acceptable <= 5, ideally <= 3.3	3,699	Good
AFVIF	acceptable <= 5, ideally <= 3.3	2,798	Good
SPR	acceptable >= 0.7, ideally = 1	0,727	Good
RSCR	acceptable >= 0.9, ideally = 1	0,947	Good
SSR	acceptable >= 0.7	1,000	Good
NLBCDR	acceptable >= 0.7	1,000	Good

Source: Output from WarpPLS tool.

Table 3 shows that the model produced is feasible or has been fixed, so the test results can be used as answers to the research questions.

Table 2 shows that reputation has a significant relationship with *muzakki* trust. The relationship between reputation and transparency is alpha 0.653 with a significance level of <0.001. This value means that the reputation of a *zakah* collection institution (*amil*) has a positive and very significant influence on *muzakki* trust. *Muzakki* saw that collection institutions, which have a good reputation, would face a minimal risk in meeting the needs of *muzakki*. The *muzakki* need *zakah* collection institutions to be able to channel their *zakah* according to Sharia rules. *Zakah* is compulsory for followers according to Islamic teachings, so the implementation of *zakah* must be in accordance with religious rules, including nisab (above the income threshold), tariffs or calculation of *zakah*, and recipients of *zakah* (*asnaf*). In addition, the reputation of *zakah* collection institutions can reduce customer risk and generate trust, which in turn can promote customer commitment (Walsh, Schaarschmidt, & Ivens, 2017). Gul (2014) find that there is a significant positive relationship between the reputation of an institution and satisfaction, trust and customer loyalty.

The results also show that testing the relationship between reputation and the interest of *muzakki* in paying *zakah* results in an alpha value of 0.257 with a significance of 0.01. This finding shows that the reputation level of *zakah*



collection institutions has a positive and very significant influence on the interest in paying *zakah*. *Muzakki* prefer collection institutions which have a good reputation in processing *zakah*. *Zakah* collection institutions that have a good reputation will achieve performance in accordance with the expectations of *muzakki*. It is even possible for collection institutions to perform above the expectations of *muzakki*. The reason is that a good reputation is built by the entity over the long term. Evaluation of an entity's reputation concerns performance, reliability of products, and the quality of products and services provided (Keh & Xie, 2009; Rindova et al., 2005),

The results also show that transparency does not have an impact on the trust of *muzakki*. However, transparency does have a positive influence on reputation. The results of this study are interesting to note because they show, in general, that the level of an entity's transparency has a positive influence on customer trust (Park & Blenkinsopp, 2011; Schnackenberg & Tomlinson, 2014), and transparency has a positive influence on the entity's reputation (Diez & Sotorrío, 2012). The difference between this research and the research of Park & Blenkinsopp (2011); Schnackenberg & Tomlinson (2014); and Diez & Sotorrío (2012) is that they use business entities as the object of their research, while this study uses non-profit religious entities as the object of research. The religious non-profit entity (the *zakah* collection institution) has the potential for religious motivation as one of the factors in paying *zakah*, such as sincerity (*ikhlas*), showing off (*riya*) not being permissible; giving to charity with one's "right hand" without the "left hand" knowing. This motivation has the consequence that *muzakki* trust in *zakah* collection institutions is based on "God's will being the goal" and ignores the transparency of the *zakah* collection institutions. This justification is also reinforced by research findings on other hypotheses which find that the accountability of *zakah* collection institutions do not have a significant effect on *muzakki* trust and the intention of *muzakki* to pay *zakah*.



However, the results of the study demonstrate empirically that the transparency of zakah collection institutions has a positive and significant influence on their reputation and on the intention of muzakki to pay zakah. The reputation of the institution is built on many factors, namely the performance, products, services, transparency, and testimonials of public figures, stakeholders, along with other factors. These factors, in the long term, will affect the image of zakah collection institutions in the eyes of society and will further motivate *muzakki* to pay *zakah* through collection institutions. This finding is in line with Gul (2014) who find that a good reputation can increase customer satisfaction and loyalty. More specifically, Mutmainah (2015); Nikmatuniayah, Marliyati, & A, (2017); and Pangestu & Jayanto (2017) find that transparency in *zakah* collection institutions increases the interest of *muzakki* to pay *zakah*. That is to say, there are indications that transparency in *zakah* collection institutions is able to increase payments of *zakah* by Muslims and change their *zakah* payment systems from those that don't use *zakah* collection institutions to those that do.

Table 2 also shows that institutional accountability does not have a significant positive impact on the reputation, trust and strength of the intention of *muzakki* to pay *zakah*. This finding indicates that a *zakah* collection institution's accountability is not used as a factor used by *muzakki* in building image, building trust, and even in generating motivation to pay *zakah* through a collection institution. This finding is different from the findings of Mutmainah (2015); Nikmatuniayah et al. (2017); and Pangestu & Jayanto (2017) who find that accountability has a significant influence on the intention to pay *zakah*. According to the results of this study, there are indications that *muzakki* pay *zakah* through collection institutions and muzakki have a tendency to ignore the accountability of those institutions to *muzakki*. This is because the *muzakki* understanding is that, when *zakah* has been paid, the responsibility is dealt with God. The responsibility of *zakah* collection institutions is emphasized more as



being responsibility to God. That is to say, the demand for responsibility tend to be something not needed by *muzakki*.

The results of the study demonstrate empirically that religiosity has a significant positive influence on *muzakki* and on the strength of their intention to pay *zakah*. Muslims who have high religiosity will increasingly realize that *zakah* is an obligation (one of the pillars of Islam) and must be carried out. In addition, with a high level of Islamic understanding, will increasingly their trust in *zakah* collection institutions as intermediaries between *muzakki* and *mustahiq*. Payment of *zakah* through collection institutions is in accordance with the concept of *zakah* payment practiced by Rasulullah (Rofiq, 2018). The results of this study corroborate the findings of Sedjati et al. (2018) and Satrio; & Siswantoro (2016) who find that the level of religiosity has a positive influence on interest in paying *zakah*. The results of this study reinforce the Theory of Planned Behavioral which explains that subjective norm become factors that influence behavior (Bin-nashwan et al., 2016).

The trust of *muzakki* in *zakah* collection institutions also has a significant positive influence on their interest in paying *zakah*. This finding is in line with Keh & Xie (2009) who state that trust will increase the intensity of purchases and consumer loyalty (Gul, 2014; Asiyah, Hadiwidjojo, & Sudiro; 2014). When *muzakki* give their trust to *zakah* collection institutions, there is then the potential for *muzakki* to use the institutions again to pay *zakah*. Moreover, the obligation to pay professional *zakah* must be fulfilled by Muslims when with income exceeding the *nisab* (the minimum amount that a Muslim must have before being obliged to *zakah*). The results of this study have answered the theory of The Extended Theory of Planned Behavior which was developed by Bin-nashwan et al., (2016) that *muzakki* trust is one of the factors that influence the compliance of *zakah*.

CONCLUSION



This research has demonstrated empirically that the reputation of *zakah* collection institutions is positively influenced by their transparency and accountability. The trust of *muzakki* in *zakah* collection institutions is influenced by their reputation and the religiosity of the *muzakki*. Furthermore, the intensity of the intention of *muzakki* to pay *zakah* is influenced by the reputation and transparency of the *zakah* collection institutions, and the religiosity of the *muzakki* along with their trust in the *zakah* collection institutions.

The results of this study have identified that the accountability of *zakah* collection institutions does not affect their reputation, nor the trust of *muzakki* in those institutions, nor the strength of the intention of *muzakki* to pay *zakah*. There are indications that *muzakki* see the accountability of *zakah* collection institutions as placing more emphasis on accountability to God. The *muzakki* pay little attention to the accountability of *zakah* collection institutions because once the *muzakki* have paid the *zakah*, their obligation is dealt with. The accountability of collection institutions in managing *zakah* is an obligation between the institutions and God.

Transparency in *zakah* collection institutions can increase their reputation and the strength of the intention of *muzakki* to pay *zakah*, however, the transparency of *zakah* collection institutions is not a factor increases *muzakki* trust in them. The trust of *muzakki* in *zakah* collection institutions is only influenced by the institutions' reputation and the religiosity of *muzakki*. The high level of religiosity encourages *muzakki* to pay *zakah* through collection institutions because the model of *zakah* payment is in accordance with what was practiced by the Prophet Muhammad.

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