

INFLUENCE OF TA'AWUN IN MANAGING STICKINESS OF ZAKAT INSTITUTIONS

Suhaimi Mhd Sarif^{1*} Yusof Ismail²

^{1*}Kulliyyah of Economics and Management Sciences, International Islamic University Malaysia, Jalan Gombak, 53100 Kuala Lumpur, Malaysia, Email: suhaimims@iium.edu.my
²Kulliyyah of Economics and Management Sciences, International Islamic University Malaysia, Jalan Gombak, 53100 Kuala Lumpur, Malaysia, Email: yusof.edu@gmail.com
*Corresponding author (Email: suhaimims@iium.edu.my)
Received: 5 June 2020, Processed: 27 July 2020, Published: 30 September 2020

Abstract: Stickiness reduces efficiency and effectiveness for productivity and sustainable performance. Productivity is an outcome of input and efforts of institutions. Continuous productivity enables an organization to achieve sustainable competitive advantage and desired performance. Stickiness phenomenon is caused by organisation's political actions, inflexible structure of organisations, deficit of trust and leadership, and organisational divergence. Integration of value chain systems within an organisation and with other organisations provides synergies in creating competitive advantage and reducing cost through economies of scale. Vertical integration provides internal added value to organisations. As for horizontal integration, organisations work through strategic cooperation to reap financial return and strategic value. Ta'awun or spiritually driven mutual cooperation enhances teamwork spirituality and religiosity. This study postulates that the influence of ta'awun reduces stickiness in managing organisations with productivity, efficiency and effectiveness. Thus, this study synthesizes the opinions of select community leaders through personal interview on the influence of ta'awun in managing stickiness in zakat institutions. The results of the study suggest that the influence of ta'awun with all stakeholders within the communities of practice and societal ecosystem creates synergies to reduce stickiness. Future study is recommended to use case study method to elicit more in-depth explanation on how ta'awun could reduce stickiness in zakat institutions.

Keywords: Ta'awun, Cooperation, Stickiness, Zakat institutions, Interview.

INTRODUCTION

In recent years, the world is converging on all aspects of life. The Fourth Industrial Revolution (IR4.0) emphasises on integration and mutual networking to enhance quality of life with efficient high contents in production and service delivery (Kalitanyi & Goldman, 2020; Sosik & Zhu, 2020). The artificial intelligence, block chain technology and extensive networking allows for trade and social liberalisation (Mäntymäki & Riemer, 2016; Kalitanyi & Goldman, 2020; Sosik & Zhu, 2020; Rahman et al, 2020). Nevertheless, the automation has no role in avoiding error and chaos due to human's role.

The influence of human in organisational activity reduces efficiency and effectiveness. The situation has been described as stickiness (Rousseau, 2007; Blackman & Benson, 2012; Venieris, Naoum & Vlismas, 2015). Stickiness hampers efficiency and productivity of organizations. Political organizational actions, inflexibility structure, deficit of trust and leadership, and divergence in organisational motives are included among contributors towards stickiness phenomena (Wahab, Zainol & Bakar, 2017; Taha et al, 2017; Nahar, 2018). *Ta'awun* or spiritually driven mutual cooperation enhances teamwork performance.

Zakat institutions are not spared from organisational stickiness. Essentially, the main components of any organisation, purpose, people and structure are embedded with people's action and reaction (Kalitanyi & Goldman, 2020; Sosik & Zhu, 2020). In religious institutions, religious matters determine the nature of the business. They still operate with some of the typical characteristicss of organizations in general. With this view, *zakat* institutions are subject to cooperation and sticky factors that may hinder efficiency, productivity and effectiveness. This study aims to explore the influence of *ta'awun* in addressing stickiness in managing *zakat* institutions.

LITERATURE REVIEW

This section reviews key literature of the study, namely *ta'awun*, stickiness and *zakat* institutions. The epistemology discussion is essential to review what has been studied in the past in terms of contribution to the body of knowledge, policy and practice.

Ta'awun

Ta'awun or spiritually driven mutual cooperation enhances teamwork. In general, *ta'awun* focuses on two aspects of life, goodness and integrity. Firstly, goodness (*al-birr*) is about being kind, generous, and respectful in the relationship with people regardless of their differences. Secondly, integrity (*al-Taqwa*) is about earning credibility and trust from people through various activities and transactions (Sarif, 2015; Sarif, 2017; Mazlan & Khairuldin, 2018).

Ta'awun or mutual cooperation is not automatic, it has to be inculcated and reinforced. It requires conviction (*iman*), practice (*'amal*), and ecosystem of education (*tarbiyyah*) (Sarif, 2017). The pre-requisites of mutual cooperation (*ta'awun*) from religious context include state of knowing (*ta'aruf*), cognitive ability to comprehend and emphatise (*tafahum*) and collective responsibility to provide mutual protection (*takaful*) (Sarif, 2015; Sarif, 2017; Mazlan & Khairuldin, 2018).

Figure 1 depicts conceptually the influence of *ta'awun* in assuring goals attainment with efficiency and effectiveness. A few factors enhance and sustain *ta'awun*, namely *ta'aruf, tafahum* and *tafakul*, within the *tarbiyyah* ecosystem.

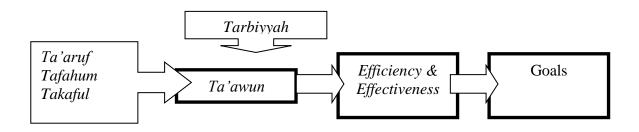


Figure 1. *Ta'awun* Ecosystem

Tarbiyyah or education reinforces *ta'awun*. It refers to contingency ecosystem with education, reinforcement, and enforcement (Sarif, 2017). In the context of organisations, the three components in organisations, namely people, structure and purpose, are coordinated with structure and goals to achieve goals or purpose of existence.

Stickiness

Stickiness is an economic phenomenon of sticky cost that reduces inefficiency (Rousseau, 2007). Stickiness is related to organizational political actions that promote personalised advantage and goal by making organisational context tolerate inflexibility structure, deficit of trust and leadership, and divergence in organisational motives (Wahab, Zainol & Bakar, 2017; Taha et al, 2017; Nahar, 2018).

In short, stickiness is powerful to lead organizations into inefficiency and waste. There are three factors influence stickiness in the context of organisations, namely purpose, people and structure. Purpose refers to the vision, mission and objective of the organisations (Taha et al, 2017; Nahar, 2018). In other words, organisations have reasons for their existence. If the reasons to exist are vague, they will influence mission and goals of organization (Wahab et al, 2017; Nahar, 2018). Eventually, vague mission and goals will lead to hazy focus and lack of direction to get things done in organizations. Figure 2 illustrates stickiness phenomenon.

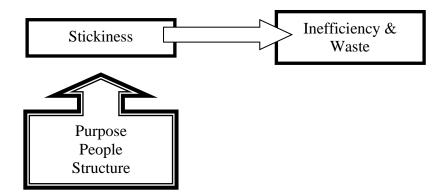


Figure 2. Stickiness Phenomenon

Zakat Institutions

In Malaysia, *zakat* institutions are Islamic institutions regulated under state Islamic administration laws under the patronage of His Royal Highnesses of State Rulers and Muslim Governors. This unique administration is supervised directly by state Islamic councils and day-to-day operations run by executives. There is no direct influence from federal government's agencies on the overall functioning of the *zakat* institutions.

Zakat institutions of various states in the country aim to execute a religious duty that has spirituality dimensions. The main aim of management is basically to achieve its set objectives specified by the relevant state laws with efficiency and effectiveness. Efficiency is measured in terms of optimisation of resources (Wahab, Zainol & Bakar, 2017; Nahar, 2018). Effectiveness is measured in terms of goals attainment within stipulated time.

Zakat institutions have been managed with corporate management approach. This is different from traditional administration of charitable organisations. Nevertheless, *zakat* institutions are found to have achieved a moderate efficiency level (Wahab & Rahim, 2012).

Measurement of efficiency is related to goals outcomes regardless of organization type, including *zakat* organization. Efficiency is not just measured in terms of the ability to reduce waste, but also to optimise resources. Organisational reputation, corporate communication, access to service, contact to personal, and corporate image are important to *zakat* institutions to gain trust (Ab Hamid & Jusoh, 2017).

METHODOLOGY

This study postulates that the influence of *ta'awun* reduces stickiness in managing organisations with efficiency and productivity. This study solicits the opinions of select community leaders through personal interview on the influence of *ta'awun* in addressing stickiness in *zakat* institutions.

The use of qualitative research method qualitative research method through personal interview allows for rich explanation in answering research inquiry (Cho et al, 2020; Kyngäs, 2020). The study selects community leaders using convenience sampling method. The feedback from community leaders has merit due to their functions, roles, and duties with all levels of society. There have been acceptance trends in soliciting the opinions of community leaders (Valente & Davis, 1999; Iyengar et al, 2011; Haymer et al, 2020).

FINDINGS AND DISCUSSION

This section presents the opinions of community leaders about the influence of *ta'awun* or mutual cooperation in addressing stickiness.

CL 1 argued that *zakat* institutions with corporate management orientation are able to gain confidence of the stakeholders. CL 1 said:

"In my community, we helped zakat centres to give awareness about paying zakat and also provide data about our community, especially zakat recipients (asnaf). Masjid has zakat collectors or 'amil appointed by zakat centres. Zakat payers can pay zakat through online payment. This is good. There will be no more issues about cash zakat collected by 'amil. In the past, 'amil collects zakat from zakat payers from door to door. Or awaits at masjid for zakat payers to pay zakat."

CL 1 implied that the stickiness in terms of regulatory requirements, management preferences and perceived inflexibility religious duties execution. The stickiness in CL 1 context could lead to inefficiency (Wahab, Zainol & Bakar, 2017; Nahar, 2018). Figure 4 depicts CL 1's feedback.

CL 2 contended that community centres should collaborate with *zakat* centres. However, *zakat* centres prefer to collaborate with masjid.

"The Chairman of Masjid announced to the congregation to pay zakat with zakat centres through the appointed agents. Masjid provides spaces for the zakat collection agents to deal with zakat payers. But not zakat recipients as they are handled by zakat distribution centres or baitulmal. As chairman of the community council, I did invite them to use our community spaces as well. They appreciated our offer, but until today, they are still operating at masjid. I know this is sensitive to them as community centre is meant for all [members of the] community. The Muslim community prefers masjid as social and religious centre instead of community centre."

In CL 2 context, stickiness occurs in the administrative preference between community and Islamic entities. The attempt to apply *ta'awun* (cooperation) is hampered by administrative preferences (Ab Hamid & Jusoh, 2017; Masruki, 2020). Figure 5 summarises CL 2's context of *ta'awun* in addressing stickiness in *zakat* administration.

CL 3 said that zakat institutions are part of the community.

"Our reality is multiracial as well as multi-faith society. Each religion prefers to execute religious duties at its own worship centres. We are fully aware of the reality. Zakat is Muslim religious duty. The zakat payers and zakat recipients are Muslims. The zakat administrators used to interact with the community through community programs."

Opinions of the informants suggest that stickiness occurs in the management orientation, policy or regulatory requirements and societal preferences. The stickiness in regulatory directive essentially contributes to deficit acceptance and trust of the public (Owoyemi, 2020). Actually, establishing collaboration with community institutions will not tarnish the religious image of *zakat* institutions.

In fact, stickiness in malpractices of service delivery, responsiveness to service inquiries, and leadership will tarnish the image of institutions (Masruki, 2020). The presence of IR4.0 has not been fully appreciated in integrating *ta'awun* through mutual networking in production and service delivery (Kalitanyi & Goldman, 2020; Sosik & Zhu, 2020).

The results of the study suggest that *ta'awun* should be practiced with all stakeholders within the communities of practice and societal ecosystem.

IMPLICATIONS

This study has positive implications on the influence of *ta'awun* theory while confronting contextual stickiness. Firstly, it allows organisations to revisit the purpose, people and structure of organisations. Secondly, it enhances organisations to redesign organisation structure to incorporate the recent trends in engaging workers and stakeholders for organisational cohesiveness and agility. Finally, it enables organisations to be responsive to the complexity and uncertainty of the business environment.

CONCLUSION

This study argues that stickiness hampers efficiency and productivity of organizations. Organisations should be able to supervise and arrange people and resources to achieve organisational goals with efficiency and effectiveness. If they could not deliver the task due to other factors, there will no focus and direction. When there is focus and direction, the practice of *Ta'awun* or spiritually driven mutual cooperation will help organisations to reduce stickiness through teamwork spirituality and religiosity. This study found that *ta'awun* potentially reduces stickiness in managing organisations thus making them more efficient and productive.

The feedback from community leaders suggests that *ta'awun* should be inculcated among all stakeholders within the communities of practice and societal ecosystem despite the presence of regulatory restrictions and societal preferences.

REFERENCES

- Ab Hamid, S. N., & Jusoh, W. J. W. (2017). Corporate Image of Zakat Institutions in Malaysia. *Geografia-Malaysian Journal of Society and Space*, 12(2), 47-57.
- Aziz, M. R. A., & Anim, N. A. H. M. (2020). Trust towards Zakat Institutions among Muslims Business Owners. *Jurnal Ekonomi & Keuangan Islam*, 6(1), 1-9.
- Blackman, D., & Benson, A. M. (2012). Overcoming Knowledge Stickiness in Scientific Knowledge Transfer. *Public Understanding of Science*, 21(5), 573-589.
- Cho, B. Y., Woodward, L., & Afflerbach, P. (2020). Qualitative Approaches to the Verbal Protocol Analysis of Strategic Processing. *Handbook of Strategies and Strategic Processing*, 232.
- Haymer, M., Bespalova, N., Jennings, L., & Lau, B. D. (2020). Data Collection and Research. In *The Equal Curriculum (pp. 253-260)*. Springer, Cham.
- Iyengar, R., Van den Bulte, C., & Valente, T. W. (2011). Opinion Leadership and Social Contagion in New Product Diffusion. *Marketing Science*, 30(2), 195-212.
- Johari, F., Ab Aziz, M. R., & Ali, A. F. M. (2014). A Review on Literatures of Zakat between 2003-2013. *Library Philosophy and Practice*, Paper 1175.
- Kalitanyi, V., & Goldman, G. A. (2020). Human Capital Management in the Fourth Industrial Revolution. In *Human Capital Formation for the Fourth Industrial Revolution*, pp. 100 126). IGI Global.
- Kyngäs, H. (2020). Qualitative research and content analysis. In *The Application of Content* Analysis in Nursing Science Research (pp. 3-11). Springer, Cham.
- Mäntymäki, M., & Riemer, K. (2016). Enterprise Social Networking: A Knowledge Management Perspective. International Journal of Information Management, 36(6), 1042-1052.
- Masruki, R. (2020). Innovations of Zakat (Alms) Distribution Practices in Malaysia. In *Challenges and Impacts of Religious Endowments on Global Economics and Finance*, *pp.* 270-280. IGI Global.
- Mazlan, N. S., & Khairuldin, W. M. K. F. W. (2018). The Concept of *Ta'awun* in the Scientific Writing according to Al-Quran. *International Journal of Academic Research in Business* and Social Sciences, 8(11), 1-12.
- Nahar, H. S. (2018). Exploring Stakeholders' Views on a Corporatized Zakat Institution's Management Performance. *International Journal of Ethics and System*, 34 (4), 608-631.
- Owoyemi, M. Y. (2020). Zakat Management. Journal of Islamic Accounting and Business Research, 11 (2), 498-510.
- Rachman, M. A., & Salam, A. N. (2018). The Reinforcement of Zakat Management through Financial Technology Systems. *International Journal of Zakat*, 3(1), 57-69.
- Rahman, M. J. A., Yasin, M. H. M., Hamzah, M. I., Haron, Z., Daud, M. Y., & Ensimau, N. K. (2020, February). The Cultural of Fourth Industrial Revolution in Learning Process. In 3rd International Conference on Learning Innovation and Quality Education (ICLIQE 2019) (pp. 511-516). Atlantis Press.

- Razimi, M. S. A., Romle, A. R., & Erdris, M. F. M. (2016). Zakat Management in Malaysia: A Review. *American-Eurasian Journal of Scientific Research*, 11(6), 453-457.
- Rousseau, D. M. (2007). A Sticky, Leveraging, and Scalable Strategy for High-Quality Connections between Organizational Practice and Science. *Academy of Management Journal*, 50(5), 1037-1042.
- Said, J., Erlane, K. G., Zawawi, S. N. H., & Yusof, S. N. S. (2012). Composite Performance Measurement for Zakat Organisations. *British Journal of Economics, Finance and Management Sciences*, 4(1), 50-60.
- Sarif, S. M. (2015). Ta'awun-based Social Capital and Business Resilience for Small Businesses. South East Asia Journal of Contemporary Business, Economics and Law, 7(2), 24-34.
- Sarif, S. M. (2017). Society 5.0 *Qalb* with Tawhidic Paradigm. *Journal of Education and Social Sciences*, 8, 208-17.
- Sosik, J. J., & Zhu, W. (2020). Facing and Embracing the Fourth Industrial Revolution with character. *Jcld/Table of Contents*, 54-57.
- Taha, R., Adam, F., Ali, N. N. M., & Ariff, A. M. (2017). Religiosity and Transparency in the Management of Zakat Institutions. *Journal of Legal, Ethical and Regulatory Issues*,20(1), 1-9
- Valente, T. W., & Davis, R. L. (1999). Accelerating the diffusion of innovations using opinion leader. *The Annals of the American Academy of Political and Social Science*, 566(1), 55-67.
- Venieris, G., Naoum, V. C., & Vlismas, O. (2015). Organisation Capital and Sticky Behaviour of Selling, General and Administrative Expenses. *Management Accounting Research*, 26, 54-82.
- Wahab, N. A., Zainol, Z., & Bakar, M. A. (2017). Towards Developing Service Quality Index for Zakat Institutions. *Journal of Islamic Accounting and Business Research*, 8(3), 326-333.
- Wahab, N. A., Rahman, A., & Rahim, A. (2012). Efficiency of Zakat Institutions in Malaysia: An Application of Data Envelopment Analysis. *Journal of Economic Cooperation & Development*, 33(1), 95-112.