



## Management Control Practices and Managerial Commitment in Malaysian Zakat Institutions

Sofiah Md Auzair<sup>1</sup>, Namelfi Amran<sup>2</sup> and Syed Mohd Ghazali Wafa Syed Adwam Wafa<sup>3</sup>

### ABSTRACT

*Despite having Islam as the official religion in Malaysia, the Zakat Institutions are governed separately by Islamic Councils of 13 states and a Federal Territory of Wilayah Persekutuan Kuala Lumpur, rather than directly controlled by the Federal Government. Employing different administration enactments, it is expected that there will be variations in the management practices of these institutions. While extensive literature exists on the management of zakat, very few made the attempt to understand the underlying structure of these institutions that form the basis of their management efficiency. This paper aims to understand the governance structure of Malaysian Zakat Institutions through their practice of management control practices (MCP) and the level of managerial commitment. The MCP elements studied include formal controls such as staff's monitoring and performance evaluation and informal controls such as usrah and tazkirah. A total of 133 questionnaires were received from managers of 10 Zakat Institutions. Findings from the survey indicate usrah and tazkirah rank first and the use of report for evaluation rank second as the most important means of controls. The results also indicate variations in the types of control emphasized by institution in different states. Managers were also found to be highly committed in their work. Interestingly, it was also found that management control practices increase level of staff commitment.*

**Keywords:** Efficiency, zakat institutions, management control practices, organizational commitment.

### 1. INTRODUCTION

Zakat is one of the five pillars in Islam, prescribed as an obligatory charity, upon every wealthy individual. Allah commanded in the Qur'an:

*"... so establish Salat and give Zakat, and hold fast to Allah..."* (Al-Qur'an 22:78)

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<sup>1</sup> SOFIAH MD AUZAIR, School of Accounting, Faculty of Economics and Management, Universiti Kebangsaan Malaysia, 43600 Bangi, Selangor, Malaysia, sofiah@ukm.my.

<sup>2</sup> NAMELFI AMRAN, Graduate School of Business, Universiti Kebangsaan Malaysia, 43600 Bangi, Selangor Malaysia, namelfi@gmail.com.

<sup>3</sup> SYED MOHD GHAZALI WAFI SYED ADWAM WAFI, School of Accounting, Faculty of Economics and Management, Universiti Kebangsaan Malaysia, 43600 Bangi, Selangor Malaysia, syedwafa@yahoo.com.

While payment of Zakat is an individual duty to Allah, the collection and distribution of Zakat is a collective obligation. Thus, Zakat is a meaningful institution, governed by specific rules and standards with a socio-economic purpose. In Malaysia, the Zakat Institutions<sup>4</sup> plays an important role in managing fund collected from the zakat payers. In 2011, the institution reported over RM1.64\_billion collections and RM1.39 billion distribution of the zakat fund (Tarimin, 2012; Laporan Zakat, 2011). The institution thus, is responsible at providing financial security, inculcates moral, social and spiritual values to the Muslims community, specifically, and to the well being of a country in general.

Based on the trust given to this institution, the management effectiveness has always been a subject of interest (Musa, 2004; Zulkefly et al., 2004; Wahab & Rahman, 2011). Most research in Zakat efficiency to this date, has focused on Zakat distribution and collection, with little attention given to the efficiency of the organization or people involved in the process. A review of prior literature suggests, there is a link between firms' management control systems (MCS) and the way they achieve high performance. As an organization trusted with the responsibility shaped by religious belief, it is expected that managers' commitment, among others, will also determine the appropriate type of control systems.

This paper reports the findings of a study undertaken to address this gap in the literature. In particular, this study aims to investigate the practice of action, output and personnel control and managerial commitment in the Zakat Institution. The remainder of the paper is structured as follows. The next section reviews previous studies undertaken in the area. This is followed by discussions of the research methodology and presentations of the findings. The final section concludes, discuss the limitation of the study and provide directions for future research.

## **2. BACKGROUND LITERATURE**

### **2.1 The Zakat Institutions in Malaysia**

In Malaysia, Zakat management began in pre – colonial era. At that time, zakat system in peninsular Malaysia was in the form of a formal system managed by a person called ustaz or amil (Hairunnizam et al., 2008). It is well acknowledged that the role of Zakat Institutions is to eradicate poverty, develop a social security system that helps people in need, improve human relationship and strive to improve the Islamic Da'wah (Qaradhawi, 2001). Thus, now, Zakat Institutions

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<sup>4</sup> Zakat is a payment compulsory for eligible Muslims. Two forms of zakat 1) zakat on self and 2) zakat on wealth.

are not only known as religious obligation but also as state's governmental and administrative institutions (Laporan Zakat, 2007).

Zakat Institution is responsible specifically in collection, distribution and management Zakat fund. Zakat Institutions in Malaysia are managed by state charity center which is part of the Islamic Religious Council. This means that the management and administration of the charity is not located under the federal government. All states in Malaysia have their own Zakat Institutions. However, Department of Waqaf, Zakat and Haji (JAWHAR) under the Prime Minister is responsible for managing and ensuring the administration of charity is organized, systematic and effective (Wahab & Rahman, 2011). Table 1 below list the Zakat Institutions specific names for each state in Malaysia.

Table 1: Zakat Institution by each State in Malaysia

States	Zakat Institutions
Selangor	<ul style="list-style-type: none"> <li>• Lembaga Zakat Selangor</li> </ul>
Terengganu	<ul style="list-style-type: none"> <li>• Majlis Agama Islam dan Adat Istiadat Melayu Terengganu</li> </ul>
Wilayah Persekutuan	<ul style="list-style-type: none"> <li>• Pusat Pungutan Zakat</li> <li>• Majlis Agama Islam Wilayah Persekutuan</li> </ul>
Johor	<ul style="list-style-type: none"> <li>• Majlis Agama Islam Negeri Johor</li> </ul>
Pulau Pinang	<ul style="list-style-type: none"> <li>• Majlis Agama Islam Negeri Pulau Pinang</li> </ul>
Perak	<ul style="list-style-type: none"> <li>• Majlis Agama Islam dan Adat Melayu</li> </ul>
Perlis	<ul style="list-style-type: none"> <li>• Majlis Agama Islam dan Adat Istiadat Melayu</li> </ul>
Kedah	<ul style="list-style-type: none"> <li>• Majlis Agama Islam Negeri Kedah</li> </ul>
Kelantan	<ul style="list-style-type: none"> <li>• Majlis Agama Islam dan Adat Istiadat Melayu</li> </ul>
Negeri Sembilan	<ul style="list-style-type: none"> <li>• Pusat Zakat Negeri Sembilan,</li> <li>• Majlis Agama Islam Negeri Islam</li> </ul>
Sabah	<ul style="list-style-type: none"> <li>• Majlis Agama Islam Sabah</li> </ul>
Pahang	<ul style="list-style-type: none"> <li>• Majlis Ugama Islam Dan Adat Resam Melayu Pahang</li> <li>• Pusat Kutipan Zakat.</li> </ul>
Melaka	<ul style="list-style-type: none"> <li>• Majlis Agama Islam Melaka, Pusat Zakat Melaka</li> </ul>
Sarawak	<ul style="list-style-type: none"> <li>• Tabung Baitulmal Sarawak</li> </ul>

## 2.2 Management Control Practices (MCP)

Management control Practices (MCP) play a very pivotal role in any organization. Among the factors highlighted to enhance the effectiveness of the zakat institutions in carrying out their duties are systematic zakat management

(Azman et al. 2012). This include the efficiency of the institutions’ monitoring and control system. MCP can be defined as “the system used by management to ensure that members carry the responsibility and trust to meet and protect the interests and accountability to the parties either directly or indirectly”. The function of MCP is to motivate behavior of organizational members to achieve organization’s objective (Fisher, 1995; Flamholtz, 1983; Kloot, 1997; Merchant & Vander Stede, 2003, 2007). According Merchant (1998) and Merchant & Vander Stede (2003, 2007) MCP can be categorized into two namely formal and informal controls. Formal controls include action and output controls. Action controls are controls used by managers in organizations to monitor staffs behavior through the provision of manual work, policies, operational procedures and implementation procedures. Output controls on the other hand are controls based on attainment of desired targets usually based on the reports provided by employees. Informal controls include personnel controls such as those based on staffs professionalism and ethics and norms in organization. The MCP elements for Zakat Institution are presented in Table 2.

Table 2: Management Control System Practices

Elements	Example
Formal Control:	
<ul style="list-style-type: none"> <li>• Action Control</li> </ul>	<ul style="list-style-type: none"> <li>• Implementation of CCTV system, punch card system, procedures and prescribes rules.</li> </ul>
<ul style="list-style-type: none"> <li>• Output Control</li> </ul>	<ul style="list-style-type: none"> <li>• Evaluation of staff’s performance through reporting.</li> </ul>
Informal Control:	
<ul style="list-style-type: none"> <li>• Personnel Control</li> </ul>	<ul style="list-style-type: none"> <li>• Professionalism and civilization activities such as usrah and tazkirah.</li> </ul>

### 2.3 Managerial Commitment

The operational efficiency of the Zakat Institutions also depends on the staffs’ morale and capacity (Abd. Halim et al., 2012). Zakat managers’ commitment, among others, is an important factor to ensure successful implementation of the institutions’ obligations. Managerial commitment, also known as organizational commitment is the psychological state that characterizes an employee’s relationship with the organization and reduces the likelihood that (s) he will leave the organization (Allen & Meyer, 2000). The impact on a broad range of attitudes and behaviours with organizational relevance, such as the intention to leave, turnover, punctuality, organizational citizenship behaviors, attitudes toward organizational change and performance (Allen & Meyer, 1996, 2000; Meyer et al., 2002). The main components of the construct are the affective (affective

attachment to the organization), continuance (perceived costs associated with leaving) and normative (feelings of obligation toward the organization) dimensions. Employees with a strong affective bond stay in the organization because they *want to*. Those with strong continuance commitment remain because they feel they *have to*. Normatively committed employees stay because they feel they *ought to*.

Each commitment component develops independently on the basis of different antecedents and via different processes (Allen & Meyer, 1996, 2000; Meyer & Allen, 1997; Meyer et al., 2002). Affective commitment develops when the employee becomes involved in, recognizes the value-relevance of, and/or derives his/her identity from, an association with the organization. Normative commitment develops when people internalize the organizational norms through socialization, receive benefits that induce them to feel the need to reciprocate and/or to accept the terms of a psychological contract (Rousseau, 1995). Continuance commitment develops when the employee perceives that there are no alternatives other than to remain in the organization. For the purpose of this study, only two components of organizational commitment were investigated. Prior literature state affective and normative commitments are very important in religious organization such as in Zakat Institutions.

#### **2.4 Empirical Studies on MCP and Managerial Commitment**

Previous contingency based study in management accounting found positive relationship between management control and managerial commitment. In general, these studies suggested that MCS are associated with managerial commitment to increase organizational or managerial performance. For example, studies by Nouri and Parker (1996) found when individual have strong organizational commitment, the relationship between budget participation and budgetary slack will be negative. However, when individual have weak organizational commitment; more budget participation will increase budgetary slack.

According to Chenhall (2003), management control success is likely to depend on the extent to which individuals have organizational commitment. Churchill et al. (1979) in Cravens et al. (2004) explained that informal control encourage commitment of staff through the setting and monitoring of work unit standards and the pattern of shared values and beliefs present in the organizational environment. In another study, Michaels et al. (1998) found that commitment of salesperson increase when the formal controls are implemented in organizations. Based on the argument, this study proposed that management control can increase the managerial commitment in Zakat Institutions.

### **3. RESEARCH METHOD**

#### **3.1 Data Collection**

Data was collected using structured questionnaire and pre-tested on three academicians and three middle managers to ensure the validity of questionnaire instruments. 260 questionnaires were distributed to middle managers in Zakat Institutions<sup>5</sup> and a total of 133 (51 percent) questionnaires were completed and analyzed. The response received fulfills the minimum sample required for the variables studied (Hair et al., 2007).

The questionnaire was divided into 4 sections: Section A requested for background information of the respondents including gender, age, marital status and etc. Section B required the respondents to rate on a 7-point Likert scale, the management control practices consisting of eight items for the three types of controls; action, output and personnel. Section C asked the respondent to rate on their level of organizational commitment using a 7-point Likert scale for a total of twelve items representing affective and normative commitment. Lastly, section D focused on managerial performance.

### **4. RESULTS AND DISCUSSION**

#### **4.1 Profiles of Respondents**

Table 3 summarized profiles of the respondents. Ten states participated in this study with Selangor recording the highest response (19.4 percent). Most (69.9 percent) of the respondents are male and 48.9 percent aged between 31 to 40 years old. 81.2 percent of the respondents are married and 85.7 percent are permanent staffs in the Zakat Institutions. Almost half of the respondent or 45.1 percent from respondents have been working in the Zakat Institution between 5 to 10 years and earn salaries of RM3001 and above. More than 45 percent respondents have first degree and master degree while 45 percent from them have professional training. The high percentage of managers acquiring these qualifications indicates strong emphasis on higher education among middle management of the Zakat Institutions in Malaysia.

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<sup>5</sup>The respondent lists were obtained from human resource and research department in every Zakat Institutions.

Table 3: Profile of Respondents

	Total	Percentage		Total	Percentage
<u>Location</u>			<u>Educational Level</u>		
Kedah	7	5.3	SPM/STPM/STAM	31	23.3
Kuala Lumpur	21	15.8	Diploma	34	25.6
Melaka	20	15.0	Degree	55	41.4
N.Sembilan	10	7.5	Master	11	8.3
Pahang	14	10.6	Missing	2	1.4
Perlis	7	5.3			
Pulau Pinang	12	9.0			
Sabah	9	6.8			
Selangor	26	19.4			
Terengganu	7	5.3			
<u>Gender</u>			<u>Tenure</u>		
Male	93	69.9	Less than 5 years	41	30.8
Female	40	30.1	5 – 10 years	60	45.1
			11 – 20 years	28	21.1
			Above 20 years	4	3
<u>Age</u>			<u>Salary</u>		
20-25	15	11.3	Less than RM 2000	37	27.8
26-30	35	26.3	RM 2001 - RM 2500	34	25.6
31-40	65	48.9	RM 2501 - RM3000	18	13.5
41 and above	18	13.5	Above RM 3001	44	33.1
<u>Marital Status</u>			<u>Employment Status</u>		
Single	24	18.0	Permanent	114	85.7
Married	108	81.2	Temporary	19	14.3
Widow	1	0.8			
<u>Professional Training</u>					
Yes	60	45.1			
No	66	49.6			
Missing	7	5.3			

## 4.2 The Management Control System Practices in Zakat Institutions

Table 4 are summarized the implementation of management control practices in Malaysian Zakat Institutions. Eight management control practices found to exist in the Institution were classified into the three types of control namely, Action, Output and Personnel Control<sup>6</sup>. Items 1 to 3 in Table 4 represent action control;

<sup>6</sup> Cronbach's alpha for the overall control measure is 0.795.

items 4 to 6 indicate output control and items 7 to 8 were personnel control. The practice emphasis of these control mechanisms was high, medium or low. Overall, Zakat Institution practiced high on output control (i.e. evaluation by report) and personnel control (i.e. decision making by professionalism and civilization activities). The findings support Merchant and Van der stede (2003) who asserted that high scrutiny of external parties in non-profit organization such as Zakat Institution places extra control systems and output control such as evaluation by report and budgeting are likely to be more important. Case study by Mustafa *et al.* (2011) in Lembaga Zakat Selangor (LZS) also found that preparation of report as well as evaluation of programs and managers performance are among the management control practice emphasis by the institution.

Table 4: Emphasis of Management Control Practices in Zakat Institutions

Management Control Practices	N	Emphasis on Practices		
		Low	Medium	High
<u>Action Control</u>				
Monitor directly e.g. punch card, lock cupboard and direct supervision	133	75 (56.3%)	53 (39.9%)	5 (3.8%)
Observe staffs perform their tasks e.g. CCTV and name call	133	44 (33.1%)	62 (46.6%)	27 (20.3%)
Activities performed according to procedures and prescribed rules	133	83 (61.7%)	47 (35.4%)	4 (3.0%)
<u>Output Control</u>				
Evaluation for staffs raise or promotion through their output report	133	7 (5.3%)	48 (36.1%)	78 (58.7%)
Consider staff output activity e.g. zakat distribution report, for evaluations	133	3 (2.3%)	52 (39.1%)	78 (58.6%)
Evaluate through output performed rather how the tasks are performed	132	5 (3.8%)	66 (49.7%)	61 (45.9%)
<u>Personnel Control</u>				
Decision making based on professionalism	133	7 (5.3%)	57 (42.9%)	69 (51.9%)
Civilizations activities e.g. usrah and tazkirah	133	5 (3.8%)	43 (32.3%)	85 (63.9%)



As can be seen in Table 5, the eight management control practices are ranked based on their level of importance. Overall, five items have mean scores more than five, which indicate high emphasis on these practices. Civilization activities such as *usrah* and *tazkirah* are found to be most important control practice in Malaysian Zakat Institutions with a mean score of 5.65. This is followed by ‘consider staff output activity’ which is considering reports such as zakat distribution report to evaluate staff for purpose of salary raise or promotion. ‘Decision making through staffs professionalism’ and ‘evaluate through output performed rather than on how the tasks are performed’ are ranked fourth and fifth accordingly. Two items that were considered low in importance based on their mean scores are direct monitoring using punch card, lock cupboard and activities performed according to procedures and prescribed rules. In sum, the mean score of personnel control (aggregate measure) (5.45) was higher than output control (5.35) and action control (2.87).

Table 5: Ranking of the Management Control System Practices (n=133)

Type of Management Control Practices	Mean	Standard Deviation	Rank
Civilizations activities e.g. usrah and tazkirah.	5.65	1.332	1
Consider staff output activity e.g. zakat distribution report, for evaluations.	5.49	1.247	2
Evaluation for staffs raise or promotion through their output report.	5.38	1.521	3
Decision making based on professionalism.	5.32	1.448	4
Evaluate through output performed rather how the tasks are performed.	5.17	1.426	5
Observe staffs perform their tasks e.g. CCTV and name call.	3.57	1.798	6
Monitor directly e.g. punch card, lock cupboard and direct supervision.	2.59	1.309	7
Activities performed according to procedures and prescribed rules.	2.46	1.228	8
<u>Overall</u>			
Action control	2.87	1.45	3
Output control	5.35	1.40	2
Personnel control	5.45	1.39	1

The mean scores of MCPs according to states in Malaysia is shown in Table 6. As can be seen from the table, each state places different emphasis on the MCPs. The shaded area indicates high emphasis on a particular control practice by the states' Zakat Institution. For instance, decision making based on staffs professionalism are highly emphasized in Kedah and Negeri Sembilan. Kuala Lumpur and Sabah highly emphasized evaluation for staffs raise or promotion through their output report. While, Melaka and Terengganu highly emphasized 'Consider staff output activity e.g. zakat distribution report', for evaluations. In Pahang, Perlis, Pulau Pinang and Selangor, civilization activities such as usrah and tazkirah are seen as most important.

Table 6: Management Control Practices by States Shown by Mean

Type of Management Control Practices	Kedah (n=7)	K. Lumpur (n=21)	Melaka (n=20)	N. Sembilan (n=10)	Pahang (n=14)	Perlis (n=7)	P. Pinang (n=12)	Sabah (n=9)	Selangor (n=26)	Terengganu (n=7)
Evaluation for staffs raise or promotion through their output report.	3.00	5.90	5.25	5.30	5.64	5.29	5.50	6.00	5.27	5.71
Monitor directly e.g. punch card, lock cupboard and direct supervision.	3.14	2.24	2.45	3.30	2.14	2.86	2.67	2.11	3.08	1.86
Observe staffs perform their tasks e.g. CCTV and name call.	3.86	3.86	2.15	3.70	3.00	3.71	3.92	2.67	4.42	4.71
Consider staff output activity e.g. zakat distribution report, for evaluations.	5.00	5.86	6.05	4.90	5.50	5.00	5.00	5.89	5.19	6.00
Evaluate through output performed rather how the tasks are performed.	5.57	5.38	5.20	4.78	4.79	4.86	4.83	5.89	5.12	5.43
Activities performed according to procedures and prescribed rules.	3.00	2.62	2.10	3.10	2.29	2.29	2.50	1.67	2.65	2.29
Decision making based on professionalism.	6.29	5.62	5.10	5.50	4.79	5.00	5.17	5.11	5.27	5.86
Civilizations activities e.g. usrah and tazkirah.	4.29	5.86	5.70	5.40	5.93	6.00	5.92	4.89	5.88	5.43

### 4.3 Level of Managerial Commitment

Twelve commitment items were classified into either affective commitment<sup>7</sup> or normative commitment<sup>8</sup>. Items 1 to 6 in Table 7 were grouped as affective commitment, while items 7 to 12 were the normative commitment. Table 7 indicates the frequencies of the level of organizational commitment for middle managers in Zakat Institutions. Respondents either emphasize high, medium or low commitment. Overall, the middle managers have high affective and normative commitment. Specifically, more than 50 percent of respondents emphasize high on both commitment dimensions studied. It is interesting to note however, that although these managers were highly committed, they 'do not feel like part of the family in the organization' and 'do not feel obliged to remain with the current employer' as both items score high on the scales. These findings could indicate that although the managers have strong commitment to work, it did not prevent them from moving on with their personal lives should there be better opportunities.

Table 8 displays the rank for all items of managerial commitment. Item 'this organization has a great deal of personal meaning for me' rank first. This is followed by item 'happy to spend career in organization'. Nevertheless, in aggregate, the normative commitment has higher mean score compared to affective commitment. The finding is consistent with Hoque and Rossingh (2007) who argued that in the religious organization, their staff emphasizes normative and spiritual commitment. Generally, this study found the middle managers in Zakat Institution had enjoyed the success through hard work, commitment, dedication and loyalty.

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<sup>7</sup> Cronbach's Alpha value for affective commitment is 0.789.

<sup>8</sup> Cronbach's Alpha value for normative commitment is 0.820.

Table 7: Level of Managerial Commitment in Zakat Institution

Types of Organizational Commitment	N	Commitment Emphasis		
		Low	Moderate	High
<u>Affective Commitment</u>				
Happy to spend career in organization	133	3 (2.3%)	36 (27%)	94 (70.6%)
Organizations problems are my own	132	3 (2.3%)	50 (37.6%)	79 (59.4%)
Do not feel a strong sense of belonging to my organization	131	19 (14.5%)	63 (47.4%)	49 (36.8%)
Do not feel emotionally attached to this organization	131	22 (16.8%)	71 (53.4%)	38 (28.6%)
Do not feel like part of the family at my organization	133	13 (9.8%)	47 (35.3%)	73 (54.9%)
This organization has a great deal of personal meaning for me	130	4 (3.1%)	32 (24.1%)	94 (70.7%)
<u>Normative Commitment</u>				
Do not feel any obligation to remain with my current employer	133	13 (9.8%)	50 (37.6%)	70 (52.7%)
Even if it were to my advantage, I do not feel it would be right to leave my organization now	133	8 (6.0%)	60 (45.1%)	65 (48.9%)
Feel guilty if leave this organization now	133	11 (8.3%)	61 (45.8%)	61 (45.8%)
This organization deserves my loyalty	133	2 (1.5%)	48 (36.2%)	82 (61.7%)
Not leaving the organization because obligation to the people in it	133	3 (2.3%)	43 (32.4%)	87 (65.2%)
Great deal to my organization	133	7 (5.3%)	44 (33.1%)	82 (61.7%)

Table 8: Ranking and statistics on the level of organizational commitment (n=133)

Types of Organizational Commitment	Mean	Standard Deviation	Rank
This organization has a great deal of personal meaning for me.	5.88	1.245	1
Happy to spend career in organization	5.81	1.120	2
Not leaving organization because obligation to the people in it.	5.79	1.213	3
This organization deserves my loyalty	5.74	1.123	4
Organizations problems are my own	5.52	1.232	5
Great deal to my organization	5.49	1.433	6
Do not feel like part of the family at my organization	5.23	1.791	7
Do not feel any obligation to remain with my current employer	5.15	1.773	8
Even if it were to my advantage, I do not feel it would be right to leave my organization now	5.12	1.552	9
Feel guilty to leave the organization now	5.00	1.633	10
Do not feel a strong sense of belonging to my organization	4.60	1.817	11
Do not feel emotionally attached to this organization	4.33	1.752	12
<u>Overall</u>			
Affective Commitment	5.23	1.493	2
Normative Commitment	5.38	1.454	1

Table 9 presents the correlations between the action, output, personnel controls and organizational commitment. As can be seen from the table, correlations between controls and organizational commitment are significant ( $p < 0.01$ ), except for action & output control and affective commitment. In general, the findings indicate that the controls implemented are strongly related to staffs level of commitment.

Table 9: Correlation between MCS and Organizational Commitment

	Affective Commitment	Normative Commitment
Action & Output Control	.164 (0.059)	.242** (0.005)
Personnel Control	.272** (0.002)	.443** (0.000)

## 5. CONCLUSION

This study aims to provide a general understanding on the governance structure of the Zakat Institution in Malaysia, through the management control system practices and the level of managerial commitment. In general, the findings of this study indicate strong emphasis on output and personnel controls in all states but lower emphasis of action control practices. The findings supports the notion that in non-profit organizations, action controls plays less role (see Hoque and Rossingh, 2007). It was also found that the organizational commitment scores high on both affective and normative dimensions. The analysis also revealed that the action, output and personnel controls in practice increase staffs level of commitment. Specifically, it was the personnel controls that increase both affective and normative commitment in Zakat Institutions. The findings support prior literature (Churchill et al., 1976; Michaels et al., 1998) on this relationship. This study extends the theory to include findings from a religious-based non-profit organization. While there are many studies undertaken in the area of Zakat management efficiency, there were little studies that attempt the use survey questionnaires to gain generalized findings. While Zakat Institutions is governed by states Islamic Council, such generalize findings could provide comparisons between states management and future studies may relate these findings to their performance. The Muslim community in general could benefit from best management practices.

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