ISLAMIC LEADERSHIP STYLE ASSESSMENT IN ZAKAT MANAGEMENT AT LEMBAGA ZAKAT NEGERI KEDAH (LZNK)

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MASTER IN ISLAMIC FINANCE AND BANKING
UNIVERSITI UTARA MALAYSIA
APRIL 2025

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(MATRIC: 833448)

Thesis Submitted to
College of Business
Universiti Utara Malaysia
In Partial of the Requirement for the Master in Islamic Finance and Banking

Pusat Pengajian Perniagaan Islam
ISLAMIC BUSINESS SCHOOL
كلية إدارة الأعمال الإسلامية
Universiti Utara Malaysia

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ABSTRACT

This research explores the application of Islamic leadership styles in *Zakat* management at the Lembaga *Zakat* Negeri Kedah (LZNK), Malaysia. The study analyzes the use of Islamic leadership concepts, including Tauhid (oneness of God), Amanah (trust), transparency, communication, and *Shura* (consultation), inside LZNK and their influence on the Efficiency of *Zakat* administration. Data was gathered via qualitative research methodology through comprehensive interviews with key informants and reviews of documents. The results indicate that Islamic leadership principles markedly improve the Efficiency, transparency, and accountability of *Zakat* management. The notion of Tauhid cultivates a spiritually driven workplace, but Amanah guarantees responsibility via stringent auditing mechanisms. Transparency is facilitated by digital platforms like the *Zakat* on Touch (ZoT) application, enabling real-time monitoring of *Zakat* funds. Effective communication and community participation enhance public trust, while the notion of *Shura* guarantees participatory decision-making by Islamic norms. The research indicates that Islamic leadership is essential for enhancing the Efficiency of *Zakat* management, cultivating public trust, and guaranteeing the fair allocation of *Zakat* resources. The findings provide significant insights for *Zakat* institutions in Malaysia and elsewhere, emphasizing the necessity of merging Islamic leadership principles with contemporary management approaches to attain sustainable and effective *Zakat* governance.

Keywords: Islamic Leadership, Assessment, *Zakat* Management, Lembaga *Zakat* Negeri Kedah (LZNK).

ABSTRAK

Kajian ini meneroka penerapan gaya kepimpinan Islam dalam pengurusan *Zakat* di Lembaga Zakat Negeri Kedah (LZNK), Malaysia. Kajian ini menganalisis penggunaan konsep kepimpinan Islam, termasuk Tauhid (keesaan Tuhan), Amanah (amanah), ketelusan, komunikasi, dan Syura (perundingan), dalam LZNK dan pengaruhnya terhadap kejayaan pengurusan *Zakat*. Data dikumpul melalui metodologi kajian kualitatif melalui temu bual komprehensif dengan informan utama dan semakan dokumen. Hasil kajian menunjukkan bahawa prinsip kepimpinan Islam secara signifikan meningkatkan kecekapan, ketelusan, dan akauntabiliti pengurusan *Zakat*. Idea Tauhid memupuk tempat kerja yang didorong secara rohani, tetapi Amanah memastikan akauntabiliti melalui mekanisme audit yang ketat. Ketelusan dipermudahkan oleh platform digital seperti aplikasi *Zakat* on Touch (ZoT), yang membolehkan pemantauan masa nyata dana *Zakat*. Komunikasi yang berkesan dan penyertaan masyarakat meningkatkan kepercayaan orang ramai, manakala idea Syura memastikan pengambilan keputusan secara partisipatif mengikut norma Islam. Kajian ini menunjukkan kepimpinan Islam adalah penting untuk meningkatkan keberkesanan pengurusan *Zakat*, memupuk kepercayaan orang ramai, dan memastikan pengagihan sumber *Zakat* yang adil. Penemuan ini memberikan pandangan yang signifikan untuk institusi *Zakat* di Malaysia dan di tempat lain, menekankan kepentingan menggabungkan prinsip kepimpinan Islam dengan pendekatan pengurusan kontemporari untuk mencapai tadbir urus *Zakat* yang mampan dan berkesan.

Kata kunci: kepimpinan Islam, Penilaian, Pengurusan *Zakat*, Lembaga *Zakat* Negeri Kedah (LZNK).

ACKNOWLEDGMENT

بسم الله الرحمن الرحيم

I extend my thankfulness to Allah SWT for His blessings, as I have successfully finalized my research and finished my master’s degree in Islamic finance and Banking at Universiti Utara Malaysia. Alhamdulillah, I am appreciative of the opportunity to pursue my studies without any complications during this period at Universiti Utara Malaysia. This achievement was a direct consequence of the encouragement, guidance, and support that I received from those around me.

I would like to convey my sincere appreciation to the Ministry of Religion of the Republic of Indonesia and the Education Fund Management Institute (LPDP) of the Ministry of Finance of the Republic of Indonesia for the helpful scholarship support that has enabled me to pursue my education with success and ease.

I am also very grateful to my supervisor, Dr. Mohd Sollehudin Shuib and Dr. Ir. Muhamad Ahsan, MM., CHRMP for his tireless encouragement, insightful advice, and constructive feedback, which have inspired me to stay on the right track. I am also very grateful for the support provided by Prof Nor Hayati Ahmad, who has provided valuable inputs, recommendations and suggestions in completing this research. I am reminded of the unconditional support given to me by my family and parents to complete my studies, both physically and emotionally. I would like to thank my mother, Musri'ah, my father, Ahmad Fauzan, my brother, Ubaid Aisyul Hana, and my best friends for their love, encouragement, perseverance, and support throughout this journey. May Allah grant blessings to all those who have supported me, Amiin.

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LIST OF ABBREVIATIONS

LZNK	Lembaga Zakat Negeri Kedah
ZoT	Zakat on Touch
IPIZ	ZISWAF
AI	Artificial Intelligence
ZISWAF	Zakat, Infaq, Sedekah, dan Wakaf
TPI	Tawhidic Paradigm Index
CSR	Corporate Social Responsibility
SGF	Shariah Governance Framework
ISO	International Organization for Standardization
EDC	Electronic Data Capture

ISLAMIC LEADERSHIP STYLE ASSESSMENT IN ZAKAT MANAGEMENT AT LZNK

CHAPTER ONE

INTRODUCTION

1.1 INTRODUCTION

This study explores the Islamic leadership styles that exist in Lembaga Zakat Negeri Kedah (LZNK) Malaysia by analyzing various activities in *Zakat* institutions and investigating various challenges of *Zakat* management related to the operation and development of these organizations. This chapter will present the background of the study, operational definition of each variable, problem formulation, research questions, research objectives, and research relevance. This chapter will also emphasize the scope and limitations of the study, as well as the systematics of writing.

1.2 BACKGROUND OF STUDY

Islam is not merely a religion; it is a whole way of life encompassing numerous aspects, ranging from spirituality to social and economic dimensions. Essentially, Islam underscores the significance of justice, empathy, and equality in addressing life's challenges, both for individuals and collectively. Principles This guide encourages Muslims to help to overcoming poverty, social injustice, and inequality, while motivating them to act towards establishing a just, harmonious, and sustainable society.

The predominant issue encountered by humanity is poverty. (Anggrek No et al., 2020). Poverty is a persistent societal issue that has been inherent in society from the dawn of humanity (Ilmi, 2017). Poverty jeopardises not just the economic well-being of individuals but also significantly affects the health, education, and social dimensions of society. Amid globalization and swift economic changes, the necessity for efficient and sustainable solutions to combat poverty is becoming increasingly critical for attaining comprehensive sustainable development objectives.

Islam provides mechanisms to address poverty, specifically through *Zakat*, *infaq, sadaqah, and waqf* (*Ziswaf*), which are designed to promote income equilibrium throughout society (Yaasin et al., 2024). *Ziswaf* serves as a guideline and mechanism for wealth distribution in Islamic law, aimed at assisting those in need. It is governed by Islamic principles to ensure equitable circulation of wealth, extending beyond the affluent. *Zakat* delineates both the subject and the object, specifically the poor and the needy, who are the prioritized demographics. Paying *Zakat* constitutes an expression of obedience to Him, and by fulfilling the mandates of Allah SWT, it can enhance social and economic links that benefit individuals globally (Xeonita et al., 2022).

Zakat demonstrates a beneficial effect on economic growth. *Zakat* is multifaceted, serving as a mechanism for income and wealth redistribution, poverty alleviation, and addressing other social and economic challenges. At the local level, *Zakat* significantly influences the allocation of assets to *mustahik* or beneficiaries. *Zakat* influences multiple variables at the macro level, including economic growth, income distribution, poverty alleviation, and social security. *Zakat* is directly associated with household consumption, corporate investment, and governmental public expenditure. Muslim economists assert that *Zakat* when appropriately prioritized, will aid the impoverished and influence the economy via a multiplier effect on employment and income development (Al-Haddad et al., 2024).

Zakat is an Islamic duty designed to redistribute wealth to mitigate social and economic inequalities. *Zakat* plays a crucial role in sustainable development when used for catastrophe mitigation. By investing in infrastructure, early warning systems, and disaster preparedness training, *Zakat* enhances community resilience and guarantees long-term viability in the face of recurrent calamities. Secondly, *Zakat*'s emphasis on poverty alleviation specifically addresses disadvantaged groups, which are frequently the most impacted by disasters. By alleviating poverty and enhancing livelihoods, *Zakat* fortifies communities against calamities, thereby disrupting the cycle of vulnerability and fostering sustainable development.

Moreover, *Zakat* donations may be designated for environmental conservation initiatives, including reforestation and water management, thus mitigating the likelihood of disasters such as floods and droughts. Moreover, *Zakat* fosters community empowerment by engaging local populations in decision-making and project execution, thus aligning development projects with their needs and goals. Ultimately, by cultivating social cohesion and solidarity via community-oriented disaster mitigation strategies, *Zakat* enhances sustainable development by encouraging collective responsibility and mutual assistance throughout communities (Hulwati et al., 2024). Allocating *Zakat* funds to disaster mitigation initiatives assists communities in confronting current issues and enhances sustainable development by tackling the fundamental causes of vulnerability while promoting resilience, empowerment, and social cohesion.

In Islamic economics, *Zakat* is crucial for attaining overall public welfare. In macroeconomics, *Zakat*, *infaq, sedekah,* and *waqf* significantly contribute to addressing socio-economic issues, particularly in alleviating poverty. Conversely, the allocation of *Zakat*, infaq, *sedekah*, and *waqf* to the impoverished can contribute to addressing the issue of income inequality within society. The issue of income inequality is frequently a significant concern in numerous countries. Consequently, the significant function of *Zakat*, *infaq*, *sedekah*, and *waqf* in promoting public welfare necessitates their implementation in the governance of Islamic philanthropic instruments to be conducted professionally and optimally. In practice, its application must be grounded in the legal framework that governs it, encompassing both the Qur'an and *hadith*, as well as formal legal statutes (Widiastuti et al., n.d. 2021).

There are three aspects of *Zakat* wisdom, they are religion, morals, and society. From a religious aspect, paying *Zakat* means we have done a third of the five pillars of Islam. *Zakat* is the way to be closer our self to Allah and get merit and mercy. From a moral aspect, paying *Zakat* can engraft kindness, show affection, and relieve feelings. In the social aspect, *Zakat* can help others, give support to *mustahik*, and increase economic growth and wealth (Liyatul Mutmainah, 2015).

LZNK is an entity tasked with overseeing *Zakat* collection in the Malaysian state of Kedah (LZNK, n.d.-b). LZNK has significantly contributed to the stabilization and enhancement of *Zakat* institutions as the primary mechanism for alleviating poverty within the Muslim community in Malaysia and promoting the development of the ummah (S. B. Ismail, 2019). Initiatives to enhance socio-economic conditions via Muslim assets, such as *Zakat* institutions, align with the principles of *maqasid al-syariah* (Sharia objectives), as the economic domain is intrinsically linked to the element of property *(al-mal)*, a critical aspect of Sharia that requires protection by Muslims. In the administration of *Zakat*, the involvement of leadership figures with new and transformative techniques is crucial.

In recent years, organizations have concentrated on various aspects of leadership ideals. More than 150 research have demonstrated the interrelation between spiritual principles, practices, and effective leadership. Values including integrity, honesty, responsibility, modesty, justice, courage, and wisdom have demonstrated an impact on leadership Efficiency. These behaviors have been highlighted in numerous spiritual teachings and are recognized as essential leadership abilities. (Salamun et al., 2022). Leadership methods have undergone substantial evolution, particularly due to the advent of technology and globalization. A study published in the Journal of Leadership Studies indicates that organizations frequently encounter difficulties in executing strategic plans due to misalignment between leadership practices and organizational objectives (Obuba, 2022).

Leadership has always been a subject of extensive discourse among scholars from diverse fields. The examination of leadership frequently centers on the routine operations of a certain organization. Leadership is characterized by numerous scholars and researchers as the mechanism by which a person impacts a collective to attain a shared objective. In Islam, leadership involves the voluntary inspiration and training of followers to attain an articulated shared vision. Leadership is regarded as the human element that unites a group and inspires it to attain specified objectives. In Islam, a leader is neither at liberty to act arbitrarily nor obliged to acquiesce to any group's desires; he is required to only execute the laws of Allah on earth (Al-Sadat & Noor, 2017). The primary objective of leaders should be to perform virtuous actions to attain the favor of Allah, emphasizing that Islamic leadership is fundamentally rooted in trust *(amanah)* (Suliman & Al Obaidli, 2013).

The concept of leadership in Islam is fundamentally robust and well-established. The robust principles derived from the Qur'an and *Sunnah*, bolstered by factual facts, have established Islamic leadership as a respected and esteemed model among the world community. Leaders aspire to develop a just and affluent society as a fundamental objective of nation-building. An individual's success in leadership is not solely contingent upon their leadership rank; rather, the paramount factor is the extent of the positive impact they can have on others, particularly within the organizational context of a *Zakat* institution (Syahputra & Khairina, 2021a). A leadership role in *Zakat* fundraising is essential for enhancing *Zakat* fund management and maximizing existing potential (Syahputra & Khairina, 2021b).

Halim & Azmi, (2023) assert that modern organizations require individuals who possess not just technical proficiency and aptitude in routine activities but also the ability to manage social connections effectively. Organizations composed of individuals with competencies and emotional intelligence can establish efficient cross-functional teams. Consequently, *Zakat* institutions must guarantee the presence of these essential practices inside *Zakat* organizations. This is due to the primary function of *Zakat* in advancing the social economy of the populace. *Zakat* has the potential to enhance the economic status of receivers, enabling them to transition into *Zakat* contributors. *Zakat* institutions, serving as social equilibrators within the Muslim community, must uphold exemplary moral conduct. The primary function of *Zakat* institutions in Malaysia is to collect and allocate *Zakat* to Muslims, particularly within Malaysia.

1.3 PROBLEM STATEMENT

Zakat is a fundamental pillar of Islam that significantly alleviates the hardships of the underprivileged and enhances social welfare within the Muslim community. Nonetheless, despite its significant potential to empower communities and enhance social connections, the execution of *Zakat* in numerous nations frequently encounters obstacles related to administration, transparency, and accountability. Historically, *Zakat* management has been conducted by *Zakat* institutions or collection agencies, serving as middlemen between *muzakki* (*Zakat* volunteers) and *mustahik* (*Zakat* beneficiaries) (Hadi et al., 2024).

Organizational capability is essential for assessing social capability, particularly within *Zakat* management organizations. Enhancing professional organizational ability is part of the *Zakat* management organization's duty to advance community welfare through reliable *Zakat* administration (Kusumaningtias et al., 2024). Consequently, recognizing the preferred, consistent, and efficient leadership behavior is crucial in Islam. In contemporary society, the comprehension of leadership in Islam is frequently conflated with the misconduct of Muslim leaders. Crucially, leadership conduct in Islam must align with the constructive behaviors exhibited by organizational leaders observed in many organizations globally.

The study's findings Udin, (2024) Indicated that Islamic leadership is predominantly utilized in education, psychology, community services, healthcare, educational institutions, and government. Furthermore, Islamic leadership is frequently linked to trust, performance, motivation, decision-making, job satisfaction, and empowerment. Islamic leadership prioritizes motivation and work performance, acknowledging the significance of productive and meaningful work for employees and societal well-being. According to these findings, Islamic leadership facilitates employees in attaining a harmonious work-life integration by promoting time for family, devotion to Allah, and personal wellness.

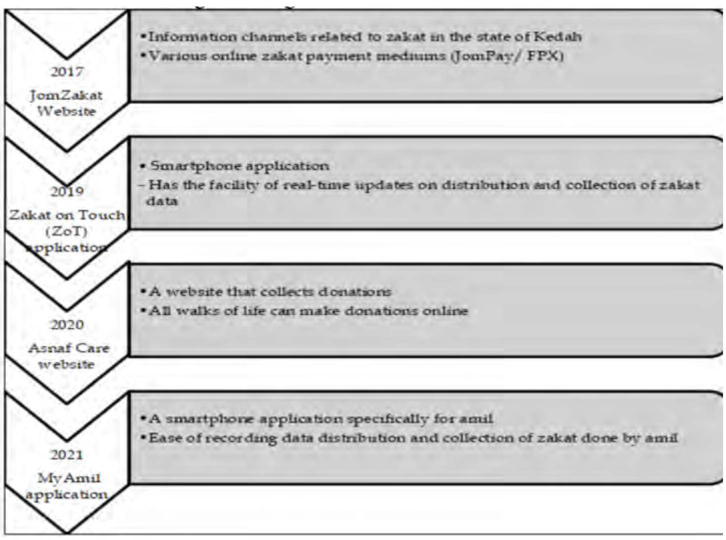
According to research by Elvira et al., (2023) The head of *Zakat* institutions is primarily responsible for assessing the performance of *Zakat* institution administration. This assessment must be performed scientifically, quantitatively, and consistently every year. The primary objective of this review is to guarantee the execution of effective amil governance across all *Zakat* institutions. An objective and quantifiable annual evaluation procedure is essential for assessing management performance and assuring the execution of policies and activities by relevant standards. This endeavor is crucial for establishing efficient governance in *Zakat* management.

According to research by Syah et al., (2021) LZNK is a leading *Zakat* institution in innovation and the application of information technology for *Zakat* management. The media strategy is also actively employed to enhance the distribution of information.

This study, based on interviews with the LZNK management group, determined that the group endorses the goal and mission of establishing LZNK as an international-class social financial institution.

This is corroborated by the research conducted by M. S. I. Ismail et al., (2023) An essential facet of management, specifically successful *Zakat* distribution, is crucial for attaining social justice and economic empowerment; yet this practice encounters numerous problems. Within the framework of the LZNK, exceptional leadership serves as a pivotal element in enhancing the organization's value, particularly in the efficient distribution of *Zakat* to *asnaf*. Moreover, transparency and the transmission of information are critical issues in the digital age. Leveraging social media and partnering with religious leaders or personalities as *Zakat* ambassadors can enhance awareness and foster public trust through Islamic personal branding and corporate social responsibility (CSR). LZNK has advanced innovation by utilizing digital technologies to enhance knowledge dissemination amidst the relentless growth of technology.

Figure 1.1 Digital Transformation at LZNK



Source: LZNK Portal

Figure 1 illustrates the digital transformation initiatives executed by LZNK through the creation of four digital platforms: two websites, Jom *Zakat* and *Asnaf* Care, and two mobile applications, *Zakat* on Touch (ZoT) and MyAmil. The ZoT program caters to the public, whereas MyAmil is especially intended for Amil or *Zakat* administrators. LZNK's digital transition commenced with the Jom *Zakat* portal, a comprehensive platform facilitating the fulfillment of *Zakat's* responsibilities for individuals and corporations. The platform offers features including precise *Zakat* computation, multiple payment method options, and payroll deduction capabilities. Jom *Zakat* distinguishes itself by facilitating payments for several categories of *Zakat*, encompassing *Zakat* on savings, shares, company assets, gold, and rice. The payment procedure is structured to be straightforward, comprising three primary steps: selecting a bank, indicating the intention to pay *Zakat*, and finalizing the payment. Building on the success of Jom *Zakat*, LZNK advanced its digital innovation by introducing the *Zakat* on Touch (ZoT) application, exemplifying LZNK's dedication to enhancing the accessibility and effectiveness of *Zakat* management via technology. This program provides user-friendly and comprehensive digital solutions for *Zakat* payers and administrators. In 2019, the ZoT app was launched for Android devices and subsequently extended to iOS. The program includes functions such as registration, distribution, and payment to assist users.

This study is of significant urgency as it seeks to offer pragmatic solutions to enhance the Efficiency of *Zakat* governance at the LZNK. LZNK, as the principal organization for *Zakat* administration in Kedah, encounters difficulties in reconciling Islamic leadership ideals with contemporary operational requirements, including transparency, technological advancement, and the effectiveness of human resource management.

This study aims to investigate the leadership strategies employed at LZNK to yield insights pertinent to enhancing the sustainability and Efficiency of *Zakat* management. Consequently, the findings of this study are anticipated to yield advantages for the *Zakat* beneficiary community and generate a favorable influence on other *Zakat* institutions. Moreover, leadership in the *Zakat* Administration is crucial for guaranteeing equitable, efficient, and sustainable allocation. The Islamic leadership model adopted at LZNK must embody values such as trustworthiness, fairness, consultation, and transparency in decision-making. Effective leaders in *Zakat* institutions are tasked not just with administrative duties but also with the ability to inspire, cultivate community trust, and promote innovation in *Zakat* governance. This study will examine the implementation of Islamic leadership in LZNK and its impact on the effectiveness and sustainability of *Zakat* management in Malaysia.

1.4 RESEARCH QUESTIONS

The following research questions are based on (the problems described in the problem statement section:

1. How is the Islamic leadership style implemented at LZNK?
2. How does the Islamic leadership style influence the effectiveness of *Zakat* management at LZNK?

1.5 RESEARCH OBJECTIVES

More specific objectives have been formed based on the problem statement and research questions above, namely:

1. To analyze the application of Islamic leadership styles in the LZNK.
2. Evaluating the influence of Islamic leadership style on the effectiveness of *Zakat* management at LZNK.

1.6 SIGNIFICANCE OF THE STUDY

This study is important to carry out because it can provide benefits to interested parties as follows:

1. Academics /Researchers, For the academic community, this study enriches the existing literature on Islamic leadership and *Zakat* management. It also offers a new perspective on leadership effectiveness in faith-based financial institutions. This study can serve as a basis for further studies on leadership strategies in Islamic charitable organizations and contribute to the growing literature on Islamic finance through *Zakat* and social responsibility.
2. Institution, this research gives a guide practical for *Zakat* institutions to the Lembaga Zakat Negeri Kedah (LZNK) for increased approach leadership.

With an understand the strategies that contribute to success *Zakat* management, institutions the can more good reach objective they in welfare social and inclusion finance.

3. Government, for policymakers, this study provides valuable insights into the role of leadership in optimizing *Zakat* management. The findings can help in formulating regulations and frameworks that support more effective leadership strategies, thereby ensuring the sustainability and Efficiency of *Zakat* institutions. In addition, this study can help governments align their national development goals with the growth of the *Zakat* sector, which plays a vital role in poverty alleviation and socio-economic development.
4. Community, this research has significance for the Muslim community and the beneficiaries of the *Zakat* program. By improving leadership strategies within institutions, the overall impact on poverty reduction and social welfare distribution can be enhanced. This ultimately leads to more efficient and transparent use of *Zakat* funds, so that those in need receive adequate and timely support. Communities can also become more aware of the importance of leadership in driving the success of the *Zakat* program, encouraging greater participation and trust in these institutions.

1.7 SCOPE OF THE STUDY

The approach of Islamic leadership in *Zakat* management at the LZNK, Malaysia is the main emphasis of this work. This paper investigates how Islamic leadership values such as *amanah, justice, syura* (deliberation), and transparency are implemented in

Zakat administration to raise public confidence in *Zakat* institutions by means of Efficiency, responsibility, and clarity.

The study's scope addresses several fundamental factors, mostly:

1. Implementation of Islamic Leadership at LZNK: Determining the leadership style used in the *Zakat* government and the degree of influence such leadership has on the operational effectiveness of the institution.
2. Evaluating the Efficiency of leadership in the process of *Zakat* collecting, distribution, and innovation at LZNK will help to shape *Zakat* governance.
3. Examining the difficulties *Zakat* leaders encounter in applying Islamic values among contemporary operational pressures, including the use of technology and regulatory rules, helps to highlight both opportunities and challenges in this regard. Create strategic proposals for *Zakat* leaders to raise the institution's long-term sustainability and Efficiency, thereby strengthening their leadership.

Although this study focusses especially on LZNK as the primary case study, it does not make comparisons with other *Zakat* institutions in Malaysia or elsewhere. This study employs qualitative techniques combining in-depth interviews, observations, and document analysis approaches to fully grasp the dynamics of leadership in *Zakat* management at LZNK.

1.8 DEFINITION OF KEY TERMS

The key terms used in this research are listed below with their definition:

1.8.1 Islamic Leadership Style

The Islamic leadership style denotes a leadership technique grounded in the principles of the Qur'an and *Sunnah*. This approach encompasses attributes such as fairness, integrity, careful consideration, sincerity, and transparency in directing and inspiring individuals or organizations to attain shared objectives aligned with Islamic law. This study assesses the Islamic leadership style as it is implemented in LZNK. Leadership enables individuals to persuade others to attain specific objectives and inspire them to contribute to the organization's success. Every leader is tasked with cultivating and guiding their team members to operate efficiently and attain shared objectives. (Miradji et al., 2023). This entails the capacity to inspire, encourage, and direct others, along with making judicious decisions to achieve success.

1.8.2 Assessment

An assessment methodology is a framework designed to elucidate the necessary procedures for executing a comprehensive assessment. Adhering to this procedure enables the acquisition of essential knowledge and the modification of necessary elements to enhance performance or goods (Apple et al., 2003). Assessment in this context is an evaluative method used to assess the Efficiency of the application of Islamic leadership style in *Zakat* management at LZNK. The evaluation is carried out through a qualitative study of leadership strategies, operational practices, and *Zakat* management results obtained by the organization.

1.8.3 *Zakat* Management

Zakat management encompasses a range of operations, including the collecting, distribution, and reporting of *Zakat* funds in compliance with sharia principles. This study explores how LZNK employs an Islamic leadership style in the management of *Zakat* to empower the community, alleviate poverty, and attain social welfare. Management activities encompass planning, human resources, financial management, monitoring, and evaluation. This pertains to all acts associated with organizing, mobilizing, and directing efforts to attain specific objectives. The advancement of *ziswaf* funding necessitates skilled human resources, enhanced community literacy regarding *ziswaf* to foster awareness, supportive rules and institutions, and technological progress in research. (Kahfi, 1999; Lubis & Latifah, 2019; Muqorobin & Urrosyidin, 2023).

1.8.4 Lembaga Zakat Negeri Kedah (LZNK)

LZNK is responsible for overseeing *Zakat* distribution and collection in the state of Kedah (LZNK, n.d.-a). LZNK is the official *Zakat* management authority in Kedah, Malaysia, tasked with the effective collecting and distribution of *Zakat* money in compliance with Islamic law. LZNK, as an institution dedicated to empowering individuals, significantly contributes to the application of Islamic leadership principles to foster social and economic growth in its region.

1.9 ORGANIZATION OF THE STUDY

This study is systematically structured into five chapters, each addressing key aspects of the research on Islamic leadership style in *Zakat* management, specifically in LZNK. The organization of this study is as follows:

Chapter 1: Introduction

The study is summarized in this chapter together with the background, problem statement, research questions, study aims, importance of the work, and range of enquiry. Furthermore, defined to provide a clear basis for the research are key concepts connected to Islamic leadership and *Zakat* management.

Chapter 2: Literature Review

This chapter investigates earlier studies and theoretical models about Islamic leadership, *Zakat* management, and government. It addresses theories of leadership, Islamic leadership concepts, and the function of leadership in *Zakat* institutions. Furthermore, underlined in this chapter are the need of openness, responsibility, and creativity in *Zakat* Administration.

Chapter 3: Research Methodology

The research technique followed in the study is described in this chapter. Using NVivo 15, it clarifies the study design, qualitative methodology, data collecting methods (interviews, document analysis, and observation), sample strategies, and data analysis tools. The chapter also addresses dependability of the research method and ethical issues.

Chapter 4: Finding and Discussion

Based on data analysis, this chapter offers the main conclusions. It methodically arranges the findings in answer to the study objectives, therefore emphasizing how Islamic leadership values are used at LZNK in *Zakat* management. Topics arising from the data such as leadership effectiveness, openness, and innovation are examined closely.

Chapter 5: Conclusion and Recommendation

The research results in this last chapter with respect to theoretical models and current body of knowledge. It offers a study of the consequences of Islamic leadership in *Zakat* administration, the difficulties experienced, and some suggestions for bettering *Zakat* organizations governance. The book ends with recommendations for next studies.

1.10 Summary of The Chapter

This chapter presents a study on Islamic leadership styles in *Zakat* management at LZNK Malaysia. This study seeks to examine the use of Islamic leadership styles and their impact on the Efficiency of *Zakat* management. This chapter delineates the research background, problem formulation, research questions, research aims, research importance, and the scope and constraints of the study. Furthermore, definitions of essential words such as Islamic leadership style, assessment, and *Zakat* management are elucidated to establish a clear foundation for this research.

CHAPTER TWO

LITERATURE REVIEW

2.1 INTRODUCTION

This chapter discusses the literature related to *Zakat* management, particularly within the framework of Islamic leadership practices. This study examines the concept of *Zakat* in Islam, its strategic role in poverty alleviation, and the challenges and opportunities associated with its management. This study reviews previous research on the Efficiency of *Zakat* management to find the best practices and weaknesses in its foundation. The main emphasis is on the role of leadership in enhancing transparency, accountability, and Efficiency in *Zakat* distribution, particularly in its implementation at Lembaga *Zakat* Negeri Kedah (LZNK). This chapter establishes the conceptual foundation for further analysis in this study.

2.2 LEADERSHIP THEORY

(Koontz et al., 1984) Characterize leadership as the mechanism of motivating a collective to exert effort towards attaining the group's objectives. According to Terry, (1968) Leadership entails the act of influencing individuals to pursue shared objectives. The term "leadership" is etymologically derived from the English word "leader," with the verb form "to lead" signifying the act of guiding. Leadership constitutes a component of the management function that holds a pivotal role within the organizational structure and hierarchy of tasks and responsibilities (Mausuly et al., 2023). Leadership entails the act of influencing individuals and aiding both individual and communal endeavors to attain shared objectives. Kadarusman, (2012) Identifying the meaning of leadership is divided into three, namely:

1. Self-leadership refers to the ability to guide oneself to avoid failure in life.
2. Team Leadership is characterized by the act of directing others. A leader is recognized as a team leader who comprehends his leadership obligations and assesses the circumstances of his subordinates.
3. Organizational Leadership is perceived as the capacity of an organizational leader to comprehend the scope of the company's operations while formulating a vision and mission to advance the firm.

2.2.1 Islamic Leadership Style

Leadership denotes a process of guiding a group towards a shared objective by facilitating and inspiring individuals to perform according to expectations without compulsion. Islamic leadership is not a novel concept in the Islamic world. Islamic philosophers of this nature have been exemplified by several predecessors, dating back to the era of Prophet Muhammad SAW, who imparted the principles of Islamic leadership. This principle is practically demonstrated by the prophet in his leadership of the nation. Leadership is defined as a process whereby a superior motivates subordinates to operate by his directives; one facet of internal control is scrutinizing the leadership style of an organization (Maritasari et al., 2022). To enhance employee performance, a leader must adopt an effective leadership style that positively influences the performance of the organization. Leadership style patterns can be developed to align the interests of the organization and its personnel toward a shared objective. The significance of adopting a leader's leadership style within an organization is to ascertain the organization's advancement or regression, as well as the leader's capacity to contribute to organizational development. Consequently, a leader's leadership style significantly impacts the process, since it directs organizational operations and coordinates the attainment of both member and organizational objectives. Regarding leadership, the Qur'an explains in Surah Al-Anbiyaa' verse 73, Allah says:

وَجَعَلْنَٰهُمْ أَئِمَّةً يَهْدُونَ بِأَمْرِنَا وَأَوْحَيْنَآ إِلَيْهِمْ فِعْلَ ٱلْخَيْرَٰتِ وَإِقَامَ ٱلصَّلَوٰةِ وَإِيتَآءَ ٱلزَّكَوٰةِ وَكَانُوا۟ لَنَا عَٰبِدِينَ ٧٣

Allah says: "And We made them leaders who guide people with Our commands, and We inspired them to do righteous deeds, establish prayers, and pay Zakat, and they always serve Us" (QS. Al -Anbiyaa', [21]: 73).

In addition, Allah SWT positions leaders in the Qur'an as follows:

يَٰٓأَيُّهَا ٱلَّذِينَ ءَامَنُوٓا۟ أَطِيعُوا۟ ٱللَّهَ وَأَطِيعُوا۟ ٱلرَّسُولَ وَأُو۟لِى ٱلْأَمْرِ مِنكُمْ ۖ فَإِن تَنَٰزَعْتُمْ فِى شَىْءٍ فَرُدُّوهُ إِلَى
ٱللَّهِ وَٱلرَّسُولِ إِن كُنتُمْ تُؤْمِنُونَ بِٱللَّهِ وَٱلْيَوْمِ ٱلْءَاخِرِ ۚ ذَٰلِكَ خَيْرٌ وَأَحْسَنُ تَأْوِيلًا ٥٩

"O you who believe, obey Allah and obey the Messenger (Muhammad) and those in authority among you. Then if you differ about anything, refer it to Allah and the Messenger (his Sunnah), if you believe in Allah and the Last Day. That is better for you than better as a result". (QS. An-Nisa'/4: 59)

Islamic leadership fundamentally entails promoting the collective welfare of society by disseminating virtuous principles. Leaders are anticipated to facilitate the establishment of a just, welfare-oriented, egalitarian society devoid of prejudice, exploitation, and oppression (Patel et al., 2019). The most reliable reference for examining exemplary leadership in Islam is the leadership of the

Messenger of Allah, Prophet Muhammad (PBUH) - the most successful and influential leader in Islamic history. One should aspire to emulate positive life models and leadership ideals by adopting the behavior of the Messenger of Allah SWT. (Shahreen et al., 2023). Muhammad embodies the characteristics of a prophet, which form the foundation of Muslim virtues: *Siddiq* (honesty), *Amanah* (trustworthiness), *Tabligh* (dissemination of knowledge), and *Fathanah* (intelligence) (Ariatin et al., 2024).

Rasulullah represents the archetypal paradigm of a great leader who adequately applied Islamic precepts in his governance. It is identified by four main characteristics:

1. *Siddiq* (Honesty): Unwaveringly expressing the truth in every deed and choice.
2. *Amanah* (Trustworthiness): Maintaining the confidence granted by one's adherents.
3. *Tabligh* (Dissemination of Truth): Engaging the community in virtue by judicious exhortation.
4. *Fathanah* (Intelligence): Exhibiting emotional and intellectual acumen in community management.

Muslims are encouraged to consistently consider the needs and interests of their leaders. Effective leadership will foster an exceptional society. In the Islamic worldview, leadership encompasses not just the Leader of the State but also extends to leadership inside the family and organizational contexts. (Hidayat et al., 2017). The Prophet Muhammad (pbuh) has said:

عَنْ عَبْدِ اللهِ بْنِ عُمَرَ يَقُولُ: سَمِعْتُ رَسُولَ اللهِ يَقُولُ سَمِعْتُ رَسُولَ اللهِ صَلَّى اللهُ عَلَيْهِ وَسَلَّمَ يَقُولُ: كُلُّكُمْ
رَاعٍ وَكُلُّكُمْ مَسْئُولٌ عَنْ رَعِيَّتِهِ، الإِمَامُ رَاعٍ وَمَسْئُولٌ عَنْ رَعِيَّتِهِ، وَالرَّجُلُ رَاعٍ فِي أَهْلِهِ وَهُوَ مَسْئُولٌ
عَنْ رَعِيَّتِهِ، وَالْمَرْأَةُ رَاعِيَةٌ فِي بَيْتِ زَوْجِهَا وَمَسْئُولَةٌ عَنْ رَعِيَّتِهَا، وَالْخَادِمُ رَاعٍ فِي مَالِ سَيِّدِهِ وَ
مَسْئُولٌ عَنْ رَعِيَّتِهِ،

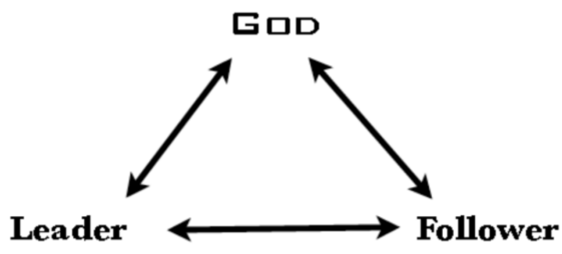
"Know every person from you is a leader and will be liable for those who are under his care. Ahead of State is responsible for his people and will be questioned by Allah SWT for his leadership. And the man (the husband) is the leader of his family and will be responsible for his leadership. A woman (wife) is the leader who manages her husband's home and her children and will be responsible for his leadership. A servant is responsible for maintaining the property of his employer and will be questioned by Allah SWT for his leadership. You know, each of you is a leader and will be responsible for his leadership".

According to the *hadith*, it is evident that an individual bears the primary responsibility for self-leadership, which then escalates by societal demands. Commencing from the familial environment to governance at the state level. Throughout all phases of this leadership, the leader bears all responsibility for his followers or the individuals he guides. As leadership positions ascend, the requisite trust increases correspondingly.

2.2.2 Basic Concept of Islamic Leadership

Islamic leadership derives its principles from the Qur'an and *Sunnah*, embodying the notions of divinity, social responsibility, and exemplary moral character. In her work, Eleftheria Egel underscores that this concept pertains not just to the dynamics between leaders and followers but also to the interplay among leaders, followers, and God.

Figure 2.1The triangular relationship in Islamic leadership



Islamic Leadership represents a crucial element of Management from an Islamic viewpoint, fostering voluntary commitment among adherents to achieve a unique and shared goal. It is defined as a social process in which leaders strive to achieve specific goals by garnering support from relevant stakeholders, especially followers while adhering to the tenets and ideals of Islam (Egel, 2014).

2.2.3 Characteristics of an Effective Leader in Islamic Perspective

Former Chairman Ralph Larsen feels that individuals of character can substantially enhance an organization's success. Johnson asserts that organizations endeavor to recruit individuals with commendable characteristics. Leaders with characters are known as leaders who can be trusted. Jamil, (2015) Articulates in a written study the attributes of an effective CEO as determined from an Islamic perspective.

2.2.3.1 Character As Role Model

The Prophet said, "Mark your good character for others." An effective leader has an excellent character. A leader should be recognized as somebody who is transparent and truthful in all interactions. An effective leader must possess inherent leadership qualities, demonstrate unwavering devotion to their mission, exhibit a commendable personality, and adeptly manage interactions with personnel, clients, suppliers, regulators, and surrounding individuals. Attributes such as respect, justice, cooperation, compassion, self-sacrifice, honesty, reliability, and strategic thinking exemplify the qualities of an exceptional leader.

2.2.3.2 Sincerity/Positive Attitude

Sincerity stems from religion; a sincere individual possesses genuine belief in Allah and His Messenger, and all activities will be performed for the sake of Allah and His Messenger (s.a.w). A genuine leader prioritizes the collective objectives of the public, society, and the organization over personal interests. A deficiency of trust in an individual results in inadequate leadership, characterized by ambivalence, self-interest, avarice, inept communication, and a dictatorial demeanor.

2.2.3.3 Assertiveness of Task

Prophet Muhammad (s.a.w) aimed to establish unbiased and obedient humanity. The tribal leaders of Makkah were a significant impediment to his endeavor. Upon the Prophet Muhammad SAW advocating for impartiality, the powerful merchants of Makkah began to inflict violence upon him and his followers. All the marginalized parts of humanity have congregated around the Prophet Muhammad (s.a.w). The primary attribute of the Prophet Muhammad SAW was veracity. Allah selected Hazrat Prophet Muhammad (s.a.w) to attain his proximity, seeing him too esteemed to persist in this world. Thus, he characterized himself with veracity.

2.2.3.4 Honesty

A leader must exhibit honesty; his statements and expectations should align with the reality of life and not be unforeseen. He must consider the circumstances that encompass him and his society as they exist. Realism centers on the administration of the quest, acquisition, and necessity for dominance. The potential divergence in policy between certainty and opinion between what is quantitatively factual and substantiated by evidence, tempered by intention, and what is simply an independent judgment, divorced from the evidence and characterized by partisanship and idealism. Good intentions manifest as intentionally flawed methods; they do not guarantee the ethical virtue and profound success of the plans they inspire.

2.2.3.5 Reliability

Dependable leaders must prioritize the well-being of their colleagues throughout critical moments. "The trust factor is crucial, as being among individuals who share our beliefs enhances our confidence to take risks," states the New Jersey native. Steve Jobs, formerly of Apple, Howard Schultz, ex-Starbucks, and Michael Dell, who departed from Dell, were all exceptional experts in their respective fields and elevated their enterprises by fostering a belief in their vision among all members of their institutions. Their drive is emphasized by the demands of their work. Being an agent who is consistently unconventional is one aspect; nonetheless, it is astonishing to merge the influence of assurance.

2.2.3.6 Selflessness

Selflessness entails leaders prioritizing the welfare of others before their interests. Ping Fu, a co-founder of Raindrop Geomagic, a software company located in North Carolina, exemplifies leadership via her philanthropy. Fu assumed the position of CEO in 2001 when the company's sustainability was at risk. The company was experiencing a financial shortfall, and the funding markets were constrained. Under Fu's leadership, various innovative cost-reduction strategies were executed, including the termination of the majority of the organization's employees. Those who stayed accepted salary reductions. In his resolve to save the company, Fu allocated funds to the organization expressly for employee compensation; he refrained from taking a salary until the company regained stability. Peter Fuss, a board member of Raindrop Geomagic, recognized Fu's sacrifice. He stated that he had invested considerable time and resolve in his efforts to transform the organization.

2.2.3.7 Ethical

The Prophet's ethical statement was explicitly connected to his convictions and his relationship with heavenly knowledge. Reality and convictions are fundamental for all forms of leadership. It is the central subject and is crucial in all forms of leadership. Following his designation as a Prophet, Hazrat Muhammad (s.a.w) was recognized as Al Sadiq Al Amin: the honest and truthful one.

2.2.3.8 Loyalty

A definition of leadership is the ability to inspire others to follow you. The objective is to transport someone from Point A to Point B, present them with a visualization, and motivate them to pursue your guidance to attain the desired goal. The Prophet Muhammad (s.a.w) returned to his wife Hazrat Khadijah (raa), and due to their connection, founded on trust and confidence, she had no question that the Prophet's account was a reality and not a mere dream. Similarly, when the Prophet approached Abu Bakr (raa), the situation was identical. Abu Bakr was unequivocally bound to follow her due to her harsh assault on him. Commitment and solidarity are fundamental components of loyalty. By examining a particular aspect of the life of our Prophet Muhammad SAW and applying it to our domestic and professional environments, we can enhance our capacity for visionary leadership.

2.2.3.9 Passion

Passion encompasses the fervent drive and zeal to cultivate exceptional people. Professional passion signifies the principles of corporate management and the advantages contributed by others to the essential business philosophy. The slogan of Unilever, the leading Fortune Global 500 corporation, is "Your Passion, our strong point," which demonstrates a comprehensive commitment to execution requirements and unparalleled results, emphasizing professionalism and a drive for innovative thinking and continuous learning. The energy of a leader can instigate significant change, invigorating others and fostering excitement and passion within the organization.

2.2.3.10 Humility

Leadership encompasses humility and respect towards Allah and His creations. An effective leader embodies humility and dedication towards Allah. The Caliphs of the Righteous Path exhibited diverse potential and governed individuals based on their conduct, all while adhering to the principles of effective leadership. A leader must be open to the perspectives and counsel of others. Followers exert an emotional influence on the leader, his decision-making, and the inclusive atmosphere, just as a leader affects his followers emotionally. Substantial disparities in humility exist throughout many countries. Japanese CEOs are notably recognized for resigning when the company's projected earnings decline below expectations. These executives self-accuse of conduct harmful to their organizations. Leaders who assume responsibility for both favorable and unfavorable circumstances possess a robust character that transcends conventional leadership paradigms.

2.2.3.11 Justice/Compassion

Allah SWT has given instructions to the Prophet Muhammad (s.a.w) to be affectionate and kind towards his supporters in the following propositions:

And fewer for them are the wings of humility because of compassion (17:24)

By integrating this concept into our lives, both leaders and followers will attain our objectives and realize our potential. A distinguished leader demonstrates humility to Allah (SWT) as all his accomplishments and endeavors originate from Him. As he attains greater prosperity, his admirable qualities of self-sacrifice, charity, compassion, and devotion to Allah intensify. This is the paramount solution, as it is assured by Allah (SWT):

"Furthermore, [remember] when your Lord said, 'If you give thanks, I will exalt you [with goodness]; but if you refuse, my punishment will indeed be unjust." (14:7)

A leader's capacity to serve as a role model can effectively assist partners in recognizing challenges and obstacles. "I contend that a significant portion of today's workforce yearns for traditional role models". Employees are inclined to invest effort in leaders whom they perceive as truthful regarding the authenticity of their circumstances. Civility entails the proper and unbiased management of individuals. Max De Pree, the previous CEO of Herman Miller, was motivated by empathy and profound concern for people. De Pree posited that an organization comprises esteemed individuals; personnel flourishes through deliberate consideration and attentiveness in their interactions with you.

2.3 Assessment of Key Islamic Leadership Principles in *Zakat* Management

The assessment of Islamic leadership principles in *Zakat* management is crucial for comprehending its Efficiency in promoting openness, accountability, and Efficiency in *Zakat* allocation. This section assesses the leadership style employed at LZNK utilizing the established theoretical framework.

The assessment of Islamic leadership principles in *Zakat* management can be conducted by examining the fundamental principles of *Zakat*, the tenets of good governance, and the Shariah Governance Framework (SGF) (Naysary et al., 2020). Islamic leadership is founded on essential principles that direct ethical decision-making and governance. The assessment centers on:

2.3.1 The Principle of Tawhid

Naysary et al., (2020) The concept of tawhid is a fundamental tenet of Islamic leadership. Fundamental differences in belief can incite and exacerbate societal turmoil. Consequently, Islam advocates for a cohesive belief system founded on principles that are universally acceptable across all societal strata. Consequently, Islam advocates for a cohesive belief system founded on a principle universally acceptable across all societal strata, specifically tawhid. The Qur'an contains references in Surah An-Nisa' 48, Surah Al-Imran 64, and Surah Al-Ikhlas.

Ethical leadership is a crucial driver of sustainable company practices. Ethical leadership arises from education, training, personal development, the cultivation of personality traits, behaviors, and evolving circumstances. The monotheistic framework can enhance the evolution of ethical leadership by aligning temporal objectives with eternal repercussions. Nonetheless, it is a decision for individuals to choose Islam as a way of life or to follow another religion. For adherents of Islam, the concept of Tawhid necessitates unwavering adherence to and compliance with Allah's directives consistently and meticulously (Nabi & Sarif, 2012). The directives of Allah have been recorded. The mandates of Allah are recorded in the Qur'an and the teachings and traditions of the Prophet Muhammad (pbuh). Prophet Muhammad (peace be upon him). When Muslims follow these references, they will be directed by Allah. Guided leadership empowers adherents to strengthen ethical leadership by fulfilling their designated responsibilities as servants and caliphs of Allah (Gazi, 2020).

2.3.2 The Principle of Trust (Amanah)

Principle of Trust (Al-Amanah): An Islamic leader must possess popular confidence. A leader must possess this trust with utmost responsibility. *Al-amanah* (trust) constitutes an essential element of Islamic leadership. Leadership in Islam is characterized as a trust, constituting an explicit contract between the leader and the followers, aimed at guiding, protecting, and treating them equitably and justly. Consequently, the emphasis of leadership in Islam is on integrity and fairness. To fulfill *al-amanah* as a leader necessitates qualities such as *adl* (justice), *taqwa* (remembrance of god almighty), and *sidq* (truthfulness). Leaders who meet these criteria and uphold these attributes in their responsibilities are deemed trustworthy. The Prophet (s.a.w) elucidated this in a *hadith* when his companion, Abu Dhār, inquired about assuming the leadership role. The Prophet stated, "O Abu Dhār, you are feeble, and (leadership) is a trust; it will be a source of disgrace and remorse on the Day of Resurrection, except for those who assume it sincerely and fulfill its obligations" (Muslim) (Oqla Alqhaiwi et al., 2023).

Consequently, leaders are anticipated to exhibit these traits and be responsible for the decisions taken and actions executed under their leadership. Research on leadership in the Arab World highlights relationship-oriented leadership styles. Trust is identified as a significant determinant of relationship-oriented leadership approaches. Muslim leaders who prioritize integrity and reliability are likely to cultivate more effective working relationships and enhance the performance of their subordinates. The Islamic principle of *amanah* underscores that the connection between leaders and subordinates is founded on integrity and the fulfillment of commitments, which are essential to relationship-oriented conduct.

Amanah, in the context of Islamic leadership, encompasses three principles: reverence for Allah, refraining from exploiting Allah's verses for personal benefit and exhibiting courage in the face of human judgment. Kazmi & Ahmad dalam (Alimin et al., 2018), assert that Islamic leadership is predicated on *amanah*, a psychological contract wherein leaders commit to guiding, protecting, and treating their followers equitably. Additionally, a reliable leader recognizes his bond with Allah and acknowledges his role as a servant of Allah and a caliph in this world. Furthermore, his primary duty is to govern the world by Allah's desires and foster harmonious connections among humanity. Sheikh Mustafa Muhammad at-Tohhan's book, Syakhsiah al-Muslim al-Mu'asir, delineates many obligations of a leader. This includes adhering to Allah's commandments, ensuring impartial justice among individuals, and being attuned to the challenges encountered by the populace. Allah says:

وَعَدَ ٱللَّهُ ٱلَّذِينَ ءَامَنُوا۟ مِنكُمْ وَعَمِلُوا۟ ٱلصَّٰلِحَٰتِ لَيَسْتَخْلِفَنَّهُمْ فِى ٱلْأَرْضِ كَمَا ٱسْتَخْلَفَ ٱلَّذِينَ
مِن قَبْلِهِمْ وَلَيُمَكِّنَنَّ لَهُمْ دِينَهُمُ ٱلَّذِى ٱرْتَضَىٰ لَهُمْ وَلَيُبَدِّلَنَّهُم مِّنۢ بَعْدِ خَوْفِهِمْ أَمْنًا ۚ يَعْبُدُونَنِى لَا
يُشْرِكُونَ بِى شَيْـًٔا ۚ وَمَن كَفَرَ بَعْدَ ذَٰلِكَ فَأُو۟لَٰٓئِكَ هُمُ ٱلْفَٰسِقُونَ ٥٥

“Allah has promised those among you who believe and do righteous deeds, that He will surely give them dominion on earth, as He has given them to those before them, and that He will surely establish for them on earth, their religion which He has approved for them, and that He will surely replace for them after they feel afraid again with a sense of security, they worship Me and associate nothing with Me. Whoever disbelieves after that, then they are the wicked." (QS. An-Nur: 55)

Thus, the mandate has elements that can be classified into a mandate for Allah *(habluminnallah)* and a mandate for humans *(hablumminnanas)*. There are four components included in the classification of mandate, namely fairness, responsibility, integrity and accountability.

2.3.3 Transparency Principle

Transparency is a principle that ensures universal access to information regarding governance, including the formulation, execution, and outcomes of policies. Transparency is a policy subject to oversight. Information encompasses all facets of government policy available to the public. The transparency of information is anticipated to foster robust political rivalry, tolerance, and policies aligned with popular preferences. Effective performance management serves as the foundation for transparency (Taufiq, 2015)

Transparency in Islam is articulated by Allah in the Qur'an, as Allah states:

يَٰٓأَيُّهَا ٱلَّذِينَ ءَامَنُوٓا۟ إِذَا تَدَايَنتُم بِدَيْنٍ إِلَىٰٓ أَجَلٍ مُّسَمًّى فَٱكْتُبُوهُ ۚ وَلْيَكْتُب بَّيْنَكُمْ كَاتِبٌۢ بِٱلْعَدْلِ ۚ وَلَا
يَأْبَ كَاتِبٌ أَن يَكْتُبَ كَمَا عَلَّمَهُ ٱللَّهُ ۚ فَلْيَكْتُبْ وَلْيُمْلِلِ ٱلَّذِى عَلَيْهِ ٱلْحَقُّ وَلْيَتَّقِ ٱللَّهَ رَبَّهُۥ وَلَا
يَبْخَسْ مِنْهُ شَيْـًٔا ۚ ٢٨٢

“O you who believe! If you carry out an affair with a debt that is due until a certain period, then you should write it (the debt and the payment period) and let a writer among you write it fairly (correctly) and let no writer be reluctant to write as Allah has taught him. Therefore, let him write and let the person who owns it plan (fill in the debt letter clearly). And let him be devoted to Allah his lord and let him not deduct anything from the debt."

Leaders must consistently provide information about strategy, activities, organizational contributions, resource allocation, and environmental stewardship during implementation. This stanza delineates the significance of transparency in transactions by stipulating that they must not be conducted clandestinely but rather documented in writing for future accessibility by others. This facilitates the execution of all affairs, as information will consistently be accessible for public scrutiny. In summary, transparency plays a crucial part in establishing effective government. Transparency entails the disclosure of information concerning the policies enacted by an organization's leadership, whereas accountability refers to the obligation and repercussions associated with decisions and policies made. Through openness and accountability, all regulations and policies may be monitored, managed, and justified, thereby fostering effective government.

2.3.4 The Principle of *Tabligh*/Communication (Effective Communication)

Communication is an essential talent that is crucial in life. Effective communication is an essential human necessity, both in everyday interactions and during challenging discussions. Effective communication is a reciprocal process necessitating a clear comprehension of a message by both the sender and the recipient to preserve the intended meaning. According to Robert Wandberg, communication is the act of transmitting a message, whether through transmission or reception (Quadri et al., 2023).

A leader must possess exceptional communication skills and be both fluent and articulate. It is essential to convey the organization's goals, mission, vision, and objectives. Effective communication is an essential skill that every leader must acquire, develop, and perfect. The quality of our lives is contingent upon the Efficiency of our communication skills. Indeed, we engage in communication with ourselves and others at every instant. We engage in internal communication through discourse, self-talk, thoughts, and auto-suggestion. We must also engage with others to articulate our messages, elicit responses, promote ideas, acquire knowledge, and establish connections. The various applications of communication necessitate that a leader excels in the art of effective communication abilities. Effective communication is essential for providing information, mentoring followers, encouraging teams to attain excellence, and fulfilling every part of a leader's responsibilities (A. Khan, n.d.) This aligns with the Transformational Leadership Theory proposed by (Bass & Riggio, 2005) which provides an appropriate framework for comprehending leadership in *Zakat* institutions. This theory posits that leaders must inspire, motivate, and alter both the organization and its followers to attain elevated objectives that surpass fundamental operational targets.

Transformational leadership is a technique in which leaders inspire and motivate their people to accomplish significant achievements. They accomplish this by formulating a future vision and motivating their staff to strive toward it (Bass & Avolio Suny-Binghamton, 1993; Bass & Riggio, 2005). Transformational leadership comprises four interconnected behavioral dimensions: idealized influence, inspirational motivation, intellectual stimulation, and individualized concern. All these behavioral aspects can influence employees' intrinsic motivation (Khan et al., 2020).

2.3.5 The Principle of *Shura* (deliberation)

The basic concept of *shura*, or consultation, is crucial for Islamic leaders (Patel et al., 2019). Islamic leaders must engage in consultation with their constituents and exhibit kindness and support towards them. Consequently, followers must engage in active collaboration with leaders and provide support, provided that their decisions align with Islamic ideals. Nevertheless, adherents may retract their support if the leaders diverge from the principles of Islam. Consequently, Islam promotes engaged adherence rather than uncritical obedience.

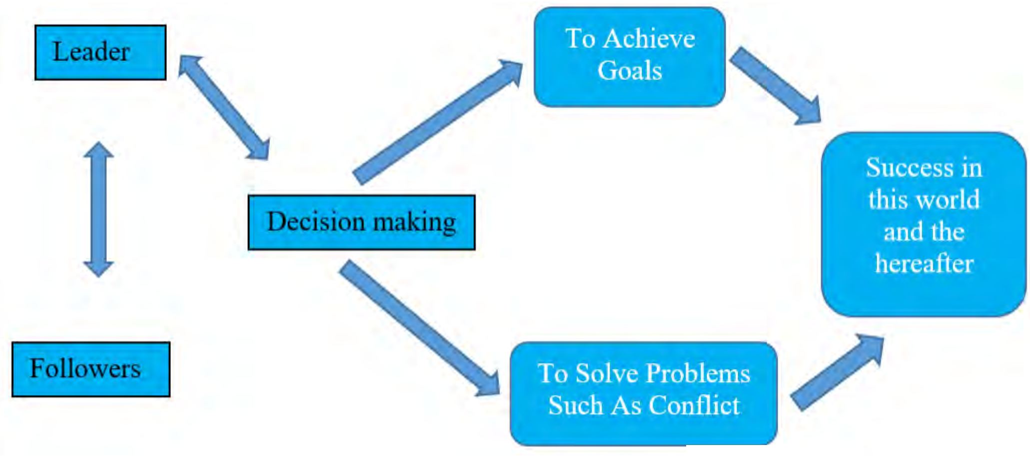
Islam has a decision-making methodology known as *al-Shura*. Islamic leaders must engage in consultation with their constituents before making any decisions. Since the inception of Islam, a consultative methodology has been employed for significant decision-making. Islam establishes a statutory authority for the mutual consultation of statecraft. This is referred to as *Majlish-as Shura*. Allah (SWT) instructed His Prophet (s.a.w) to confer with his friends. Allah said, "And those who have responded to the call of their Lord, established prayer, conducted their affairs through consultation, and expended from what We have bestowed upon them for sustenance" (Al Quran, 42:38).

Decision-making denotes the process of making significant choices and selecting a course of action from multiple possibilities to resolve a specific issue (Rahman et al., 2021). In an organizational context, decision-making is arguably the paramount activity across all types of organizations. Decisions differ in significance and become increasingly important, complex, and strategic when the outcomes are critical and directly influence the organization's success or failure. Moreover, scholars in organizational strategy contend that our comprehension of managerial decision-making remains inadequate, and strategic choices typically exert a considerable influence on business performance. Consequently, it signifies a notable indication and increasing interest in enhancing the comprehension of decision-making behavior (Al Qur'an, 2023) Islam has a decision-making methodology known as *al Shura*. Islamic leaders must engage in consultation with their constituents before making any decisions. Since the inception of Islam, a consultative methodology has been employed for significant decision-making. Islam establishes a statutory authority for the mutual consultation of statecraft. That is referred to as *Majlish-as Shura*. Allah (SWT) instructed His Prophet (s.a.w) to seek counsel from his companions. Allah states:

"And those who have responded to their Lord's call, established prayer, conducted their affairs through consultation, and expended what We have granted them for sustenance." (Al Qur'an, 42:38)

Numerous writers propose models and frameworks of Islamic leadership in decision-making, including (Ahmed & Sarwer, 2022; Sulaeman, 2020).

Figure 3.2 Islamic Leadership Paradigm presents the results of this study



According to this framework, there are two main parties: leaders and followers in decision making:

1. Leader: The leader constitutes the nucleus of the Islamic leadership paradigm. The leader is accountable for directing followers in the decision-making process, executing their responsibilities with wisdom, justice, and in alignment with Islamic ideals.
2. Followers: Followers engage with the leader during the debating process *(shura)* to offer counsel or contributions. The relationship between the leader and followers is reciprocal, with followers endorsing the execution of decisions made by the leader.
3. Decision Making: The leader engages followers in the decision-making process. Decisions should be grounded on contemplation, equity, and reliance on Allah to ensure favorable outcomes for all stakeholders.
4. To Attain Objectives: A primary aim of Islamic leadership is to realize the predetermined objectives. Through judicious decision-making and efficient execution, organizations or groups can achieve their established vision and mission.

5. To Address Issues Such as Conflict: Decisions made are intended to resolve difficulties or conflicts that arise within the organization or group. This is executed judiciously and equitably to preserve peace and stability. 6. Success in This World and the Hereafter: The ultimate objective of Islamic leadership is to attain success in this life, exemplified by organizational achievements and harmonious relationships, alongside success in the hereafter, manifested as divine favor and the reward of paradise.
6. Success in This World and the Hereafter: The result of Islamic leadership is achieving success in this world, such as organizational success and harmonious relationships, as well as success in the hereafter in the form of Allah's pleasure and the rewards of heaven.

This paradigm illustrates that Islamic leadership emphasizes decision-making via *Shura*, including all stakeholders, and aims to attain both worldly and spiritual objectives in a balanced fashion. The notion of *shura*, or consultation, is crucial for Islamic leaders (Patel et al., 2019). Islamic leaders should engage in consultation with their constituents and exhibit kindness and support towards them. Consequently, followers must engage in active collaboration with leaders and provide support, provided that their decisions align with Islamic ideals. Nevertheless, followers may retract their support if the leaders diverge from the principles of Islam. Consequently, Islam promotes engaged adherence rather than uncritical obedience.

2.4 *Zakat* Management

Management refers to the practice of coordinating individuals to execute specific activities. According to the Great Dictionary of the Indonesian Language, the term Management encompasses four definitions: the process of planning actions, executing activities, developing policies and organizational objectives, and overseeing the application of policies to attain goals (Khalil et al., 2023). A primary purpose of *Zakat* management is to optimize the timely collection and distribution of *Zakat* by Islamic Sharia (Ma'ruf et al., 2020). The government's focus on enhancing *Zakat* management is substantial. This is justifiable as optimizing *Zakat* can alleviate poverty and enhance the economic empowerment of individuals (Mutamimah et al., 2021a). *Zakat* is a mechanism in Islamic economics that offers numerous advantages for society, including poverty alleviation and income redistribution, provided it is effectively administered and maintained (Novita Sari et al., 2023).

2.4.1 The Role of Leadership in *Zakat* Management

Management activities encompass planning, human resources, financial management, monitoring, and evaluation. This pertains to all acts associated with organizing, mobilizing, and directing efforts to attain specific objectives. The advancement of *ziswaf* funding necessitates skilled human resources, enhanced community literacy regarding *ziswaf* to foster awareness, supportive rules and institutions, and technological progress in research. Islam imposes restrictions on all aspects of socialization, collection, distribution, and development of social funds, as well as oversight of their execution, to ensure adherence to Islamic law, thereby transforming them into productive and viable community funds for sustainable outcomes (Muqorobin & Urrosyidin, 2023). The significance of comprehending *Zakat* about an effective management system, continuous monitoring, distribution, and its influence on economic inequalities is paramount. This guarantees that *Zakat* fulfills its primary objective of assisting the underprivileged, mitigating poverty, and promoting equality (Rahim Khamis et al., 2024).

The administration of *Zakat* has been conducted from the era of Prophet Muhammad SAW and the *Khulafaur Rasyidin*, during which the government prioritized *Zakat* management in alignment with the Islamic perspective. The government possesses the authority to collect and allocate *Zakat* within the Muslim community. The companions were assigned a specific duty by the Prophet as amil *Zakat* to gather *Zakat* from the affluent and allocate it to the *mustahik* (Mutamimah et al., 2021b).

Islamic leadership embodies a robust leadership style that integrates Islamic ideas and values into the administration of an organization's personnel, guided by Islamic teachings. This leadership approach prioritizes integrity, equity, compassion, and ethical conduct within the workplace. Ethical conduct in the workplace. Leaders who adhere to these principles endeavor to cultivate an atmosphere of trust, collaboration, and community among the organization's employees. They act as exemplars for their colleagues and promote both their professional advancement and their ethical and spiritual growth. The primary objective is to enhance the comprehensive well-being and personal and professional development of employees (Abdelwahed et al., 2024). Islamic leadership pertains to the act of motivating and guiding followers to attain specified organizational objectives, grounded on a vision that aligns with the decrees of Allah. (Zaim et al., 2024).

The Islamic leadership paradigm instructs, directs, and motivates leaders and people to comprehend Islam. The objective of leadership is exclusively to attain the satisfaction of Allah SWT (Sodiq et al., 2024). Leadership has been thoroughly examined across diverse contexts and theoretical frameworks over the years. Leadership is occasionally characterized as a process; however, most theories and research focus on individuals comprehending this process (Horner, 1997), Leadership roles are typically perceived as centered on mobilizing and motivating groups to achieve shared objectives (van Knippenberg et al., 2024).

Leadership qualities are crucial in formulating and executing strategy. It serves as a conduit between the core of the institution to its structure. The leader's commitment is pivotal in propelling the institution towards accomplishment, which is derived from proficient decision-making regarding plan design and execution. Without flawless implementation, an excellent strategy becomes inconsequential. A strategy developed with less than 50% Efficiency will be challenging to execute due to insufficient leadership capabilities. The manager delineates the performance trajectory and the methods to attain it. The leader of an institution is responsible for articulating the vision and employing various strategic approaches to reflect, modify plans, and oversee the functioning of the organization. Furthermore, he endeavors to modify his organization in accordance with the situational requirements. The manager implements activities that enhance energy and elevate the morale and spirit of the employees (Mjaku & c, 2020).

2.5 Summary of The Chapter

This chapter discusses the literature about the *Zakat* administration, particularly within the context of Islamic leadership practices. This paper analyses the notion of *Zakat* in Islam, its strategic function in poverty alleviation, and the obstacles and opportunities associated with its management. This chapter examines prior research on the Efficiency of *Zakat* management to identify optimal practices and deficiencies in its framework. The primary emphasis is on the function of leadership in enhancing openness, accountability, and Efficiency in the distribution of *Zakat*, particularly on its execution in LZNK. This chapter examines leadership theories, the notion of Islamic leadership, and fundamental principles of Islamic leadership, including Tauhid, *Amanah*, Transparency, Communication, and *Shura*.

CHAPTER THREE

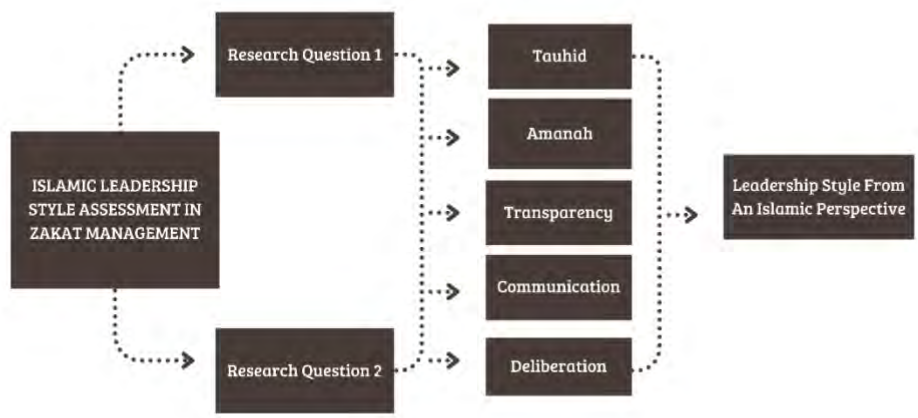
RESEARCH METHODOLOGY

3.1 INTRODUCTION

This chapter outlines the research methodology used to explore the implementation of Islamic leadership styles in *Zakat* management at LZNK. It details the qualitative research design, including data collection through in-depth interviews and document analysis, supported by purposive sampling techniques. The chapter also explains the research framework, operational definitions, and data analysis methods, ensuring a systematic approach to addressing the research questions and objectives. This methodological framework aims to provide reliable insights into the role of Islamic leadership in enhancing *Zakat* governance and effectiveness.

3.2 RESEARCH FRAMEWORK

Figure 4 Research Framework



A research framework diagram depicts the conceptual framework for the study of Islamic Leadership Style Assessment in *Zakat* Management. This figure illustrates that the research centers on two primary inquiries, Research Question 1 and Research

Question 2, which culminate in the discovery of five fundamental characteristics in Islamic leadership: *tawhid*, *amanah*, transparency, communication, and *shura* (deliberation). These five aspects influence the formation of leadership style from an Islamic perspective, which constitutes the essence of this research. The interrelation of the components in the picture illustrates the application of Islamic leadership principles in *Zakat* management to get enhanced and shariah-compliant governance.

3.3 Research Design

Research design is defined as a structured framework of methodologies and procedures selected by a researcher to integrate the numerous elements of a study coherently, enabling the effective resolution of the research topic. Research design elucidates the methods employed in doing research. Each researcher possesses a compilation of research questions requiring evaluation; this can be accomplished through research design, which serves as a blueprint for conducting the research (Khanday & Khanam, 2023). This study aims to analyze and assess Islamic leadership styles concerning the *Zakat* administration. The researcher has selected an ethnographic methodology by examining Islamic leadership practices in situ and through interviews. This methodology will demonstrate the application of Islamic ideals by the leaders of *Zakat* institutions within a specific cultural, social, and organizational framework, exemplified by LZNK.

3.3.1 Qualitative Research

Qualitative research is characterized as a research methodology that seeks to examine and comprehend phenomena and behaviors, emphasizing the 'what', 'how', and 'why' dimensions rather than quantitative metrics such as 'how many' or 'how much' (Ugwu & Val, 2023). The objective of qualitative research is to comprehend how individuals navigate their environments. Despite the plethora of studies on qualitative analysis, each possesses the capacity to adapt and concentrate on the significance of preservation evident in data analysis. Fundamental theories, ethnography, action research, phenomenological research, and narrative research exemplify broad approaches. They possess a range of purposes and objectives, despite certain disputes (Berk et al., 2015).

This study employed a qualitative research method to conduct an in-depth exploration of the Islamic leadership style in the *Zakat* administration. This methodology was selected due to its necessity for insight into information, comprehension, perspectives, experiences, and proficiency in Islamic leadership and *Zakat* administration. The researcher posits that qualitative data obtained from professionals in this domain is both important and credible for ascertaining current Islamic leadership practices in *Zakat* administration, while also addressing concerns related to Efficiency, transparency, and governance in *Zakat* distribution. Consequently, in-depth interviews, encompassing both organized and unstructured formats, were selected as the principal approach for data collection in this study. The interviews will furnish the researcher with an enhanced comprehension of the informants' perceptions and viewpoints on leadership style in *Zakat* Management. Following data collection, content analysis will be employed to meticulously examine the qualitative data. Table 1.1 below delineates the research approach employed in this study for data analysis.

Table 1.1 Research Methodology

RESEARCH QUESTION	TYPE	SOURCES
In *Zakat* management, Islamic values such as justice, trustworthiness, and transparency are very important. How do you apply those principles in *Zakat* management in this institution?	Primary Data: In-Depth Interviews Secondary Data: Literature Review	Content Analysis
In the management of this *Zakat* institution, how do you manage the team to ensure they work professionally and by Islamic principles?	Primary Data: In-Depth Interviews Secondary Data: Literature Review	Content Analysis
What are the challenges you face in keeping this *Zakat* institution operating by Islamic leadership principles?	Primary Data: In-Depth Interviews Secondary Data: Literature Review	Content Analysis

Source: Self–constructed

Qualitative research design is a methodological framework that emphasizes the exploration and comprehension of the meanings attributed by individuals or groups to social or human issues. According to Creswell (2012) Asserts that qualitative research entails the gathering of non-numerical data, including interviews, observations, and open-ended surveys, enabling researchers to attain profound insights into participants' experiences, beliefs, and motives. This project will gather data via interviews and document analysis. The qualitative method facilitates a comprehensive examination of leadership methods and their ramifications for *Zakat* management.

3.4 POPULATION AND SAMPLE SELECTION

A population comprises all items or events of a specific sort that researchers aim to study or gather information on (Chadwick, 2017). A sample is a subset of the population that accurately represents it. This indicates that the selected sample units must embody the characteristics of the diverse population units. Due to several factors, most studies collect data from sample units instead of the entire population, and their conclusions are generalized to the whole population. Precision in this endeavor is achievable just through the deliberate selection of a sample that embodies the desired attributes (Shukla, 2020).

This study utilizes judgment sampling, a form of purposive sampling commonly employed by the researcher. Nikolopoulou, (2022) stated that purposive sampling is a non-probability sampling technique in which units are selected based on specific desired characteristics. In other words, purposive sampling entails the intentional selection of units. This sampling method, referred to as judgmental sampling, relies on the researcher's discretion to identify and select people, situations, or events that are likely to provide the most relevant information to achieve the study's objectives. The researcher frequently employs judgment sampling, which was the sampling strategy used in this study.

The researchers chose the discretionary sampling technique for this study due to time constraints and a limited number of informants. The reason for using the discretionary sampling technique was to identify the most suitable informants for the interview. The researchers chose the informants because of their optimal positions and sufficient expertise in the relevant fields required for this study. The researcher managed to access the target informants through the discretionary sampling method. To facilitate and complete the data collection procedure, the researcher selected 4 informants from LZNK to provide insights on Islamic Leadership about *Zakat* management, as well as 2 informants from academics/researchers from the Institute of *Zakat* Research and Innovation (IPIZ), they were selected based on their credibility, expertise, and competence in the related sector.

3.5 DATA COLLECTION METHOD

Data collection is the methodical process of acquiring observations or measurements. Data collecting enables the acquisition of firsthand knowledge and original insights into your study problem. Although the methodologies and aims may vary among disciplines, the fundamental data collection procedure stays consistent (Bhandari, 2020). For this study, the researcher employed primary data sources that were gathered through in-depth interviews. The informants who were the subject matter experts for the research study were interviewed in person. In addition, the researcher cites secondary data sources, including books and scientific papers, to bolster the findings.

3.5.1 In-depth Interview

In-depth interviewing is a qualitative research technique that involves conducting intensive individual interviews with a small number of respondents to explore their perspectives on a particular idea, program, or situation (Boyce & Neale, 2006). For example, we might ask participants, staff, and others associated with a program about their experiences and expectations related to the program, the thoughts they have concerning program operations, processes, and outcomes, and any changes they perceive in themselves because of their involvement in the program. This research used semi-structured in-depth interviews which included structured and unstructured interviews. The questions were prepared by the researcher based on the research objectives initially to obtain the required information. The researcher has prepared a set of questions to be answered by all interviewees but at the same time, additional questions could be asked during the interview session to clarify and get a better explanation and understanding of the issues that emerged during the interview sessions.

3.5.1.1 The Development of Interviewer Protocol

'Interview Protocol' denotes a collection of systematic standards adhered to during interviews to guarantee consistency and dependability in data acquisition (Markus, 1996). Interviews offer a significant opportunity for participants to articulate their emotions and experiences concerning the research subject. Interviews are a simple and direct method for gathering qualitative data. Interview protocols are created as a tool to pose inquiries and gather precise information pertinent to the research aims (Leong & Said, 2024). Moreover, these protocols function as a framework for direct discussions on subjects during the interview process. These protocols allow researchers to gather comprehensive data, deepen their comprehension of participants' perspectives, and pinpoint factors essential for addressing the study objectives. The reliability of interview techniques is crucial for acquiring quality information and ensuring consistency in the data-gathering process. A comprehensive and methodical approach to formulating and enhancing interview protocols allows researchers to augment the reliability of their findings.

This study employed a research instrument that included questions crafted in the local language to enhance comprehension among respondents. Subsequently, the questions were translated into English while preserving their substance, meaning, and principal themes. The translation procedure was executed meticulously to preserve the accuracy of the content without alterations or paraphrases that might influence the interpretation of the facts. This seeks to uphold the validity and reliability of the research instrument within an academic framework and enhance analysis on a global scale.

The research supervisor, Dr. Sholeh bin Shuib, reviewed the interview protocol. He serves as a senior instructor at the Islamic Business School of Universiti Utara Malaysia and has received validation from Prof Madya Dr Muhammad Naimi Mohd Noor. The interview questions were meticulously crafted based on prior literature reviews, relevant reading materials, and consultations with the supervisor. Interview questions are crucial to guarantee that inquiries posed to informants align with the research concerns and are appropriate for this investigation.

3.5.2 Documentation

The term "document research method" describes the examination of documents that provide details about the situation or event being studied. Physical sources most often written documents in the social, public, or digital sphere are investigated, categorized, and analyzed using this method. Compared to surveys, in-depth interviews, and other observation-based techniques like ethnography, this research method is as successful and occasionally even more economical (Think, n.d.). The methodical process of examining or assessing documents, whether they are printed or electronic (computer-based and delivered over the Internet), is known as document analysis. Document analysis, like other analytical techniques in qualitative research, necessitates the examination and interpretation of data to extract meaning, comprehend, and produce empirical knowledge (Bowen, 2009).

Based on the explanation above, the author will research and explore data by making observations related to the management of *Zakat* funds at the Kedah State *Zakat* Institution. The aspects that want to be researched are the procedures for managing *Zakat* funds, the provisions of recipients of *Zakat* fund assistance, and the achievements of institutions in increasing innovation and development.

3.6 Data Analysis

The process of scrutinizing raw data to conclude that information is called Data Analysis. The main aim of Data Analysis is to convert the available cluttered data into a format that is easy to understand, more legible, conclusive, and which supports the mechanism of decision-making (Kaur Bhatia, 2017). Qualitative data will be analyzed using thematic analysis, which allows the identification of key themes and patterns related to leadership strategies and *Zakat* management. Software such as NVivo 15 can be used to assist in organizing and coding the data. Findings will be compared between the two institutions to conclude the effectiveness of different leadership approaches in *Zakat* management. The following data analysis techniques will be used in the research.

3.6.1 Data Reduction

The process of reducing many measurements to a small number of characteristic numbers while keeping all pertinent information is known as data reduction. To more effectively characterize the data, this is frequently accomplished by fitting a model through the data points. (Mortimer, 2013; Signals and Data, 2003). As a result, it will provide a clearer picture and make it easier for researchers to carry out further data collection from the data that has been reduced. In this study, data reduction was carried out in several steps, namely:

3.6.1.1 Transcription and Coding of Data

Data obtained from in-depth interviews with informants at LZNK were transcribed verbatim to ensure the accuracy of the information. After that, the coding process was carried out, which is labelling or categorizing information that has a certain pattern. The use of software such as NVivo 15 helped in categorizing the main themes that emerged from the interviews.

3.6.1.2 Categorization and Sorting of Data

The coded data were then grouped based on categories that correspond to the research aspects, such as Islamic leadership strategy, effectiveness of *Zakat* management, and challenges and innovations in *Zakat* management. This categorization helps in identifying trends or patterns that emerge from the field data.

3.6.1.3 Discarding Irrelevant Data

Not all information collected had direct relevance to the research objectives. Therefore, filtering was done to eliminate redundant or unrelated data to make the analysis more focused and in-depth.

3.6.1.4 Summary of Data in Narrative and Visual Forms

After selection and rearrangement, the reduced data is presented in the form of narrative summaries and visualizations such as tables or diagrams. This presentation aims to provide a clearer understanding of the research results and facilitate the interpretation process at the next stage of analysis.

Through this data reduction process, the research can produce more systematic and valid findings, so that it can make a stronger contribution in understanding the Islamic leadership style in *Zakat* management at LZNK.

3.6.1.5 Data Display

In the stages of writing up or qualitative data analysis, data display has been seen as a crucial step. A concise and effective method of presenting information is through data display in a graphic style, which highlights details found in lengthy written content. Visual displays offer a multifaceted area for data organization and link visualization between various pertinent data points. Any diagram's primary objective is to make information easily accessible while also communicating a message, a finding, or a specific viewpoint on a given piece of information or subject. A visual depiction enables the reader to gain understanding, form a complex comprehension, or value new information (Verdinelli & Scagnoli, 2013).

3.6.1.6 Drawing Conclusion

A conclusion is not simply a summary of the findings, and the research conducted. Importantly, the conclusion provides a significant and vital opportunity to explain to the reader exactly what the research means to the various audiences who have an interest in the research. The conclusion provides the potential to explore in depth and detail the broader implications of the findings while stating the limitations of the research and delineating the parameters. Like all stages of participatory research, drawing conclusions and dissemination of research findings must adhere to the principles of participatory research. (Liefgreen & Lagnado, 2023).

3.7 Data Validity and Credibility

In this qualitative research, data validity, and credibility are crucial aspects to ensure that the research findings are trustworthy and reliable. Therefore, this study employs several triangulation methods to enhance the validity and reliability of the data. The following are the triangulation methods used in this research:

3.7.1 Source Triangulation

Source triangulation is conducted by comparing and confirming data from various information sources. In this study, data was collected through:

1. In-depth interviews with key informants from Lembaga Zakat Negeri Kedah (LZNK) who have comprehensive knowledge of the implementation of Islamic leadership styles in zakat management.

2. Document analysis of policies, annual reports, and internal documents from LZNK related to zakat management practices.

3. Academic literature on Islamic leadership, zakat management, and other relevant prior studies.

By comparing findings from these different sources, the researcher can identify data consistency and reduce bias from individual sources.

3.7.2 Methodological Triangulation

This study utilizes multiple data collection methods to increase the accuracy of findings. The methods used include:

1. In-depth interviews to obtain rich and detailed insights from informants regarding the implementation of Islamic leadership principles.

2. Document analysis to examine formal policies and operational practices at LZNK.

By employing these various methods, the researcher can cross-check the accuracy of the data and strengthen the interpretation of the research findings.

3.7.3 Investigator Triangulation

To ensure objectivity and minimize bias, the data analysis results were discussed and validated with the research supervisors, Dr. Mohd Sollehudin Shuib and Prof. Madya Dr. Muhammad Naimi Mohd Noor. The input from these experts helped clarify the data interpretation and provided additional perspectives on analyzing the implementation of Islamic leadership styles at LZNK.

3.7.4 Theoretical Triangulation

This study also employs theoretical triangulation by comparing the findings against various theories and concepts of Islamic leadership, including the principles of *Tawhid* (oneness of God), *Amanah* (trust), Transparency, Communication *(Tabligh)*, and *Shura* (consultation). By aligning the findings with established theories, the study can demonstrate consistency or divergence from existing theoretical frameworks.

3.8 Summary of The Chapter

This chapter delineates the research technique employed to investigate the application of Islamic leadership styles in *Zakat* management at LZNK. This research employs a qualitative methodology, utilizing in-depth interviews and document analysis for data collection. The employed sampling technique is purposive sampling, involving the selection of informants possessing pertinent skills and experience in *Zakat* management. This chapter elucidates the data analysis procedure employing NVivo 15 software to discern themes and patterns pertinent to leadership strategies and *Zakat* management. This chapter also addresses the reliability of research methodologies and ethical considerations in research.

CHAPTER FOUR

RESULTS AND DISCUSSION

4.1 Introduction

This chapter presents the research results obtained from the analysis of the data collected and their discussion in the context of relevant theories. The presentation of the research results is carried out systematically by the previously formulated research objectives. Thus, this section will outline the main findings related to the Islamic leadership style in *Zakat* management at LZNK Malaysia. This investigation primarily utilized data acquired via interviews, supplemented by documentary sources. The interview results were analyzed utilizing NVivo 15 software. The results illustrate the primary patterns derived from the data and conclusions that enhance the comprehension of Islamic leadership's application in *Zakat* organizations. Additionally, each discovery will be juxtaposed with pertinent literature to evaluate its alignment with established theories. This chapter will examine the use of Islamic leadership concepts at LZNK and their influence on the Efficiency of *Zakat* management. This section encompasses not only the presentation of the results but also a comprehensive interpretation that links empirical data with theoretical notions.

4.2 Background of Informants

Table 2.1 Background of Informants

Informant Code/ Initials	Institution	Position	Work Experience
P1/AB	LZNK	Head of Distribution Division	10
P2/HSN	LZNK	Head of Shariah Management & Da'wah Division	8
P3/FBS	LZNK	Head of Government Income *Zakat* Division & Compulsory Instructions	15
P4/MF	LZNK	Head of Strategy Officer	8
P5/MM	IPIZ	Deputy Director	5>
P6/MNH	IPIZ	Associate Fellow	7

Self-constructed

4.2.1 Participant 1

Participant/informant 1, identified by the letters AB, serves as the Head of the Distribution Division at the Kedah State *Zakat* Board (LZNK) and possesses over a decade of experience in *Zakat* management and social development. Possessing knowledge of *Zakat* distribution tactics, he is crucial in ensuring the efficient, equitable, and impactful allocation of *Zakat* monies to the *Asnaf* groups in the State of Kedah.

4.2.2 Participant 2

HSN heads the Shariah & Da'wah Management Division at LZNK, with 8 years of experience in the field of sharia law and Islamic da'wah. He plays a key role in coordinating fatwas, Sharia compliance, and *Zakat* awareness programs to increase the community's understanding of *Zakat* obligations.

4.2.3 Participant 3

FBS is the Head of Government Revenue & Mandatory Instructions at LZNK with 15 years of experience in the government sector of *Zakat* management. He is responsible for *Zakat* collection strategies from the public and private sectors, ensuring regulatory compliance, and formulating policies to increase the number of *Zakat* payers among civil servants and government-related institutions.

4.2.4 Participant 4

MF leads the Strategy Division at LZNK, with 8 years of experience in strategic planning and *Zakat* institutional development. He is instrumental in formulating long-term policies, enhancing innovation in *Zakat* management, and optimizing the use of technology to strengthen the *Zakat* system in Kedah.

4.2.5 Participant 5

MM is the Deputy Director at the *Zakat* Research and Innovation Institute (IPIZ) with more than 5 years of experience in *Zakat* research and *Zakat* innovation development. He is active in the study of the effectiveness of *Zakat* distribution, analysis of the social impact of *Zakat*, as well as digital innovation in the modern *Zakat* system.

4.2.6 Participant 6

MNH is an Associate Fellow at IPIZ with 7 years of experience in the study and development of *Zakat* systems. He is heavily involved in academic research, *Zakat*-related publications, and the development of more efficient and viable *Zakat* management models.

4.3 Profile of Lembaga *Zakat* Negeri Kedah (LZNK)

The histori of *Zakat* management in Malaysia, particularly in Kedah, illustrates the development of the *Zakat* system in addressing the social and economic requirements of Muslim. The Lembaga *Zakat* Negeri Kedah (LZNK), being the official entity tasked with the collecting and distribution of *Zakat*, has experienced numerous changes in its management system. With the progression of time, leadership in *Zakat* has emerged as a critical element, particularly in guaranteeing openness, Efficiency, and accountability in the administration of *Zakat* money.

This section will examine the history of LZNK's formation, along with the evolution of policies and improvements used in the *Zakat* management system. The primary emphasis will be on the application of Islamic leadership within this organization and its contribution to enhancing the Efficiency of *Zakat* distribution to *mustahik*. Comprehending the history and evolution of LZNK is anticipated to yield profound insights into the challenges and accomplishments attained, while also establishing a foundation for studying the implementation of Islamic leadership styles in *Zakat* management in Kedah.

4.3.1 History and development of LZNK

Historical records indicate that the official date for the appointment of the party administering *Zakat* money in the State of Kedah Darul Aman was established on the date of the Notification Regarding the Terms and Conditions Related to *Zakat*

Matters, namely on 19 Jamadil Akhir 1355, corresponding to 5 September 1936. The date corresponds to that published by the Office of *Sheikhul Islam*, represented by *Majmaul Syeikhul Islam*, which includes Haji Ismail B. Hj. Mohd Saleh, Haji Yaakob Bin Hj. Ahmad, and Haji Abdul Ghani B. Hj. Awang. *Majmaul Sheikhul Islam* was formally founded in 1936 to succeed the position of *Sheikhul Islam*, which commenced in 1901 (State *Zakat* Agency). *Majmaul Syeikhul Islam*, also referred to *as Majma' Masyikhatil Islam* in some sources, primarily concentrates on the administration of *Zakat* in its announcements about *Zakat* matters. The collection of *Zakat* and Riyal Alms from Muslims in the State of Kedah officially marks the year 1355 H, corresponding to 1936 M, as the date of *Zakat* distribution for the residents of Kedah. The formal record of the committee's founding under administrative law is the year 1355 H, corresponding to 1936 M, despite estimates suggesting an earlier date.

In 1955, prior to Malaya's independence, the local community lodged a protest with Sheikh Wan Sulaiman Bin Wan Sidek (1874-1935), the *Sheikhul Negara Islam* Kedah, concerning the incomplete distribution of *Zakat*, which had not reached those in need. Consequently, *Sheikhul Islam* communicated this issue to the Regent at that time, His Majesty King Tengku Mahmud Ibnu Sultan Ahmad Tajudin (1876-(England, 1973). When inquired by the Regent on the method of *Zakat* collecting, what should be the procedure? *Sheikhul Islam* stated, "*Zakat* is mandatory." This pertains to the fundamental obligation of *Zakat*. "Executed for *ulil amri* in a singular location." This received approval from the Regent at that time. He instructed the community to provide *Zakat* solely to the amil designated by the acknowledged *ulil amri.*

Initially, *Zakat* was conducted informally at the farmers' request, necessitating the allocation of a portion of the 8 *asnaf* to the amil. Subsequently, legislation was enacted stipulating that 4/8 of the *Zakat* proceeds must be allocated to the designated amil, while the remaining 4/8 was to be returned to the contributor for distribution to selected local beneficiaries. In 1955, a *Zakat* law was enacted by the national *Zakat* minister of Kedah Darul Aman, stipulating that rice *Zakat* must be paid in full, specifically 100% or 8/8, to the designated amil, resulting in the longstanding collection of *Zakat* being exclusively limited to rice *Zakat*.

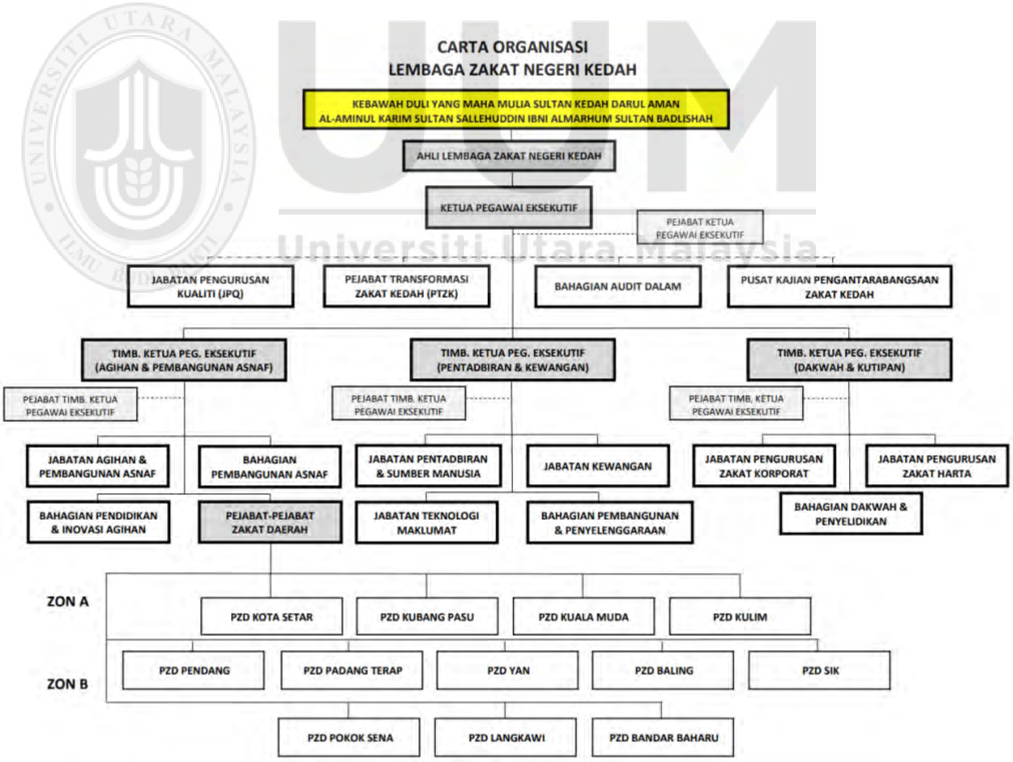
Between 1984 and 1997, the reigning authority, His Majesty the Sultan of Kedah Darul Aman, designated Dato' Sheikh Mahmood Naim as the Secretary of the Kedah State *Zakat* Committee. He subsequently broadened the application of *Zakat* on property to encompass all categories of property liable for *Zakat*, including transitioning the original *Zakat* on rice to *Zakat* on other assets (*Zakat* on income), which includes the profits from lawful enterprises conducted by individuals. Since that time, the Efficiency of *Zakat* collecting has consistently seen an annual increase.

Since 2015, the Kedah *Zakat* Committee has systematically undertaken initiatives to enhance the Kedah *Zakat* institution by refining the *Zakat* legislation. It is essential to establish a comprehensive law that encompasses not only rice *Zakat* but also *Zakat* on other forms of property. The persistent endeavors culminated in the introduction of the Kedah Darul Aman State *Zakat* Agency (LZNK) statute, which superseded the 1955 legislation of the same agency (LZNK, 2024).

4.3.2 LZNK Organizational Structure

The Kedah State *Zakat* Institution (LZNK) possesses a well-structured organizational structure to facilitate the transparent, effective, and efficient management of *Zakat*. This structure is constructed to ensure that every activity inside the organization is executed ideally, adhering to the principles of Islamic leadership, including *amanah*, fairness, and deliberation *(shura)*. Every segment of the organization possesses distinct roles and responsibilities, encompassing policy creation, program implementation, and the evaluation and oversight of *Zakat* management.

Table 3.1 Organizational Structure of LZNK



Source: LZNK document data

The LZNK Organization Chart depicts the leadership structure and allocation of functions within the organization. At the apex of the hierarchy, His Majesty, the Sultan of Kedah serves as the paramount patron. LZNK is managed by a Chief

Executive Officer who supervises multiple Deputy Chief Executive Officers, each accountable for *Asnaf* Distribution & Development, Administration & Finance, and Da'wah & Collection. This company comprises several divisions, including the Corporate *Zakat* Management Department, Finance Department, Information Technology Department, and *Asnaf* Distribution & Development Department. Furthermore, district *Zakat* offices function in two zones, with specialist departments including the Da'wah & Research Division and the Internal Audit Division. This framework ensures that *Zakat* management in Kedah functions efficiently, consistently, and effectively in addressing the needs of *asnaf* and the Muslim community.

4.3.3 The Role and Function of LZNK in *Zakat* Management

To ensure that the purpose and function of the Kedah State Amil *Zakat* Board (LZNK) is on the right track, the vision and mission of LZNK are the guidelines to ensure that the organization of *Zakat* collection and distribution continues to grow rapidly, thus helping the *asnaf* in the state of Kedah to get out of poverty (LZNK, n.d.-c).

Vision: To be a world-class Islamic Social Finance Agency

Mission: To improve the management of Islamic social finance with Efficiency and integrity to improve the socio-economic level of Muslims.

Basis of Quality: LZNK is determined to provide quality and world-class service that is comprehensive and sustainable for the affairs of quotation and *Zakat* distribution based on *syara'* law to fulfil customer needs and satisfaction.

Slogan: *Asnaf* Disantuni, Pembayar Diberati.

LZNK aims to establish itself as a globally recognized *Zakat* institution characterized by professional administration and ethics. The mission underscores the need of Efficiency in *Zakat* governance and the enhancement of Muslim welfare. The motto underscores the spiritual and social significance of *Zakat*, highlighting the equilibrium between the benefactions of muzaki and the wellbeing of *mustahik*.

This method demonstrates that LZNK functions not just as a *Zakat* administrator but also as an entity that promotes sharia-compliant economic empowerment. The Efficiency of LZNK in fulfilling its function will hinge on reliable leadership, transparency in financial management, and creativity in *Zakat* allocation.

4.4 Implementation Of Islamic Leadership Style in LZNK

The results of interviews with six informants regarding the implementation of Islamic leadership style in LZNK show that there are five main principles applied in the leadership of this institution. These principles reflect the values of Islamic leadership.

Table 4.1 Classification of Informants' Answers to the Implementation of Islamic Leadership Style in LZNK

Principles of Islamic Leadership	Informant Statement	Classification	Coding
Tauhid	*"Datuk CEO always starts the meeting with a Qur'anic verse or a hadith to remind him of the importance of turning to Allah" (P1)*	Spirituality-Based Leadership	P1, P4, P6
Amanah	*"We have internal and external audits, as well as ISO audits to ensure transparency of Zakat management." (P2)*	Accountability and Transparency	P2, P5, P6
Transparency	*"We introduced the Zakat on Touch (ZoT) app so muzaki can see where their Zakat is being channelled in real-time" (P2)*	Digitalisation and Openness	P2, P4, P6
Communication	*"LZNK goes to the field and establishes good relationships with local leaders such as imams and village chiefs to support the distribution of Zakat"(P5)*	Community Engagement	P1, P3, P5
Delibration/Syura	*"Every major policy is discussed in small committees headed by muftis and sharia advisors" (P2)*	Participatory Decision Making	P2, P3, P5

The implementation of these principles is crucial for enhancing the Efficiency of *Zakat* management, fostering public trust, and ensuring that every decision aligns with Islamic teachings while positively affecting *mustahik* and *muzaki*. The subsequent sub-chapters will elucidate the application of each concept in the operations and administration of LZNK, informed by the findings from the interview conducted.

4.4.1 The Principle of Tawhid

The notion of tawhid serves as the fundamental basis for Islamic leadership, particularly in the administration of *Zakat* at Lembaga *Zakat* Negeri Kedah (LZNK). This notion underscores that every leader bear responsibility not only to humanity but also to Allah in all decisions and policies enacted. Interview results with informants indicate that the principle of tawhid is uniformly integrated into the leadership of LZNK, manifested through the communication of spiritual messages in formal meetings and the execution of policies aligned with Islamic ideals.

During the interview, P1 asserted that every choice at LZNK is grounded in the principle of tawhid.

"Datuk CEO of LZNK, every time in a monthly speech with kakitangan, will definitely start with a verse of the Qur'an or hadith, so that kakitangan return to Allah and the Messenger" (P1).

"Datuk CEO He often reminds us regarding this Zakat, what is the purpose of Allah putting it together in the pillars of Islam, meaning that after shahadah we have prayer, we have Zakat, then fasting and also hajj." (P4)

This illustrates the application of spiritual ideals in leadership. The findings of this analysis align with the principle of *Tawhidic* Leadership, which asserts that leaders are accountable to Allah for every policy implemented and serves as an indicator of the Tawhid Paradigm Index (TPI). Research by Khalid et al., (2021) presents the *Tawhidic* Paradigm Index (TPI), a tool designed to assess the application of the Tawhid paradigm within an organization. Management will be apprised of the proportion of *Tawhidic* paradigm practices throughout their organization. The tawhid paradigm index does not quantify individual understanding of the tawhid paradigm; rather, it assesses the degree to which an organization's environment encourages its members to engage in specified tawhid practices. Alongside aiding management in assessing the degree of idea implementation, the measurement and evaluation of the concept also enable management to discover the origins of any organizational flaws.

The principle of tawhid seeks to forge a connection between humanity and its Creator, as well as among individuals. Tawhid is not merely a statement, but a philosophical doctrine concerning the nature of human relationships in regard to Allah SWT. Genuine faith serves as the guiding principle for individuals to dictate their conduct and activities in life, whether virtuous or immoral.

Understanding the creed is crucial in Islamic leadership, as it possesses inherent advantages; the Prophet Muhammad (s.a.w) prioritized the instruction of the creed as the foundational module during the initial 13 years of his mission in Mecca. Aqidah can be described as the most robust bastion for safeguarding and overseeing all manifestations of distortion, misdirection, and doubt that may assail the intellect of a Muslim. In conclusion, the creed significantly contributes to the development of an ideal individual and fosters a safe, peaceful, and harmonious society within a nation. Consequently, if a leader possesses robust faith, they will be capable of safeguarding the faith of those around them against potential harm.

They will also possess the capability to refute and discern all erroneous interpretations derived from the guidance of the Qur'an and as-*Sunnah* (S. Ismail et al., 2022).

4.4.2 The Principal *Amanah*

Accountability refers to the obligation of an individual or group within an organization to furnish accountability to interested parties or stakeholders. In the realm of *Zakat* management by institutions or organizations, amil entities are tasked with ensuring accountability for the management of *Zakat* monies entrusted by *muzakki* or stakeholders. Essentially, accountability represents an individual's responsibility as a caliph to Allah SWT, as all that Allah SWT grants humanity is a mandate, and every human activity will be scrutinized in the afterlife. The mandate must be communicated to the designated recipient (Syaidah Zahara et al., 2023).

P2 emphasized that the mandate in *Zakat* Management is maintained through a layered audit system and transparency.

'We have internal and external audits, as well as ISO audits to ensure that every Zakat fund is channelled with trust and without misappropriation." (P2).

"We have regulations to manage, and I have EDC team will make sure every regulation is fulfilled and if we don't fulfil the regulation, we might be taken action by another authority from outside who always do audit to us. To answer the question, to ensure the mandate in Zakat, I always make sure every regulation to manage it is fulfilled." (P3)

The notion of trustworthiness is paramount in Islamic leadership, wherein leaders must assume complete accountability for the stewardship of the resources given to them. This study's findings corroborate existing literature indicating that accountability in Islamic institutions can be enhanced with a transparent auditing method. Fai'q et al., (2024) In the context of Islamic law, accountability pertains to the duties and responsibilities of a firm or organization to ensure transparency and answerability to stakeholders or society. In Islam, accountability is regarded as a trust *(Amanah)* that individuals or entities responsible for entrusted assets must fulfill.

4.4.3 The Principle of Transparency

Transparency is a fundamental element in *Zakat* administration that seeks to establish confidence among *Zakat* institutions, muzaki, and *mustahik*. Within the framework of Lembaga *Zakat* Negeri Kedah (LZNK), transparency is achieved via the '*Zakat* on Touch (ZoT)' digital technology, enabling muzaki to observe in real-time the collection and distribution of their *Zakat* money. This innovation demonstrates LZNK's dedication to conducting *Zakat* management transparently, accountably, and efficiently, aligning with contemporary requirements in Islamic financial governance. The digitalization of *Zakat* enhances transparency and optimizes the allocation of *Zakat* payments, hence maximizing advantages for *mustahik*. The subsequent sub-chapters will elucidate the use of transparency in *Zakat* management within LZNK and its influence on public trust and the Efficiency of *Zakat* management.

“We introduced the Zakat on Touch app which is accessible to everyone. In this app, Zakat payers can see where their money is diverted in real-time.” (P4)

“Actually in this Zakat on touch there are many, in the corner of the food bank system system asnaf care system Zakat institution negeri kedah is also in the Zakat on touch system so that where the -para muzaki who want to see syarikat -syarikat payer Zakat is in that, syarikat -syarikat sahabat Zakat is also in that's what pays Zakat, so than that's combined some important information -information under Zakat on touch this information is known by umumlah for muzaki and also for mustahik.” (P1)

This demonstrates that digitalization can enhance accountability in *Zakat* administration, as elucidated in numerous research on Islamic financial management. According to the interview with Hazwan (2025), this program offers public access, allowing not just muzaki but also other parties to transparently read the *Zakat* management report. This aligns with the notion of hisbah in Islam, which mandates a system of oversight and responsibility to ensure that public monies, including *Zakat*, are utilized in accordance with sharia principles.

Multiple studies in Islamic financial management affirm that transparency is a critical aspect in sustaining muzaki confidence and loyalty (Abdalmuttaleb & Al-Sartawi, 2022). A deficiency in openness may result in diminished involvement in *Zakat* contributions, when muzaki are uncertain about the management of their funds. Consequently, digitalization initiatives like those implemented by LZNK might exemplify best practices for other *Zakat* institutions in enhancing information transparency.

Nonetheless, while this digital system offers significant advantages, some issues must be addressed, including data security, digital literacy among *mustahik*, and the technological infrastructure capacities in specific regions. Consequently, LZNK must guarantee that this system is not just transparent but also secure, readily available, and inclusive for all stakeholders in *Zakat* Management. Through the use of digital transparency, LZNK enhances accountability and Efficiency while demonstrating that *Zakat* can be administered professionally and in alignment with contemporary standards. This concept can be implemented in more *Zakat* organizations to establish a more contemporary, efficient, and reliable Islamic social finance ecosystem.

4.4.4 The Principle of Communication

Effective communication is a crucial element of *Zakat* management at Lembaga *Zakat* Negeri Kedah (LZNK). LZNK, as the agency tasked with managing *Zakat* contributions from muzaki and distributing them to *mustahik*, guarantees an open and reciprocal communication channel among leaders, muzaki, and *mustahik*. Diverse methodologies are employed, including digital platforms, social media, khutbahs, seminars, and direct field interactions, to foster a closer connection with the community.

"We go to the field, talk to muzaki and asnaf, and provide open communication channels so that they can submit complaints or suggestions." (P1)

In addition, LZNK also builds close relationships with local community leaders, such as village chiefs and mosque imams, to ensure that information about *Zakat* can be effectively conveyed to the community. This is emphasised in the statement of an informant from Institute Pengajian Islam *Zakat* (IPIZ):

"LZNK is seen especially between this socialistic is he he held a good relationship with local leaders for example The village headmen and then imam -imam in the mosque in the mosque in the mosque of the area so they held a good relationship with local leaders because if we hold a good relationship with local leaders so these local leaders they know their work experts their local residents and they know more than us so that's what I see made by LZNK for them nak channel all effective information related to Islam, related to Zakat and so on." (p5)

This communication strategy embodies the tenets of Islamic leadership, which prioritize transparency, equity, and cohesive ties between leaders and the community. In Islamic social management, effective communication serves to align policies with the needs and aspirations of the populace. Furthermore, strong affiliations with community leaders enhance the Efficiency of *Zakat* distribution, as these leaders possess a deeper comprehension of the social and economic circumstances of their constituents. The communication strategy employed by LZNK enhances public faith in *Zakat* institutions and reinforces the role of Islamic leadership in establishing a more inclusive, transparent, and successful *Zakat* system.

4.4.5 The Principle of Decision Making Based on *Shura* (Deliberation)

The notion of *shura* (deliberation) constitutes a fundamental aspect of Islamic leadership and has been implemented in the decision-making framework at LZNK. Significant policies are not formulated individually, but rather through collaborative deliberations within small groups chaired by muftis and sharia advisers. This strategy seeks to guarantee that judgments are equitable, aligned with the interests of the ummah, and consistent with sharia principles. Decisions at LZNK are reached through consultation with multiple stakeholders.

'We don't make decisions individually. Every policy is discussed in small committees led by muftis and sharia advisors.' (P2).

This technique of deliberation reinforces the principle of *shura* in Islamic leadership, ensuring that policies are equitable and aligned with sharia values, rather than favoring a single party.

In the realm of *Zakat* management, it offers numerous advantages, including:

1. Enhances Accountability and Legitimacy - Decisions derived from collaborative engagement are more readily embraced by the community and regarded as more equitable and transparent.
2. Reducing Error and Bias - Engaging in dialogue among diverse stakeholders can mitigate the possibility for error in *Zakat* administration.
3. Enhance Efficiency in Policy Implementation - Decisions derived from deliberation are more successful in addressing the demands of *mustahik* and advancing the welfare of the populace.

Nonetheless, the execution of *shura* in the *Zakat* administration encounters other problems, including prolonged decision-making processes, potential irreconcilable differences of opinion, and the necessity for robust cooperation among *shura* committee members. Consequently, while this deliberative system represents an exemplary model of leadership in Islam, its execution necessitates an efficient method to ensure it operates effectively without obstructing strategic decision-making within LZNK.

The adoption of *shura* in LZNK's leadership exemplifies the organization's dedication to comprehensively applying Islamic leadership principles, ensuring that its policies are equitable, participatory, and aligned with *maqasid al-shariah.*

4.5 Implications of the Findings for *Zakat* Management in Malaysia

The leadership model utilized at LZNK serves as a paradigm for other *Zakat* institutions in Malaysia to implement digital systems, rigorous audits, and Islamic leadership principles to enhance the Efficiency of *Zakat* management. The growing desire for openness and accountability renders the implementation of technology in *Zakat* Management a viable alternative to enhance public trust.

The leadership model utilized by Lembaga *Zakat* Negeri Kedah (LZNK) serves as a reference for other *Zakat* institutions in Malaysia to enhance the Efficiency of *Zakat* management. An essential facet of this strategy is the integration of digital systems, rigorous auditing, and Islamic leadership values, which enhance transparency and accountability.

The growing community's need for enhanced professional and dependable *Zakat* management necessitates the deliberate implementation of technology in the *Zakat* administration system. The digitization of *Zakat* distribution and reporting can expedite the allocation procedure to *mustahik* and reduce the risk of fund misappropriation. Moreover, rigorous and regular audits can guarantee that the complete *Zakat* management system operates in alignment with the principles of good governance in Islam. From a leadership standpoint, the adoption of the Islamic Leadership Style in LZNK demonstrates that values such as justice, truthfulness, and exemplary conduct are crucial in fostering public trust.

This affirms that the Efficiency of *Zakat* management relies not solely on technical factors, but also on the caliber of leadership capable of steering the organization towards a definitive vision and mission in serving the populace. Consequently, the findings of this study offer guidance for other *Zakat* organizations in Malaysia to implement technology-driven strategies and Islamic leadership principles to enhance Efficiency and bolster their legitimacy in the public's perception.

4.5.1 The Principle of Tawhid and the Effectiveness of *Zakat* Management

The principle of Tawhid practiced at LZNK, as expressed by informants P1 and P4, shows that leadership based on spirituality and faith can boost the internal motivation of personnel. By reminding staff about the purpose of *Zakat* as one of the foundations of Islam, LZNK executives have succeeded in developing a work atmosphere geared towards Islamic principles. This has an impact on boosting the effectiveness of *Zakat* management because personnel believe that their labor has the value of worship and responsibility to Allah SWT.

4.5.2 The Principle of *Amanah* and Accountability in *Zakat* Management

The principle of *Amanah* applied through the internal and external audit system, as outlined by P2 and P3, ensures that every *Zakat* fund is managed transparently and accountable. This tight audit method not only builds public trust (muzaki) in LZNK but also ensures that *Zakat* money is paid appropriately to *Mustahik*. Thus, the effectiveness of the *Zakat* administration increases due to the low variations and faults in cash allocation.

4.5.3 Principle of Transparency and Public Trust

The transparency gained by the *Zakat* on Touch (ZoT) application, as detailed by P4, allows Muzaki to watch the utilization of their *Zakat* funds in real-time. This fosters public trust in LZNK, which ultimately boosts public participation in paying *Zakat* through official institutions. With increasing confidence and engagement, the effectiveness of *Zakat* management also increases because more monies are collected and disbursed properly.

4.5.4 Principle of Communication and Public Involvement

Effective communication between LZNK and the community, as represented by P1 and P5, guarantees that information on *Zakat* may be conveyed properly. By creating tight relationships with local leaders like as mosque imams and village heads, LZNK has succeeded in reaching *mustahik* who need aid. This boosts the effectiveness of *Zakat* distribution, because information about the *Zakat* program may be communicated more extensively and on target.

4.5.5 The Principle of *Shura* and Participatory Decision Making

The notion of *Shura* employed in decision-making at LZNK, as stated by P2 and P3, ensures that every policy made has gone through a deliberation process comprising Sharia experts and stakeholders. This approach not only enhances the quality of decisions taken but also assures that the decisions conform with Sharia principles and the needs of *Mustahik*. Thus, the effectiveness of the *Zakat* administration increases since the measures imposed are more targeted and accepted by the community.

4.6 Impact of Islamic Leadership on *Zakat* Management Effectiveness

Effective leadership is essential for optimizing *Zakat* management, particularly in the collection, management, and distribution of money (Widiastuti et al., 2022). In the realm of *Zakat* fund collection, Islamic leadership founded on trust, fairness, and exemplary conduct is crucial in establishing the confidence of *Muzakki*. Trustworthy leaders with great integrity can effectively promote public engagement in directing their *Zakat* through official institutions.

Effective leadership is essential to enhance the collection of *Zakat* funds. Leadership is demonstrably crucial in augmenting *Zakat's* contributions. Leaders who exemplify integrity and reliability will cultivate the trust of *Muzakki* in directing their *Zakat* and will be dependable in the administration and allocation of *Zakat*. Leadership also dictates the trajectory, objectives, and accomplishments in optimizing *waqf* funding.

Consequently, an individual with the genuine ability to lead and promote leadership in the collection of *Zakat* funds is essential (Syahputra & Khairina, 2021). Consequently, a leader who possesses administrative competence can also still Islamic leadership principles in *Zakat* administration, thereby enhancing public trust and the overall efficiency of *Zakat* management.

The findings of this study indicate that the application of Islamic leadership principles in Lembaga *Zakat* Negeri Kedah (LZNK) can be a model for other *Zakat* institutions in Malaysia. By implementing the concepts of Tauhid, *Amanah*, Transparency, Communication, and *Shura*, various *Zakat* institutions can increase the effectiveness of their *Zakat* management. The *tauhid* concept that promotes spirituality, and faith can improve the internal motivation of personnel, while the *Amanah* principle that is fulfilled through a tight audit system provides responsibility and transparency in the handling of *Zakat* monies. The transparency that is attained through digital technology, such as the *Zakat* on Touch (ZoT) application, has also been found to boost public trust in *Zakat* institutions. In addition, good communication and engagement with local authorities, such as mosque imams and village heads, ensure that information about *Zakat* may be disseminated appropriately and *Zakat* help can reach *mustahik* in need. The *syura* principle utilized in decision-making also assures that every policy decided has gone through a debate process and follows Sharia principles.

These findings underscore the need for leadership with integrity and based on Islamic values in *Zakat* management. Leaders who have great integrity and can encourage personnel and the community will be more effective in administering *Zakat*. Therefore, *Zakat* institutions in Malaysia need to guarantee that their leaders have leadership skills that follow Islamic teachings. In addition, enhancing the ability of human resources through training on Islamic leadership principles and effective *Zakat* management is also important to improve the performance of *Zakat* organizations. By adopting a similar strategy to LZNK, other *Zakat* institutions in Malaysia can boost public trust, assure targeted *Zakat* distribution, and eventually improve the effectiveness of *Zakat* management.

4.7 Summary of The Chapter

This chapter delineates the study findings derived from the examination of the collected data, alongside discussions contextualized within pertinent ideas. The primary findings demonstrate that the application of Islamic leadership concepts, including Tauhid, *Amanah*, Transparency, Communication, and *Shura*, in LZNK has enhanced the Efficiency of *Zakat* administration. The principle of Tauhid enhances staff's intrinsic motivation, and the principles of *Amanah* and Transparency foster public trust via a rigorous auditing system and the implementation of digital technology, exemplified by the *Zakat* on Touch (ZoT) application. Efficient communication and coordination with local leaders guarantee the targeted distribution of *Zakat*. The notion of *Shura* in decision-making guarantees that each policy is subjected to a deliberative process and aligns with Sharia values. These findings suggest that Islamic leadership characterized by honesty and grounded in Islamic values can enhance the Efficiency of *Zakat* management.

CHAPTER FIVE

CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

Chapter five functions as the final chapter of this study, encapsulating the principal results and insights obtained from the research on Islamic leadership styles in *Zakat* management at LZNK. This chapter offers a concentrated analysis of how the tenets of Islamic leadership namely *Tauhid*, *Amanah*, Transparency, Communication, and *Shura* have impacted the Efficiency of *Zakat* administration. This study's conclusions emphasize the necessity of incorporating Islamic ideals into leadership techniques to improve openness, accountability, and efficiency within *Zakat* institutions. This chapter also provides pragmatic advice for enhancing *Zakat* administration and identifies potential avenues for future research to investigate the intricacies of Islamic leadership within the framework of *Zakat* and other Islamic social finance entities. The limitations of this study are addressed to offer a balanced view of the research findings.

5.2 Conclusion

The research findings indicate that the implementation of Islamic leadership concepts in LZNK has positively influenced the Efficiency of *Zakat* management. Principles such as *tauhid*, *Amanah*, transparency, communication, and *syura* provide the fundamental pillars of leadership in LZNK. Presented here are several key conclusions:

1. Tauhid Principle: Leadership founded on spirituality and faith has enhanced employees' intrinsic drive. LZNK leaders have effectively fostered a work

atmosphere aligned with Islamic values by reiterating the significance of *Zakat* as one of the pillars of Islam to the personnel. This enhances the Efficiency of *Zakat* Management, as employees perceive their labor as a form of devotion and a duty to Allah SWT.

2. *Amanah* Principle: A rigorous internal and external auditing mechanism guarantees that each *Zakat* fund is administered with transparency and accountability. This mechanism not only cultivates public trust (muzaki) in LZNK but also guarantees the proper allocation of *Zakat* payments to *mustahik*. Consequently, the Efficiency of *Zakat* administration is enhanced by negligible discrepancies and inaccuracies in fund distribution.
3. Transparency Principle: The *Zakat* on Touch (ZoT) application enables Muzaki to consolidate the utilization of their *Zakat* funds in real-time. This enhances public confidence in LZNK, hence promoting community engagement in *Zakat* contributions via official entities. The enhancement of confidence and participation amplifies the Efficiency of *Zakat* administration, as it leads to greater collection and appropriate distribution of monies.
4. Communication Principle: Efficient communication between LZNK and the community, particularly through strong affiliations with local leaders such as mosque imams and village heads, guarantees the efficient dissemination of *Zakat*. This enhances the Efficiency of *Zakat* distribution, as information regarding the *Zakat* program may be shared more broadly and precisely.
5. Principle of *Shura*: The decision-making process, which includes consultation with sharia experts and other stakeholders, guarantees that each policy is subjected to thorough debate and aligns with sharia principles. This enhances

decision-making quality and guarantees that the implemented policies are more acceptable to the community.

5.3 Recommendations

In the realm of *Zakat* administration at the Kedah State *Zakat* Institution (LZNK), enhancing Islamic leadership is crucial for improving Efficiency and transparency. Leadership that adapts to technology advancements while adhering to Islamic ideals can enhance the Efficiency and accountability of the *Zakat* management system. A strategic measure that might be adopted is enhancing digitization within *Zakat* leadership. *Zakat* leaders must employ technology such as blockchain to provide transparency in *Zakat* transactions, artificial intelligence (AI) to assess the needs of *mustahik*, and Big Data-based system integration to enhance the Efficiency of *Zakat* distribution. Furthermore, *Zakat* Leaders must promote the utilization of digital platforms in *Zakat* administration, including e-wallets and QR codes, to expedite and enhance the accuracy of *Zakat* payment and distribution. This digital change must be spearheaded by leaders possessing a long-term vision in *Zakat* management, capable of establishing an inclusive digital environment for all stakeholders. Alongside enhancing digitization, *Zakat* leaders must also bolster Islamic leadership competencies to fulfill their responsibilities with professionalism and honesty. Effective leaders must possess a profound comprehension of the tenets of Islamic leadership, including *Amanah* (trust), Adil (justice), *Shura* (deliberation), and *Tabligh* (effective communication). Consequently, Islamic leadership training and certification programs must be consistently conducted to enhance leaders' capacity to manage *Zakat* in alignment with Sharia principles and contemporary requirements. *Zakat* leaders must cultivate effective communication skills, particularly in fostering public faith in

Zakat organizations. Through transparent and inclusive communication, leaders may enhance public engagement in *Zakat* and guarantee that the managed funds effectively benefit *mustahik*.

Moreover, leadership within *Zakat* institutions must be both transformative and innovative to respond to social and economic trends effectively. *Zakat* leaders should promote collaboration with diverse stakeholders, including scholars, *Zakat* practitioners, and global charitable organizations, to implement optimal practices in *Zakat* management. Furthermore, mentoring and leadership development for the forthcoming generation in *Zakat* institutions are essential for ensuring the organization's sustainability. An effective leader must not only execute administrative duties but also exemplify honesty, work ethic, and dedication to the well-being of others. Consequently, robust Islamic leadership in *Zakat* will facilitate the establishment of a more efficient, sustainable system and yield a broader social impact for the community.

5.4 Limitations of the Study

This study possesses various limitations that must be recognized. This study exclusively explores Lembaga Zakat Negeri Kedah (LZNK) and does not engage in comparisons with other *Zakat* organizations in Malaysia. Secondly, this study used a qualitative methodology with a restricted sample, necessitating cautious generalization of the research findings. This study exclusively investigates Islamic leadership and does not address additional elements that may affect the Efficiency of *Zakat* administration.

It is advisable to undertake a comparative analysis of various *Zakat* institutions in Malaysia to examine the disparities in the implementation of Islamic leadership principles. Moreover, subsequent studies may employ quantitative methodologies to objectively assess the influence of Islamic leadership on the Efficiency of *Zakat* administration. Research may further broaden its reach by incorporating additional elements such as technology, regulation, and community engagement in the *Zakat* administration.

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APPENDICES

APPENDIX A

Interview Questions for The Leader of *Zakat* Institution

1. Tauhid yang mendalam Kepimpinan *Zakat*
   - Bagaimana anda memohon prinsip Tauhid (keesaan Allah) dalam mengambil keputusan berkaitan pengurusan *Zakat*?
   - Apa langkah yang anda ambil Untuk memastikan itu pengurusan *Zakat* ini selesai dengan niat yang ikhlas Untuk dapatkan redha Allah?
2. *Amanah*:
   - Bagaimana anda mengaplikasikan prinsip *amanah* dalam pengelolaan *Zakat* untuk memastikan setiap dana dikelola secara bertanggung jawab dan sesuai syariah?
   - Apakah mekanisme yang anda terapkan untuk menjaga kepercayaan para *muzakki* dan *mustahik* dalam setiap tahap pengurusan *Zakat*?
3. Transparansi:
   - Bagaimana anda memastikan keterbukaan informasi mengenai pengumpulan, pengagihan, dan penggunaan dana *Zakat* kepada masyarakat?
   - Apakah langkah yang telah diambil untuk melaksanakan pelaporan berkala atau audit independen dalam rangka meningkatkan transparansi pengurusan *Zakat*?
4. Komunikasi dalam Pengurusan *Zakat*
   - Berapa banyak penting anda fikir komunikasi terbuka dan telus dalam pengurusan *Zakat*, dan bagaimana anda melaksanakannya dalam pasukan anda?
   - Bagaimana anda memastikan itu masyarakat dan penerima *Zakat* telah pemahaman yang jelas kira-kira Bagaimanakah *Zakat* diuruskan ?
5. Pembuatan keputusan dalaman melalui syura (Musyawarah) Pengurusan *Zakat*
   - Dalam keadaan yang penuh cabaran, bagaimana anda mengambilnya keputusan yang adil dan wajar dengan prinsip syariah dalam pengurusan *Zakat*?

- Bagaimana anda terlibat ahli pasukan atau awam dalam proses mendapatkan semula keputusan berkaitan agihan *Zakat*?

Penutup:

- Apa harapan anda untuk depan berkaitan peranan *Zakat* dalam pemerkasaan orang dan pembasmian kemiskinan, juga Bagaimana pasukan ini boleh peranan dalam perkara yang?
- Apa yang anda fikir mungkin lebih bertambah baik dalam pengurusan *Zakat* untuk cipta lebih impak besar dalam masyarakat?

APPENDIX B

Interview Questions for Academicians and Practitioners

1. Tauhid dalam Kepimpinan *Zakat*

    - Bagaimana sambungan antara kefahaman tentang tauhid seseorang pemimpin dengan keberkesanan pengurusan *Zakat* dalam perspektif akademik?

    - Sejauh manakah pemimpin *Zakat* di Malaysia khususnya LZNK melaksanakan nilai-nilai tauhid dalam dasar dan operasi ?

2. *Amanah* dan Akauntabiliti dalam Pengurusan *Zakat*

    - Bagaimana prinsip *amanah* boleh bertambah *amanah* awam kepada institusi *Zakat*, dan bagaimana kaedah mengukurnya?

    - apa cabaran paling besar yang dihadapi institusi *Zakat* di pengawal integriti dan akauntabiliti dalam pengurusan dana *Zakat*?

3. Ketelusan dan Akauntabiliti dalam Pengurusan *Zakat*

    - Bagaimana Institusi *Zakat* membina sistem ketelusan dalam pengurusan *Zakat* untuk bertambah *amanah* awam?

    - Sama ada terdapat model ketelusan yang boleh diterima pakai daripada institusi *Zakat* lain di dunia untuk bertambah keberkesanan dan akauntabiliti *Zakat* di Malaysia?

4. Komunikasi dan Strategi Kepimpinan dalam *Zakat*

    - Apakah strategi komunikasi yang dilaksanakan oleh institusi *Zakat* dalam sebar maklumat *Zakat* kepada awam dengan cara berkesan?

    - Berapa banyak besar peranan komunikasi digital dan media sosial dalam bertambah penyertaan awam dalam bayaran *Zakat*?

5. Membuat Keputusan Berdasarkan Syura dalam *Zakat*

    - Sejauh mana pendekatan syura (musyawarah) dilaksanakan dalam tentukan dasar agihan *Zakat* di institusi *Zakat* khususnya di LZNK?

    - Apa cabaran utama dalam pelaksanaan prinsip syura dalam persekitaran institusi *Zakat* moden?

6. Harapan dan Cabaran Masa Depan

    - Apakah cabarannya yang terbesar dalam kepimpinan *Zakat* di Malaysia pada masa ini inilah yang diperlukan cepat mengatasi?

- Bagaimana peranan ahli akademik dan penyelidik dalam memberi cadangan dasar untuk institusi *Zakat* seperti LZNK menjadi lebih berkesan dan cekap?

APPENDIX C

Transcript

INTERVIEW TRANSCRIPT 1

Informant 1

Date: 10 February 2025
Venue: Webex Platform Online
Time: 03.00 pm-04.15 pm

Interviewer: Bagaimana prinsip tauhid diterapkan dalam pengurusan *Zakat*?
Informant: CEO LZNK selalu memulakan perjumpaan dengan ayat Al-Quran atau hadis, mengingatkan kakitangan bahawa mereka hanyalah pemegang *amanah* Allah.

Interviewer: Bagaimana memastikan pengurusan *Zakat* dilakukan dengan ikhlas?
Informan: LZNK menerapkan ikrar kerja, sumpah *amanah*, dan memberikan elaun mencukupi bagi memastikan kakitangan bekerja dengan baik dan ikhlas.

Interviewer: Bagaimana prinsip *amanah* diaplikasikan dalam pengelolaan *Zakat*?
Informant: LZNK mempunyai etika amil, pemantauan ketat melalui audit dalaman dan luaran, serta sistem rekod yang jelas untuk memastikan kejujuran dalam pengurusan dana.

Interviewer: Bagaimana cara menjaga kepercayaan muzaki dan *mustahik*?
Informant: Melalui sistem digital *Zakat on Touch* dan *Jom Zakat Kedah* yang membolehkan pemantauan pembayaran dan agihan *Zakat* secara real-time.

Interviewer: Bagaimana memastikan transparansi dalam pengurusan *Zakat*?
Informant: CEO LZNK terbuka dalam menyampaikan maklumat melalui media, termasuk TV dan radio, serta sistem digital yang menunjukkan aliran kutipan dan agihan *Zakat*.

Interviewer: Apakah langkah-langkah untuk meningkatkan transparansi?
Informant: LZNK menjalankan audit berkala dan membolehkan pembayar *Zakat* mengakses data agihan melalui sistem digital untuk memastikan ketelusan.

Interviewer: Bagaimana peranan komunikasi dalam pengurusan *Zakat*?
Informant: LZNK bekerjasama dengan universiti, pensyarah, dan pemimpin Masyarakat untuk menyebarkan maklumat *Zakat* serta menjalankan program penerangan kepada syarikat dan agensi kerajaan.

Interviewer: Bagaimana keputusan diambil dalam pengurusan *Zakat*?
Informant: Setiap isu dirujuk kepada bahagian syariah dan mufti, kemudian diputuskan oleh jawatankuasa dan Sultan Kedah bagi memastikan keputusan selari dengan prinsip syariah.

Interviewer: Bagaimana pasukan dan masyarakat terlibat dalam keputusan agihan *Zakat*?
Informant: Keputusan melalui beberapa peringkat, dari cadangan oleh bahagian agihan, ditapis oleh timbalan CEO, jawatankuasa kecil, ahli bot, hingga dipersetujui oleh Sultan Kedah.

Interviewer: Apakah harapan terhadap peranan *Zakat* dalam masyarakat?
Informant: LZNK berharap penerima *Zakat* dapat keluar dari kemiskinan dan menjadi pembayar *Zakat*. Mereka juga merancang kerjasama data dengan agensi lain dan pembangunan kilang padi bagi memperkukuh ekonomi *asnaf*.

INTERVIEW TRANSCRIPT 2

Informant 2

Date: 13 February 2025
Venue: via WhatsApp connection
Time: 4.40pm-5.01pm

Interviewer: Boleh perkenalkan diri dan posisi Ustaz di LZNK?
Informant: Saya Hazwan Syah Niezam bin Abdul Haniff, Ketua Divisyen Pengurusan Syariah & Dakwah di LZNK, sudah berkhidmat selama 8 tahun.

Interviewer: Bagaimana prinsip tauhid diterapkan dalam keputusan pengurusan *Zakat*?
Informant: Keputusan mesti berdasarkan ketaatan kepada Allah dan hukum syariah, kerana *Zakat* adalah hukum Islam yang memiliki tata cara tersendiri.

Interviewer: Bagaimana memastikan pengurusan *Zakat* dilakukan dengan ikhlas?
Informant: LZNK menetapkan dasar kepatuhan syariah, memupuk keikhlasan melalui pembacaan Al-Quran bersama, serta pemantauan kepatuhan oleh divisyen syariah.

Interviewer: Bagaimana prinsip *amanah* diterapkan dalam pengelolaan *Zakat*?
Informant: LZNK menggunakan sistem dari kutipan hingga agihan untuk memastikan kepatuhan. Kalkulator *Zakat* digunakan untuk kiraan yang tepat, sementara agihan *Zakat* melalui prosedur ketat dengan beberapa tahap pengesahan.

Interviewer: Bagaimana menjaga kepercayaan muzaki dan *mustahik*?
Informant: Sistem audit dalaman, luaran, serta audit ISO diterapkan. LZNK juga merancang audit pematuhan syariah pada 2026. Aplikasi *Zakat On Touch* menyediakan rekod transaksi *Zakat* secara real-time.

Interviewer: Bagaimana keterbukaan informasi tentang pengurusan *Zakat*?
Informant: Melalui aplikasi *Zakat On Touch* yang membolehkan masyarakat melihat transaksi *Zakat* secara real-time, serta audit berkala dari pelbagai pihak.

Interviewer: Bagaimana pelaksanaan audit untuk meningkatkan transparansi?
Informant: Audit dilakukan secara berkala oleh kerajaan negeri, kerajaan pusat, audit ISO, serta audit dalaman dan luaran untuk memastikan kepatuhan syariah.

Interviewer: Bagaimana komunikasi diterapkan dalam pengurusan *Zakat*?
Informant: LZNK menggunakan musyawarah untuk keterbukaan dalaman, serta media sosial, khutbah, dan program masyarakat untuk menyampaikan maklumat *Zakat*.

Interviewer: Bagaimana memastikan masyarakat memahami pengurusan *Zakat*?
Informant: LZNK turun padang ke masjid, mengadakan forum, taklimat, serta memanfaatkan media sosial seperti Facebook dan TikTok untuk berinteraksi dengan masyarakat.

Interviewer: Bagaimana keputusan *Zakat* dibuat berdasarkan syura?
Informant: Keputusan dibuat bertingkat, bermula dari perbincangan dalam divisyen syariah, dibantu oleh penyelidik luar, sebelum dibawa ke jawatankuasa kecil Kutipan dan Agihan serta penasihat syariah.

Interviewer: Bagaimana masyarakat terlibat dalam keputusan agihan *Zakat*? Informant: Maklum balas dikumpulkan dari cawangan daerah dan media sosial, kemudian dianalisis untuk penambahbaikan dasar agihan.

Interviewer: Apa harapan Ustaz terhadap peranan *Zakat* di masa depan? Informant: Semua agensi berkaitan kemiskinan perlu bekerjasama dan berkongsi data agar bantuan lebih efektif, mengelakkan kerja secara terpisah dan meningkatkan impak kepada masyarakat.

INTERVIEW TRANSCRIPT 3

Informant 3

Date: 16 February 2025
Venue: Zoom Online Meeting
Time: 2.00pm-2.40pm

Interviewer: Boleh perkenalkan diri dan posisi Ustaz di LZNK?
Informant: Saya Fakhrul Razi, Kepala Divisi Pengumpulan *Zakat* Pendapatan di LZNK, telah berkhidmat selama 15 tahun.

Interviewer: Bagaimana prinsip tauhid diterapkan dalam kepemimpinan *Zakat*?
Informant: Saya memastikan kepatuhan kepada rukun Islam sebagai panduan utama dalam mengelola *Zakat*.

Interviewer: Bagaimana memastikan pengurusan *Zakat* dilakukan dengan ikhlas?
Informant: Saya menerima setiap tugasan tanpa mempersoalkan gaji atau posisi, fokus pada tanggungjawab yang diberikan.

Interviewer: Bagaimana prinsip *amanah* diaplikasikan dalam pengelolaan *Zakat*?
Informant: LZNK memiliki peraturan ketat dalam pengelolaan *Zakat*. Setiap transaksi harus terdokumentasi dan diaudit oleh otoritas luar.

Interviewer: Bagaimana menjaga kepercayaan muzaki dan *mustahik*?
Informant: LZNK menggunakan sistem *Zakat On Touch* untuk memastikan transparansi dalam kutipan dan agihan *Zakat* secara real-time.

Interviewer: Bagaimana keterbukaan informasi dalam pengurusan *Zakat*?
Informant: Selain aplikasi digital, informasi penerima *Zakat* juga dipamerkan di papan maklumat masjid, serta tersedia bagi organisasi atau individu yang ingin memverifikasi data.

Interviewer: Bagaimana memastikan transparansi melalui audit dan pelaporan?
Informant: LZNK menjalankan audit berkala oleh pihak dalaman, luaran, serta audit independen seperti audit ISO untuk memastikan ketelusan.

Interviewer: Bagaimana komunikasi diterapkan dalam pengurusan *Zakat*?
Informant: Maklumat umum dikongsi melalui aplikasi dan media sosial, namun maklumat sensitif seperti data peribadi tetap dirahsiakan mengikut undang-undang.

Interviewer: Bagaimana memastikan masyarakat memahami pengurusan *Zakat*?
Informant: Masyarakat telah dididik melalui reformasi sejak 2017, dengan sistem yang lebih mudah diakses, tempoh penerimaan *Zakat* yang jelas, serta program dakwah dan komunikasi aktif melalui media sosial.

Interviewer: Bagaimana keputusan *Zakat* dibuat berdasarkan syura?
Informant: Keputusan diambil melalui musyawarah, mempertimbangkan semua pendapat dalam mesyuarat sebelum mencapai kesepakatan kolektif.

Interviewer: Bagaimana pasukan dan masyarakat terlibat dalam keputusan agihan *Zakat*?

Informant: Setiap permohonan *Zakat* melalui tiga tahap verifikasi oleh pemimpin masyarakat, pegawai penyiasat, dan kepala lembaga *Zakat* sebelum diluluskan.

Interviewer: Apa harapan Ustaz terhadap peranan *Zakat* di masa depan?
Informant: Semua pihak, termasuk agensi kerajaan, NGO, dan pemimpin masyarakat harus bekerjasama dalam menangani kemiskinan, bukan hanya bergantung kepada *Zakat* sahaja.

Interviewer: Apa yang boleh diperbaiki dalam pengurusan *Zakat*?
Informant: LZNK perlu meningkatkan sistem digitalisasi agar semua urusan *Zakat* dapat dilakukan secara dalam talian sepenuhnya tanpa borang fizikal.

INTERVIEW TRANSCRIPT 4

Informant 4

Date: 16 February 2025
Venue: Zoom Online Meeting
Time: 3.15pm-3.50pm

Interviewer: Boleh perkenalkan diri dan posisi Ustaz di LZNK?
Informant: Saya Muhammad Faiz bin Hussin Syukri, Ketua Pegawai Strategi di LZNK. Saya telah berkhidmat sejak 2017 dalam pelbagai jawatan sebelum dilantik sebagai Ketua Pegawai Strategi pada 2022.

Interviewer: Bagaimana prinsip tauhid diterapkan dalam kepemimpinan *Zakat*?
Informant: CEO sering mengingatkan bahawa *Zakat* bukan sekadar kutipan dan agihan wang, tetapi berperanan membangunkan ekonomi umat. Oleh itu, strategi *Zakat* harus memberi impak luas kepada masyarakat.

Interviewer: Bagaimana memastikan pengurusan *Zakat* dilakukan dengan ikhlas?
Informant: LZNK menekankan kepada kakitangan bahawa dana *Zakat* bukan hak mereka tetapi milik orang ramai. Sistem real-time diperkenalkan agar masyarakat dapat melihat jumlah kutipan dan agihan *Zakat* secara terbuka.

Interviewer: Bagaimana prinsip *amanah* diaplikasikan dalam pengelolaan *Zakat*?
Informant: LZNK mempunyai jawatankuasa khas, termasuk Jawatankuasa Kecil Kutipan dan Agihan yang dipengerusikan oleh Mufti, untuk memastikan setiap kutipan diagihkan mengikut hukum syarak dan secara bertanggungjawab.

Interviewer: Bagaimana menjaga kepercayaan muzaki dan *mustahik*?
Informant: LZNK membangunkan sistem real-time yang membolehkan masyarakat melihat jumlah kutipan, agihan, serta maklumat penerima *Zakat* hingga ke peringkat kampung.

Interviewer: Bagaimana keterbukaan informasi dalam pengurusan *Zakat*?
Informant: Sistem *Zakat On Touch* membolehkan masyarakat mengakses maklumat kutipan dan agihan *Zakat* secara terbuka.

Interviewer: Bagaimana pelaksanaan audit untuk meningkatkan transparansi?
Informant: LZNK menjalankan audit tahunan oleh Jabatan Audit Negara serta audit dalaman berkala oleh Divisyen Audit Dalam untuk memastikan ketelusan kewangan.

Interviewer: Bagaimana komunikasi diterapkan dalam pengurusan *Zakat*?
Informant: Tidak semua maklumat boleh didedahkan kepada umum kerana ia boleh mencetuskan salah faham. Namun, maklumat penting seperti agihan dan kutipan tetap disampaikan secara terbuka.

Interviewer: Bagaimana memastikan masyarakat memahami pengurusan *Zakat*?
Informant: LZNK menjalankan kajian tahunan melalui Pusat Kajian Antarabangsa *Zakat* Kedah untuk menilai pemahaman masyarakat dan mendapatkan maklum balas.

Interviewer: Bagaimana keputusan *Zakat* dibuat berdasarkan syura?
Informant: Keputusan diambil melalui musyawarah. Jika terdapat perubahan dalam

situasi, keputusan akan dikaji semula dan diperbaharui berdasarkan keperluan semasa.

Interviewer: Bagaimana pasukan dan masyarakat terlibat dalam keputusan agihan *Zakat*?
Informant: Pejabat *Zakat* daerah mengadakan perjumpaan bulanan atau dwi-bulanan dengan penduduk amil bagi mendapatkan maklum balas serta keperluan masyarakat.

Interviewer: Apa harapan Ustaz terhadap peranan *Zakat* di masa depan?
Informant: Saya berharap *Zakat* dapat kembali memainkan peranan besar seperti zaman Rasulullah, di mana ia menjadi sumber kewangan utama negara dan bukan sekadar unit kecil dalam pentadbiran negeri.

Interviewer: Apa yang boleh diperbaiki dalam pengurusan *Zakat*?
Informant: Tiada jawapan yang spesifik diberikan.

INTERVIEW TRANSCRIPT 5

Informant 5

Date: 16 February 2025
Venue: Webex Platform Online
Time: 12.20pm 1.00pm

Interviewer: Boleh perkenalkan diri, Doktor?
Informant: Saya Dr. Muhammad Mursyidi bin Haji Muhammad Nur, dari Pusat Pengajian Perniagaan Islam, bertugas sebagai Timbalan Pengarah di Institut Penyelidikan dan Inovasi *Zakat* (IPIZ).

Interviewer: Berapa lama pengalaman di IPIZ?
Informant: Lebih daripada 5 tahun.

Interviewer: Bagaimana hubungan antara kefahaman tauhid seorang pemimpin dengan keberkesanan pengurusan *Zakat*?
Informant: Pemimpin yang memiliki tauhid akan lebih *amanah*, berintegriti, dan bertanggungjawab dalam mengagihkan *Zakat* kepada *mustahik* tanpa mengambil hak yang bukan miliknya.

Interviewer: Sejauh mana pemimpin *Zakat* di Malaysia mengamalkan nilai-nilai tauhid?
Informant: Jika nilai tauhid diterapkan, agihan *Zakat* akan lebih adil dan mengelakkan kesalahan seperti pemberian kepada yang tidak berhak, yang boleh menyebabkan *Zakat* menjadi tidak sah.

Interviewer: Bagaimana meningkatkan *amanah* dalam institusi *Zakat*?
Informant: Dengan menambah ma'rifatullah dalam diri pemimpin *Zakat*, kerana semakin tinggi kefahaman tentang Allah, semakin kuat integriti dan *amanah* mereka dalam menguruskan *Zakat*.

Interviewer: Apa cabaran terbesar dalam memastikan *amanah* dalam pengurusan *Zakat*?
Informant: Sifat mazmumah seperti tamak dan mementingkan diri sendiri. Jika hawa nafsu tidak dikawal, ia boleh menyebabkan penyalahgunaan dana *Zakat*.

Interviewer: Bagaimana institusi *Zakat* membina ketelusan dalam pengurusan?
Informant: Dengan sistem pemantauan dalaman (kesedaran bahawa Allah dan malaikat mencatat perbuatan) serta luaran (audit, pemantauan pihak berkaitan, dan rekod kerja).

Interviewer: Adakah model ketelusan dari institusi *Zakat* lain yang boleh diterapkan?
Informant: Malaysia sudah mempunyai sistem pemantauan yang ketat, termasuk tindakan tegas jika ada pelanggaran etika. Ini boleh dijadikan contoh di negara lain.

Interviewer: Bagaimana strategi komunikasi yang digunakan dalam *Zakat*?
Informant: LZNK menjalin hubungan baik dengan pemimpin tempatan seperti ketua kampung dan imam masjid, serta memanfaatkan media sosial dan aplikasi digital untuk menyebarkan maklumat.

Interviewer: Sejauh mana komunikasi digital meningkatkan penyertaan awam dalam *Zakat*?
Informant: Aplikasi *Zakat On Touch* membolehkan masyarakat melihat data kutipan dan agihan secara real-time, menjadikan LZNK lebih maju ke hadapan dalam pengurusan *Zakat*.

Interviewer: Sejauh mana pendekatan syura digunakan dalam institusi *Zakat*?
Informant: Syura diamalkan secara meluas di Malaysia dan sering dilakukan untuk memastikan keputusan terbaik dibuat dalam pengurusan *Zakat*.

Interviewer: Apa cabaran utama dalam pelaksanaan syura?
Informant: Keputusan syura mesti selari dengan prinsip Islam dan tidak boleh mengubah hukum syarak, contohnya dalam agihan *Zakat* yang mesti diberikan kepada semua *asnaf*.

Interviewer: Apa cabaran terbesar dalam kepemimpinan *Zakat* di Malaysia?
Informant: Penerimaan masyarakat terhadap sistem pembayaran *Zakat* moden seperti *Zakat* pendapatan dan *Zakat* digital masih menjadi isu, terutama bagi yang berpegang kepada pendekatan tradisional.

Interviewer: Bagaimana peranan ahli akademik dalam memperbaiki pengurusan *Zakat*?
Informant: Ahli akademik boleh memberi cadangan dasar dan membuka peluang kepada institusi *Zakat* untuk meneroka bidang baru seperti wakaf dan *infaq* sebagai sumber kewangan tambahan.

INTERVIEW TRANSCRIPT 6

Informant 6

Date: 17 February 2025
Venue: School of Business Management (SBM) UUM
Time: 11.30pm-12.20pm

Interviewer: Boleh perkenalkan diri, Prof?
Informant: Saya Muhammad Nur Habibi Bin Haji Long, pensyarah di Pusat Pengajian Perniagaan Islam, bahagian Muamalat. Saya juga mantan Pengarah Institut Penyelidikan dan Inovasi *Zakat* (IPIZ).

Interviewer: Bagaimana hubungan antara kefahaman tauhid seorang pemimpin dengan keberkesanan pengurusan *Zakat*?
Informant: Tauhid membentuk kepimpinan berintegriti dan *amanah*. Seorang pemimpin yang bertauhid akan melihat tanggungjawabnya bukan hanya kepada manusia, tetapi juga kepada Allah.

Interviewer: Sejauh mana pemimpin *Zakat* di LZNK melaksanakan nilai-nilai tauhid?
Informant: LZNK menjadikan tauhid sebagai asas dalam pengurusan *Zakat*. Pekerjaan dianggap sebagai ibadah, bukan sekadar tugas, sehingga mereka bekerja lebih dari waktu pejabat, terutama dalam situasi kecemasan seperti banjir.

Interviewer: Bagaimana prinsip *amanah* boleh meningkatkan kepercayaan awam terhadap institusi *Zakat*?
Informant: LZNK memastikan *amanah* dengan audit berkala, latihan, dan kursus bagi staf untuk meningkatkan integriti dan akauntabiliti mereka.

Interviewer: Apa cabaran terbesar dalam memastikan integriti dan akauntabiliti pegawai *Zakat*?
Informant: Cabaran utama ialah faktor manusia, seperti pilih kasih dalam agihan *Zakat*. Namun, latihan dan pengawasan dari CEO serta Lembaga Pengarah membantu mengurangkan isu ini.

Interviewer: Bagaimana institusi *Zakat* membina sistem ketelusan dalam pengurusan *Zakat*?
Informant: LZNK memiliki *Board of Directors* yang memantau CEO. Selain itu, sistem *Zakat On Touch* menyediakan data kutipan dan agihan *Zakat* secara real-time kepada masyarakat.

Interviewer: Adakah model ketelusan dari institusi *Zakat* lain yang boleh diterapkan?
Informant: Banyak negara belajar dari sistem *Zakat* Malaysia, terutama LZNK. Namun, Malaysia juga mengambil pelajaran dari negara lain, seperti Indonesia, dalam aspek penyelidikan *Zakat*.

Interviewer: Bagaimana strategi komunikasi *Zakat* kepada masyarakat?
Informant: LZNK menggunakan media sosial, papan iklan, serta aplikasi digital untuk menyebarkan maklumat *Zakat* dengan lebih efektif.

Interviewer: Sejauh mana komunikasi digital meningkatkan penyertaan awam dalam bayaran *Zakat*?
Informant: Kutipan *Zakat* meningkat daripada RM40 juta (2007) kepada RM300 juta (2024) selepas penggunaan teknologi digital. Sasaran untuk tahun 2030 ialah RM1 bilion.

Interviewer: Sejauh mana pendekatan syura digunakan dalam institusi *Zakat*?
Informant: Dasar agihan *Zakat* dibuat melalui syura yang melibatkan mufti, hakim syarie, dan ahli akademik dalam jawatankuasa khas.

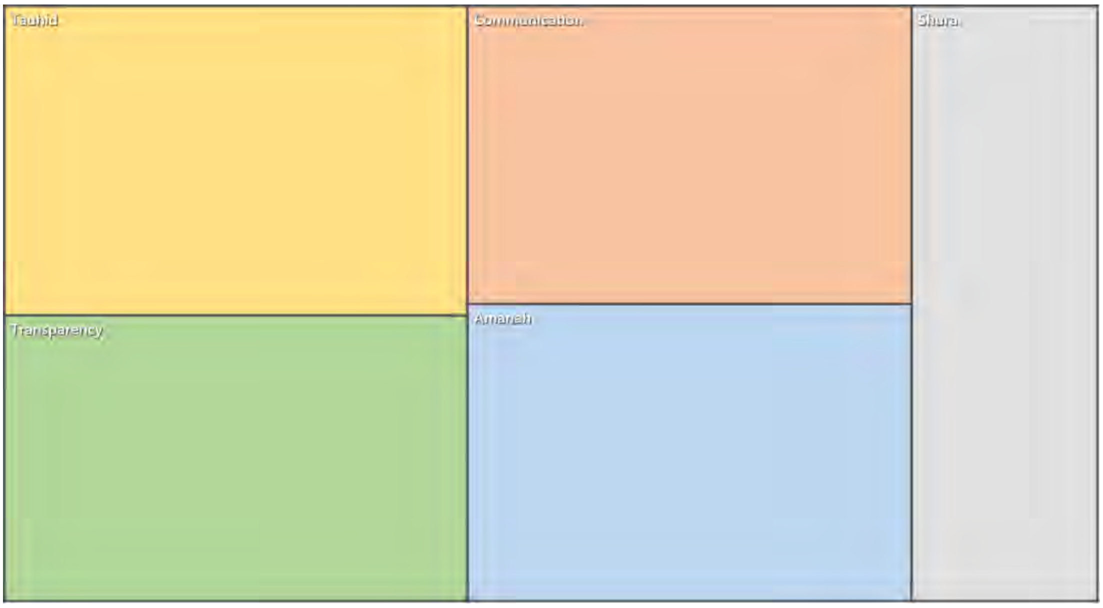
Interviewer: Apa cabaran utama dalam pelaksanaan syura dalam institusi *Zakat* moden?
Informant: Batasan undang-undang negeri, seperti hanya membenarkan agihan *Zakat* kepada warga negeri tertentu, menyukarkan bantuan kepada *asnaf* luar negeri.

Interviewer: Apa cabaran terbesar dalam kepemimpinan *Zakat* di Malaysia?
Informant: Undang-undang federalisme menghalang penyelarasan *Zakat* antara negeri-negeri. Ada negeri yang mempunyai lebihan *Zakat* tetapi tidak boleh membantu negeri lain yang lebih memerlukan.

Interviewer: Bagaimana peranan ahli akademik dalam memperbaiki pengurusan *Zakat*?
Informant: Ahli akademik perlu mempergiat penyelidikan *Zakat* agar pengagihan lebih cekap dan berasaskan data yang kukuh.

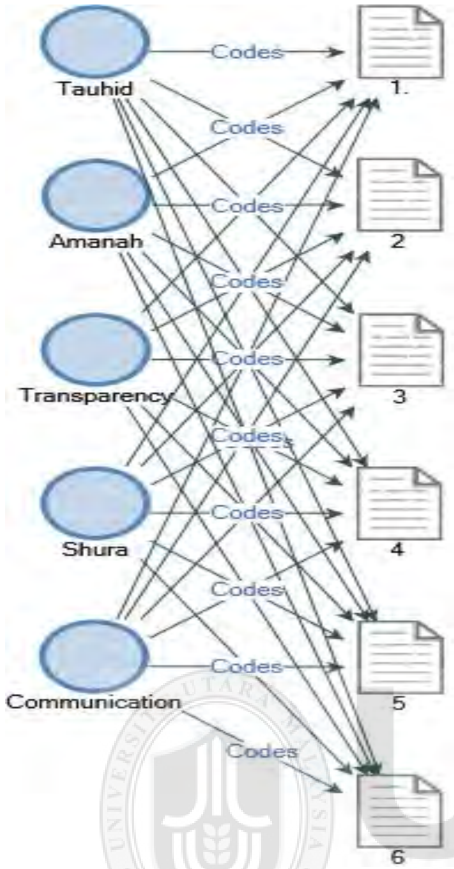
APPENDIX D

Coding Reference



APPENDIX E

Project Map



APPENDIX F

Word Cloud