

UNIVERSITI TEKNOLOGI MARA

**DETERMINANTS OF ZAKAT
COMPLIANCE BEHAVIOUR: A
CASE OF LEMBAGA ZAKAT
SELANGOR**

**NORIHAM BINTI SHAARI
NUR AIDA SYABIHA BINTI MAMAT ASRI
ZATUL 'AIN A'ISYAH BINTI TAKIYUDDIN**

Dissertation submitted in partial fulfillment of the
requirements for the degree of
Master of Business Administration
(Executive)

Arshad Ayub Graduate Business School

February 2022

CONFIRMATION BY PANEL OF EXAMINERS

I certify that a Panel of Examiners has met on 12/02/2022 to conduct the final examination of Noriham binti Shaari, Nur Aida Syabiha binti Mamat Asri and Zatul 'Ain A'isyah binti Takiyuddin on their **Master of Business Administration** thesis entitled "Determinants of Zakat Compliance Behaviour: A Case Study of Lembaga Zakat Selangor" in accordance with Universiti Teknologi MARA Act 1976 (Akta 173). The Panel of Examiners recommends that the student be awarded the relevant degree. The Panel of Examiners was as follows:

ABSTRACT

The main purpose of this research is to study on the determinants of zakat compliance behaviour among zakat payers at Lembaga Zakat Selangor. Moreover, this study is to examine the relationship between attitude, subjective norms and Islamic knowledge and zakat compliance behaviour. Data was collected through a survey of 384 respondents using the approach of quantitative research methods. Analysis of the quantitative data revealed that attitude, subjective norms and Islamic knowledge are significantly associated with zakat compliance behaviour. Of all the independent variables, subjective norms is most significantly associated with zakat compliance behaviour among zakat payers at Lembaga Zakat Selangor. Although this research does not support general conclusions, the significant relationship between attitude, subjective norms and Islamic knowledge and zakat compliance behaviour among zakat payers might be replicated elsewhere.

Key terms: zakat compliance behaviour, attitude, subjective norms, Islamic knowledge

ACKNOWLEDGEMENT

Alhamdulillah praise to Allah s.w.t. who made us able and gave us the opportunity to do this dissertation. Firstly, we would like to express our appreciation and sincere thanks to Dr. Che Mohd Syaharuddin bin Che Cob as our supervisor for his valuable comments and helps us gives ideas in improving the quality of our project. Secondly, we would like to give special thanks to our colleagues and friends who supported and motivated us and stood beside us throughout our project. Finally, our gratitude goes to the family especially our fathers and mothers, which is support and give us inspire to finish our dissertation. This piece of victory is dedicated to all of you. Alhamdulillah.

TABLE OF CONTENTS

CONFIRMATION BY PANEL OF EXAMINERS	ii
AUTHOR'S DECLARATION	iii
AUTHOR'S DECLARATION	iv
AUTHOR'S DECLARATION	v
ABSTRACT	vi
ACKNOWLEDGEMENT	vii
LIST OF TABLES	xi
LIST OF FIGURES	xii
LIST OF SYMBOLS	xiii
INTRODUCTION	1
1.1 Preamble	1
1.2 Background of Study	1
1.3 Background of Industry and Company	4
1.4 Situational Analysis	6
1.4.1 Strengths	7
1.4.2 Weaknesses	8
1.4.3 Opportunity	8
1.4.4 Threat	9
1.5 Problem Statement	9
1.6 Research Questions	13
1.7 Research Objective	13
1.8 Significance of Study	13
1.8.1 The Organization – Lembaga Zakat Selangor	14
1.8.2 The Researchers	14
1.8.3 Zakat Institutional	14
1.9 Scope of Study	15
1.10 Limitation of Study	15
1.11 Definition of Term	16
1.12 Chapter Summary	16
LITERATURE REVIEW	17
2.1 Preamble	17
2.2 Literature Review	17
2.2.1 Zakat Compliance Behaviour	17
2.2.2 Attitude	20
2.2.3 Subjective Norms	22