

## Analysis of the Behavior and Characteristics of Millennial Employees in Jakarta Province and West Java Province Towards the Payment of Zakat on Income and Services

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### ABSTRACT

*This study aims to analyze the determinants of millennial employees' decisions in the Provinces of DKI Jakarta and West Java on the payment of zakat on income and services. The study analyzed the behavioral variables of millennial employees which included zakat literacy, the influence of social media and religiosity and the characteristic factors of millennial employees which included: muzakki education level, type of institution where zakat was paid, frequency of zakat payments, and experience in zakat as factors for millennial employees in doing decision to pay zakat on income and services. The millennial working population is represented by residents aged 20 - 39 years. The distribution of questionnaires is done through Google forms. Respondents who filled out the questionnaire were 400 persons whom 64 people of them live in DKI Jakarta Province and 64 people of them live in West Java Province. Data analysis using SEM PLS. The decision to pay zakat on income and services among millennial employees in DKI Jakarta Province and West Java Province is influenced by social media and religiosity factors. Information about zakat on social media is believed to be valid by the millennial generation so that it becomes a determining factor in paying zakat on income and services. Another factor that determines the millennial generation in paying zakat on income and services is the literacy aspect, namely understanding the amount of zakat and the terms in zakat, mustahik, muzakki, amil, nishab. Furthermore, millennials who regularly follow studies on Islam tend to pay more attention to paying zakat on income and services. Thus, the aspect of religiosity becomes one of the determining factors. Then the decision to pay zakat on income and services among millennial employees is also influenced by factors of education level, type of zakat payment preference institution, frequency of zakat payment, and experience in zakat. Where the higher the education, the higher the ability to pay zakat and trust in zakat management institutions/institutions are also believed to be factors for millennials as muzakki to pay zakat. Then the frequency of zakat payments that have been made and experience in paying zakat are believed to have an influence in the decision to pay zakat on income and services.*

*Key words: Zakat on income and services, Millennials, DKI Jakarta Province, West Java Province, Employee, SEM PLS.*

*JEL classification: D64*

### INTRODUCTION

In the pillars of Islam, zakat is one of the obligations that must be fulfilled by every Muslim. Zakat is a property that must be

issued by a Muslim or business entity to be given to those who are entitled to receive it in accordance with Islamic law. IS Beik and Arsyianti (2016) say that zakat is a means of helping, containing social and economic

values in the issue of poverty alleviation and income distribution. According to Qodir (1998), zakat is a tool for building people. Zakat is an individual's obedience to Allah SWT and is proof that Islam is a religion that thinks about the life of this world and the hereafter.

Data in the Outlook of Baznas (2021) shows that the Potential of Zakat in Indonesia in 2021 can reach 327 trillion rupiah, which consists of several types of zakat which include money/deposit zakat of 58.76 trillion rupiah, agricultural zakat of 19.79 trillion rupiah, zakat on livestock of 9.51 trillion rupiahs and zakat on income and services of 139.07 trillion rupiahs. The potential for obtaining zakat on income and services is the highest compared to other sources of zakat.

The income and service zakat comes from the income of employees in Indonesia which includes the income of Civil Servants (ASN) and non Civil Servants (Non ASN). Based on data in the Outlook of Baznas (2021), East Java Province is the province with the highest potential zakat income for ASN and Non ASN, which is 487 billion rupiah and 24.75 trillion rupiah. Next is DKI Jakarta Province with 250 billion rupiahs for ASN and 22.13 trillion rupiah for Non ASN, respectively. Then followed by West Java Province at 448.4 billion rupiah for ASN and 18.36 trillion rupiah for Non ASN respectively.

The book of the Ministry of Women and Children Empowerment (2018) mentions the productive age population is in the age range of 15-65 years and 90% of the population works in various business sectors. In this age range, there are residents who are included in the millennial generation born in the early 1980s to the 2000s (Hadar, 2015). The distribution of the millennial generation in Java Island as a percentage, the highest is in DKI Jakarta Province at 37,30%, West Java Province at 34,47%, and East Java Province at 31,44%.

The behavior of the millennial generation, among others, is a fairly high sensitivity to technology. Sensitivity to technology is an important factor in a market survey (Rainer & Rainer, 2011). In several studies, it is stated that literacy, social media, and religiosity are also behaviors of other millennial generations that are determining factors in paying zakat on income and services. Literacy is a person's ability to read, understand, calculate, and access information about zakat which is referred to as literacy (Yusfiarto *et al.*, 2020). Then, Beik and Alhasanah (2017) said that increasing zakat literacy is one of the factors that can grow the intention to pay zakat and the study of Islamic science, especially about zakat can increase the intention of *muzzaki* to pay zakat ((Huda & Ghofur, 2012); (Ali *et al.*, 2017); (Sedjatiet *al.*, 2018); (Martono, Nurkhin, Lutfhiyah, Rofiq, & others, 2019)).

Janicke *et al.*, (2018) says that social media is an instrument that is close to millennials. Later mentioned in the Pew Research Center Publication that 90 percent of the millennial population aged 18 to 29 years have one social media platform and an average of 8 hours per day is spent on social media. Then Phillips and Young (2009) state that 1 in 10 workers, customers, stakeholders (partners), politicians and local communities have used social media with various social networks such as facebook, tweeter and so on. Furthermore, Herman (2017) says that social media is one of the driving force in collecting zakat. Social media also plays a role in increasing brand awareness of the amil zakat institution (LAZ). The movement to pay zakat is formed from LAZ brand awareness which is then spread through marketing word of mouth to form a movement to pay zakat (Mulyono *et al.*, 2016).

Motivation to pay zakat is significantly influenced by public trust in the amil zakat institution (Siswantoro &

Nurhayati, 2012). Furthermore, muzakki's decision to pay zakat through LAZ is influenced by the service quality of amil zakat institutions and the media Jaelani, (2008).

Associated with the characteristics of *muzakki* in paying zakat include: level of education, type of institution of zakat payment preferences, frequency of zakat payments, and experience in zakat. Referring to Law No. 20 of 2003, it is stated that education is a conscious and planned effort intended to create a learning atmosphere and learning process with the aim of developing the potential of students actively so that they have religious spiritual strength, self-recognition, society, nation and state. Amir (2005) states that what is meant by trust is a person's willingness to rely on others because of his belief in him. Trust is formed from a process that accumulates into a belief. or it can be said that trust is a person's belief in a particular product or attribute. This belief starts from the perception of a learning and experience received by a person.

Regarding the payment of zakat on income and services, Law Number 23 of 2011 concerning Zakat Management and Presidential Instruction (Inpres) Number 3 of 2014 concerning Optimization of Zakat Collection in Ministries/Institutions Secretariat General of the State Commission provides sufficient legality in state law. In line with the law, there are regional regulations that have been issued including West Java Governor Regulation Number 70 dated 9 July 2015 and DKI Jakarta Governor Regulation No. 127 dated June 6, 2016.

Previous studies that have become the focus of reference in zakat analysis, but certain generations or groups have not been specifically discussed as research objects. It becomes *originality* from this study, where the research focuses on certain groups and types of zakat. The research was conducted with the aim of analyzing the influence of the behavior and characteristics of

millennial employees as a factor in paying zakat on income and services. Related to this, the variables studied in this study are the characteristics of millennial employees which include: level of education, type of institution where zakat is paid, frequency of zakat payments, and experience in zakat. While the behavioral factors of millennial employees include zakat literacy, social media and religiosity.

Referring to the Gravity Model theory by Porojan (2001), it states that the theory of gravity model comes from Newtonian physics where the attraction between a larger object and a closer position will be greater. In the flow of goods between countries, the research focuses on DKI Jakarta Province and West Java Province because the two provinces are provinces with adjacent ranks in reaching the amount of zakat on income and service. The locations of those province also nearby. Thus, the domiciles of millennial employees in the study are in the DKI Jakarta Province and West Java Province.

## LITERATURE REVIEW

### *Concept of zakat on Income & Services*

The basis of sharia regarding zakat is found in several surah in the Qur'an, one of which is QS Al Baqarah verse 267.

يٰۤاَيُّهَا الَّذِيْنَ ءَامَنُوْا اَنْفِقُوْا مِنْ  
طَيِّبٰتِ مَا كَسَبْتُمْ وَّمِمَّا اَخْرَجْنَا لَكُمْ مِّنَ  
الْاَرْضِ ۗ وَلَا تَيَمَّمُوْا الْخَبِيْثَ مِنْهُ تُنْفِقُوْنَ  
وَلَسْتُمْ بِسٰخِذِيْهِ اِلَّا اَنْ تُعْطِضُوْا فِيْهِ ۗ وَاَعْلَمُوْا  
اَنَّ اللّٰهَ غَفِيْرٌ حَمِيْدٌ

*O you who believe, spend (in the way of Allah) some of the results of your good work and some of what We bring out from the earth for you. And do not choose the bad ones and then spend from them, even though you yourself do not want to take them*

*except by squinting at them. And know that Allah is Rich, Most Praised.*(Surat al-Baqarah; 267)

The sharia basis of zakat on income and services is found in QS Adz-Dzariyat: 19

وَفِي أَمْوَالِهِمْ حَقٌّ لِّلسَّائِلِ وَالْمَحْرُومِ

*And in their wealth there is a right for the poor who ask and the poor who do not get a share.* (QS Adz-Dzariyat: 19)

Zakat on income and services is zakat which was introduced by the ijthihad of the scholars. Anxiety over assets in the form of money obtained from professional work but does not have a place to pay zakat has been embodied by Yusuf Qardhawi (2007). He said that zakat on income and services is zakat that is imposed on each particular job or skill that is carried out either individually or together through a zakat institution for work that brings income (money) until it reaches the *nishab* (minimum limit to be able to pay zakat) and *haul* (period). Furthermore, the nisab of zakat on income and services is qiyased on the zakat of grains issued after each harvest. However, there is another opinion that confirms the *nishab* of zakat on income and services is on gold, so that the *nishab* is 85 grams of gold and the value of zakat is 2.5%. Zakat on income and services can be calculated and paid directly or indirectly. If it is paid directly, then zakat is issued at 2.5% when receiving income/salary (gross income). If paid indirectly, zakat of 2.5% is removed from net income or after deducting basic needs.

### *Millennial Generation*

According to the Millennial Generation Research Review, NCF (2012), the millennial generation is the age of the population born in the early 1980s-1999, while according to Hadar (2015), the population born in the early 1980s to the

2000s. The social and economic conditions in their environment affect the behavior of every generation, including the millennial generation. The behavior of the millennial generation that stands out is sensitivity to technology. Technological sensitivity makes the potential for increased sensitivity to information on zakat on income and services.

### *Theory of Planned Behavior (TPB)*

Ajzen (1991) said that the Theory of planned behavior (TPB) is a theory that explains how a person's behavior is supported by individual beliefs. This is in line with Yusfiarto et al. (2020) who said the TPB model has three key factors, namely perceptions of behavior control, subjective norms, and attitudes towards behavior. In 1991, Ajzen said that the TPB theory as a whole is an activity-based model that is formed to justify the intentions of certain individual behaviors. The TPB theory has the same main focus as the Reason Action Theory which includes the determinants of personal attitudes, namely positive and negative evaluations of individuals towards certain behaviors. Meanwhile, what is meant by subjective norm factor is a person's perception of social pressure to perform or not perform certain behaviors (Ajzen, 1991). However, because the reason action theory has not provided an explanation that behavior is not completely under one's control. Then in perceived behavior control, one factor is added to determine the intention (Ajzen, 1991), namely the individual's perception of the control someone has regarding certain behaviors and also about the ease or difficulty of eliciting behavior. Certain behaviors are assumed to be a reflection of the individual's past experiences and how to anticipate obstacles.

### *Theory Gravity Model*

Porojan (2001) states that the theory of gravity model comes from Newtonian physics where the attraction between a

larger object and a closer position will be greater. In the flow of goods between countries, With the Gravity model, trade increases with the size and proximity of trading partners. Then Lungu *et al.* (2014) said the Gravity model explains the magnitude of the flow of trade, capital or migration between two countries or regions. Furthermore, it was said that initially the increase in trade volume between two countries was assumed to occur by measuring the geographical distance between those two countries. Then the measurement used is the size of the country, namely the GDP of a country. The trading volume decreases with the cost of trade between the two countries. The standards used for trade costs in the gravity model are extended to common language, common currency, colonial relations, institutions, infrastructure, migration flows, and so on.

*The decision to pay Zakat is influenced by the following factors:*

a. Zakat literacy

The definition of literacy is the ability of an individual to read and write in order to have the ability to process information and acquire life skills. Antara *et al.* (2016) said that an individual's knowledge that can change individual behavior towards an issue can be increased through literacy. Literacy is broadly interpreted as a practice in social relations related to knowledge, language, and culture which includes the way a person is communicate in society. Literacy includes the ability of a person to process and understand information when carrying out the reading and writing process (Mujib, 2017). The study refers to the zakat literacy index compiled by Baznas (2019). It is explained that there are two measures to measure the zakat literacy index. First is basic knowledge about zakat and second is advanced knowledge about zakat. Some indicators on the basic knowledge of zakat, among others, (1) general

knowledge, (2) knowledge of the obligation to pay zakat, (3) knowledge of asnaf, (4) knowledge of zakat calculation, (5) knowledge of institutions. Then indicators on advanced knowledge are (1) knowledge of institutions; (2) knowledge of regulations; (3) knowledge of the impact of zakat; (4) knowledge of zakat distribution program; (5) *digital payments* zakat.

b. Social media

Based on empirical studies, millennial social media users will be more empathetic to charity activities if they are delivered through social media. Thus the delivery of messages and charitable activities among millennials will be effective if delivered through social media (Paulin, Ferguson, Jost, & Fallu, 2014). Furthermore, in the research of Hall (2016), social media can be a determining factor for specific communication decisions among millennials because social media is useful for sharing information, seeing the general picture and being a means of reciprocal acquisition.

c. Religiosity

Bukhari *et al.* (2019) said that one aspect that has an impact on the behavior of a consumer in deciding to pay for something is religiosity. Furthermore, according to Walsh (2015), religiosity is one aspect of behavioral protection. Religious Commitment Inventory (RCI) is a method used to measure motivational and behavioral commitment to a religious value system. Thus the RCI can be used to measure religiosity (Mokhlis, 2009). An individual's commitment to the consistency of worship performed can measure religiosity.

## RESEARCH METHOD

The analytical approach used in this research is explorative, namely exploratory research which according to Morissan (2019) is research that enriches the analysis for a symptom that is not commonly used. The study used descriptive analysis and verification with the Structural Equation Model (SEM) and Partial Least Square (PLS) approach. In data processing, Smart PLS software is used because of research needs to measure variables that cannot be directly measured by Smart PLS. According to Imam (2014), the Covariance-based SEM approach is used to test causality and PLS which has predictive model properties. Prediction model has advantages where testing can be done without a strong theoretical basis, ignoring some assumptions and parameters of the accuracy of prediction model seen from the value of determinant coefficient.

In the SEM model, two test criteria are carried out, namely the outer and inner model tests. The first test is *outer model* which covers *average variance extracted*, *composite reliability*, *discriminant validity* and *convergent validity*, *multi collinearity* and *crobanch alpha*. Then *Inner model* which includes the  $R^2$  test and *path analysis*.

The data used in the study were obtained through a questionnaire. The distribution of the questionnaire is done using a google form via the [link https://forms.gle/8jAeHHpxE8nHkKwN8](https://forms.gle/8jAeHHpxE8nHkKwN8). The research takes place from April to August 2021.

## RESULTS AND DISCUSSION

Related to the description of respondents, the number of respondents aged 31-34 years was 32,87% and respondents is in the age range of <30 years were 27.02%. For the third largest age range of respondents is in the age of 35 - 40 years which is equal to

20.33%. While the age range > 41 years is less than 20%. Thus, the age of the majority of respondents in this study is in the age range of the millennial generation. From the aspect of education, there are 71.59% of respondents with an undergraduate education background, 10.31% of respondents have a master's education and 2.23% of respondents have a doctoral education. Meanwhile, 9.19% of other respondents have a high school education background. Furthermore, the type of work of the largest respondents is state owned enterprises employees at 57.6%, followed by private employees at 26.7%. For entrepreneurial work by 8.36%, civil servants by 3.6%, honorary staff is 2.2% and the last is members of the TNI/POLRI at 1.39%. Based on the the respondent's place of residence, there are 41.5% of respondents live in Central Java Province, 17.55% of respondents are from DKI Jakarta Province, 16.99% of respondents from West Java Province, 11.14% from South Sulawesi, and another 7.8% from Banten, Yogyakarta, Aceh, Bali, South Kalimantan and North Sumatra.

Then related to the place of payment of zakat, which highest is payments through mosques amounted to 44.63%, followed by payments at work offices by 26.72%. Then the payment at the Amil Zakat Institution (LAZ) was 11.57% and followed by direct distribution of 11.29%. For payments through Central BAZNAS by 3.31% and Regional BAZNAS by 2.49%. For the frequency of zakat payments, the highest is payments made regularly at 75.21%, followed by non-routine payments at 24.79%. For the period of payment in tithe, the highest payment was made per month at 60.88% followed by annual payments at 39.12%.

The research analysis process is carried out in several stages. The first stage is to test the validity and reliability test through factor loading analysis with a standard value of  $p > 0.5$  and Average variance expected (AVE) with a standard

value of  $p > 0.05$ . In the reliability test, the Larcker Criterion Form and Cross Loading are used to testing the reliability of indicators on latent variables. Hypothesis analysis can be done if the factor loading value after the elimination process using bootstrap techniques and rules *convergent validity* has been met, namely the value of the loading factor is more than 0.5 ( $p > 0.5$ ). If these values have been met, the data analysis technique can proceed to hypothesis testing to test the partial effect of exogenous variables (X) on endogenous variables (Y) by looking at the p-values for each *path*. Furthermore, testing is used with *the bootstrapping* aims to obtain statistical values and also minimize the problem of abnormal research data. Then the statistical t value must be greater than the t table

value, which is at least 1.96 ( $< 1.96$ ) with a confidence interval of 95% so that the coefficient value *inner weight* of the structural model can be categorized as significant. The explanation for the discussion in the study is as follows:

*DKI Jakarta Province*

The data processing path diagram for the DKI Jakarta Province in the study is described in Figure 1. Then, the evaluation of the measurement model uses a method of observing the estimation calculations in Figure 1. *convergent validity*, *discriminant validity* and *composite reliability*, Imam (2014) as shown in table 1.

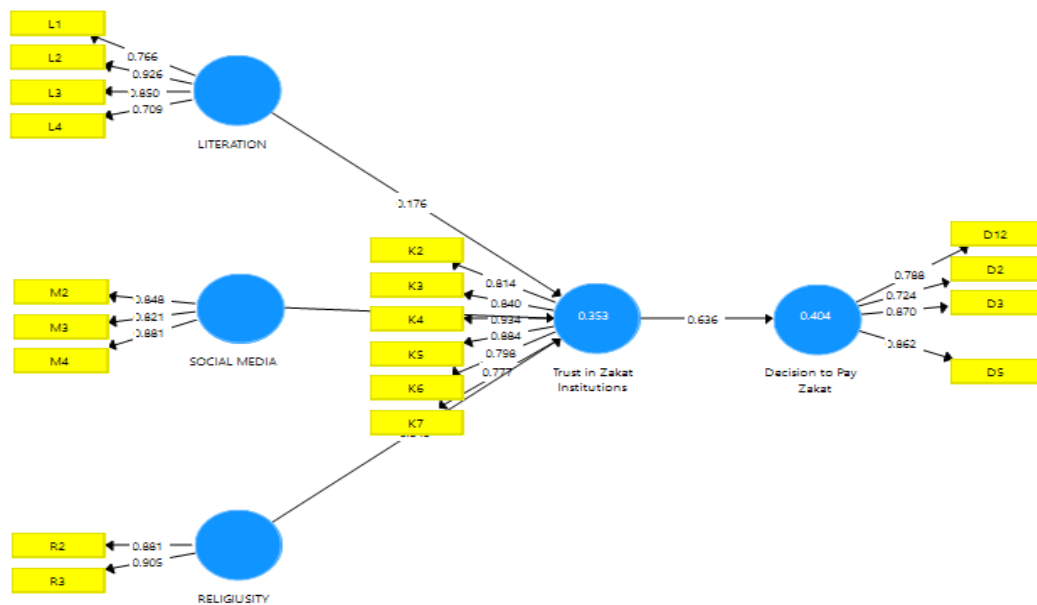


Figure 1. Constructive Diagram of PLS Modelling Results of DKI Jakarta Province

Table 1 presents the values of composite reliability. This value is a test in PLS which shows the accuracy, consistency of the accuracy of a measuring instrument in making measurements. *Composite reliability* is good if it has a value of more than 0.7 ( $p > 0.7$ ). meanwhile the result of composite reliability in table 1 shows all

latent variables have a value of composite reliability good, where Trust in Zakat Institutions is 0.96; Decision to Pay Zakat is 0.92; Literacy is 0.88; social media is 0.94; and religiosity is 0.90. So based on the AVE and test composite reliability it can be concluded that all variables in this study are valid and reliable.

Table 1. Cronbach's Alpha Estimation Results, Composite Reliability, and Average Variance Expected (AVE) for DKI Jakarta Province

<i>Variabel</i>	<i>Cronbach's Alpha</i> ( <i>p</i> > .05)	<i>rho_A</i>	<i>Composite Reliability</i> ( <i>p</i> > .05)	<i>Average Variance Extracted (AVE)</i> ( <i>p</i> > .05)
Decision To Pay Zakat	<b>0.828</b>	0.842	<b>0.886</b>	<b>0.661</b>
Literation	<b>0.829</b>	0.837	<b>0.888</b>	<b>0.667</b>
Religiosity	<b>0.747</b>	0.753	<b>0.888</b>	<b>0.798</b>
Social Media	<b>0.816</b>	0.856	<b>0.887</b>	<b>0.723</b>
Trust In Zakat Institutions	<b>0.917</b>	0.918	<b>0.936</b>	<b>0.710</b>

Table 2. Relationship between Constructs of DKI Jakarta Province

	<i>Original Sample (O)</i>	<i>Sample Mean (M)</i>	<i>Standard Deviation (STDEV)</i>	<i>T Statistics ( O/STDEV )</i>	<i>P Values</i>
LITERATION => Trust in Zakat Institutions	0.176	0.198	0.159	1.108	0.269
RELIGIUSITY => Trust in Zakat Institutions	0.345	0.323	0.174	1.980	0.048**
SOCIAL MEDIA => Trust in Zakat Institutions	0.227	0.249	0.115	1.968	0.050**
Trust in Zakat Institutions => Decision to Pay Zakat	0.636	0.630	0.093	6.856	0.000*

Notes: \*significant 10%; \*\*significant 5%; significant 1%

Source: Primary Data and Processed Smart PLS

The results of the partial test (t-statistics) and hypothesis testing for DKI Jakarta Province can be seen in table 2. The basic principle of evaluating the estimation results to support the hypothesis is if the coefficient is appropriate and linear with the nature of the influence of the hypothesis. In addition, another quantitative aspect is when the t-statistic value is greater than 1.96 and the p-value is below 10 percent. Based on the Table 2, it is known that all variables have a significant level at the 1 percent level. This means that all variables affect a person's decision to pay zakat.

Table 3. SEM-PLS Estimation Results for DKI Jakarta Province

<i>Variable</i>	<i>Decision to Pay Zakat</i>
<i>Literacy</i>	0,176 (0.159)
<i>Social media</i>	0,227***

<i>Variable</i>	<i>Decision to Pay Zakat</i>
	(0.115)
<i>Religiosity</i>	0.345*** (0.174)
<i>Observation</i>	64
<i>R-square</i>	0.40
<i>NFI</i>	0.585

Based on Table 3, it can be seen that the literacy variable has an insignificant impact even though it has a positive effect on the decision to pay zakat of 0.176. Social media variables have a positive effect on the decision to pay zakat with a significance level of 1 percent. And finally the religiosity variable has a positive impact of 3.45 with a significance level of 1 percent. Overall, the NFI value that reflects the Fit of the research model is 0.585 or 58.5 percent. This means that 58.5 percent of the decision to pay zakat can be explained by the three independent variables taken in this study.



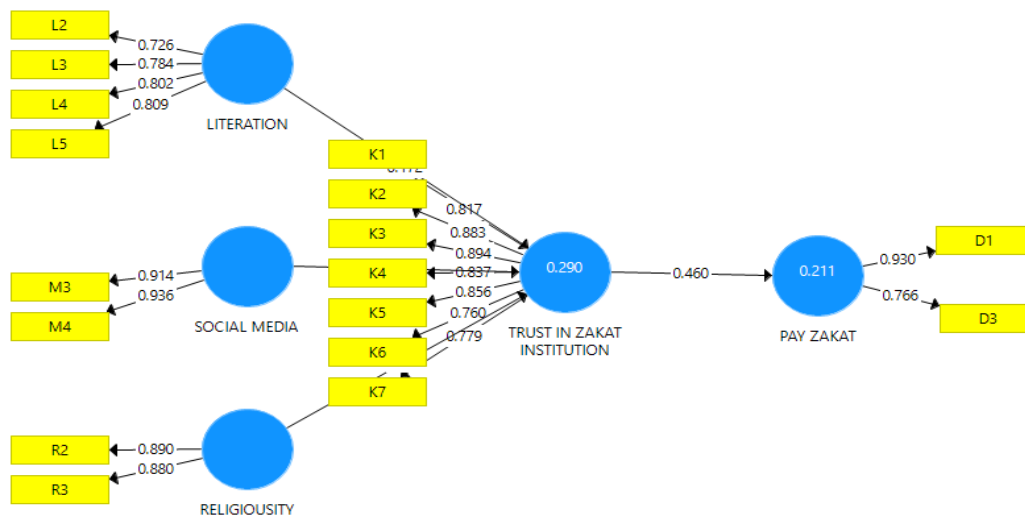


Figure 2. Constructive Diagram of PLS Modelling Results of West Java Province

*West Java Province*

The data processing path diagram for the Province of West Java in the study is shown in Figure 2. Then the evaluation of the

measurement model uses a method of observing the estimation calculations in Figure 2. *convergent validity*, *discriminant validity* and *composite reliability*, Imam (2014) as shown in Table 4.

Table 4. Estimated Result of Cronbach’s Alpha, Composite Reliability and Average Variance Expected (AVE) for West Java Province

<i>Variabel</i>	<i>Cronbach's Alpha</i> ( $p > .05$ )	<i>rho_A</i>	<i>Composite Reliability</i> ( $p > .05$ )	<i>Average Variance</i> <i>Extracted (AVE)</i> ( $p > .05$ )
Decision To Pay Zakat	<b>0.787</b>	0.795	<b>0.862</b>	<b>0.610</b>
Literation	<b>0.645</b>	0.784	<b>0.840</b>	<b>0.726</b>
Religiosity	<b>0.723</b>	0.724	<b>0.878</b>	<b>0.783</b>
Social Media	<b>0.832</b>	0.845	<b>0.922</b>	<b>0.856</b>
Trust In Zakat Institutions	<b>0.926</b>	0.932	<b>0.941</b>	<b>0.695</b>

Table 4 also presents the values of composite reliability. This value is a test in PLS which shows the accuracy, consistency of the accuracy of a measuring instrument in making measurements. Composite reliability is called good if it has a value of more than 0.7 ( $p > 0.7$ ). Meanwhile the result of composite reliability in the table shows all latent variables have value composite reliability which is good, where

Trust in Zakat Institutions is 0.94, Decisions to Pay Zakat are 0.86; Literacy is 0.84, social media is 0.92; and religiosity of 0.87. So based on the AVE and test composite reliability it can be concluded that all variables in this study are valid and reliable. Then results of the partial test (t-statistics) and hypothesis testing for West Java Province can be seen in Table 5.

Table 5. Relationship between Constructs of West Java Province

	<i>Original</i> <i>Sample (O)</i>	<i>Sample</i> <i>Mean (M)</i>	<i>Standard</i> <i>Deviation</i> <i>(STDEV)</i>	<i>T Statistics</i> <i>(/O/STDEV)</i>	<i>P</i> <i>Values</i>
Literacy => Paying zakat	0.079	0.094	0.075	1.058	0.291

	<i>Original Sample (O)</i>	<i>Sample Mean (M)</i>	<i>Standard Deviation (STDEV)</i>	<i>T Statistics (/O/STDEV)</i>	<i>P Values</i>
Literacy => Trust in zakat institutions	0.172	0.187	0.141	1.220	0.223
Religiosity => Paying zakat	0.140	0.141	0.071	1.965	<b>0.050</b>
Religiosity => Trust in zakat institutions	0.305	0.297	0.146	2.081	<b>0.038</b>
Social media =>Paying zakat	0.133	0.145	0.062	2.151	<b>0.032</b>
Social media => Trust pays zakat	0.290	0.301	0.116	2.488	<b>0.013</b>
Trust in zakat institution => paying zakat	0.460	0.480	0.080	5.754	<b>0.000</b>

Notes: \*significant 10%; \*\*significant 5%; significant 1%

Source: Primary Data and Processed Smart PLS

The basic principle of evaluating the estimation results to support the hypothesis is if the coefficients are appropriate and linear with the nature of the influence of the hypothesis. Then for other quantitative aspects, namely when the t-statistic value is

greater than 1.96 and the p-value is below 10 percent. Based on the table above, it is known that all variables have a significant level at the 1 percent level. This means that all variables affect a person's decision to pay zakat.

Table 6. SEM-PLS Estimation Results for West Java Province

<i>Variable</i>	<i>Decision to Pay Zakat</i>
Literacy	0,172 (0.141)
Social media	0,290*** (0.080)
Religiosity	0.305*** (0.146)
Observation	62
R-square	0.290
NFI	0.582

Based on the Table 6, it can be seen that the literacy variable has an insignificant impact even though it has a positive effect on the decision to pay zakat of 0.17. Social media variables have a positive effect on the decision to pay zakat with a significance level of 1 percent. And lastly, the religiosity variable has a positive

impact of 30.5 with a significance level of 1 percent. Overall, the NFI value that reflects the Fit of the research model is 0.582 or 58.2 percent. This means that 58.2 percent of the decision to pay zakat can be explained by the three independent variables taken in this study.

Table 7. Logistic Regression Results for DKI Province and West Java Province

<i>VARIABLES</i>	<i>Logit coeff</i>	<i>Odds ratio</i>	<i>Marginal Effect</i>
<i>Zakat in DKI Jakarta dan Jawa Barat</i>			
Education	1.115*** (0.428)	3.049*** (1.306)	0.194*** (0.075)
Zakat institution	-0.368* (0.189)	0.692* (0.131)	-0.064** (0.031)

<b>VARIABLES</b>	<b>Logit coeff</b>	<b>Odds ratio</b>	<b>Marginal Effect</b>
Frequency of Paying Zakat	-1.418* (0.793)	0.242* (0.192)	-0.295* (0.179)
Long Paying Zakat	0.785*** (0.300)	2.192*** (0.657)	0.137*** (0.050)
Constant	-0.682 (1.686)	0.506 (0.853)	
Observations	126	126	126

Standard errors in parentheses

\*\*\* p<0.01, \*\* p<0.05, \* p<0.1

Furthermore, based on the calculation of respondent data in DKI Jakarta Province and West Java Province with PLS SEM, the results of Logistic Regression are obtained as it is stated in Table 7.

## CONCLUSION & SUGGESTIONS

### Conclusion

The results of research on millennial employees in DKI Jakarta Province and West Java Province shows that literacy does not have a significant effect on the trust of millennial employees in DKI Jakarta Province and West Java Province in paying zakat through zakat payment institutions, but the education level of millennial *muzakki* has a significant influence on their decision to pay zakat on income and services. Meanwhile, social media and religiosity have a significant influence on the trust of millennial employees in paying zakat through zakat institutions. The type of zakat institution, the period of zakat payment, and the experience of paying zakat are the characteristics of millennial *muzakki* in determining their decisions regarding the payment of zakat on income and services.

From social media factors, it is known that respondent beliefs about validity of the information provided is a determining aspect in paying or not paying zakat income and services. Meanwhile, from the literacy aspect, the understanding factor regarding the amount of zakat and the terms in zakat (*mustahik*, *muzakki*, *amil*, *nishab* and *haul*) determine whether or not to pay zakat on income and services by

millennials. Then from the aspect of religiosity, respondents who regularly participate in studies on Islam tend to pay more attention to paying zakat on income and services.

Based on the results of the study, the effectiveness of zakat receipts in DKI Jakarta and West Java Provinces is believed to improved by taking into account literacy factors, social media factors and religiosity factor as well as millennial worker characteristics which include: *muzakki* education level, type of institution where zakat payments are made frequency of zakat payments, and experience in paying zakat.

### Suggestion

With the condition where millennial *muzakki* can make a significant contribution to the income and services zakat collection, several things that can be done to maximize the collection of income and service zakat among millennial employees in DKI Jakarta and West Java Provinces are as follows:

1. Cooperate with the government/relevant agencies to make/formulate policies that can be used to maximize income and income zakat services among Muslim/ Muslim employees and entrepreneurs in DKI Jakarta Province and West Java Province.
2. To reach millennial employees who have not paid zakat on income and services, zakat literacy socialization materials can be made with formats, content, delivery methods that are

- not patronizing, light/easy to understand, interesting and acceptable and understood by the millennial generation.
3. Make periodical material socialization programs through social media such as Facebook, Instagram, Twitter, Line, Youtube and others periodically with the right schedule/time so that it is not considered a nuisance/spam by millennial social media users.
  4. Cooperation/Memory of Understanding (MOU) with the government or private companies in DKI Jakarta Province and West Java Province to intensify literacy directly (interactive online) regarding zakat on income and services among the millennial generation.
  5. Regional Baznas can serve as speakers at events organized by the institution/ company concerned, such as celebration activities, Friday prayer tausyiah and other activities organized by the private company or the government agency. In carrying out these activities, it is necessary to involve kyai/ustadz or ustadz who understand young people who are close and known to the millennial generation such as Ustadz Hanan Attaki, Evie Effendi, Hasan Kosasih, Riza Muhammad, Salim A Fillah, Ustadz Zaki, Gus Miftah, Hilman Fauzi and Ustadz other young.
  6. Collecting and distributing zakat on income and services from millennial and non-millennial employees which are collected and managed by government agencies/companies, BUMN and private companies in DKI Jakarta Province and West Java Province through the Baitul Mal Foundation owned by them. The aim is not only to obtain greater zakat on income and services, but also to make the distribution of zakat more equitable (not overlapping) and on

target so as to support better poverty alleviation programs.

7. Develop a better technology system (more sophisticated and user friendly). The goal, from the side of *muzakki* to feel more comfortable and accommodated their needs. Then from the side of prospective *muzakki* to be interested in paying zakat because of the ease of access. Furthermore, all records related to the collection and distribution of zakat on income and services can be more orderly and transparent.

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