Motivations for Paying Income *Zakat* among Public School Teachers in Kedah, Malaysia: A Qualitative Approach

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Abstract: This study examines motivations for paying income *zakat* among public school teachers in the state of Kedah, Malaysia using a qualitative approach. Using interview method, this study finds that the motivations of paying income *zakat* are religiosity, subjective norms and perceived behavioral control. This study finds three issues regarding the compliance behavior of income *zakat*. The first issue is that not all *zakat* payers in the state of Kedah paid *zakat* to Kedah State Department of Zakat because of the perception that *zakat* could be paid anywhere in the world. The second is the respondents showed a lack of confidence in the ability of Kedah State Department of Zakat to manage *zakat*. The third issue is that the respondents perceived that paying *zakat* elsewhere was more beneficial to them. This study recommends more explorations in the area of *zakat* compliance behavior using a qualitative approach, and future studies should focus on internal or psychological motivations.

Keywords: motivation, income, *zakat*, teachers, qualitative.

1. INTRODUCTION

Zakat is one of the five pillars of Islam and is a form of religious obligation which must be complied by every eligible Muslim. However, *zakat* collection in Malaysia is still low including income *zakat*. While most of the employees paid income tax which is a legal obligation, they did not comply with *zakat* payment which is a religious obligation (Kamil, 2002; Zainol, Kamil, & Faridahwati, 2009). According to Raedah, Noormala, & Marziana (2011), the total collection of *zakat* funds are still far behind as compared to the collection of tax by the Inland Revenue Department. The highest contribution of *zakat* collection in Malaysia is mainly from *zakat* on employment income. The general objective of this study is to explore the motivations of paying employment income *zakat* among public sector employees with a specific focus on public school teachers in the state of Kedah, Malaysia. It is very important to study compliance behavior of income *zakat* by public school teachers in Kedah to understand the determinants that contribute to their compliance behavior of *zakat*. By understanding the compliance behavior of income *zakat* payment, it could shed some lights on suitable policies to be formulated to increase income *zakat* collection. Income *zakat* collection would increase tremendously if the school teachers are compliant to *zakat* payment.

2. REVIEW OF PREVIOUS STUDIES

There is limited literature on compliance behavior of *zakat*. Kamil (1995), Kamil (2002), Zainol (2008), Zainol et al. (2009), Ram Al Jaffri (2010), Nur Barizah & Hafiz Majdi (2010), Mohd Rahim, Ariffin, & Abd Samad (2011), Raedah et al. (2011), Halizah, Kasumalinda, & Agoos Munalis (2011), and Kamil, Zainol, & Ram Al Jaffri (2012) are among the studies.

Zainol, Kamil and Faridahwati (2009) examined whether subjective norms and attitudes towards *zakat* were directly related to intention to comply with *zakat* on employment income in Malaysia, and also examined whether attitudes towards *zakat* mediated the relationship between subjective norms and intention. The study found that subjective norms and attitudes had a positive and significant influence on behavioral intention.

Zainol (2008) and Ram Al Jaffri (2010) examined the influence of religious teachers on intention to pay *zakat*. Zainol (2008) revealed that there was no empirical support; however, Ram Al Jaffri (2010) found that the influence of religious teachers played an important role in the intention to pay *zakat*. Furthermore, Zainol (2008) and Ram Al Jaffri (2010) examine the influence of parents on intention to pay *zakat*. The studies found that the influence of parents, which is an intimate group, had an influence on the intention to pay *zakat*.

Also, Zainol (2008) and Ram Al Jaffri (2010) studied the influence of peers on intention to pay *zakat*. Ram Al Jaffri (2010) provided empirical evidence showing the influence of peers on the intention to pay *zakat*. Zainol (2008), on the other hand, did not provide empirical evidence showing the influence of peers on the intention to pay *zakat*. Moreover, Mohd Rahim, Ariffin and Abd Samad (2011) found that there were seven factors that influenced individuals to comply with *zakat* which are gender, age, educational stage, high expenses, and level of awareness about *zakat* scheme, environmental concern and religiosity of individuals.

Also, Raedah, Noormala, and Marziana (2011) studied factors that influence academics' intention to pay *zakat* using a total of 600 questionnaires which were distributed to all academics in Kuantan, Pahang. They found that only attitude and perceived behavior control showed a significant relationship with intention to pay *zakat*.

The modern empirical studies showed that the religiosity had an important impact on the lives of the *zakat* payers as well as its recipients (Hairunnizam 2012). Kamil et al. (2012) constructed Islamic religiosity measurement and found that it had four dimensions and played an important role in influencing business income *zakat*. Furthermore, Kamil, Zainol, and Ram (2012) constructed quantitative Islamic religiosity measurement from an Islamic perspective and examined whether the Islamic religiosity measurement plays a significant role in compliance behavior of *zakat*. The study used questionnaires as instruments with a sample size of 227. The study concluded that the components measurement of religiosity has four dimensions. Using regression analysis, this study found that business owners who were highly religious were also more likely to comply with *zakat* law and that religiosity played an important role in *zakat* compliance behavior.

So far, there has been inconclusive empirical evidence regarding determinants of *zakat* compliance behavior. Therefore, there is still a gap of knowledge that needs to be explored further to have more understanding of determinants of *zakat* compliance behavior.

3. RESEARCH DESIGN AND METHOD

This study is a qualitative research; therefore it uses qualitative research methodology. According to Neuman (1997), qualitative research is the systematic analysis of socially meaningful action through the direct, detailed observation of people in natural settings to arrive at understandings and interpretations of how people create and maintain their social worlds.

The research design for this study is interpretive design. Specifically, this study uses unstructured interview where the researcher uses the voice recorder and note pads to record the interviewee's responds. There are unstructured questions that the interviewer asks and the interviewees are allowed to answer freely. The interviewer then follows up certain points where necessary. The reason for using unstructured interview is to allow this to obtain much more detailed information than what is available through other data collection methods. It also enables this study to ask some spontaneous questions which make the participants or interviewees express themselves more freely.

Specifically, to understand the phenomena of *zakat* compliance, the researcher interviewed the respondents with unstructured questions to get in depth details of determinants of compliance and noncompliance of income *zakat* by public school teachers. The first question the researcher ask was "what are your motivations for paying *zakat*." The interviewees were free to give responds, and they were encouraged to give as many answers as possible. The researcher then followed up their answers with spontaneous questions. The interviewees were free to express themselves. The conversations were allowed to flow more freely which enabled this study to obtain as much information as possible.

The population of this study consists of public school teachers. The saturated approach is used to determine sample size. The researcher asked respondents to explain motivation or factors that motivate them to comply with *zakat* payment. This study continued to collect the data from the interviewees until the answers were saturated. No new motivations were found by asking new respondents. Data is obtained through direct interaction with respondents by unstructured interviews.

4. RESEARCH ANALYSIS AND FINDINGS

This study uses a thematic analysis. To analyze data obtained from the interviews, first, the researcher typed all of the interviewees' responds in a word document. Then, the researcher read through the response and search the common themes among the data. From the data, the researcher found that there was a variety of themes. Using NVIVO, the unstructured response were coded in tree nodes.

Based on the interview, this study tries to find common themes among the answers given by the interviewees. After the researcher had coded the themes using tree node in NVIVO, the researcher came up with the following findings as reported in Table 1.

Table 1: Motivations for Paying Income *Zakat* by Respondents

Motivations for Paying Income *Zakat*		Frequency
i)	Awareness about *Zakat* as a Religious Obligation	36
ii)	Knowledge about *Zakat*	24
iii)	To Help the Poor and Needy	32
iv)	Confidence in Fairness of *Zakat* Distribution	12
v)	To Obtain Reward from Allah in the Hereafter	4
vi)	To Help Improve Muslim Community	4
vii)	Influence of Parents	8
viii)	Influence of *Zakat* Collectors	8
ix)	Tax Rebate	8
x)	To Purify Income and Property	10
xi)	Influence of Spouse	4
xii)	Influence of Family	4
xiii)	Convenience to Pay *Zakat*	12
xiv)	Influence of Religious Teachers	4

Table 1 shows that there fourteen general themes of motivations for paying income *zakat*. Also, this study reveals that out of 44 respondents, 32 of them paid *zakat* to Kedah State Department of Zakat while 12 of them either paid directly to the recipients or paid to other states' *zakat* departments. Table 2 shows the reasons for not paying *zakat* to Kedah State Department of Zakat.

Table 2: Reasons for not Paying *Zakat* to Kedah State Department of Zakat

Reasons for Not Paying *Zakat* to Kedah State Department of Zakat		Frequency
i)	Perception that *zakat* could be paid anywhere in the world	8
ii)	Lack of confidence in the management of Kedah State Department of Zakat	6
iii)	Unaware of the directive by the Secretary of Government Department	4
iv)	Higher allowable *hadd al kifayah* deductions given by other states' *zakat* departments	3

5. DISCUSSIONS

This study finds that there are fourteen motivations or determinants of compliance behavior of income *zakat* by public school teachers in the state of Kedah, Malaysia.

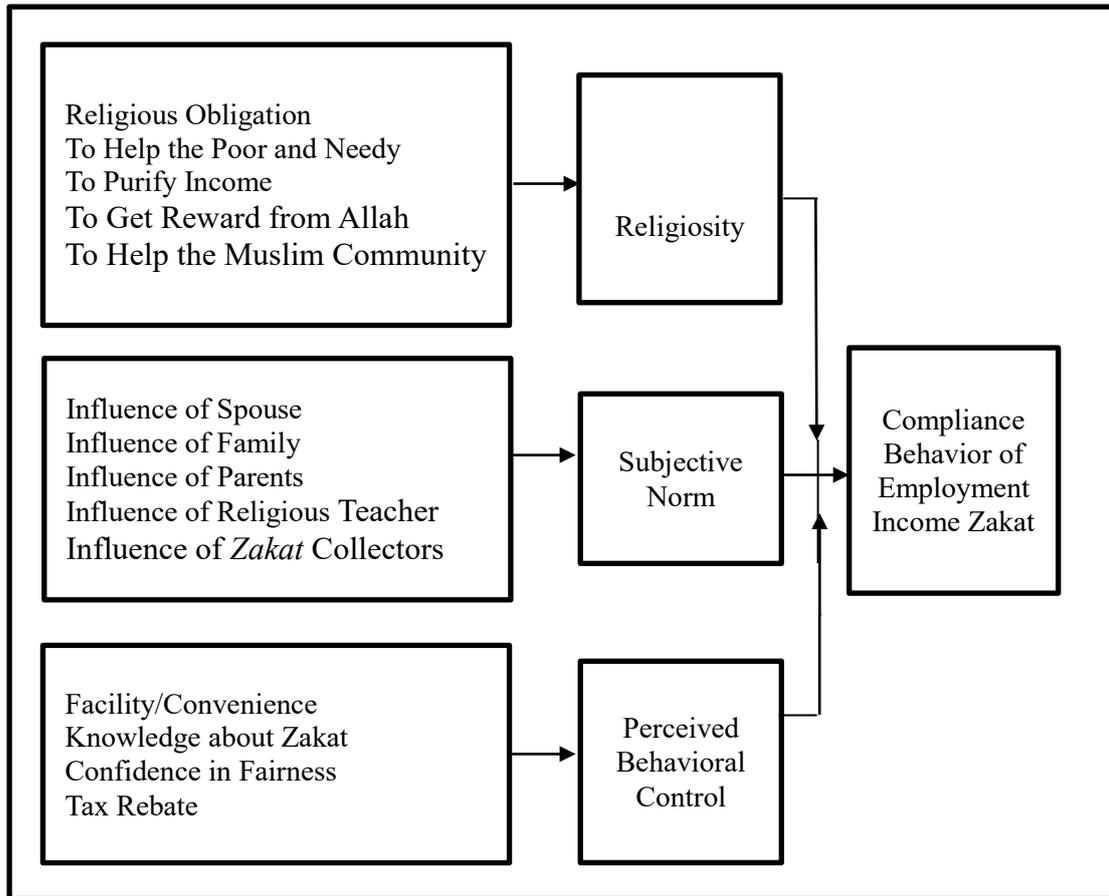This study further categorizes them into three broad categories as shown in Figure 1.

Figure 1: Motivation for Paying *Zakat* among Public Servants in Kedah, Malaysia

The findings of this study are somewhat different from the findings from previous studies on compliance behavior of *zakat*. All previously reviewed literature showed that the studies on compliance behavior of *zakat* used quantitative research. Most of them used the Theory of Planned Behavior (TPB) as the underpinning theory. Using the TPB, they formulated hypotheses, collected data and accepted or rejected the hypothesis, which is called deductive reasoning.

However, this study employs a qualitative research approach. Instead of using deductive reasoning, this study uses inductive reasoning. This study observes the phenomena using interviews, analyzes themes, formulates relationships and comes up with a theory as shown in Figure 1. Figure 1 reveals that there are three variables which explain the compliance behavior of income *zakat*: religiosity, subjective norms, and perceived behavioral control. This evidence contradicts TPB which postulates that attitude, subjective norms, and perceived behavioral control influence intention to perform a certain behavior.

Furthermore, this study finds three issues regarding the compliance behavior of income *zakat*. The first issue is that not all *zakat* payers in the state of Kedah paid *zakat* to Kedah State Department of Zakat. The perception that they could pay *zakat* anywhere in the world is the main justification. However, they were not aware that there was a circular which comprises a directive by the Office of the Secretary of the Kedah State Government (SUK) in 2008. The fact is the circular has directed individual Muslim public servants who have fulfilled the conditions of perfect title, *nisab,* and *hawl* to pay *zakat* to Kedah State Department of *Zakat* through monthly salary deduction scheme.

The second issue is that the respondents showed a lack of confidence in the ability of Kedah State Department of Zakat to manage and distribute *zakat* equitably to the recipients. The third issue is that the respondents perceived that paying *zakat* elsewhere was more beneficial to them because other states' *zaka*t departments give higher allowable *hadd al kifayah* deductions. Therefore, the problems with low collections of income *zakat* lie not only with the zakat payers but also with Kedah State Department of Zakat, which Kedah State Department of Zakat must address accordingly and appropriately.

6. CONCLUSIONS AND RECOMMENDATIONS

In general, the significance of *zakat* with a fair distribution has a good impact on the moral and material aspects, as *zakat* cleans and purifies the soul of the givers from egotism and greediness for the property and means, and it develops compassion for the poor and needy.

Paying *zakat* is a good measure of religiosity. There are five pillars of Islam which all Muslims must comply. Therefore, *zakat* is a completion of belief, and whoever denounces *zakat* and denies its acceptance, the persons' religiosity is low. *Zakat* could help the low-income family to educate their children; education of those children will contribute to the future society development. Also if the education of children is affected by the poverty, then certainly they will become a problem in the society.

Therefore, it is very important to understand *zakat* payers' motivations. As we understand their motivations, we can take the necessary steps to increase *zakat* collection. When *zakat* collection increases, *zakat* can play a more important role as a significant tool of Islamic finance.

Zakat used to be a significant tool of Islamic finance in the early years of Islamic government. However, in today's modern world, the significance of *zakat* as a tool of Islamic finance is reduced mainly because of low *zakat* collection. This study tries to examine motivations or determinants of income *zakat* payers using a qualitative approach. Although there is voluminous literature on the compliance behavior of *zakat*, almost all of them use quantitative approach. The findings of this research are different from previous research findings because of the different approach.

This study recommends that:

i) More comprehensive studies in the area of *zakat* compliance behavior using a qualitative approach.

ii) Future studies should focus on internal or psychological motivations.

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