Conceptual Framework Model For Transformational Leadership of Unit Zakat UiTM Perlis Branch and its Relationship with The Customer Confidence in its Distribution and Satisfaction Level

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Abstract
Transformational leadership nowadays is seen as a very effective approach in managing any organisations. Transformational leadership is seen to have its own strength in the Islamic approach through the leadership of the Prophet Muhammad SAW who was sent to solve the problems of the ummah. A literature study on the construction of a conceptual framework for the transformation of the zakat unit in Universiti Teknologi Mara (UiTM) Perlis Branch and its relationship with the level of confidence and customer satisfaction is able to provide a proposed solution for a positive effect on the administration of the UiTM Perlis Branch’s zakat unit. This study is a proposal for a conceptual framework of transformational leadership and its relationship with the level of confidence and customer satisfaction for the purpose of being applied at UiTM Perlis Branch and providing opportunities for in-depth study through qualitative and quantitative methods in the future. This study was carried out in the form of a library research where information was gathered through books and journals related to transformational leadership and zakat management in Malaysia. The results of a qualitative study in the form of information exploration suggested a conceptual framework of transformational leadership and its relationship with the level of confidence and customer satisfaction.
satisfaction to be applied at UiTM Perlis Branch in improving the governance of the Zakat, Sedekah and Wakaf (ZAWAF) section of UiTM Perlis Branch.

**Keywords:** Transformational Leadership, Islamic Approach, Level of Confidence in Distribution, Level of Customer Satisfaction, UiTM Perlis Branch

**Introduction**

According to Hairunnizam et al (2009), zakat acts as a financial mechanism that functions as a form of social security guarantee for the poor and needy, develops balanced economic growth through the redistribution of wealth in society, and also as a form of purification and spiritual development. The distribution of zakat must at least be sufficient for the minimum cost of living and comfort for the recipient and his or her dependents. The amount of zakat distributed must safeguard the continuation of a quality life where the effect of zakat distribution is to achieve or meet the standard of living for basic needs (Daruriyat) and comfort (Hajiyat). Therefore, the management of collection and distribution needs to be led by a leader who has the idea of transformation in ensuring smooth collection and distribution which can be implemented perfectly. The objective of this study is to explore the research literature related to the extent to which the transformational leadership of the parties managing the zakat unit can have a significant impact on the level of confidence in distribution and the customer satisfaction. The results of this study are expected to contribute to a conceptual framework in presenting proposal for the construction of a conceptual framework for the study of transformational leadership and its relationship with the level of confidence in distribution and the customer satisfaction among the people in UiTM Perlis Branch so that it can be applied to zakat agencies for zakat administration in other higher educational institutions.

**Problem Statement**

Zakat collection increases from year to year even though the collection results can still be improved. The increase in zakat collection further leads to an increase in the amount of zakat money to be distributed to the asnaf (someone who is eligible to receive zakat). The zakat unit is the party which is responsible for managing the distribution of zakat, and is seen to be facing a big challenge in the matter of zakat distribution. This is because the weakness of its management is feared to be able to cause the poor distribution of zakat: not implemented appropriately. In addition, corruptions that occur in some zakat offices also contributed to the unsatisfactory distribution of zakat. This problem opens up space for the grievances of the public, especially those who feel they deserve to receive the zakat, but they do not. In addition, the impact of the COVID-19 pandemic on the Malaysian economy has affected people’s income and caused more households to be exposed to poverty, especially among the B40 and vulnerable groups. Based on a study by the Statistics Department, this pandemic caused the poverty rate in Malaysia to increase from 5.6% in 2019 to 8.4% in 2020 (Daily News, 2021). In addition to that, there are also issues related to the effectiveness of the zakat distribution system practiced by each state. For example, in 2007, Wilayah Persekutuan and Selangor recorded the highest zakat collection compared to other states. They only distributed 69.7% and 86.3% of the revenue of their zakat to the asnaf group (Hairi, 2009). This fact supports the need for an effective zakat distribution management system so that criticism of zakat institutions can be eliminated. Thus, this study examines the literature on transformational leadership that has been practiced by the management of the zakat unit in UiTM Perlis Branch to ensure that the level of confidence in distribution and customer satisfaction to be applied at UiTM Perlis Branch in improving the governance of the Zakat, Sedekah and Wakaf (ZAWAF) section of UiTM Perlis Branch.

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satisfaction among the people in UiTM Perlis Branch can continue to be improved over time to ensure that collection and distribution matters of zakat run smoothly.

Literature Research
In Islam, zakat is one of the instruments for financial and economic worship. The main goal is to cleanse the property and human soul because it is possible that there are other people's rights in the process of searching for the wealth. This is because in the economic process there are externalities borne by third parties when this process takes place. According to Sanep and Hairunnizam (2005), the proposition of zakat in the Islamic economic system is a catalyst for all economic activities that occur in the system to reach an optimal level. The distribution of zakat funds to the asnaf who deserve to receive it requires an effective system so that each of the asnaf groups feel that they are being treated fairly. In addition, according to Nik Mustapha (2001), the zakat distribution process must be at an optimal level. This is because it gives a great impact not only to the asnaf who receive zakat but also to the economic sector of a country in general. In addition, it will cause the zakat recipients to successfully leave the asnaf category and thus becoming one of the contributors to zakat in the country. In the context of zakat management managed by the campus, emphasis should be placed on the level of customer confidence and satisfaction with the zakat unit created. The transformational leadership implemented can help to improve organisational effectiveness and provide positive impact on the confidence level of zakat contributors in the campus.

Transformational Leadership Through Islamic Perspective
Leadership is defined as the use of power to influence others. Islam, on the other hand, defines leadership as a trust where the leader and his followers are encouraged to do good (Khaliq, 2009). Leadership is an element that determines the continuity of an organisation. The main sources for the principles of Islamic leadership are al-Quran, al-Hadith, the administration of wise Islamic caliphs and pious followers (Omar et al., 2007). From an Islamic perspective, leaders must have commendable qualities in an effort to promote justice in governance. The hadith narrated by Umar (RA) also shows that leaders must perform their functions effectively and efficiently because they will be questioned by Allah SWT about their leadership (Muslim, 1997). Prophet Muhammad (PBUH) warned Muslims about the importance of putting a right leader in place. His Majesty said that honesty will be lost when power is in the hands of unworthy people. Nathan and Ribiere (2007) supported the above statement by saying that wise leaders can motivate ethical behaviour, instil good values and respect to all parties. In the context of the institution of zakat, the leadership to be practised must meet the requirements of Islam because Islam provides complete guidelines for its followers that cover every aspect of human life. Furthermore, the concept of leadership and motivation in Islam is more comprehensive than the concept in conventional theory. Therefore, strong Islamic leadership can be developed through an Islamic framework (Khaliq, 2009). The discussion above leads to eight conclusions that leadership is a very important variable and it is predicted to have an impact on the management of zakat institutions. The effect of transformational leadership can be seen in various forms, for example the effect on the psychological behavior of organisational followers (Abdullah, 2002). In fact, Abdullah (2002) stated that one of the variables that can be used to study the effects of transformational leadership on psychology is job satisfaction. Similarly, Leithwood (1992) in his study stated that leaders who practice transformational leadership will give a strong emphasis in achieving organisational objectives and their careers. In addition, based on a
study conducted by Zhu et al (2005), it was found that transformational leadership inspired and motivated all members in the organisation. In the context of zakat unit management in UiTM Perlis Branch, this will indirectly encourage the team to be more excellent in carrying out the work they have been entrusted with, thereby contributing to the development of society and the country.

Usually, leaders who practice transformational leadership will try to satisfy the employees under them by showing certain qualities such as being a good listener and paying attention to the needs of each individual to become an excellent person in the career they are engaged in. Pamungkas (2014) mentioned that commitment to the organisation is needed and it is an identification of a person's involvement in the organisation to always maintain his membership in and always be ready to work hard for the achievement of the organisation's goals. All UiTM management boards need to have a high level of organisational commitment that includes a sense of pride and obedience, loyalty and a strong sense of identity among members towards the organisation in general and specifically involving the zakat unit of UiTM Perlis Branch. Susanti and Palupiningdyah (2016) stated that executive members who have high organisational commitment can be obtained by having a strong belief and ready to accept all goals and directions and stick to the organisation's values, willing to work towards the achievement of the organisation's goals and have a strong desire to survive as a member of the organisation. In addition, Haris (2017) stated organisational commitment as the belief of the members to accept the objectives set by the organisation and choose to remain loyal and not leaving the organisation. Thus, transformational leadership offers benefits for both: the leader and subordinate (Yusuf, 2005). Thus, transformational leaders will always strive to improve the ability of their subordinates at all times, including by being a role model and motivating them. In addition, things such as promotion opportunities, reducing workload and relationships with colleagues need to be given consideration because they significantly affect the level of job satisfaction (Affendi, 2014).

Approach to Transformation Through the Leadership of Prophet Muhammad SAW

Leadership is a relationship that exists between an individual and a group of people, where the qualifications of this individual will produce an increase in group’s productivity. Leadership is the building of group spirit through the process of mobilising human energy to achieve goals that have been set without any pressure or coercion. Leadership is a process that affects human activities related to what they need to do towards achieving the objectives of the organisation they are a part of. This process includes instilling the qualities of responsibility, commitment, self-confidence and belonging to the employees. In order to achieve the leader's wishes, emphasis must be placed on the formation or building of morale as well as creating a sense of willingness among employees. A leader needs to play a role in directing and coordinating all operations involving the management of an organisation including making decisions with the help of his employees.

Transformational leadership means changing a form or thing into a better and positive form. This leadership is considered effective by organisational researchers to make leadership and organisational changes (Ibrahim et al., 2015). Organisational leadership researchers, such as Bass (1994); Bass and Avolio (1994); Hartog et al (1997); Ismail et al (2011); Verma and Krishnan (2014) defined transformational leadership as someone who can develop the followers, concern with needs, good values, morals and motivation. Transformational
leadership has four main elements which are idealized influence, individual consideration, intellectual stimulation and inspirational motivation. Literature review in the scope of organisational leadership is in line with the concept of leadership theory. First, Burns (1978) transformational leadership theory emphasised that the understanding of leaders and followers in managing organisational functions can increase their morality. Second, Bass (1985) transformational leadership theory asserted that the interaction between leaders and followers in managing organisational functions can inspire followers to go beyond their own interests to support the interests of the organisation.

The context of transformational leadership brought by Prophet Muhammad SAW is when Rasulullah SAW succeeded in changing the civilisation of the Jahiliyyah era at that time. Based on the research of sirah (history), before Prophet Muhammad SAW was appointed as a messenger, the moral situation at that time was low such as widespread gambling activities, adultery, confiscation of property, brutal murders and oppression of the weak. But this situation changed when Prophet Muhammad SAW became a messenger and as a result of the transformational leadership brought by Prophet Muhammad SAW, the social life of the community became better and more prosperous. This change would not have happened if Prophet Muhammad SAW did not apply the characteristics of a good leader. Idealised influence and inspirational motivation were the main approaches for the Prophet Muhammad SAW, and he is a role model that can be followed until now because he has leadership principles that should be emulated. Principles such as intention, piety, gratitude, syura (discussion) and trust brought the change in the leadership of the Prophet Muhammad SAW to a transformational leadership style. According to Mohamad et al. (2008) the self-authority of the Prophet Muhammad SAW is also an ideal influence that allowed him to influence his followers in carrying out efficient governance, sensitive and attentive to the needs of the ummah, having precision of purpose and having a clear vision. The concept of qudwah hasanah (point of reference) highlighted by Rasulullah SAW should be emulated by all Muslims and needs to be applied by leader regardless of whether he is male or female, and the leader of a family, organisation or country.

In addition, the characteristics of transformational leadership such as intellectual stimulation and individual consideration were also applied by Prophet Muhammad SAW in his leadership style. He was someone who understood the needs and personal differences of each of his followers who were varied and changed over time. Prophet Muhammad SAW always extended help to all people with kindness and benevolence, including those who had abused and criticised him severely. This was the personal nature of the Prophet who always treated everyone fairly (Beekun, 2012). Applying an attitude of tolerance, patience, emphasising the concept of equality, holding individual discussions with full courtesy and providing guidance in a prudent, sensitive and responsive manner in every behavior and activity of followers reflect that the Prophet Muhammad SAW emphasised the needs and achievements of his followers (Mohamad et al., 2008). Therefore, it is clear that the Prophet Muhammad SAW fulfilled some of the characteristics of transformational leadership. However, his model as a moral human being became the nature and values that went beyond the perspective of leadership itself. By making the Prophet Muhammad SAW as a role model in the transformational leadership style, it is not surprising that an organisation has a good atmosphere or work environment and it makes the organisation able to achieve its goals and vision.
The paradigm shift brought about in transformational leadership shows changes that are more democratic, fair and capable of increasing individual commitment and involvement to the point of triggering a person's attitude and thinking towards the importance of their responsibilities starting from the awareness created by the leader towards subordinates and not because of rewards or threats. In other words, a transformational leader is a change agent who will move change in his organisation. An organisation really needs a leadership formula like this, especially in the aspect of consideration and leadership development of managers (Nurshahira et al., 2016). The selection factor of a leader in practicing a transformational leadership style in the organisation is a very wise action because it can retain skilled employees and continue to be loyal and committed to the organisation. Indirectly, it can improve the performance of managers, employees and organisations as well as create positive interpersonal skills among leaders and followers (Lussier & Achuar, 2013). Although the nature of this relationship is very important, previous studies mostly only identified the process and effect of implementing transformational leadership without explaining in detail the mechanisms that impact the level of customer confidence in distribution and satisfaction for zakat institutions. Therefore, this situation encourages researchers to explore in depth the nature of this relationship.

**Distribution Confidence Level and Customer Satisfaction Level**

A few people still perceive zakat management in terms of its distribution as unsatisfactory (Hairunnizam et al., 2009). The Islamic community is said to feel unsatisfied with the management of zakat, especially the lack of confidence of a few individuals with the seriousness of the zakat unit in managing zakat distribution. Due to this negative perception, the management of the zakat unit needs to investigate and examine which aspects or factors are very unsatisfactory to the people, especially the zakat payers. Realising the importance and responsibility of the zakat unit in administering and managing matters involving zakat management, this study was conducted to help in improving the transformation of the zakat unit through its leadership and focus on the factors that need to be given attention. In general, this study aims to examine the main and important factors that influence the level of confidence of residents in the distribution of zakat and the level of satisfaction in services provided by the zakat unit of UiTM Perlis Branch. Research on the level of confidence and satisfaction of the community towards zakat institutions is still scarce. Among the studies that were carried out examined the community's perception of zakat distribution and its effect on zakat payments to formal institutions and the existence of leaked zakat payment due to distribution factors that did not satisfy zakat payers (Sanep & Hairunnizam, 2005; Sanep et al., 2006). The study also proved that the attitude of zakat payment compliance is influenced by the community's perception of zakat distribution management. The implication is that community confidence and satisfaction in the distribution of zakat play an important role in determining the attitude of the community to pay zakat from paying to formal institutions. The formula is that the higher the individual's satisfaction with the management of zakat by the zakat center, the higher the compliance of individuals to pay zakat formally to the zakat center (Sanep et. al., 2006).

Similarly, there was a study that showed that the issue of the community's negative perception on the effectiveness of the State Islamic Religious Council is one of the possible factors that hinder efforts in increasing the amount of zakat collection by the zakat center. There are individuals in the community who are looking for an alternative way to pay zakat
by distributing zakat directly to the *asnaf* (Anuar, 2008). In a study that was conducted, it was found that a good community perception of zakat centers will increase zakat payments to zakat centers and vice versa. Community confidence and trust need to be given appropriate attention by zakat institutions in order to dignify the third pillar of Islam and improve the effectiveness of zakat collection and distribution effectively and efficiently (Shahir & Adibah, 2010). If seen from history during the time of Rasulullah SAW, the collection and distribution of zakat must practically be carried out in the same localisation, that is, zakat is collected and distributed in the same area. Although this method has been formally and systematically implemented in this country, the problem in distributing zakat funds still occurs and cannot satisfy all parties, especially those who pay zakat to zakat institutions. This is proven when every year the distribution of zakat funds exceeds the revenue collected in that year. Therefore, this study was carried out for the purpose of studying the transformational leadership style and its relationship with the level of confidence and satisfaction with the services provided. This is because the zakat institutions in Malaysia in general and especially the zakat units at higher education institutions are still unable to satisfy all parties due to the administration of the zakat institutions themselves which are less convincing and are said to be inefficient, unprofessional and are often associated with management leadership problems. According to Mekta (2016), commitment to the organisation, especially the zakat unit that is responsible for collection and distribution needs to have an attitude that symbolises the loyalty of the board members to the organisation and this process requires the members to show their attention to the organisation. Management leadership practices, the level of confidence in distribution and the level of customer satisfaction of all residents will be able to mutually build an emotional bond towards the implementation and goals of the organisation which include moral support, noble values in work as well as the will to dedicate oneself to the implementation of tasks.

**Conceptual Framework**

![Conceptual Framework](image)

Figure 1: Conceptual framework on the study on the transformational leadership style of the zakat unit of UiTM Perlis Branch and its relationship with the level of confidence in distribution and the level of customer satisfaction.

**Conclusion**

1. Support the goal of the 12th Malaysia Plan (RMK-12) to reinvigorate the nation’s socioeconomic development with long-term sustainability and prosperity as the basis for improving the well-being of the people.
2. Formulate policies to ensure a sustainable future that includes all the development challenges of the modern world including economic, social, and environmental.
3. Achieving a balance of five dimensions known as the 5Ps, namely, people, planet, prosperity, peace and partnership which are translated into 17 goals and detailed into hundreds of targets and indicators in the development of the SDGs Malaysia.

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