

## Can regional LAZs to compete fairly amid Muzakki's differences in perceptions?

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### ABSTRACT

*Muzakki's* low intention in paying zakat in official institutions as well as the practices of distributing directly to *mustahiq*. The discovery of the amount of zakat that is not recorded in official zakat institutions can realize low ZIS collection. The purpose of this study is to test the influence of the variables of total quality management (TQM), good corporate governance (GCG) and information technology on the intention of *muzakki* to pay zakat in official amil institutions as well as trust in LAZ (zakat institutions) as a moderating variable. The research uses a quantitative approach with the SEM analysis method as a hypothesis test. The data collection technique using questionnaires and the sampling determination used is convenience sampling or respondents' willingness to meet the required number of samples. Data *muzakki* stored in the database with a total of 1,790 but only 23.8 percent can be analyzed (133 respondents). The results of this study show that the variables of good corporate governance (GCG) and total quality management (TQM) can have a significant effect on the variables of *muzakki* intentions but information technology variables do not have a significant influence on the variables of intention. Similarly, the moderation variable i.e. trust in the institution is incapable of moderating the three variable relationships. The implications that can be applied are that the openness of information, accountability, responsibility and independence can shape the governance of institutions that are attractive for the community to be part of the zakat institution. In addition, training employees need to be prioritized to obtain the value obtained from each service. The value received from the community can be used as an opportunity to bring new muzakki closer to raising greater social funds.

**Keywords:** amil zakat institution, total quality management, corporate governance, information technology and trust

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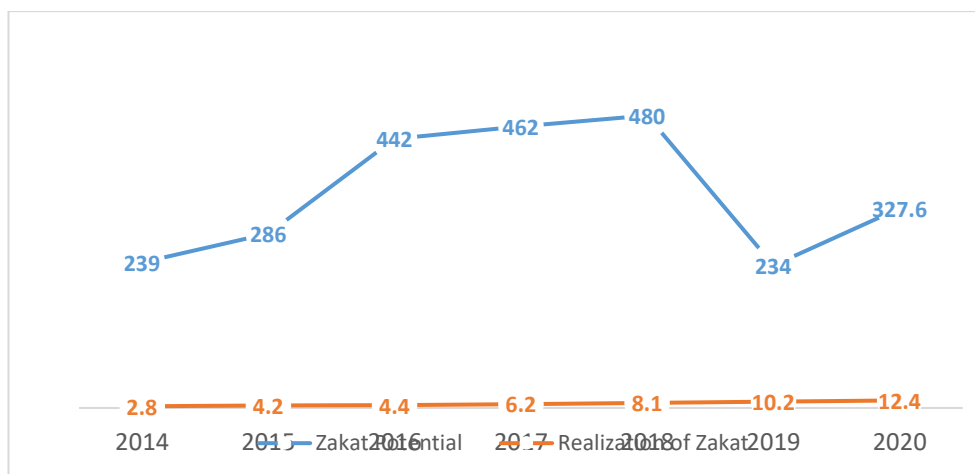
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**INTRODUCTION**

Islam views poverty as a definite phenomenon (Salleh, 2017; Iqbal, 2018). Every human being is obliged to make a 2.5 percent contribution to the poor by cutting one's wealth for a year (Ali Kuzudisli, 2017). In Sura Al-Taubah verse 103 affirms the command for one to cut off property from another (zakat). At this time, the party that collects zakat (amil) has simply transformed into a zakat institution or organization. The passage of the At-Taubah letter has become the basis for zakat institutions to collect zakat funds and channel them into the form of economic improvement (Nasution and Prayogi, 2019).

Philanthropic institutions that focus on managing zakat funds have a hand and role as government aides in poverty alleviation. The success of zakat institutions in the distribution and management of zakat evenly is considered by the abilities possessed by amyls such as the level of morality, education, professionalism, knowledge and recognition of the community (Hairunnizam, Sanep and Radiah, 2012). The provision of zakat funds in the form of business capital or adequate working capital for *mustahiq* is aimed at removing them from the misery of mal (treasure) to prosper and become new *muzakki* (Adnan *et al.*, 2019; Qamaruddin *et al.*, 2019). The ultimate goal is the well-being that belongs together.



**Figure 1.** Growth of ZIS funds in Indonesia

In 2020, the potential for zakat has increased again by 40 percent, amounting to 327.6 trillion from 234 trillion. The same thing also happened to the realization of ZIS (zakat, *infaq* and *shadaqah*) which showed an increase from year to year with a fairly stable percentage of ZIS acquisition of 1 percent of the expected zakat potential. However, in 2019 and 2020 with the realization of ZIS amounting to 10.2 trillion and 12.4 trillion, which illustrates that the realization of the collection carried out can reach 4 percent of the mapped zakat potential. In Pekalongan City, the expected regional zakat potential is 197.91 billion (Choirin *et al.*, 2022). However, the realization of the expected funds has not touched the 2 billion mark, including the zakat institution from the mass organization, namely LAZISMU Pekalongan City.

The collection of zakat that is not in accordance with the expected zakat potential is an issue that has often been raised in previous studies (Mukhibad, Fachrurrozie and Nurkhin, 2019; Cokrohadisumarto *et al.*, 2020; Saad, Farouk and Abdul Kadir, 2020) and the giving of zakat directly to *mustahiq* (Mustafa, Mohamad and Adnan, 2013; Aziz and Anim, 2020). Research conducted by Puskas BAZNAS also found that as many as 30 trillion zakat funds

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were not recorded in official zakat institutions (BAZNAS Pusat Kajian Strategis, 2022) so the lack of ZIS realization could be reported. Owoyemi (2020) explains that *muzakki* can give directly to *asnaf* if the official zakat institution tends to doubt or have problems in convincing *muzakki*. Even though giving without going through institutions, will be consumptive and giving zakat in a non-productive way is considered not to reduce poverty much (Ayuniyyah *et al.*, 2017; Rini, Fatimah and Purwanti, 2020).

Research that measures the intensity of *muzakki* in paying zakat in official zakat institutions has been widely carried out in various countries, such as Malaysia (Ghani *et al.*, 2018; Aziz and Anim, 2020; Bulutoding, Alwi and Dwiayuparmitasari, 2020; Muhammad and Nor, 2021), Nigeria (Mustafa, Mohamad and Adnan, 2013; Farouk *et al.*, 2018; Ahmad, 2019; Saad and Farouk, 2019; Saad, Farouk and Abdul Kadir, 2020) and Saudi Arabia (Ur Rehman, Aslam and Iqbal, 2021). Furthermore, research conducted in Indonesia has concluded two main focuses, namely *muzakki* trust and institutional credibility to increase collection in official zakat institutions. The intensity of the community in paying zakat is influenced by the reputation of the institution, openness, religiosity and public trust in zakat institutions (Mukhibad, Fachrurrozie and Nurkhin, 2019).

**Literature Review**

Intention can be interpreted as a person's encouragement or motivation in driving an effort and effort to act (Daxini *et al.*, 2019). The motives of one's actions can be explained by knowing one's attitude and purpose in acting. A person who has positive feelings, confidence in the behavior received in the surrounding community and a belief that the actions taken are the result of his self-control to have the intention to determine the behavior. The use of SDGs theory has been shown to show that attitudes, subjective norms and behavioral control can influence *muzakki* behavior to fulfill zakat in zakat institutions (Bulutoding, Alwi and Dwiayuparmitasari, 2020; Saad, Farouk and Abdul Kadir, 2020) as well as the role of individual religiosity can also strengthen the relationship between subjective norms and intention (Farouk *et al.*, 2018). Ur Rehman, Aslam and Iqbal (2021) use ETPB (extended Theory of Planned Behavior) which can produce factors that can increase the intention to pay zakat, including moral norms, descriptive norms, injunctive norms and past behaviors.

The theory of legitimacy attaches importance to that companies have a strong relationship with society (Fatoni, 2016). The commitment that institutions give to the community is a consequence that sometimes institutions must meet. Zakat collection can be carried out properly if zakat management is transparent and full of responsibility (Aziz and Anim, 2020) as well as the management of zakat bodies or institutions that foster loyalty and trust of *muzakki* (Roziq *et al.*, 2021). Cokrohadisumarto *et al.* (2020) formulating policies that must be held to be able to strengthen the credibility of Zakat Management Organizations (OPZ) and the creation of a fair distribution system for zakat recipients (Bin-Nashwan, Abdul-Jabbar and Aziz, 2021). Not only that, zakat organizations must strive for employees who have the competence to provide fast, precise and sharia-compliant services (Said, Zaouali and Hakim, 2020). Furthermore, in digital payments, Destrianti Karmanto, Mahri and Nurasyiah (2020) revealed that the intention to donate was also influenced by trust, ease of use and perceived usefulness.

This study tried to occupy a gap in previous research and adopted a little of the conceptual model of the research of Sawmar and Mohammed (2021). This study used exogenous variables including good governance corporate, total quality management

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(focusing on customers) and information technology (TAM) to influence the intensity of *muzakki* in paying zakat at the official amil zakat institution, namely LAZIS Muhammadiyah Pekalongan City. Furthermore, the relationship is strengthened by *muzakki's* trust in zakat institutions. The practices of self-distribution by *muzakki* give rise to unproductive distribution of zakat but the existence and efforts of LAZ accepted by the community can reduce these practices.

The relationship between corporate and investors is a business relationship or between management and capital owners while the relationship between amyl institutions and donors is an organization for distributing ZIS funds with people who have zakat obligations. The creation of good LAZ governance, one of which is by providing transparent and reliable financial reports, prioritizing responsibility in receiving donations and distributing by the program commitments that are intensified and have strong credibility without relying on any party. Mukhibad, Fachrurrozie and Nurkhin (2019) said that information disclosure at zakat institutions can improve the image and intensity of *muzakki* paying zakat to zakat institutions. Although sometimes the assumption is that people who have a duty of charity must complete the commitment by dividing their property to the *mustahiq* directly. This action is not to blame because minimal governance practices and *muzakki* doubts can reduce gatherings. A positive attitude and goodwill are formed from a person's trust in other partners so that he moves to transact (Taolin *et al.*, 2019). Trust is an important factor in implementing GCG to increase compliance with different *behaviors* (Arofata Tsalas, Jajang W Mahri and Rosida, 2019).

H1: there is a significant influence between the variables of good corporate governance on the variables of *muzakki* intentions

H2: there is evidence that the trust variable in LAZ is able to moderate the significant influence between good corporate governance variables and *muzakki* intention variables

Consumer attitudes and perceptions referred to in management quality theory in organizations are highly regarded by companies as a foundation for building continuous improvement. Total quality management plays a high aspect in determining the increase in customer loyalty and trust and creating credibility and a good image in the market segment of society (Mitreva *et al.*, 2020). Professional social institutions will strive to build efficient and effective operational systems and standards. The goal is to deal with the problem of regional poverty and maintain clear communication between *muzakki* and the general public. Trust in customers underlies all efforts to introduce the company as an act of business continuity (Ahmad and Zhang, 2020). The management of zakat institutions can provide understanding to amyl employees to continue to prioritize quality services so that good management can be accepted by donors. Zakat institutions that can transform according to the input submitted by *muzakki* can fulfil better zakat acquisitions (Mustafa, Mohamad and Adnan, 2013).

H3: there is a significant influence between the variables of total management quality on the variables of *muzakki* intention

H4: there is evidence that the trust variable in LAZ is able to moderate the significant influence between the total management quality variable on the *muzakki* intention variable

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The function of technology is to provide convenience and not spend a long time. In the age of instantaneous, people are treated to the sophistication of smartphones that can save them time such as online payments that can only be done with the touch of a hand. Time is also very valuable so most people will take advantage of opportunities and opportunities by transacting with technology very quickly. In current developments, social institutions adopt technologies such as program information and collection on websites and provide payment media such as bank transfers and barcodes. But not only facilitating online payments but also providing digital literacy to move the hearts of donors to want to give their funds as benevolent funds. The use of information technology to provide reports, data and facts on the distribution of donations is very effective for donors to continue to regularly provide their funds. It also has an effect on others who have sufficient funds to participate in helping LAZ in the welfare of economically weak communities. The ease and benefits of using technology are determinants of public trust as a basis for determining the intention to pay (Al-Adwan, 2019).

H5: there is a significant influence between information technology variables and *muzakki* intention variables

H6: there is evidence that the trust variable in LAZ is able to moderate the significant influence between information technology variables and *muzakki* intention variables

### METHOD

This research uses the structural equation modelling (SEM) method with a quantitative approach. This study aims to examine the relationship between the variables of good corporate governance, total quality of management and the use of information technology to the intention of *muzakki* to pay zakat in official zakat institutions with trust as a coding variable. The object of the study was the *muzakki* of the National Zakat Institute, namely LAZISMU Pekanbaru City with a total population of 1,790 people. The sample determination technique is based on the convenience sampling method (respondent's willingness) and the ability to be a respondent to meet the needs of the sample in answering research problems.

The intention variable is measured using two dimensions, namely, sincerity and fairness with three items and regulations with one item (Bulutoding, Alwi and Dwiayuparmitasari, 2020). The variables of *good corporate governance* are determined by four dimensions consisting of fourteen items, namely transparency, accountability, responsibility and independence (Amalia, 2019). The total quality of customer-focused management is measured by eight statements (Irfan and Kee, 2013; Pattanayak and Maddulety, 2013; Psomas and Jaca, 2016; Harimurti and Suryani, 2019). The dimension of ease and usability of use is a variable measurement of information technology with seven points of statements (Nguyen *et al.*, 2016). Finally, trust in institutions is shaped by four items (Mustafa, Mohamad and Adnan, 2013; Bin-Nashwan, Abdul-Jabbar and Aziz, 2021).

The researcher intends to use the survey method with a questionnaire instrument (list of questions) to collect information from respondents. The questionnaire submitted to donors will contain statements containing responses that strongly agree, agree, neutral, disagree and strongly disagree (Likert Scale). One of the techniques used in the SEM method is PLS (partial least square) by utilizing *smartPLS* software.

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**RESULT AND DISCUSSION**

This research utilizes the willingness of LAZISMU *muzakki* in Pekalongan City to answer every statement in the questionnaire. This study also used google links as a response medium as well as the provision of questionnaire sheet paper as offline responses. The questionnaire, which was distributed via private message (WhatsApp) to a total of 426 respondents, obtained 103 respondents who were willing to fill in directly and 30 muzakki who were willing to fill in offline (willing to visit). However, the sample obtained and can be analyzed was only 23.8 percent or a total of 133 respondents.

**Table 1.** Demographic profile

Characteristic	Detail	Percentage	Amount
Gender	Man	54 %	72
	Woman	46 %	61
Respondent's Age	17 – 23 years old	2 %	3
	24 – 30 years old	14 %	19
	31 – 37 years old	5 %	7
	38 – 44 years old	12 %	16
	45 – 51 years old	23 %	31
	> 52 years old	44 %	59
Education	SMP	1 %	1
	SMA	11 %	15
	D3	8 %	11
	S1	63 %	84
	S2	15 %	20
	S3	2 %	3
Work	Student	1 %	1
	Housewives	2 %	3
	Lecturer	4 %	5
	Guru	9 %	12
	Entrepreneurial	13 %	17
	Private Employees	26 %	35
	Civil Servants (PNS)	26 %	35
	Pensioner	19 %	25

Table I shows the total number of male respondents is 72 while *muzakki* who are female have a percentage of 46 percent. The percentage of age over 52 years is 59 people while the smallest percentage of the sample by age is 3 people, which is categorized into ages 17 to 23 years. S1 education is recorded as the most education owned by LAZISMU *muzakki* Pekalongan City with a number of respondents 84 people. *Muzakki* was most prevalent in the category of private employees and civil servants with the number of respondents studied being 35 people. Furthermore, retirees also have the second largest category which contributes 19 percent of all responses or a total of 25 *muzakki*.

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**Tabel 2.** Measurement Model Result

Variable Name	Mean	CR	AVE	Item	Item Loading
Intense	4,37	0,88	0,74	INT1	0.914
				INT2	0.892
				INT3	0.818
				INT4	0.817
Good Corporate Governance	4,31	0,95	0,63	GCG1	0.826
				GCG2	0.721
				GCG3	0.736
				GCG4	0.827
				GCG5	0.830
				GCG6	0.833
				GCG7	0.821
				GCG8	0.777
				GCG9	0.741
				GCG10	0.785
				GCG11	0.896
				GCG12	0.808
				GCG13	0.740
Total Quality Management	4,38	0,97	0,81	TQM1	0.912
				TQM2	0.921
				TQM3	0.933
				TQM4	0.882
				TQM5	0.873
				TQM6	0.892
				TQM7	0.879
				TQM8	0.917
Information Technology	4,27	0,98	0,87	TI1	0.905
				TI2	0.921
				TI3	0.913
				TI4	0.965
				TI5	0.947
				TI6	0.956
				TI7	0.937
Trust in the Institution	4,26	0,91	0,79	TRUST1	0.900
				TRUST2	0.906
				TRUST3	0.853
				TRUST4	0.908

Based on Table II for the *muzakki* intention variable that the average value of the four statements given is 4.37. The Result of the descriptive analysis of good corporate governance variables with the mean value for the overall statement is 4.31. The average variable of total management quality as a whole was at a value of 4.38 while the information technology variable that the mean value for all questionnaire items was 4.27. Trust in the institution resulted in a descriptive analysis in the study i.e. the mean was 4.26.

Table II displays *SmartPLS* output data and the resulting numbers show loading factor values greater than 0.7. These results explain that the latent variables in each of their constructions have a strong relationship with the manifest variables. The indicators in each good corporate governance (GCG) variable have a loading factor value between 0.721 to

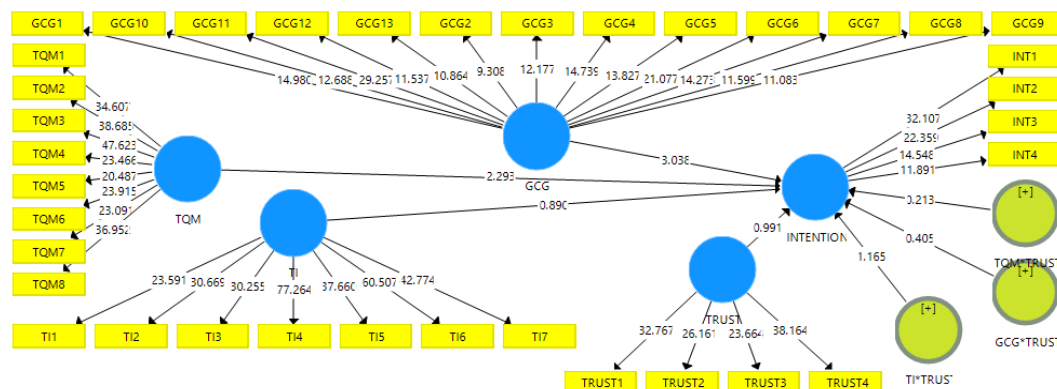
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0.896 while the intention variable is in the range of 0.817 to 0.914. In contrast, the information technology (IT) variable displays a value of loading factors above 0.9 for all indicators while the variables of total quality management (TQM) and trust in the institution also have loading factors values above 0.9 and 0.8.

A Cronbach's alpha value higher than a value of 0.6 indicates that all statements in the constructed variable are reliable as questionnaire instruments. The information technology (IT) variable has a high Cronbach's alpha value from other variables 0.976 while the intention variable has the smallest Cronbach's alpha number, which is 0.883. Similar to the variables of good corporate governance (GCG), total quality management (TQM) and trust in institutions have successive Cronbach's alpha values, namely: 0.952; 0.967 and 0.915.



**Figure 2.** Model analysis

**Tabel 3.** path coefficient

Relationship	Original Sample	Sample Mean	Standard Deviation	T Statistics	P Values	Support Hypothesis
GCG --> Intention	0.352	0.381	0.116	3.038	0.003	Yes
GCG x Trust --> Intention	0.118	-0.048	0.291	0.405	0.685	No
TQM --> Intention	0.243	0.260	0.106	2.293	0.022	Yes
TQM x Trust --> Intention	0.039	0.117	0.184	0.213	0.832	No
TI --> Intention	0.107	0.068	0.121	0.890	0.374	No
TI x Trust --> Intention	-0.223	-0.125	0.191	1.165	0.244	No

In the path coefficient test, it can be produced that the variables of good corporate governance (GCG) and total quality management (TQM) can have a significant effect on the variables of *muzakki* intentions but for information technology variables do not have a significant influence on the variables of intention. Similarly, the moderation variable i.e., trust in the institution analyzed is incapable of moderating the three variable relationships.

## RESULT AND DISCUSSION

LAZ has adopted the concept of good corporate governance as a strategy to bridge the relationship between *amyl* and *muzakki*. Although it is considered simple and not as professional as a state-owned company, LAZ tries to be committed to providing reasonable information and prioritizing social responsibility to the rightful audience. Furthermore, the implementation of good corporate governance in LAZISMU Pekanbaru City has been

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proven to increase *muzakki's* intention to carry out religious obligations in official institutions. This is supported by the results of the study of P Values of 0.03 or less than 0.05 so that the first hypothesis is accepted. One of the most influential factors in the implementation of zakat governance in LAZISMU Pekalongan City is the submission of financial statement information including the collection and distribution of zakat. The report can be used as an obligation for institutions to implement information disclosure, which can further convince *muzakki* to jointly implement poverty alleviation. The implementation of good governance in social institutions plays a very important role in increasing *muzakki's* intention to be different while the lack of implementation of transparency, accountability, responsibility and independence will reduce *muzakki's* intentions.

Even in the business world, social responsibility in terms of philanthropy also has a strong influence in determining consumers' intentions to buy (Mulaessa and Wang, 2017; Saad, 2019). Especially for amil zakat institutions that focus on community empowerment needs even though the responsibilities in this study are still related to legal compliance and trusted audit checks. The state of collecting LAZ that is not optimal must be reduced by the potential programs that can be offered to *muzakki* so that the responsibilities expected by zakat obligators can be clearly seen. Pangestu and Jayanto (2017; Mukhibad, Fachrurrozie and Nurkhin (2019) in previous studies showed that there is a unidirectional and significant relationship between the transparency of financial statements and *muzakki's* desire for charity. The associative analysis can be justified by the existence of financial statement information that includes the entirety of the institution's activities such as the collection and distribution of benevolent funds and the operational costs of the institution. Disclosure of information for mandated calculations can emphasize the doubts of donors as *muzakki* parties.

The role of the community involved in the existence of the institution has also shaped the seriousness of *muzakki* to participate in maintaining the existence of the institution so that it is maintained. The goal is to reduce the asymmetry of information that can occur between internal parties of the institution and the public, especially donors. The interaction from external to internal institutions begins with the feeling of *muzakki* who does not hesitate to participate as a segment that has different responsibilities. However, trust in institutions cannot strengthen the interaction of institutional governance openness to the intention to be different in LAZISMU Pekalongan City because the p-value (0.685) of the results of this study is greater than 0.05. This result is due to the reciprocity received by *Muzakki* not yet fully at the level of profit or loss so the believed value is only limited to voluntary giving. The necessity of property given through zakat institutions is not always justified by *muzakki* and responsibility with poor neighbours and relatives comes first.

Bin-Nashwan, Abdul-Jabbar and Aziz (2021) expressed that trust in zakat institutions is a factor that links the fair zakat management system with the obedience of entrepreneurs in charity but the results of the research conducted are not the case. The provision of quality and understandable information easily determines trust as a strengthening of zakat management and donor loyalty. But 75 percent of respondents in the study were employees and faculty and retirees who only earned a constant income compared to a percentage number of employers of only 13 percent. This revealed that respondents who were employees were more secure than employers who had greater risk and trust was not a moderate variable that affects income zakat. Ayuba and Ariffin (2016) assume that public governance cannot be strengthened by the cooperative attitude of governance to improve

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compliance. Services that want the trust of the people cannot arouse taxpayers to contribute to the state and rational profits from government activities that can be easily accepted.

As the owner of the kindness fund, *muzakki* has representation and expectations regarding the zakat funds given to LAZ. The difference in desire with the increasingly distant reality can reduce the satisfaction of *muzakki* to act as a zakat authoritative. Services that prioritize *muzakki* satisfaction to receive input and criticism can increase *muzakki's* desire to be affiliated with official institutions. This concept is supported by the results of research in LAZISMU Pekanbaru City that the p-value is 0.02 or less than 0.05, so the relationship of the variable total management quality to *muzakki* intentions is a significant effect. An organizing body that instils a friendly and social spirit for amyl employees can foster a donor attitude to return to give zakat to the institution. But to revive this desire requires an amyl approach to solicit input and criticism of the program that has been carried out. Therefore, *muzakki's* desire to be affiliated with official institutions may decrease if zakat institutions do not seek services that do not meet *muzakki's* expectations.

This significant relationship corresponds to the results of research Chiu *et al.* (2014) that the increase in intentions to repurchase is based on improving quality and improving services. Donor satisfaction is not always at a good level, sometimes at a mediocre or even very disappointed level. The misalignment between the fact of *asnaf* assistance and the commitment of the institution gave rise to the intention to reduce zakat in the institution and hand it over directly to the *mustahiq*. This suggests that the quality of amyl management is often developed to be able to follow *muzakki's* expectations. Lee (2017) in research at Seol also found that the perceived quality of service can create a sense of shared engagement as well as a strong role between customers and service providers. This proximity aims to encourage *muzakki* to be involved in the program that is currently being carried out so that the number of donor participants is higher. Furthermore, without the role of *muzakki* in the amil zakat institution caused by management practices that do not involve their opinions, the collection of regional zakat will be reduced.

The interrelation of strong institutions in front of the public is determined by how much interaction the amyls have with the social desires of the community. The good reputation gained from the correct management of zakat consistently leads *muzakki* to carry out the fourth pillar in the formal LAZ. It is different when donors are not sure about zakat institutions so to receive motivation from amyl is sometimes difficult to convey and difficult to be loyal. However, the results of this study show an insignificant influence of moderation because the calculated p-value is 0.832. This result explains that discipline in charity does not depend on the value of the benefits obtained from the efforts made by the *al-amilin*. Services that are continuously improved follow the acquisition of amyl from the collection of zakat and other social funds. The simplicity of providing social representative assistance remains understandable to *muzakki* and the usual management remains fully accepted as a place for distributing zakat. Furthermore, incapacitated trust as a moderation variable is caused by zakat only as a provider of social funds, not as an obligation.

Abdullah *et al.* (2022) revealed that tangible services are very influential as determinants of trust and then carry out intentions while reliability, certainty and responsiveness reinforced by trust cannot affect behavioral intentions. Infrastructure and facilities focused on quality management for donors became the first spearhead as a manifestation of the institution's reputation and intangible services to keep *muzakki's* intentions intact. The use of print media can be applied, such as brochures and banners as strengthening the relationship between zakat institutions and the community as well as zakat

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consultation facilities both online and offline can increase the understanding of zakat to the public. In the organizational context, inertia in management gives rise to rigidity in trust to form organizational management that corresponds to behavioral intentions (Alsaad, Mohamad and Ismail, 2017). Changes in consumer behavior must be accompanied by the presentation of data that is tailored to the changes and needs of these behaviors. The information conveyed normatively has not yet hit the reader's heart so it needs to be wrapped up in innovation by considering the incentives and capabilities of existing human resources.

Information is packaged through the use of technology, solely to achieve the effectiveness and efficiency of the institution. Every development of science, especially in the field of technology is to find alternative digital channels that can change a person's intention to perform certain actions. A person who operates a technological mechanism will be faced with a comfortable or difficult experience in completing a desire. Furthermore, the ease and comfortable feeling of the user can provide a desire to donate. However, in this study, the application of information technology in LAZISMU Pekanbaru City did not find any significant influence on *muzakki* intentions. Although the use of information technology can provide relief in fulfilling the purpose of charity activities, the average zakat collection is still collected by picking up the ball or coming directly to the office. Then most *muzakki* feel that zakat payment technology can only reduce the closeness between personal amyl and *muzakki*.

The results of this study support research Phonthanukitithaworn, Sellitto and Fong (2015) and (Yan *et al.*, 2009), which concluded that the traditional use of payments such as cash is preferred over using mobile devices to settle payment intentions. This is evidenced by the convenience of *muzakki* in storing money in cash in the form of income or pension funds, which are subsequently withdrawn from their partner banks so that digital payments are almost not made. Robbani, Tamanni and Rusydiana (2022) revealed that the increasing digital zakat payment mechanism cannot increase *muzakki's* desire to pay zakat in formal institutions. Similarly, Ninglasari (2021) explained that indicators of ease of use and useful digitization processes cannot determine intentions directly. Payments made using technology cannot be directly accepted by the public so it needs motivation and stimulation to move *muzakki* to pay zakat practically.

Difficulties in making payments digitally can occur if users will feel close to the risk. This feeling often occurs when the existence of institutional entities is still in doubt and the security of digital transactions is weak. Institutions that have a good name in the community will increase people's desire to donate digitally. But the results of this study did not find trust as a variable that strengthened the relationship between information technology and *muzakki* intentions even though the p-value decreased. These results also support the fifth hypothesis regarding information technology that has not been fully utilized by donors so that trust in institutions cannot affect the use of digital-based payments on the page. In particular, regional zakat institutions still need partner banks to complete zakat payments by *muzakki*. This is difficult to generate public trust because other procedures still have to be passed after completing the intention to make a difference.

Not all LAZ regions have adopted technology as their digital transactions. Even before it has been used but afterwards it is only limited to formalities. In research Amjad-ur-Rehman, Qayyum and Javed (2019), it has been concluded that trust in brands cannot moderate the relationship between ease of transaction and intention to buy online. Because the low value of goods does not create consumer confidence in the risks they receive. As with zakat issued at 2.5 percent, it does not actually consume the portion of the income they

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receive. This proves that the zakat paid does not cause deeper disappointment because *muzakki* has been sincere with some of the funds given. The results of this study are in line with the research of Abu-Shamaa, Abu-Shanab and Khasawneh (2016) regarding trust that cannot increase the influence of useful information technology on paying intentions.

### IMPLICATIONS

As an amil zakat institution that prioritizes poverty alleviation programs, LAZ cannot ignore the competition between social institutions, foundations and also the perception of *muzakki* which can reduce the collection of zakat in official institutions. Information disclosure, accountability, responsibility and independence containing important indicators in this study can shape the governance of institutions that are attractive for people to be part of zakat institutions. What is important for zakat institution managers is that determining the wisdom that contains *asnaf* programs and assistance preferred by *muzakki* is the biggest challenge for the management of regional zakat institutions. Variables of trust in institutions that cannot strengthen the relationship between GGC variables and *muzakki* intentions. That means that *muzakki's* behaviour is more casual after issuing zakat in official institutions. This indication has proven that the amil zakat institution has not fully become the most important part of *muzakki* so it needs a strategy that can bring the community closer to the official zakat institution.

Amil zakat institutions are advised to not only raise social funds but can receive input and criticism that can increase collection. The procedure that can be applied is to train employees to be able to obtain the value obtained from each service and convey that value into a discussion forum. It is hoped that the value received from the community can be used as an opportunity to bring new *muzakki* closer to raising greater social funds. Furthermore steps that can be applied to build the reputation of the institution in service include: the management of the zakat institution is advised to provide physical facilities that prioritize the convenience of *muzakki*. For example, a comfortable zakat consultation room and the delivery of data information through online media or magazines. In addition, every service related to physical data can be delivered creatively and innovatively and tailored to the needs of *muzakki*. However, the results of implementing the service will elicit a response that should not be ignored.

Although digital payments have been provided on the website, cash payments, both direct and pick-up, touch the public more than involving technology. Zakat payments that utilize digital need to be updated intensely because these payments still use partner banks or third parties to complete payments. The use of technology on the website has strengthened the institution's relationship with *muzakki*. Pages that generate public empathy can move donors to click on the transaction page. The shift in future generations also requires institutions to have websites to strengthen their reputation in the eyes of the public. In addition, a sympathetic and easy-to-understand presentation of the report can be displayed on the website as another alternative to communicating closely with potential new *muzakki*.

### CONCLUSION

LAZ has made frequent efforts to mobilize and improve *muzakki's* intention to make zakat payments legally. But sometimes the perception of *muzakki* is an important thing that can be conveyed in this study. This study concluded that the variables of good corporate governance (GCG) and total quality management (TQM) can have a significant effect on the variables of *muzakki* intentions but information technology variables do not have a

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significant influence on the variables of intention. Variable moderation i.e. trusts in institutions analyzed as unable to moderate the three relationships of exogenous variables (good corporate, total quality of management and information technology) to *muzakki* intentions. Further research can develop a research model from the point of view of management, technology and institutional reputation. Determination of the sample can focus on entrepreneurial *muzakki*, who are considered to have a high role in zakat institutions.

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