

ANALYSIS ON THE SURVEY OF E-ZAKAT SYSTEM AMONG ZAKAT APPLICANTS OF UNIVERSITI TEKNOLOGI MARA (UiTM) JOHOR

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ABSTRACT

Unit Zakat, Sedekah dan Wakaf (UZSW) is known as a zakat institution under Universiti Teknologi Mara (UiTM) Johor. There are various functions of this unit including managing zakat distribution fund according to the distribution management procedures that have been set. However, as the system is newly developed, it is certain that this system needs feedback from the users, especially from the zakat applicant. The purpose of this research is to study the effectiveness of the online zakat application system (e-ZAKAT) among zakat applicants consisting of UiTM Johor students. This research used quantitative method in the form of survey through Google Form application. The data were collected and analyzed using Statistical Packages of Social Science (SPSS). The results of the study showed that all the items had a high mean value. It means that most of the respondents chose agree and strongly agree that e-ZAKAT system is easier, beneficial and user-friendly.

Keywords: e-ZAKAT, Unit Zakat, Sedekah dan Wakaf (UZSW) and zakat applicants.

1.0 INTRODUCTION

Most of the public universities in Malaysia have their own zakat institution. As for Universiti Teknologi Mara (UiTM) Johor, zakat institution is known as Unit Zakat, Sedekah dan Wakaf (UZSW). According to UZSW (n.d), the main function of this unit is managing zakat distribution fund according to the distribution management procedures that have been set. Besides, it is to ensure the effectiveness of distribution management that has been planned and carried out. Most of the zakat distribution fund will be given to the zakat recipients consisting of qualified UiTM students. It is one of the approaches to assist them in minimizing financial strain in facing daily life as a student at the university.

Considering how advanced technology has made the world developed well today, UZSW has also taken the initiative by creating an online zakat application system named e-ZAKAT. It is a system developed by UZSW of UiTM Johor recently. The purpose of developing e-ZAKAT portal is to facilitate application, reviewing and approval, speeding up the application and approval period and improving the quality of UZSW services. Other than that, the use of this system is to meet the challenge of going green to reduce the use of paper. As for the student who intends to apply zakat every semester, they can do so through e-ZAKAT portal. Basically, e-ZAKAT has many features consisting of application record, personal information,

qualification calculator of asnaf, limit of kifayah, development of zakat system and zakat management. Thus, it is much easier, beneficial and user-friendly.

However, as the system is newly developed, it is certain that this system needs feedback from the users, especially from the zakat applicant. It is to ensure that the system is always working well. Therefore, this research is conducted to study the effectiveness of the online zakat application system (e-ZAKAT) among zakat applicants consisting of UiTM Johor students. This is to ensure that this system can be beneficial, convenient and user-friendly. Other than that, it shows that this system is easy access and show the credibility of zakat institution to all Muslim communities particularly.

2.0 LITERATURE REVIEW

2.1 CONCEPT OF ZAKAT ACCORDING TO ISLAM

Zakat is derived from the word *zakaa* (زَكَاةٌ) which means pure and fertile including clean, blessing, growing, and good for zakat wealth, zakat payer and zakat recipient (asnaf) (Lembaga Zakat Selangor [LZS], n.d.). In terminology, zakat is issuing certain wealth at a certain rate according to certain conditions to be distributed to certain groups (LZS, n.d.).

Zakat is an obligatory (*fardu ain*) to every Muslim who fulfills all the obligatory conditions. This is because zakat is an obligation that exists in the pillars of Islam. Therefore, a Muslim who fails to pay zakat may be considered as an apostate. Meanwhile, a Muslim who does not pay zakat without denying his obligation is a great sinner. Therefore, the government is in charge of controlling zakat distribution and collection.

2.2 CATEGORY OF ASNAF

There are eight categories of zakat recipients or known as *asnaf* who are eligible to receive zakat according to the Quran (Pusat Pungutan Zakat Majlis Agama Islam Wilayah Persekutuan [PPZ MAIWP], n.d.). It can be seen through the table below:

Table 1. Category of *Asnaf*

Category	Description
<i>Al-Fuqara'</i> (poor)	A person who does not have any property, job or income from the other sources that: <ol style="list-style-type: none"> Does not reach 50% of his daily needs and the needs of his dependents. Does not reach 50% of the living expenses of a person who lives moderately and his dependents.
<i>Al-Masakeen</i> (needy)	A person who has a job or business that only partially meets his basic needs but not enough to cover daily needs and his dependents.
<i>Fisabilillah</i> (for the sake of Allah)	Any person or party who engages in an activity to uphold, defend and propagate Islam and its virtues.
<i>Muallaf</i> (those inclined towards Islam)	Those who are inclined to accept Islam or who embraced Islam but the belief of Islam is not strong yet. It is divided into two namely: <ol style="list-style-type: none"> Muslim <ul style="list-style-type: none"> ✓ Newly reverted to Islam. ✓ Muslim leaders who have a good relationship with non-Muslim leaders who are equivalent or have the same level as them. ✓ Muslim leaders who are still weak in faith but still obeyed by the people under his leadership.

	<ul style="list-style-type: none"> ✓ Muslim who lives on the border which is close to the enemy country. 2. Non-Muslim ✓ Can be persuaded to revert to Islam. ✓ Can be persuaded not to harm Muslim.
Al-Amileen (zakat administrator)	Those who are directly involved with zakat institution whether individual or organization to manage and administer zakat affairs including collection, distribution, financial affairs and so on.
Al-Riqab (slave)	Freeing the Muslim from the grip of slavery and conquest whether in physical or mental grip such as the grip of ignorance and shackled under the control of certain people.
Al-Ghaarimeen (debtor)	Those who are in debt to meet the basic needs of their own welfare, their dependent families or the community who need immediate settlement and are allowed by sharia.
Ibnu Sabil (wayfarer)	Any person traveling from any state or country who needs aid for the purposes that approved by sharia.

2.3 THE APPLICATION OF TECHNOLOGY IN ZAKAT INSTITUTION

FinTech refers to the use of technology in the financial system (Financial Technology). The presence of FinTech is seen to be able to compete with traditional financial institutions as it offers flexible and convenient financial products and service at lower cost and more effective. According to Johari and Yusoff (2019), payment and distribution of zakat through FinTech is still unsatisfactory according to the website of zakat institutions in Malaysia. Zakat institution that acts as significant organization in administering zakat collection and distribution in Malaysia should seize this chance to explore and adapt more in FinTech to improve the existing system. The component of trust will assist zakat institutions in gaining trust from zakat payers via FinTech. Hence, it can improve the effectiveness of management in terms of collection and distribution of zakat.

The distribution of zakat should keep up with technological advancements, particularly with the rise of the Industrial Revolution (IR4.0). The traditional manual approach of collecting and distributing zakat should be replaced with more modern methods that is in line with the current industry standards as stated in the study of Ismail et al. (2022). According to Saro et al. (2022), the adaptation of technology in zakat implementation is parallel with the development of Industrial Revolution 4.0. It also shows that the role of zakat institutions is very important in adapting the advance of technology today.

As Meerangani et al. (2021) mentioned, technological advancement makes zakat institutions easier to handle, which in turn increases zakat collection. The institution has diversified zakat payment methods such as payment through banking, official portal, mobile application and MyEg. Indirectly, it can help the community to be more aware of their obligation to pay zakat. According to Abdul Razak et al. (2022), students today prefer learning through games. Therefore, zakat application should be shared and distributed widely to make it easily accessible to students via the internet. This will enable them to apply it from anywhere they are.

Also, there are several institutions that have started developing their own digital applications. It is to improve the quality and management of zakat institution itself. For instance, Lembaga Zakat Selangor (LZS), Lembaga Zakat Negeri Kedah (LZNK) and Pusat Pungutan Zakat Majlis Agama Islam Wilayah Persekutuan (PPZ MAIWP) (Saro et al., 2022).

2.4 ADVANTAGES OF USING FINTECH IN ZAKAT INSTITUTION

Johari and Yusoff (2019) have stated that one of the advantages of using FinTech in zakat institution is the service becomes more efficient to any parties especially zakat payers and zakat recipients. All business can be done online at any time. Zakat payers can pay zakat quickly and comfortably without wasting time queuing at the counter. Meanwhile, zakat applicants can easily apply online and check the status of their application anywhere. In fact, the distribution of zakat to *asnaf* can be done systematically.

Secondly, communication becomes easier. Zakat institution can obtain the information quickly when they can connect with people through online medium like WhatsApp, email, Facebook, and others. Fast and accurate information is easier for zakat payers and zakat recipients.

Thirdly, data storage is more organized and systematic through a database. Work management becomes easier, simpler and faster through the use of various software. In fact, zakat data can be used as a source to analyze information accurately.

Fourthly, the security of data and information is more guaranteed. Online data and information can be handled where the owner or supervisor offers standard and certified security facilities to link user accounts with account verification.

In a nutshell, FinTech facilitates the payment of zakat and helps the *asnaf* to receive zakat. The government fully supports FinTech through National Bank to develop and supervise FinTech technology. In order towards Industrial Revolution 4.0, the application FinTech needs to be implemented in every zakat institution. This is to ensure the collection and distribution of zakat is effective.

2.5 ONLINE ZAKAT MANAGEMENT SYSTEM: DISTRIBUTION

According to Sa'ari et al. (2022) and Abdullah et. al (2021), there are two Polytechnics that apply E-Zakat system which are Politeknik Sultan Abdul Halim Mu'adzam Shah (POLIMAS) and Politeknik Ungku Omar (PUO). The main functions of these systems are to distribute zakat to the students and facilitate the management of application accordingly. This is because the distribution of zakat must be well managed to ensure the effectiveness in improving the quality of life of the student. Therefore, E-Zakat system facilitates POLIMAS zakat management in storing and organizing data according to the specified requirements. Rapid Application Development (RAD) has been used to develop E-Zakat system (Sa'ari et al., 2022). It is much easier for the student to apply zakat other than helping zakat management to track student information regularly. In addition, it acts as a student data center that can be audited and monitored by POLIMAS management. Students also strongly agree E-Zakat facilitates and gives satisfaction. The implementation of E-Zakat helps zakat distribution to be given to the priority students so that they are not burdened with financial problems. It can simultaneously increase their motivation towards academic and co-curricular excellence.

Abdullah et al. (2021) added that E-Zakat causes the students no longer needed to fill in the form manually. They just make an online application through the portal www.zakatpuo.com. Next, the system will generate zakat calculation and make it easier for the officer to check and update the application status online. Finally, the interview eligibility status of prospective zakat applicants as well as the list of students eligible to receive zakat will be displayed for the reference of students and management. The specialty of this system is the application data, result of the calculation as well as the final status of the students will be stored in the database to prevent loss and duplication of data. Indeed, this system

increases the productivity of work processes and contributes to the safe and accurate data storage.

Other than zakat system applied in the polytechnic, Shaiffe and Hassan (2021) have stated that the state zakat institution has started to introduce the concept of wakalah zakat recently. It is to increase the collection and expand the distribution of zakat. Wakalah zakat is a policy of returning zakat to the zakat payers (individuals, companies, employers and institutions of higher education) to be redistributed to eligible *asnaf*. It can be said that this concept is a relatively new innovation in zakat management especially in Malaysia. Zakat institution in the Federal Territory have taken the initial step by developing *MyWakalah* application to improve wakalah zakat efficiency. The application procedure, approval, review and distribution process may be carried out efficiently through this application. In fact, *MyWakalah* is a good technology in zakat management, particularly in the Federal Territory. This application is an online integration medium involving three parties: Pusat Pungutan Zakat (PPZ)-MAIWP, Baitulmal-MAIWP, and zakat payer. In addition, it facilitates the recording of application, approval, review and distribution of wakalah zakat. The recording enables the continuous monitoring and improvement process of the concept of wakalah zakat in the future.

3.0 METHODOLOGY

This study was conducted using a quantitative method through a descriptive research approach in the form of survey through Google Form application. The main instrument used in the data collection of this study was the survey method. The survey of this study consisted of two parts. Part A covered the socio demographic characteristics of the respondents. Among the characteristics measured were gender, level of study, semester and faculty. Part B covered the e-ZAKAT survey feedback with four answer choices using a Likert scale (1=strongly disagree, 2=disagree, 3=agree and 4=strongly agree). This was to ensure that the respondents indicate the level of agreement that was suitable for them.

The survey was distributed using a systematic sampling method. A total of 443 questionnaires were distributed online where the respondents were from the zakat applicants consisting of students of UiTM Johor.

Once the data was collected, it was analyzed using the Statistical Package for the Social Sciences (SPSS). The data analyzed take into account the frequency, percentage and mean. Meanwhile, the mean interpretation value is as shown in the table below:

Table 2. Interpretation of mean value

Value of mean	Mean interpretation
1.00-1.80	Very weak
1.81-2.60	Weak
2.61-3.40	Moderate
3.41-4.20	Good
4.21-5.00	Very good

4.0 FINDINGS AND DISCUSSION

This section discussed the findings of the study which were the demographic of respondent and e-ZAKAT survey feedback of the zakat applicants consisting of students of UiTM Johor. The figure showed the background of the respondents which consisted of gender, level of study, semester and faculty. The table below showed the results of the study conducted using the questionnaire instrument.

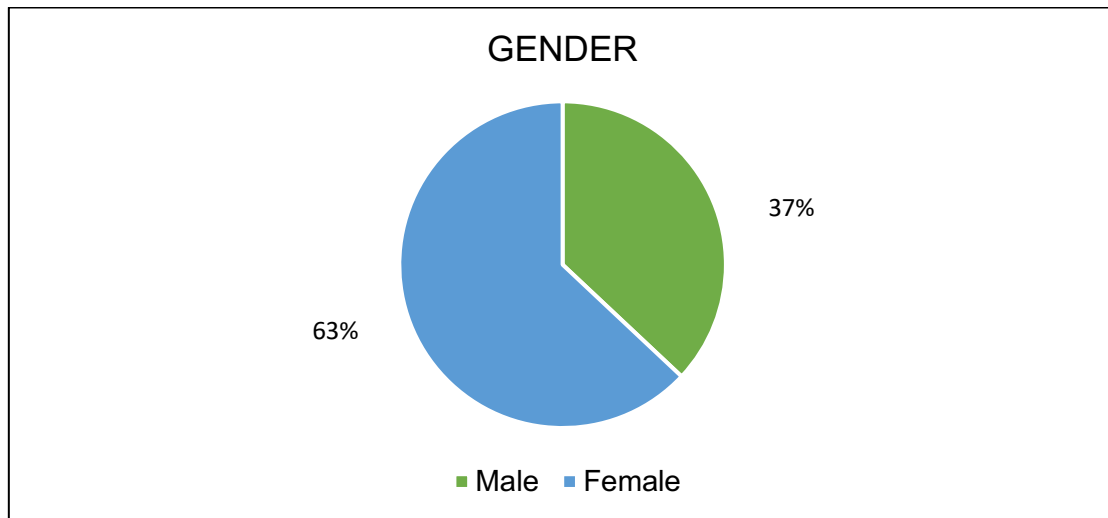


Fig. 1 Percentage of gender

According to the **Fig.1**, the highest respondents were female which is 63% (279 students) while the lowest respondents were male which is 37% (164 students).

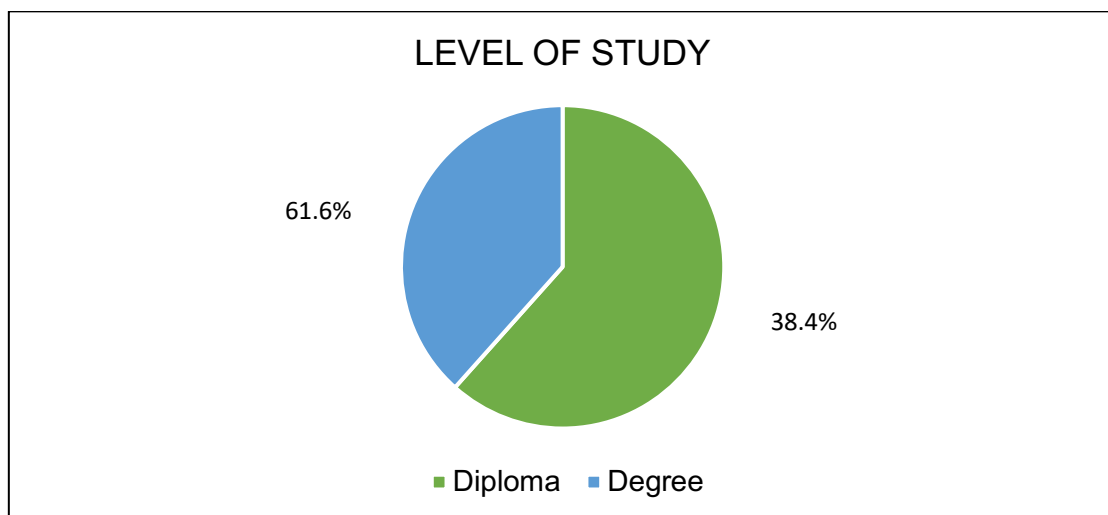


Fig. 2 Percentage of level of study

In the **Fig. 2**, majority of the respondents were from Diploma level which is 61.6% (273 students) while 38.4% (170 students) were from Degree level. It showed that respondents who applied zakat from Diploma level was higher than Degree level.

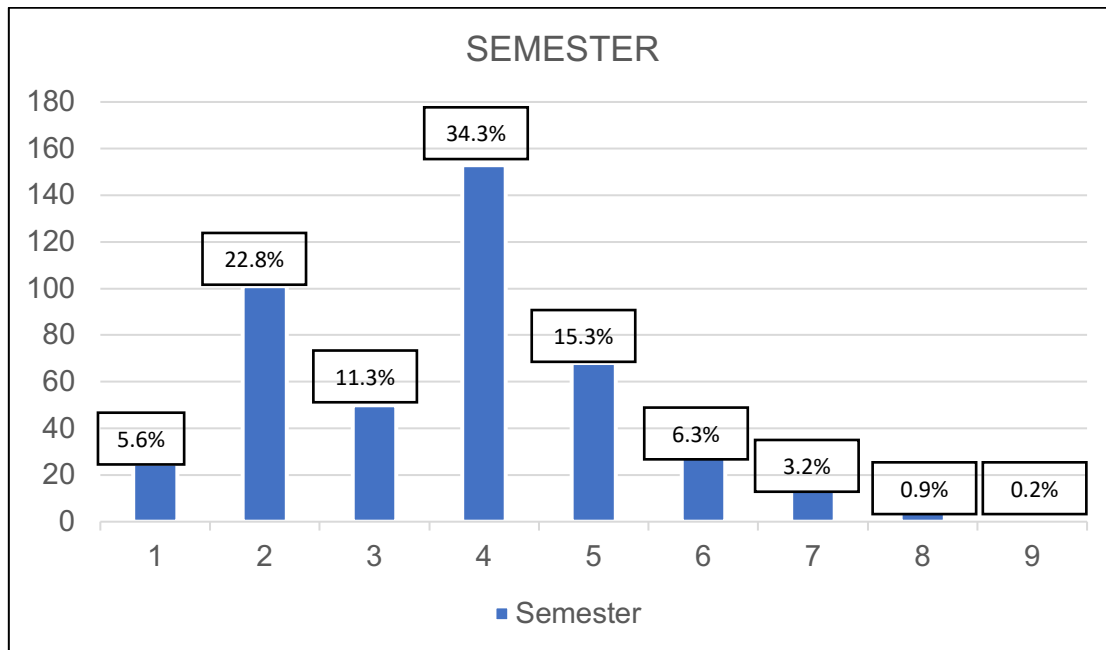


Fig. 3 Percentage of semester

Fig. 3 shows that Part 4 had the highest percentage of the respondents which is 34.3% (152 students), followed by Part 2 which is 22.8% (101 students). Meanwhile, Part 8 and Part 9 had the lowest percentage which is 0.9% (4 students) and 0.2% (1 student) only.

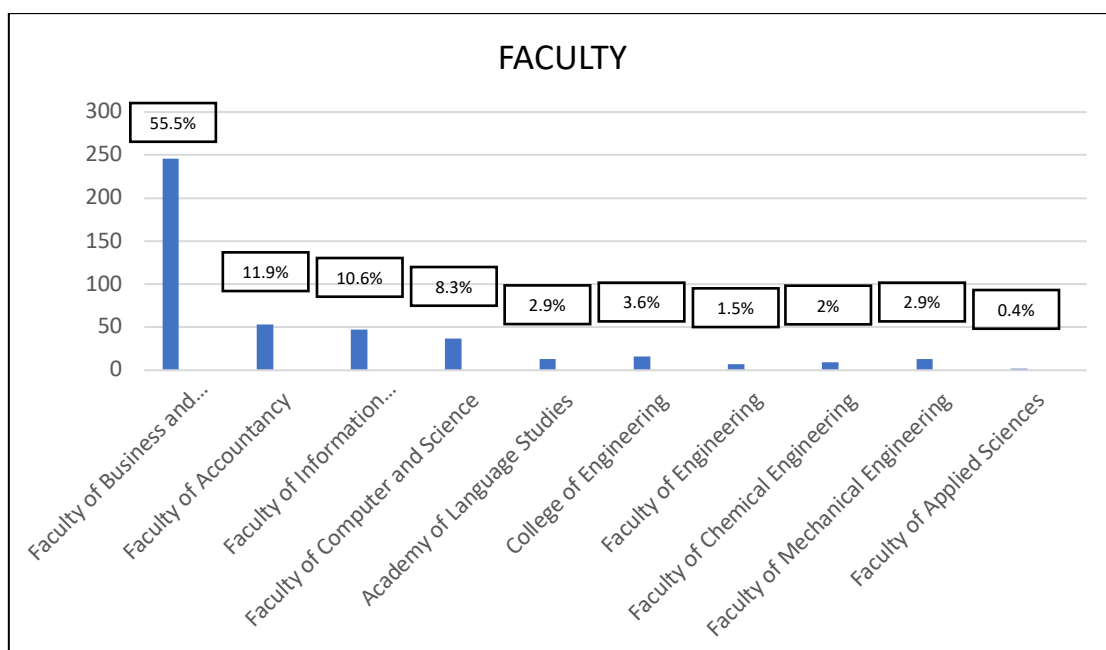


Fig. 4 Percentage of faculty

According to the **Fig. 4**, the highest respondents were from the Faculty of Business and Management which is 55.5% (246 students), followed by 11.9% (53 students) from the Faculty of Accountancy. Meanwhile, the lowest respondents were from the Faculty of Applied Sciences which is 0.4% (2 students).

Table 3. Easiness to obtain information on UiTM Zakat application

Item	Frequency (f) Percentage (%)				Mean
	1	2	3	4	
I can easily get information about the UiTM Zakat application through e-ZAKAT portal	8 1.8	12 2.7	267 60.3	156 35.2	3.00
I have been explained about the use of e-ZAKAT before making the application	6 1.4	42 9.5	269 60.7	126 28.4	3.16
e-ZAKAT system is more effective compared to conventional applications that use forms	5 1.1	4 0.9	192 43.3	242 54.6	3.51
The application process of the e-ZAKAT system is very easy and user-friendly	5 1.1	2 0.5	197 44.5	239 54	3.51
The information and documentation required is minimal and appropriate	6 1.4	2 0.5	228 51.5	207 46.7	3.44
Automatic selection of the interview panel by the system is better than decided by the students themselves	12 2.7	14 3.2	264 59.6	153 34.5	3.26

(*Note: 1- Strongly disagree, 2- Disagree, 4- Agree, 5- Strongly agree)

Table 3 shows the easiness to obtain information on UiTM Zakat application. Based on the figure above, a total of 54.6% of the respondents (242 students) strongly agree that e-ZAKAT system is more effective compared to conventional applications that use forms, followed by 43.3% (192 respondents) agree with it. Meanwhile, 0.9% (4 respondents) and 1.1% (5 respondents) respectively disagree and strongly disagree with this item. Therefore, the total number of respondents who agree and strongly agree were 434 respondents (98%).

Next, the application process of e-ZAKAT system is very easy and user-friendly received the second highest choice by the respondents. It states that 54% (239 respondents) strongly agree followed by 44.5% (197 respondents) agree with it. Meanwhile, 0.5% (2 respondents) and 1.1% (5 respondents) disagree and strongly disagree with this item respectively. Thus, the total number of respondents who agree and strongly agree were 436 respondents (98.4%).

Then, the information and documentation required is minimal and appropriate placed third where 46.7% (207 respondents) strongly agree with it followed by 51.5% (228 respondents) agree with it. Meanwhile, 0.5% (2 respondents) and 1.4% (6 respondents) disagree and totally disagree with this item. Therefore, the total number of respondents who agree and strongly agree were 435 respondents (98.2%).

Fourthly, 34.5% of the respondents (153 students) strongly agree with the automatic selection of the interview panel by the system is better than decided by the students themselves. 59.6% (264 respondents) agree with it. However, 3.2% (14 respondents) disagree and 2.7% (12 respondents) totally disagree. Thus, 94.1% of the respondents who agree and disagree with the statement.

Besides, 35.2% (156 respondents) strongly agree with the item 'the information of UiTM Zakat application through e-ZAKAT portal is easy to obtain, while 60.3% (267 respondents) agree with it. Meanwhile, only 2.7% (12 respondents) disagree and 1.8% (8 respondents) strongly disagree. Therefore, the total number of respondents who agree and strongly agree were 423 people (95.5%).

Finally, the item 'I have been explained about the use of e-ZAKAT before making the application' scored the lowest where only 28.4% (126 respondents) strongly agree with it, followed by 60.7% (269 respondents) agree. Meanwhile, 9.5% (42 respondents) disagree and 1.4% (6 respondents) strongly disagree. Thus, the total number of respondents who agree and strongly disagree were 395 respondents (89.2%).

Table 3 also shows the mean score for the easiness to obtain information on UiTM zakat application. The highest mean is 3.51 for two items which were 'e-ZAKAT system is more effective compared to conventional applications that use forms' and 'the application process of the e-Zakat system is very easy and user-friendly'. Meanwhile, the item 'I can easily get information about the UiTM Zakat application through e-ZAKAT portal' has the lowest mean which is 3.00. It can be said that the respondents feel that this item is not the main facility that help them in the e-Zakat system.

According to the findings above, it can be stated that most of the respondents choose strongly agree and agree to all of the items. It means that UiTM Zakat Application has provided the best system and service by providing all the information to the applicants.

5.0 CONCLUSION

In conclusion, e-ZAKAT received a positive feedback from the applicants. The existence of e-ZAKAT helps the applicants to apply zakat easily as it is user-friendly and can save time. In addition, this system also provides various up-to-date information needed by the students. Due to that, the applicants feel that the system help them in applying zakat.

Besides, e-ZAKAT of UiTM Johor can also be a good example to the other public universities and agencies to implement and run a good system. Using such system can simplify many issues to both parties. The process will become easier and can speed up the zakat payment to the qualified applicants. Indirectly, there will be more applications made by the applicants due to the convenience of the system provided.

CO-AUTHOR CONTRIBUTION

The authors affirmed that there is no conflict of interest in this article. Author 1 carried out the fieldwork, prepared the literature review and overlook the writeup of the whole article. Author 2 wrote the research methodology carried out the statistical analysis and interpretation of the results. Author 3 did the data entry.

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