ENHANCING SERVICE QUALITY PERFORMANCE, AND THE IMPACT TO ASNAF AND ZAKAT PAYERS' SATISFACTION AT LEMBAGA ZAKAT NEGERI KEDAH (LZNK)

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Abstract: *In Malaysia, zakat institutions in each state play a role in managing the collection and distribution of zakat to reduce the poverty gap and enhance the capacity of a country's socio-economic system. In Kedah, the Lembaga Zakat Negeri Kedah (LZNK) is an institution established to manage the collection and distribution of zakat, played an active role in helping asnaf from various zakat payers' collections. The quality of service and satisfaction of asnaf and zakat payers is critical to building the public's confidence and trust in LZNK. The study investigates the service quality of LZNK and its effect on the satisfaction of asnaf and zakat payers. The study adapts SERVQUAL Model with five dimensions namely tangible, reliability, responsiveness, assurance, and empathy. The data was analysed using the Expectation Disconfirmation Approach, and Service Quality Performance (SQP)-Satisfaction Quadrant. The study has been conducted in six District Zakat Centres (DZC) namely Kota Setar, Kubang Pasu, Sik, Bandar Baharu, Kulim, and Kuala Muda. The respondents of this study were 513 people consisting of 191 asnaf and 322 zakat payers. The finding reveals that the experience of asnaf and zakat payers at Kota Setar and Kulim is above their expectations, leads to a positive gap. However, the experience of asnaf and zakat payers at Kubang Pasu, Sik, Bandar Baharu dan Kuala Muda was below their expectations, leads to a negative gap. The findings reveal that asnaf and zakat payers' satisfaction percentages are above 80 percent in all ZDC.*

Keywords: Asnaf, Zakat Payer, Service Quality Performance, Satisfaction & Expectation Disconfirmation Approach

INTRODUCTION

Zakat is one of the five pillars of Islam. It plays an important role in eradicating poverty within Muslim society (Muhammad Faris, Roshaiza & Mohd Nazli & Azwadi, 2021). The role of zakat and its relationship with the eradication of poverty is a phenomenon that is made a priority worldwide (Akram & Afzal, 2014; Nafiah, 2016; Hamidah & Monzel, 2021; Muhammad Faris et al., 2021; Syamsuri, Yaumi & Isma, 2022). It requires a systematic and efficient administration of zakat collection and distribution since it is an integral part of the Islamic socio-economic system. In ensuring zakat governance and management are handled efficiently and effectively, a specialized zakat institution was established by the authorities to manage the

collection and distribution of zakat in a systematic, efficient and effective manner (Zainal Alim & Edy Suprianto, 2020). Collection collected from zakat payers who pay zakat through the institution will be distributed to eligible asnaf. Efficient and effective zakat governance and management are very important to ensure that all stakeholders involved whether managers, payers, and asnaf are satisfied with the services provided by the institutions that are responsible for the zakat management (Muharman Lubis, 2019; Abdulahi & Sedat; 2020). Thus, the quality of service and satisfaction is an important element that needs to be prioritized in ensuring the good governance and effectiveness of a service provided (Hafizah, Azizi & Ram Al Jaffri; 2016; Ram Al Jaffri, Muhammad Syahir & Md Hairi, 2018, Abdulsalam & Mustafa; 2021). In this regard, this study has focused on the quality of LZNK services that affect the level of satisfaction of stakeholders, namely the asnaf and zakat. Although, there are many studies about zakat such as problems and issues (Azman, Mohamad, & Syed Omar, 2012); zakat management (Sayed Ahmed and Zainuddin, 2017; Ahmad Razimi, Romle, & Muhamad Erdris, 2016; Zainal et al., 2016); zakat collection (Md Razak et al., 2013; Zaman, Kamarudin, & Ahmad, 2017); zakat distribution (Wahid, 2014; Embong, Taha, & Mohd Nor, 2013; Lubis et al., 2011; Zaman, Kamarudin, & Ahmad, 2017); poverty alleviation (Embong, Taha, & Mohd Nor, 2013) but only a few studies on zakat administration of service quality (Anwar & Khalsiah, 2018). Therefore, this study is very significant to explore the performance of service quality of Zakat Centre from the experience of its main stakeholders and proposes to improve the service quality of LZNK to increase stakeholders' satisfaction.

LITERATURE REVIEW
Zakat In Islamic Perspectives

Zakat is the third pillar of Islam which is important in the Islamic fiscal system. The Holy Al-Quran mentions zakat in 32 places in isolation and 26 times together with solat, which confirm its importance among the other commandments (Qaid Saad & Al Foori, 2020). In general, zakat has several meanings such as blessing, growth, development, purity, and neatness. The words of zakat was mentioned numerously in the holy Al-Quran and one surah related to zakat was translated as,

> "…*The alms are surely only for the poor and the needy, and for those employed to administer alms, and for those whose hearts have been recently reconciled to the faith, and for captives and those burdened with debts, and (to be spent) for the cause of Allah, and for the wayfarers (stranded on the way). (Such ordinance is) a duty enjoined by Allah. And Allah is All-Knowing, All Wise…*"
>
> (Smart Quran, 9:60)

Zakat is an obligatory annual payment under Islamic law from individual's possessions, including wealth and income that are used for religious and charitable purposes (Qaid Saad, & Al Foori, 2020). The alms giving or paying zakat simply means taking out some portion of an individual (Muslim) money or wealth and give it sincerely to the third party who needed financial help to survive or improve their life. Zakat is an act of worship or ibadah, done as an expression of gratitude towards the creator Allah S.W.T (Qaid Saad, & Al Foori, 2020). As a conclusion, adult Muslim, who is sane, free (not a slave) and possess certain minimum amount of extra wealth (meet Nisab requirement) is obligated to contribute zakat to clean themselves

(and their wealth) from sins and at the same time to express gratitude and acquire Allah's blessing. It is just a pure dedication and gratefulness of a servant (Muslim) to its creator (Allah).

Zakat Collection and Distribution In Malaysia

In Malaysia, Zakat Centre is an agency responsible to collect and distribute zakat and its administration, regulations, and statutes are under a State purview, namely Islamic Religious Council (IRC). The centre reports to the respective Sultans (Rulers) who are the heads of Islam as enshrined in the Federal Constitution. The zakat institution in Malaysia has been established seven decades ago and went through an improvement and modernization in its management and system (Sayed Ahmed, Ebtehal Atta, & Yuserrie, 2017). The government has established JAWHAR *(Jabatan Wakaf, Zakat dan Haji)* in 2004 with the aim to coordinate zakat activities or programs (Zainal et al., 2016). Zakat distribution has become a model for other Muslim countries (Wahid et al., 2014). In the state of Kedah, Malaysia, the zakat collection and distribution is being managed by Lembaga zakat Negeri Kedah (LZNK). The zakat payer has several medium to pay zakat such as at the LZNK counter, online banking, or salary deductions. On the other hand, the amount of zakat collected in a year will be distributed to eight (8) main categories of asnaf or beneficiaries as determined by Islam, that are known as *fakir* - an individual who has no material possession or means of livelihood; *miskin* – an individual that has insufficient means of livelihood to possess basic needs; *amil* - in an individual who has been appointed by the respective Islamic leader to collect, distribute and manage zakat to the needy; *muallaf* - an individual from other faith who convert to Islam to embrace Islamic way of living; *riqab* - an individual who wants to free himself from bondage of slavery; *gharmin* - an individual who is in debt, borrow money for basic needs. such as food, accommodation and security; *fisabillilah* - an individual who fights for the cause of Allah, such Islamic preacher who defend misconception of Islam by preaching the truth teaching of Islam from person to another; and *ibnus sabil* - an individual on a journey where its destination not against *Syara*.

Service Quality of The Zakat Centre

Quality of service or service quality management has had a long and fascinating history, where many renowned scholars (i.e. Grönroos, 1984; Parasuraman et al., 1988, 2005; and Cronin & Taylor, 1992) have contributed to its progress. Even though, there are multiple impacts of quality of service, many past studies focus on the customer satisfaction (Ali & Raza, 2015). In addition, manufacturing, banking, information technology, higher education, healthcare are the top sectors that have been studied (Prakash, 2018). However, there is little study was conducted in the charity agencies such as Zakat Centre. Service quality widely accepted definition is the difference between expectation and actual performance (Grönroos, 1984) while perceived performance reflects consumer's subjective views of the level of service, they received in service encounters (Parasuraman et al., 1985; Brown & Swartz, 1989; Cronin & Taylor, 1992; Teas, 1993). According to Parasuraman et al., (1985), consumer perceived service quality (i.e. an evaluation of a service encounter) results from a consumer comparing their perception of the service encounter (i.e. perceived performance) to what they expected to have happen during the encounter (i.e. expectations). Base on this context, there are few studies done among asnaf and zakat payers on service quality performance in the Zakat Centre. Precisely, most of the studies conducted on zakat in Malaysia focused on areas such theoretical (Mujainim 1995;

Mujitahir, 2003), Muslim awareness and payment behavior (Abioye, 2012; Hairunnizam, 2005a), legal, compliance and accounting (Rahman & Rahim, 2003; Saad, 2010), eradicate poverty (Embong, Taha, & Mohd Nor, 2013). Zainal, Abu Bakar, and Saad (2016) stated there is a huge gap between zakat and tax collection due to the inefficiency in the distribution of zakat and it was not distributed to the eligible asnaf. Thus, opportunity to explore on these areas exist due to limited studies done on the effectiveness of zakat collection and distribution in agencies such as Zakat Centres in Malaysia. The issue of zakat fund surplus that is not fully distributed has contributed to the negative perceptions and affect the level of trust among zakat payers (Nur & Hafiz, 2010). Patrick (2002) stressed that all social relationships would fail or dysfunction without trust. Leninkumar (2017) dictates that customer satisfaction is the antecedent of trust. If, both asnaf and zakat payers have doubt or trust on the collection and distribution of zakat, it may influence their satisfaction on the Zakat Centre's service quality. Thus, it is crucial to explore the service quality satisfaction among asnaf and zakat payers as to examine current circumstances.

Research Framework and Hypotheses
Based on earlier elaboration, the following research framework were developed for this study.
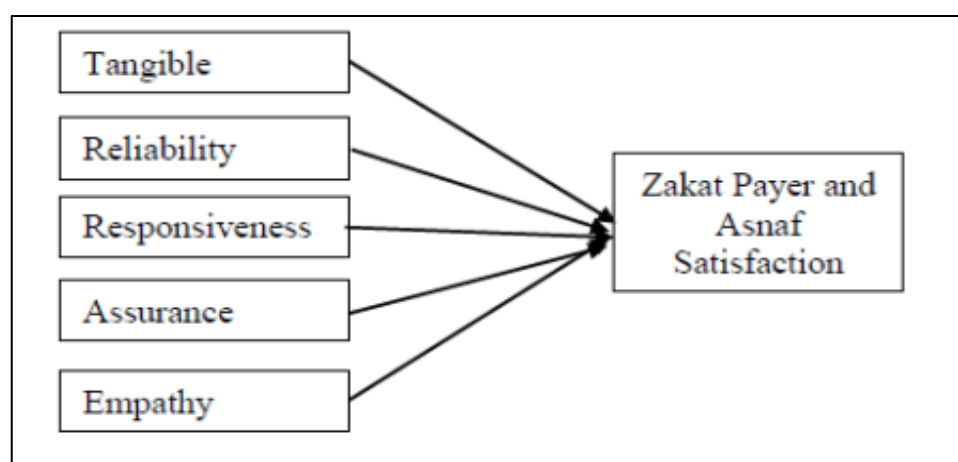
Figure 1: Research Framework

In conjunction, the hypotheses of the study are as follows:

Hypothesis 1 (H1): There is a positive service quality gap in tangible dimension and achieve 80% of zakat payer and asnaf satisfaction.

Hypothesis 2 (H2): There is a positive service quality gap in reliability dimension and achieve 80% of zakat payer and asnaf satisfaction.

Hypothesis 3 (H3): There is a positive service quality gap in responsiveness dimension and achieve 80% of zakat payer and asnaf satisfaction.

Hypothesis 4 (H4): There is a positive service quality gap in assurance dimension and achieve 80% of zakat payer and asnaf satisfaction.

Hypothesis 5 (H5): There is a positive service quality gap in empathy dimension and achieve 80% of zakat payer and asnaf satisfaction.

METHODOLOGY
This descriptive study employs a quantitative method and cross-sectional design to assess, explore and measure the service quality of six district zakat centres (DZC) and its impact on zakat payer and asnaf satisfaction. This method allows the researchers to gather information without modifying the natural environment and able to describe the current phenomenon related to zakat. The chosen DZC for the study consist of Kota Setar, Kubang Pasu, Sik, Bandar Baharu, Kulim, and Kuala Muda. The sample population and sample size calculation for the analysis were provided by Krejecie and Morgan (1970) using the sample size table. The total population of the study comprises of 56693 respondents, where 17679 are zakat payers and 39014 are asnaf in Kedah. Next, the unit of analysis of the study consists of the asnaf and zakat payers in the six chosen DZC, as to investigates the quality-of-service practices of LZNK and how it affects the satisfaction of the asnaf and zakat payers.

Thus, 377 zakat payers and 380 asnaf were chosen for this study as their interaction with ZDC is an invaluable information that will answer the research questions. Next, the study uses convenient sampling as the technique allows the researchers to select sample of respondents from only available and easily accessible respondents. Thus, it helped to capture the experience of the asnaf and zakat payers when dealing with the DZC, which is critical for the study. The study adapts a SERVQUAL (Parasuraman et. al, 1988) scale-based questionnaire to assess the service quality dimensions. A 5-point Likert-scale was used to measure the response. The questionnaire is divided into four sections which comprise respondent profile, service quality expectation, service quality perception, and satisfaction. Moreover, the questionnaires were conveniently distributed to 700 zakat payers and asnaf in the six ZDC. The complete and usable questionnaires are 513 (73.3%) where 322 (46%) respondents are zakat payers and 191 (27.3%) respondents are asnaf. Next, this study adopts three stages of analysis. In the first stage, the service quality gap was measured to ascertain the service quality performance of the six District Zakat Centres. Then, the satisfaction level is assessed. Lastly, the study adapts the importance-performance analysis (IPA) in order to integrate the service quality gap and satisfaction.

FINDINGS AND DISCUSSION

Respondent Profile

Table 1 shows the respondent profile. The self-employed respondents make up the largest group with 166 (32.4%) respondents. This is followed by the government servant that is 145 (28.3%) respondents, private employee is 84 (16.4%) respondents, unemployed is 62 (12.1%) respondents, housewife is 22 (4.3%) respondents, retired is 18 (3.5%) respondents, and student is 16 (3.1%) respondents. Male respondents outnumbered female respondents with 63.2% compared to 36.8%. Age of the majority respondent is 41-60 years (53.8%) followed by 21-40 years, and above 61 years (13.8%). In term of marital status, married, single, and divorcee/widowed respondents is 380 (74.1%), 68 (13.3%), and 65 (12.7%) respectively. Finally, the majority respondents have secondary education that is 192 (37.4%), tertiary education is 170 (33.1%), primary education is 86 (16.8%) and no formal education is 65 (12.7%). Table 2 shows the total number of respondents of 6 district zakat centres that participated in this study.

Table 1: Respondent Profile

Occupation	Respondent	Percentage
Government	145	28.3
Private	84	16.4
Self-employed	166	32.4
Unemployed	62	12.1
Students	16	3.1
Retired	18	3.5
Housewife	22	4.3
Total	**513**	**100**
Gender	**Respondent**	**Percentage**
Male	324	63.2
Female	189	36.8
Total	**513**	**100**
Age	**Respondent**	**Percentage**
21-40 years	166	32.4
41-60 years	276	53.8
> 61 years	71	13.8
Total	**513**	**100**
Marital Status	**Respondent**	**Percentage**
Married	380	74.1
Single	68	13.3
Divorcee/Widowed	65	12.7
Total	**513**	**100**
Education	**Respondent**	**Percentage**
No Formal Education	65	12.7
Primary Education	86	16.8
Secondary Education	192	37.4
Tertiary Education	170	33.1
Total	513	100

There are 513 respondents where 322 respondents (62.8%) are zakat payer and 191 respondents (37.2%) are asnaf. The respondent in Kota Setar comprises 85 (16.6%) zakat payers and 48 (9.3%) asnaf, Kubang Pasu consists of 82 (16%) zakat payers and 57 (11.1%) asnaf, Sik comprises 48 (9.4%) zakat payers and 52 (10.1%) asnaf, Bandar Baharu comprises 24 (4.7%) zakat payers and 10 (1.9%) asnaf, Kulim comprises 26 (5%) zakat payers and 6 (1.1%) asnaf, and Kuala Muda comprises 57 (11.1%) zakat payers and 18 (3.5%) asnaf.

Table 2: Respondents

Category	Kota Setar	Kubang Pasu	Sik	Bandar Baharu	Kulim	Kuala Muda	Total
Zakat Payer	85	82	48	24	26	57	322
Asnaf	48	57	52	10	6	18	191
Total	133	139	100	34	32	75	513

Table 3 shows the category of zakat payer. Out of 322 zakat payers, 167 (32.6%) are income category, 51 (9.9%) are paddy, 27 (5.3%) are saving category, 25 (4.8%) business category, 19 (3.7%) are EPF category, 17 (3.3%) are gold/silver/minerals category, 7 (1.4%) share category, 6 (1.2%) fitrah category, 2 (0.4%) are livestock category, and 1 (0.2%) is qadha zakat category.

Table 3: Zakat Payer Category

Zakat Payer Category	Income	Paddy	Share	Live stock	EPF	Gold/ Silver/ Mineral	Savings	Business	Fitrah	Qadha Zakat
Respondent	167	51	7	2	19	17	27	25	6	1
Percentage	32.6	9.9	1.4	0.4	3.7	3.3	5.3	4.9	1.2	0.2

Table 4 shows the asnaf category. The poor comprises 110 (21.4%) respondents. This is followed by hardcore poor that is 45 (8.8%) respondents, amil is 14 (2.7%) respondents, Al-Fisabillah is 10 (1.9%) respondents, Al-Riqab is 7 (1.4%) respondents, Muaalaf is 3 (0.6%), and Ibn Sabil is 2 (0.4%) respondents.

Table 4: Asnaf Category

Asnaf Category	Fakir	Miskin	Amil	Muallaf	Al-Riqab	Al-Fisabillah	Ibn Sabil
Respondent	45	110	14	3	7	10	2
Percentage	8.8	21.4	2.7	0.6	1.4	1.9	0.4

Findings And Discussions

The study investigates five hypotheses to determine the relationship between service quality dimensions and satisfaction of zakat payer and asnaf. The relationship is divided into four quadrants namely excellent, very good, good, and poor. The excellent refers service quality gap is positive and satisfaction level above 80%. Very good indicates negative service quality gap and satisfaction level is still above 80%. However, good means service quality gap is positive and satisfaction level is below 80%. The last quadrant is poor which means negative service quality gap and satisfaction level is below 80%. Hypothesis 1 (H1), there is a positive service quality gap in tangible dimension and achieve 80% of zakat payer and asnaf satisfaction is accepted. The finding reveals that service quality gap for tangible dimension is 0.05 and satisfaction level is 83%. Similarly, Hypothesis 2 (H2), there is a positive service quality gap

in reliability dimension and achieve 80% of zakat payer and asnaf satisfaction is accepted. The service quality gap for reliability is 0.04 and satisfaction level is 85.73%. Moreover, Hypothesis 5 (H5), there is a positive service quality gap in empathy dimension and achieve 80% of zakat payer and asnaf satisfaction is also accepted. The service quality gap for empathy and satisfaction level is 0.03 and 84.02 respectively. Conversely, Hypothesis 3 (H3), there is a positive service quality gap in responsiveness dimension and achieve 80% of zakat payer and asnaf satisfaction, and Hypothesis 4 (H4), there is a positive service quality gap in assurance dimension and achieve 80% of zakat payer and asnaf satisfaction are partially accepted. The service quality gap for responsiveness and assurance are found negative but the satisfaction level is above 80%. The service quality gap for responsiveness is -0.01 and satisfaction level is 86%. Meanwhile, the service quality gap for assurance is -0.01 and the satisfaction level is 85.61%. Table 5 highlights the service quality gap and satisfaction level.

Table 5: Service Quality Gap and Satisfaction Level

	Tangible	**Reliability**	**Responsiveness**	**Assurance**	**Empathy**
Service Quality Gap	0.05	0.04	-0.01	-0.01	0.03
Satisfaction Level (%)	83	85.73	86	85.61	84.02

Figure 2 shows the relationship between service quality gap and zakat payer and asnaf satisfaction. There are three service quality dimensions namely tangible, reliability, and empathy fall in excellent quadrant. This means that the three service quality dimensions are above the expectation of zakat payer and asnaf. Therefore, the satisfaction level is above 80%. However, the responsiveness and assurance dimensions fall in very good quadrant. This indicates that the two dimensions are below the expectation of zakat payer and asnaf. Surprisingly, the satisfaction level is still above 80%.

Figure 2. Service Quality Gap-Satisfaction Relationship

The data was also analyzed based on the district zakat centre. Table 6 shows the service quality gap based on the experience of zakat payers for the six district zakat centers. Service quality performance in Kulim showed a positive gap in four dimensions, namely tangible (0.20), reliability (0.02), responsiveness (0.12), and assurance (0.04), while the empathy dimension showed a negative gap (-0.02). Meanwhile, service quality performance in Kota

Setar showed a positive gap in three dimensions, namely tangible (0.15), reliability (0.20), empathy (0.16) and a negative gap in the assurance dimension (-0.10), and responsiveness (-0.04). In Bandar Baharu, the service quality gap was negative for three dimensions, namely tangible (-0.01), reliability (-0.15), and empathy (-0.07), while the gap was positive for the assurance dimension (0.01), and responsiveness (0.17). Finally, service quality in Kubang Pasu, Sik, and Kuala Muda showed negative gaps for all dimensions, namely tangible (-0.13), reliability (-0.11), responsiveness (-0.14), assurance (-0.14), and empathy (- 0.17) in Kubang Pasu; tangible (-0.11), reliability (-0.10), responsiveness (-0.13), assurance (-0.10) and empathy (-0.01) in Sik, and tangible (-0.07), reliability (-0.05), responsiveness (-0.08), assurance (-0.09) and empathy (-0.04) in Kuala Muda.

Table 6: Service Quality Gap (Zakat Payer)

PZD	Tangible	Reliability	Responsiveness	Assurance	Empathy
Kota Setar	0.15	0.20	-0.04	-0.10	0.16
Kubang Pasu	-0.13	-0.11	-0.14	-0.14	-0.17
Sik	-0.11	-0.10	-0.13	-0.10	-0.01
Bandar Baharu	-0.01	-0.15	0.07	0.01	-0.17
Kulim	0.20	0.02	0.12	0.04	-0.02
Kuala Muda	-0.07	-0.05	-0.08	-0.09	-0.04

Based on the feedback of zakat payer, the service quality dimensions for the six district zakat centres exhibit negative gap. The biggest negative gap is -0.17 that is empathy at Kubang Pasu and Bandar Baharu and the biggest positive gap is 0.20 which is reliability and tangible at Kota Setar and Kulim respectively. Kulim is the best district zakat centres for tangible dimension. This means the tangible component of the service at Kulim is perceived above expectation of the zakat payer. Kota Setar is perceived above the zakat payer expectation in terms of reliability and empathy dimensions. Next, the responsiveness and assurance dimensions appear to be above the zakat payer expectation at Kulim. As a conclusion, the service quality of Kota Setar and Kulim are found to be the top among the district zakat centres. In addition, Table 7 shows the service quality gaps from the asnaf perspective for the six district zakat centers. Asnaf in Kota Setar felt a positive gap in all dimensions of service quality, namely tangible (0.19), reliability (0.15), responsiveness (0.08), assurance (0.11), and empathy (0.27). For asnaf in Bandar Baharu, it showed a positive gap in four dimensions, namely tangible (0.05), responsiveness (0.08), assurance (0.12), and empathy (0.03) with one negative gap, namely reliability (-0.14). Meanwhile, the service quality gap according to asnaf in Kubang Pasu showed positive findings for the dimensions of tangible (0.12), reliability (0.08), and empathy (0.09), but the dimensions of responsiveness and assurance showed a negative gap of -0.04. Findings from Asnaf in Kulim showed that there were negative gaps in service quality for the dimensions of responsiveness (-0.04), assurance (-0.25), and empathy (-0.17). However, for the dimensions of tangible and reliability, it showed a positive gap (0.04 and 0.03). While the service quality gap score for Sik and Kuala Muda showed a negative gap in all dimensions, namely tangible (-0.13), reliability (-0.22), responsiveness (-0.11), assurance (-0.09) and empathy (-0.15) among Asnaf in Sik, and tangible (-0.01), reliability (-0.04), responsiveness (-0.01), assurance (-0.07) and empathy (-0.06) in Kuala Muda.

Table 7: Service Quality Gap (Asnaf)

PZD	Tangible	Reliability	Responsiveness	Assurance	Empathy
Kota Setar	0.19	0.15	0.08	0.11	0.27
Kubang Pasu	0.12	0.08	-0.04	-0.04	0.09
Sik	-0.13	-0.22	-0.11	-0.09	-0.15
Bandar Baharu	0.05	-0.14	0.08	0.12	0.03
Kulim	0.04	0.03	-0.04	-0.25	-0.17
Kuala Muda	-0.01	-0.04	-0.01	-0.07	-0.06

Alternatively, the positive gap dominates the service quality dimensions based on asnaf feedback. The biggest positive gap is 0.27 that is empathy at Kota Setar and the biggest negative gap is -0.25 which is assurance at Kulim. The tangible, reliability, responsiveness, and empathy dimensions are reported the best at Kota Setar. However, the responsiveness and assurance are reported the best at Bandar Baharu. As a conclusion, the zakat payer and asnaf mutually agree that Kota Setar, Kulim, Kubang Pasu, and Bandar Baharu show empathy and delivers reliable services. This means the staff at these district zakat centres show caring and giving individual attention when delivering the services. In addition, the centres perform the promised service dependably and accurately. The tangible or appearance of physical facilities, equipment, and staff are above the zakat payer expectation and asnaf at Kulim, Kota Setar, Kubang Pasu, and Bandar Baharu. The zakat payer and asnaf perceived the staff at Kulim, Bandar Baharu, and Kota Setar are willing to help them and provides prompt service. Finally, the staff at Bandar Baharu, Kota Setar, and Kulim have knowledge and courtesy, as well as able to convey trust and confidence when they the service. The findings also reveal the satisfaction level of zakat payer and asnaf. Table 8 highlights satisfaction level of zakat payer. Satisfaction level of zakat payer at Kota Setar shows tangible (71.53%), reliability (74.59%), responsiveness (78.12%), assurance (77.65%) and empathy (76.47%). Kubang Pasu and Kuala Muda maintains above 90% of satisfaction level for all dimensions where tangible (90.24%), reliability (90%), responsiveness (90.73%), assurance (92.2%) and empathy (92.2%) in Kubang Pasu, and tangible (91.23%), reliability (90.18%), responsiveness (91.23%), assurance (90.53%) and empathy (91.58%) in Kuala Muda. The other district zakat centres such as Sik, Bandar Baharu, and Kulim where their zakat payers' satisfaction level is 80%. In Sik, tangible (82.08%), reliability (83.75%), responsiveness (83.75%), assurance (84.58%) and empathy (82.08%). Next, Bandar Baharu, tangible (83.33%), reliability (85%), responsiveness (82.5%), assurance (80%) and empathy (83.33%). Lastly, Kulim, tangible (85.38%), reliability (85.38%), responsiveness (86.92%), assurance (90%) and empathy (86.15%).

Table 8: Satisfaction Level (Zakat Payer)

PZD	Tangible	Reliability	Responsiveness	Assurance	Empathy
Kota Setar	71.53	74.59	78.12	77.65	76.47
Kubang Pasu	90.24	90	90.73	92.2	92.2
Sik	82.08	83.75	83.75	84.58	82.08
Bandar Baharu	83.33	85	82.5	80	83.33
Kulim	85.38	85.38	86.92	90	86.15
Kuala Muda	91.23	90.18	91.23	90.53	91.58

Furthermore, the findings also disclose the satisfaction level of asnaf as shown in Table 9 Kulim and Kuala Muda maintain above 90% of satisfaction level where the tangible (90%), reliability (93.33%), responsiveness (93.33%), assurance (93.33%) and empathy (90%) in Kulim, and tangible (91.11%), reliability (90%), responsiveness (92.22%), assurance (92.22%) and empathy (93.33%) in Kuala Muda. The satisfaction level at Kota Setar is tangible (76.25%), reliability (78.75%), responsiveness (81.67%), assurance (82.5%) and empathy (82.5%). In Kubang Pasu, tangible (85.26%), reliability (84.91%), responsiveness (87.02%), assurance (88.07%) and empathy (88.42%). At Sik, the tangible (81.92%), reliability (82.31%), responsiveness (83.46%), assurance (85%) and empathy (84.23%). Finally, the satisfaction level at Bandar Baharu is tangible (78%), reliability (88%), responsiveness (94%), assurance (86%) and empathy (92%).

Table 9: Satisfaction Level (Asnaf)

| PZD	Tangible	Reliability	Responsiveness	Assurance	Empathy
Kota Setar	76.25	78.75	81.67	82.5	82.5
Kubang Pasu	85.26	84.91	87.02	88.07	88.42
Sik	81.92	82.31	83.46	85	84.23
Bandar Baharu	78	88	94	86	92
Kulim	90	93.33	93.33	93.33	90
Kuala Muda	91.11	90	92.22	92.22	93.33

The study also investigates the relationship between service quality gap and satisfaction. The relationship is divided into four quadrants namely excellent, very good, good, and poor. The excellent refers service quality gap is positive and satisfaction level above 80%. Very good indicates negative service quality gap and satisfaction level is still above 80%. However, good means service quality gap is positive and satisfaction level is below 80%. The last quadrant is poor which means negative service quality gap and satisfaction level is below 80%. Figure 3.1a-3.1f exhibit the relationship between the service quality gap and satisfaction level of zakat payer. Kota Setar as shown in Figure 3.1a shows three dimensions namely tangible, reliability, and empathy fall in good quadrant and two dimensions namely responsiveness and assurance fall in poor quadrant. Next, all dimensions in Kubang Pasu, Sik, and Kuala Muda fall in very good quadrant as shown in Figure 3.1b, Figure 3.1c and Figure 3.1d. However, Bandar Baharu as shown in Figure 3.1f shows two dimensions that is responsiveness and assurance fall in excellent quadrant, and three dimensions namely tangible, reliability, and empathy fall in very good quadrant. Finally, Kulim as shown in Figure 3.1e shows four dimensions namely tangible, responsiveness, assurance, and empathy fall in excellent quadrant, and reliability falls in very good quadrant.
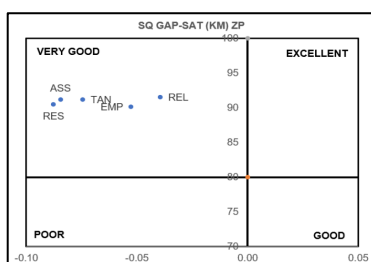
Figure 3.1a: Zakat Payer Service Quality Gap – Satisfaction (Kota Setar)
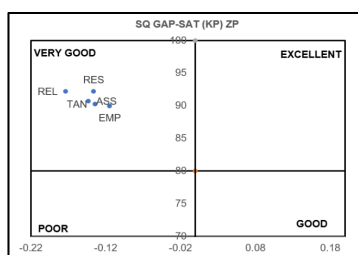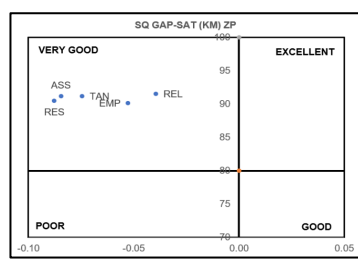

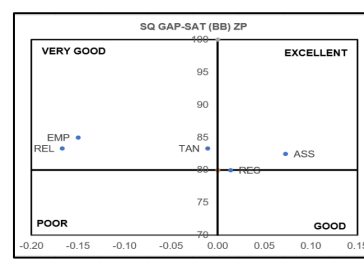**Figure 3.1b: Zakat Payer Service Quality Gap – Satisfaction (Kubang Pasu)**
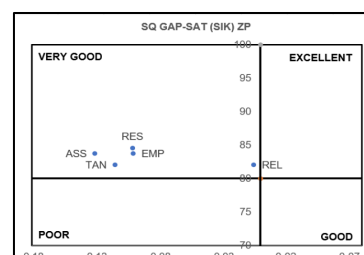
Figure 3.1c: Zakat Payer Service Quality Gap – Satisfaction (Sik)

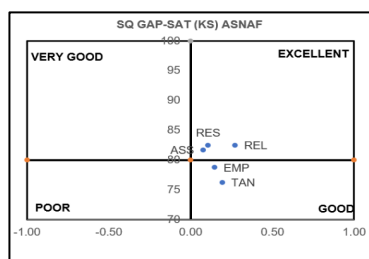**Figure 3.1d: Zakat Payer Service Quality Gap – Satisfaction (Kuala Muda)**

Figure 3.1e: Zakat Payer Service Quality Gap – Satisfaction (Kulim)


**Figure 3.1f: Zakat Payer Service Quality Gap – Satisfaction (Bandar Baharu)**

Figure 3.2a-3.2f exhibit the relationship between the service quality gap and satisfaction level of asnaf. The findings as shown in Figure 3.2c and Figure 3.2d reveal that Sik and Kuala Muda fall in very good quadrant for all dimensions. Kota Setar as shown in Figure 3.2a shows that three dimensions that is reliability, responsiveness, and assurance fall in excellent quadrant, and two dimensions that is empathy and tangible fall in good quadrant. Figure 3.2b shows that the tangible, reliability, and empathy fall in excellent quadrant, and responsiveness and assurance fall in very good quadrant at Kubang Pasu. Furthermore, Figure 3.2f shows that the reliability, responsiveness, and assurance fall in excellent quadrant, empathy and tangible is in very good quadrant, and good quadrant respectively at Bandar Baharu. Finally, Kulim as highlighted in Figure 3.2e shows that tangible and empathy fall in excellent quadrant, and reliability, responsiveness, and assurance fall in very good quadrant.
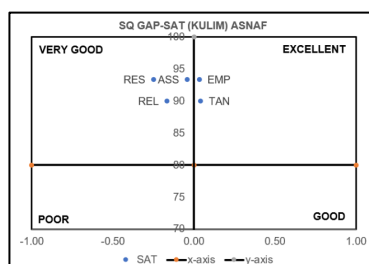

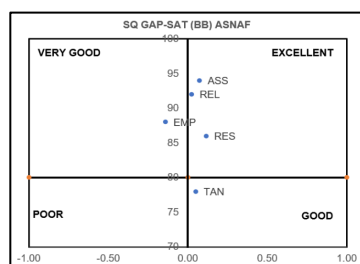**Figure 3.2a: Asnaf Service Quality Gap – Satisfaction (Kota Setar)**
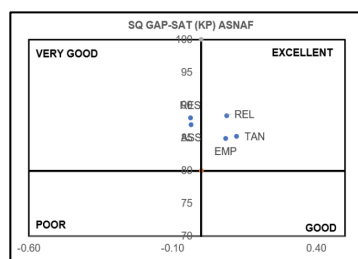
Figure 3.2b: Asnaf Service Quality Gap – Satisfaction (Kubang Pasu)
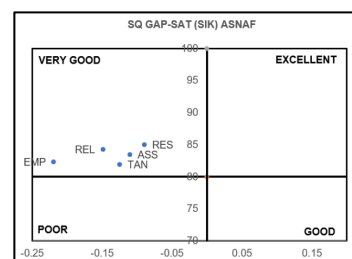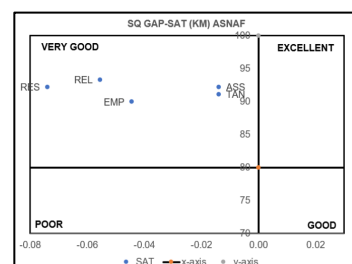

Figure 3.2c: Asnaf Service Quality Gap – Satisfaction (Sik)

Figure 3.2e:
Asnaf Service Quality Gap –
Satisfaction (Kulim)

Figure 3.2d:
Asnaf Service Quality Gap –
Satisfaction (Kuala Muda)

Figure 3.2f:
Asnaf Service Quality Gap –
Satisfaction (Bandar Baharu)

CONCLUSION AND RECOMMENDATIONS

Conclusion

The study highlights the service quality and satisfaction of the zakat payer and asnaf of the six district zakat centres namely Kota Setar, Kubang Pasu, Sik, Bandar Baharu, Kulim, and Kuala Muda. The findings of the study reveal that zakat payer and asnaf still satisfy with the service although the service provided by the district zakat centres below their expectation. The service quality dimensions that fall in the excellent quadrant must be maintained. This is because the dimensions exceed the expectation of the zakat payer and asnaf, and satisfy them too. The findings show that different district zakat centres have different service quality dimensions fall in the excellent quadrant. Therefore, the researchers suggest LZNK should engage benchmarking among the district zakat centres. The benchmarking will facilitate the learning process of all district zakat centres to enhance the service quality to the excellent level. There are also many service quality dimensions fall in the very good quadrant. LZNK must be careful with these dimensions because they may fall to the poor quadrant if the situation persistent. Even though, the dimensions satisfy the zakat payer and asnaf but below their expectation. Hence, LZNK must review these dimensions and identify the causes that have resulted below the expectation of the zakat payer and asnaf. There are also dimensions fall in the good quadrant, where it resembles fail to satisfy the zakat payer and asnaf but have exceeded the expectation of the zakat payer and asnaf. This indicates that LZNK must enhance the dimensions and eventually satisfy the zakat payer and asnaf. Finally, there are two dimensions fall in the poor quadrant which requires immediate and close attention from LZNK to determine the causes and take corrective actions because quality services provided by zakat institutions can build confident to the public to pay zakat to LZNK.

Recommendations

The findings of the study are very encouraging because they may help LZNK to enhance its service quality and satisfaction of zakat payer and asnaf. First, LZNK need to enhance its human resources via training and development programme to the staff such enhance skills on special attention, deliver consistently, providing best service and treatment to the client. LZNK also must enhance experience and knowledge of the staff by focusing on the soft skills, such problem solving, teamwork, digital literacy, leadership, professional attitude, and work ethic. The soft skills are essentials when dealing with asnaf and zakat payers as it involved individual from various demographic, personality and characteristic. Second, understanding the needs of

the client as LZNK must consistently remind the staff the importance of understanding the needs of the client. Every DZC should conduct a survey twice a year as it is important to help every DZC understands local issues and takes corrective actions. The data should be analyzed and presented at the state level meeting. Third, leverage of technology, where LZNK should invest in technology such as placing e-kiosk at shopping complex. This is suitable for a standard transaction that need not much interaction between staff and client. The use of e-kiosk enables LZNK to reach the public and facilitate them to pay zakat without visiting zakat office. Forth, review procedure. Generally, problems are there to be solved in an efficient and effective way, yet many organizations fail to do so as there are trapped with obsolete standard operating procedures or traditional approach in problem solving. Therefore, LZNK is highly recommended to review and cut the bureaucracies so that procedures for zakat collection and distribution are client friendly.

Fifth, build good rapport. LZNK should focus on building great rapport with the asnaf and zakat payers via having a positive interpersonal communication. Staff at LZNK can build relationship with asnaf and zakat payers by improving both verbal (communicate directly via phone, radio and social media) and nonverbal (gestures, dress, act, and others) interpersonal communication. Interpersonal communication can improve rapport between LZNK and their customers (asnaf and zakat payers) when all parties are able to communicate and negotiate in a respectful manner. Sixth, introduce Service Quality's Key Performance Indicators (KPIs). LZNK is recommended to establish Service Quality's Key Performance Indicators (SQKPIs) for all DZC in order to maintain excellent customer service to their clients. The indicators include reliability (consistent in providing promised service); assurance (build trust and confidence in client through team's knowledge and responsiveness); tangibles (appearance and presentability of the DZC); empathy (the prioritized help or reach out of DZC to clients' needs); and responsiveness (feedback ZDC provide to clients' needs and resolve their concerns).

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