Efficiency and productivity performance of zakat funds in Algeria

By: Djaghballou, CE[1]; Djaghballou, Chams-Eddine[1]; Djaghballou, M[1]; Larbani, M[1]; Larbani, Mousa[1]; Mohamad, A[1]; Mohamad, Azhar[1]

INTERNATIONAL JOURNAL OF ISLAMIC AND MIDDLE EASTERN FINANCE AND MANAGEMENT
Volume: 11 Issue: 3 Pages: 374-394
DOI: 10.1108/MEFM-07-2017-0185
Published: 2018
Document Type: Article

Abstract

The purpose of this study is to examine the efficiency and productivity performance of zakat funds managed by Directorates of Religious Affairs and Endowments (DRAE) in Algeria.

Design/methodology/approach In this study, the authors employ data envelopment analysis and measure Malmquist Productivity Index for DRAE’s input and output data spanning from 2003 to 2013.

Findings The authors find that total factor productivity has increased sharply for all zakat funds, mainly due to a technical rather than efficiency change. Further decomposition of the efficiency change into its pure technical and scale efficiency components suggests that the pure efficiency is a more important source of efficiency change than the scale efficiency component, meaning that 200 funds rely on technical aspects to gain efficiency.

Originality/value The findings of this study are expected to contribute considerably to the existing knowledge on the operating performance of zakat funds in Algeria.

Keywords
Author Keywords: Efficiency, Algeria; DEA; Zakat; Productivity performance
KeyWords Plus: COMMERCIAL-BANKS

Author Information
Reprint Address: Mohamad, A (reprint author)

Email Addresses: dr@azhartahmamad.asia

Publisher
EMERALD GROUP PUBLISHING LTD, HOWARD HOUSE, WAGON LANE, BINGLEY BD16 1WA, W YORKSHIRE, ENGLAND

Categories / Classification
Research Areas: Business & Economics
Web of Science Categories: Business, Finance, Management

See more data fields

Cited References: 34
Showing 30 of 34 View All in Cited References page

Citation Network
In Web of Science Core Collection
1 Times Cited
Create Citation Alert

Use in Web of Science
Web of Science Usage Count
0
Last 180 Days
Since 2013

This record is from:
Web of Science Core Collection
- Social Sciences Citation Index

Suggest a correction
If you would like to improve the quality of the data in this record, please suggest a correction.
1. Productivity growth of zakat institutions in Malaysia: An application of data envelopment analysis
   By: Abd Wahab, Norazlina; Rahman, Abdul
   STUDIES IN ECONOMICS AND FINANCE Volume: 29 Issue: 3 Pages: 197+ Published: 2012
   Times Cited: 3

2. The efficiency of Islamic and conventional commercial banks in Malaysia
   By: Ahmad, Suryaty; Rahman, Abdul Rahim; Abdul
   INTERNATIONAL JOURNAL OF ISLAMIC AND MIDDLE EASTERN FINANCE AND MANAGEMENT Volume: 5 Issue: 3 Pages: 241-263 Published: 2012
   Times Cited: 12

3. Al-Mulakhkhas Al-Fiqhi
   By: Al-Fawzan, S.
   A Summary of Islamic Jurisprudence Volume: 1 Published: 2005
   Publisher: Professor of Islamic Jurisprudence Member of the Board of Senior Ulema & Member of the Permanent Committee for Fatwa and Research, Al-Maiman Publishing House Saudi Arabia, Riyadh
   Times Cited: 1

4. Efficiency of financial institutions: International survey and directions for future research
   By: Berger, AN; Humphrey, DB
   EUROPEAN JOURNAL OF OPERATIONAL RESEARCH Volume: 98 Issue: 2 Pages: 175-212 Published: APR 1997
   Times Cited: 1,116

5. Dirassa Taqimia Li-Tajerat Sondouk Al-Zakat Al-Jazairi-
   Evaluation study of the experience of Zakat Fund in Algeria, ‘Al-
   Moatamar Al-Ilimi Al-Dowali Al-Awal Hawla: Tathmir Amwal Al-Zakat Wa Torok Tafaillha Fi Al-Aalam Al-Islami Yawm Al 19Wa 20
   Jwan 2012 Bil-Jazair
   By: Bin-Mansour, A.; Bezzaouyaa, A.
   1 INT SCI C PROM ZAK Published: 2012
   Times Cited: 1

6. A comparative study of efficiency in European banking
   By: Casu, B; Molyneux, P
   APPLIED ECONOMICS Volume: 35 Issue: 17 Pages: 1865-1876 Published: NOV 2003
   Times Cited: 173

7. A guide to DEAP version 2.1: a data envelopment analysis (computer program)
   By: Coelli, T.J.
   A guide to DEAP version 2.1: a data envelopment analysis (computer program) Volume: 08 Issue: 96 Pages: 49 Published: 1996
   Publisher: University of New England, Armidale
   Times Cited: 1

8. Recent developments in frontier modelling and efficiency measurement
   By: Coelli, TJ
   AUSTRALIAN JOURNAL OF AGRICULTURAL ECONOMICS Volume: 39 Issue: 3 Pages: 219-265 Published: DEC 1995
   Times Cited: 206

9. Efficiency and productivity change in UK banking
   By: Drake, L.
   Times Cited: 16

10. Efficiency in the commercial banking industry, a production frontier approach
    By: Elvasani, E; Mehdian, S
    APPLIED ECONOMICS Volume: 22 Issue: 4 Pages: 539-551 Published: APR 1990
    Times Cited: 40

11. Productivity growth, technical progress, and efficiency change in industrialized countries
    By: Fare, R; Grosskopf, S; Norris, M; et al.
    AMERICAN ECONOMIC REVIEW Volume: 84 Issue: 1 Pages: 66-83 Published: MAR 1994
    Times Cited: 1,477

12. Productivity developments in Swedish hospitals: a Malmquist output index approach
    By: Fare, R; Grosskopf, S; Lindgren, B; et al.
    Data Envelopment Analysis: Theory, Methodology and Applications Published: 1989
    Publisher: Kluwer Academic Publishers, Boston, MA.
    [Show additional data]
    Times Cited: 41

13. The measurement of productive efficiency
    By: Farrell, MJ
    JOURNAL OF THE ROYAL STATISTICAL SOCIETY SERIES A GENERAL Volume: 120 Issue: 3 Pages: 253-290 Published: 1957
    Times Cited: 5,147