Zakat Fund Management Strategy Model At Amil Zakat Institutions In Probolinggo Regency

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Abstract:
The Purpose Of This Research Is To Develop A Strategic Model Of Zakat Management In Depth At Baznas And LAZ In Probolinggo District. This Study Uses A Qualitative Method With A Case Study Approach. Data Obtained Through Interviews, Observation And Documentation And Audiovisual Material Methods. The Data Source Is Divided Into Two Parts; Primary And Secondary. From The Results Of The Study It Is Known That The Recommended Zakat Management Strategies Include: Collection, Namely Diversification Of Zakat Collection, Increasing Public Trust And Increasing Zakat Literacy. As For Distribution, Namely Improving Programs And Utilizing Digital Technology.

Key Word: Zakat, SWOT Analysis, Resource Base View

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I. Introduction
As a country with the largest Muslim population in the world, Indonesia has a high zakat potential. Based on the 2022 BAZNAS data outlook, the potential for zakat reaches IDR 327.6 trillion. The magnitude of this potential is followed by the collection of zakat each year. In 2015-2018 the collection of zakat has experienced a large increase of 122% or around Rp. 4.5 Trillion. However, despite the increase, the realization of the existing potential is still very minimal. The realization of ZIS collection in 2019 was only around Rp. 10.2 trillion of the total Rp. 233 trillion potential of existing zakat. This shows that 96% or Rp. 222 trillion zakat potential has not been explored at all. Cokrohadisumarto et al., (2020) identifying the problem of collecting zakat is the lack of credibility of zakat management institutions (BAZNAS and LAZ) and the absence of strategic planning by LAZ and the low commitment of managers to the organization. In addition, the main obstacle to the low collection of zakat is caused by the attitude of the people who do not distribute zakat through zakat management institutions but directly to mustahik.

Referring to RI Law Number 23 of 2011 concerning the management of zakat, BAZNAS and LAZ have the task of collecting, distributing and utilizing zakat. The realization on the ground is not always the same as what has been stated in the law. Study Afiyana et al., (2019) states that in the implementation of zakat management there is a significant discrepancy between the potential and the realization of zakat in Indonesia. Many people do not distribute their zakat through zakat institutions but directly to mustahik. Sahri et al., (2020) citing Article 7 chapter II of Law no. 23/2011 that the Amil Zakat Agency carries out the functions of planning the collection, distribution, utilization and reporting and accountability of the implementation of zakat management. However, there is a crisis of public trust in government performance which is one of the reasons why there is much controversy regarding the management of zakat which is directly handled by the government due to fears that there will be opportunities for corruption and inequality in the distribution of zakat. Meanwhile, Purwatiningsih & Yahya (2020) concluded that the cause of the non-optimal management of zakat in Indonesia was due to the absence of strict policies and sanctions. The state as zakat manager also has not won the trust of the public due to corruption which is still commonly found in government-owned institutions. Research results by Prastyo et al., (2021) shows a significant effect of trust on people's interest in paying zakat at zakat institutions. If muzakki's trust increases, the interest in paying zakat at zakat institutions will also increase. Thus, fundraising becomes important for zakat management institutions.

Theory of Resource Based View (RBV) describes that a company can achieve competitive advantage by relying on resources so as to be able to direct the organization to achieve organizational goals, then any company or institution needs a strategy model. However, previous research has not consistently demonstrated an optimal model of zakat management strategy. As an example, study Mauludin & Herianingrum (2022) shows the results that digital zakat can be an effective innovation and has a significant positive effect on increasing zakat collection. But different from research Nupus & Fadilah (2022) which shows that digital technology has no effect on zakat collection so that digital technology has not been able to optimize zakat funds. Supported by findings by...
Telaumboana et al., (2020) that not all Muslims in Indonesia wish to pay zakat digitally and only want to pay zakat directly (cash).

Meanwhile, to meet the target of obtaining zakat, BAZNAS launched SIMBA (Baznas Management Information System). Research related to digitizing zakat management through SIMBA also yields mixed results. Suginam (2021) stated that SIMBA is the main strategy for optimizing digital-based zakat management to improve zakat management at the National Amil Zakat Agency (BAZNAS). Another study by Rusanti et al., (2022) stated that the SIMBA application is a Baznas technology application that is proven to be able to increase the effectiveness of ZIS fund management at Baznas Banjar district. In addition, it can also increase the trust and enthusiasm of the muzakki to distribute ZIS through the Amil Zakat Institution. But different from research Nawawi & Maudy (2019) which shows SIMBA has a very weak influence on the management of zakat at the Bogor City Baznas. Based on the results of previous research related to zakat management, it shows that there are still inconsistencies in the results where it is necessary to explore the causes of these problems. In addition, none of these previous studies have proposed optimal zakat management strategy models. Therefore, this study aims to explore more deeply related to the implementation of zakat management in order to develop a strategic model for Baznas and LAZ in order to optimize the management of zakat and Islamic social funds.

This study uses BAZNAS and LAZ in Probolinggo Regency as research objects. This is because Probolinggo district is one of the cities in East Java that has the potential to receive Islamic social funds because it has the fourth largest population in East Java. However, the realization of zakat collection in Probolinggo Regency is still small compared to the existing zakat potential and many people distribute zakat directly to mustahik without going through zakat management institutions. Thus, it can be said that BAZ and LAZ of Probolinggo Regency cannot carry out their duties as zakat managers properly. In addition, internal organizational constraints such as the quantity and quality of LAZ's human resources make zakat collection not optimal. Therefore, the proposed zakat fund management strategy model is very relevant to the problem in the field.

II. Material And Methods

Islam recognizes the existence of other people's rights in property owned by its adherents which is manifested by the payment of zakat, infaq, shadaqah which is called Islamic social fund (Islamic Social Fund). Zakat plays an important role in Islamic economics and is considered as an alternative to increase welfare (Isaac, 2012) and can be an engine of growth and unequal economic distribution (Ali & Daud, 1995). Zakat does not only have an economic role, but also as social insurance (Nurhayati & Wasilah, 2015). Zakat is the third pillar of the five pillars that make up Islam. Paying zakat is obligatory for every Muslim in accordance with the provisions stipulated by Islamic law. Not a few verses of the Qur'an reveal that zakat goes hand in hand with prayer. There are about 82 verses about zakat that go hand in hand with prayer (Widiastuti et al., 2019). This shows that prayer and zakat have a close relationship and linkage. Prayer as a special worship of a servant with Allah, cannot be separated from the obligation of zakat which is a form of concern for the condition of the surrounding community.

The role of zakat in the Indonesian economy can be seen from its position as part of the sharia social fund development program which has a direct impact on the social and economic life of the community as well as being a tool to withstand the decline in people's purchasing power (Ministry of State Secretariat of the Republic of Indonesia, 2021). Since the pandemic crisis hit this important position, not all of them have been successfully maintained so that the economic recovery has not been optimal. If zakat is well managed and trustworthy, it will help boost morale. Also as a tool of economic equality. The benefits of zakat will only be felt in a short time for zakat recipients (mustahiq), if it is not used productively. The distribution of zakat for consumption must be reviewed and converted into a productive form of zakat, so that it can provide more benefits for zakat recipients (Puspitasari, 2019). Zakat can also be a catalyst for the country's economic growth through various aspects. The application of zakat influences aggregate (consumption, investment and public spending) thereby affecting economic growth.

Zakat has been regulated in Republic of Indonesia Law No. 23 of 2011 as the legal basis for zakat in Indonesia which explains the optimization of the function of zakat as an instrument of economic equality for the people. To achieve this goal, the government established the National Zakat Agency (BAZNAS) as an institution that manages zakat nationally. The Zakat Management Unit (UPZ) is an organizational unit formed by BAZNAS to help collect zakat. Meanwhile, the Amil Zakat Institution (LAZ) is an institution formed by the community which has the task of assisting the collection, distribution and utilization of zakat.

SWOT analysis is a strategic planning method used to evaluate Strengths, Weaknesses, Opportunities and Threats that occur in a project or in a business venture, or evaluate own and competitor product lines. To carry out the analysis, business objectives are determined or identify the object to be analyzed. Strengths and weaknesses are grouped into internal factors, while opportunities and threats are identified as external factors (Rangkuti, 2014). According to Pearce & Robinson (2007) SWOT is an abbreviation of the company's internal strengths and weaknesses as well as opportunities and threats in the environment faced by the company. SWOT analysis is a systematic way to identify the factors and strategies that best describe the fit between them. This
analysis is based on the assumption that an effective strategy will maximize strengths and opportunities while minimizing weaknesses and threats. When applied accurately, this simple assumption can have a profound impact on the design of a successful strategy.

The Theory of Resource Based View according to Barney in Ferreira et al. (2011) describes a company can achieve competitive advantage by relying on resources so as to be able to direct the company to be sustainable continuously. The Resource Based View (RBV) approach emphasizes increasing competitive advantage derived from the organization's strategic resources. Competitive advantage allows companies to obtain superior performance, a company can achieve competitive advantage by relying on resources so as to be able to direct the organization to achieve organizational goals, then any company or institution needs a strategy model.

**Research about:** Baznas and Laz in Probolinggo district need a management strategy model in order to optimize zakat funds and develop institutions so that they contribute more to improving people's welfare. Therefore researchers will conduct observations, documentation and interviews with 11 Baznas and Laz officials. 

**Study Design:** This study uses a qualitative case study approach. Sugiyono (2014) stated that the qualitative research method can be interpreted as a research method based on the philosophy of postpositivism, used to examine the conditions of natural objects (as opposed to experiments) where the researcher is the key instrument.

**Study Location:** the research was conducted at Baznas probolinggo district, Nu-Care Lazisnu Probolinggo district and lazismu probolinggo district.

**Study Duration:** The time of this research starts on May 1, 2023 until May 30, 2023.

**Procedure methodology**
The procedure steps that will be carried out to obtain data in this study through several stages;

1. Data collection instrument
   To obtain the required information data, the authors use the following data collection techniques:
   a. Interview
      The interviews were conducted using the semi-structured interview method where the researcher had created an instrument as a guide when conducting the interviews, but the interviews were not fully bound by the guidelines and were more open. The interview guide was used to avoid some of the problems that were forgotten by the researcher and used as a guide so that the interview process could be more directed and structured.
   b. Observation
      Observation or observation which is the activity of recording phenomena carried out systematically. The type of observation used by researchers is the non-participatory observation method because in conducting research, researchers do not take part in all activities carried out by the object of research.
   c. Documentation
      Documentation in the form of field notes during research, public documents (eg memos, minutes, official official archives).
   d. Methods of audiovisual materials
      Audiovisual materials as a whole use digital technology as a way of production. The way of collecting data is by studying the main page of the website, collecting text messages via email and WhatsApp, the results of video recordings during interviews and observations.

**Data analysis technique**
Data analysis in this study used the Miles and Huberman model techniques which included data collection, data reduction, data display, and conclusion.

a. Data Collections is shows the process of data collection carried out by going directly to the object of research. The initial stage starts from selecting key informants based on certain criteria that are considered capable of providing accurate data or information. Then the researcher recorded, recorded information by the informant objectively.

b. Data Reduction is the stage of summarizing, selecting, simplifying, and transforming the data obtained, which can be seen in the field writing. Reduced data will provide a clearer picture and make it easier for researchers to collect data and look for data again if needed.

c. Data Display is a narrative description that contains a collection of information that has been arranged in the form of charts, relationships between categories, flowcharts and others.

d. conclusion stage is the stage of conveying new findings that have never existed before. Findings can be in the form of a description or description of an object that was previously dim or dark and after being examined becomes clear.

**Data validity checking techniques**
Test the validity of this study using triangulation. According to (Bungin, 2015)) triangulation includes researchers, methods, theories and data sources. However, in this study the researchers used 2 types of triangulation, namely:
a. Triangular with data source:
1) Comparing the observed data with the results of interviews
2) Compare what people say in public with what is said in private
3) Compare what people are saying about the research situation with what is being said all the time
4) Comparing a person's situation and perspective with various opinions and views of other people such as ordinary people, people with middle or high education, wealthy people and government people
5) Comparing the results of interviews with the contents of related documents.

b. Triangulation with theory
Triangulation with theory, this can be done with something called rival explanation. The results of this study are then compared with the findings of related experts/theories or with the results of related previous studies.

III. Result
Based on data collection it can be described;

1. SWOT analysis
a. Baznas
Baznas Probolinggo district views that zakat in Probolinggo district has very high potential but in its realization it is still not optimal. The strengths possessed by Baznas Probolinggo are: first, Baznas is an official institution formed by the government to manage zakat. Second, well-structured and solid management. Third, local governments (pemda) make it easier to collect ZIS funds through regent regulation (perbup) No 17 of 2018 concerning optimizing the management of zakat, infaq and shadaqah. Fourth, Baznas capital or assets are quite high. However, there are weaknesses in the Probolinggo Regency Baznas. Basically, a weakness is a natural thing in an organization.

The weaknesses of Baznas Probolinggo Regency are: first, Baznas has not been able to collect zakat other than professional zakat. Second, the programs that are owned cannot be maximized. Meanwhile, opportunity is a favorable condition of the company's external environment that can even be a weapon to advance the company.

The opportunities that Baznas has for Probolinggo Regency are: first, the population in Probolinggo Regency is predominantly Muslim (Muslim). Second, the potential for muzakki and growth of the middle class. Third, the growth of public awareness in implementing ZIS. Even so, there are threats that can disrupt the smooth running of the organization.

These threats can include things that are not profitable for the organization. Baznas' threats are: first, low public trust in government-owned institutions. Second, the community's perspective on Baznas. Third, the culture of the people who distribute zakat directly. Fourth, the lack of concern and awareness of some people in implementing religious law.

b. Nu-Care Lazisnu
As an effort to collect zakat, Nu-Care Lazisnu has the following strengths: first, Nu-Care Lazisnu is a Nahdlatul Ulama-based non-profit organization. Second, Nu-Care Lazisnu works directly with the community because the structure of Lazisnu has reached the branches (village). Third, Lazisnu becomes the muzakki for all sharia social funds for all people in the district. Probolinggo. Fourth, The main program "Koin NU" (NU infaq box) is the main strategy for building the habit of the community giving donations, giving tithes and giving charity through amil zakat institutions.

However, there are weaknesses in Nu-Care Lazisnu. Weaknesses are everything that is lacking for the organization. Basically, weakness is a natural thing in an organization, but the most important thing is that the organization can develop a policy so as to minimize the existing weaknesses. The weaknesses of Nu-Care Lazisnu are: first, the management and performance of Nu-Care Lazisnu are not yet professional. Second, the facilities owned are still lacking. Third, the lack of discipline in financial reporting. Fourth, the lack of socialization and introduction of Nu-Care Lazisnu to the wider community.

Opportunity is an external factor that can be profitable and even become a weapon to advance the organization. Opportunities for Lazisnu Nu-Care in the management of zakat, namely: first, the majority of the people of Probolinggo Regency are NU members. Second, the potential for muzakki and growth of the middle class. Third, digital technology.

Threats are external conditions that can disrupt the smooth running of an organization. The threats faced by Nu-Care Lazisnu include: first, low public trust. Second, creating professional amil officers. Third, it is necessary to involve NU community leaders in addition to administrators. Fourth, the lack of zakat literacy related to Zakat Law No. 23 of 2011.
c. Lazismu

Lazismu as one of the amil zakat institutions in Kab. Probolinggo has strengths, namely: first, a work program that suits the needs of the community. Second, increased public trust. Third, ease of administration. Third, the facilities owned by Lazismu.

However, there are weaknesses that are owned by Lazismu. Weaknesses are everything that is lacking for the organization. But most importantly the organization can develop a policy that can minimize the weaknesses that exist. Lazismu's weaknesses are as follows: first, the lack of human resources. Second, the lack of understanding and knowledge related to sharia. Third, the lack of benefit from amil.

Opportunity is an external factor that can be profitable and even become a weapon to advance the organization. Opportunities for Lazismu Probolinggo Regency in managing zakat, namely: Digital technology in collecting zakat.

Threats are external conditions that can disrupt the smooth running of an organization. The threat faced by Lazismu is the tradition of the people who distribute zakat directly.

Resource Based Views (RBV)
a. Baznas

1) Tangible assets

a) Human Resources: Human resources have an important role in the organization that the potential of human resources can be utilized as an effort to achieve success in achieving goals, both individually and within the organization. Human resources are a factor and a driving force that will determine the success or failure of an organization in achieving its goals. Based on the results of interviews, the human resources owned by BAZNAS are quite good and structured.

b) Adequate facilities and infrastructure: Facilities and infrastructure have a role to help the productivity of work tasks both in terms of land area, buildings and office equipment. The facilities owned by Baznas Probolinggo district are sufficient to meet the needs of every part of the organization. Based on observations of office facilities which are entirely owned by Baznas Probolinggo district, including: desks, chairs, computers, printers, filing cabinets, air conditioners, carry cars, pick-up cars and motorbikes. While the range owned by each field adjusts to the needs of each field. Thus, the existing office infrastructure is sufficient to meet the needs of the office. The condition of Baznas Probolinggo district infrastructure is: a building for the Baznas office, toilets and a prayer room.

c) Technology: Organizations can respond to technological developments by designing computer technology-based information systems or websites. Supporting information technology can provide added value to an organization if it is designed to be an effective information system. Based on the results of interviews conducted by Baznas, Probolinggo district utilizes technology and has superior information technology in the form of SIMBA (management information system for the amil zakat agency).

2) Intangible assets

a) Knowledge: knowledge is the development of human resources as an effort to improve the ability of human resources in order to increase organizational productivity. The knowledge possessed by Baznas is good enough, which is carried out through training and technical guidance so that it increases knowledge and skills.

b) Relation: relation are the resources available to the organization that arise as a result of the organization's interaction with its environment, such as its customers or government agencies. Based on the results of observations and interviews, the relationship resources owned by Baznas Probolinggo district have been well established as evidenced by the reciprocity given.

b. Nu-Care Lazismu

1) Tangible assets

a) Human Resources: Human resources is an important role in the organization. Human resources are a factor and a driving force that will determine the success or failure of an organization in achieving its goals. Based on the results of interviews, Nu-Care Lazismu's human resources are very good and structured.

b) Facilities and infrastructure: facilities has a role to help the productivity of work tasks both in terms of land area, buildings and office equipment. The facilities owned by Nu-Care Lazismu, Probolinggo district, are inadequate. Based on observations of office facilities that are entirely owned by Nu-Care Lazismu, Probolinggo district, only carry cars. Likewise, the infrastructure owned by the office is inadequate to meet the needs because it does not yet have an official office.

2) Intangible assets

a) Knowledge: knowledge is the development of human resources as an effort to improve the ability of human resources in order to increase organizational productivity. The development of Lazismu Nu-Care knowledge has been quite good which has been carried out through training and outreach to increase knowledge.
c. Lazismu
1) Tangible assets
a) Human Resources: Human resources have an important role in the organization. Human resources are the driving factor that will determine the success or failure of an organization in achieving its goals. Based on the results of human resource interviews, Lazismu, Probolinggo Regency, still lacks human resources.
b) Facilities and infrastructure: facilities have a role to help the productivity of work tasks. Both in terms of land area, buildings and office equipment. The facilities owned by Lazismu Probolinggo district are very good to meet the needs of every part of the organization. Based on observations and interviews, office facilities which are entirely owned by Lazismu Probolinggo district include: ambulance, grand max car, inova car, deer car, scoopy bicycle, astrea bicycle, vespa bicycle, table, chair, computer, printer, filling cabinet, filing cabinets, and fans. While the range owned by each field adjusts to the needs of each field. Likewise, the existing office infrastructure is sufficient to meet office needs. The condition of Baznas Probolinggo district infrastructure is: a building for the Lazismu office, toilets and a prayer room.
c) Technological development: organizations can respond by designing computer technology-based information systems or websites. Supporting technology can provide added value to an organization if it is designed to be an effective information system. Based on the results of interviews conducted at Lazismu, Probolinggo district, utilizing technology and providing value, namely information systems and social media.
2) Intangible assets
a) Knowledge: knowledge is the development of human resources as an effort to improve the ability of human resources in order to increase organizational productivity. The development of Lazismu's knowledge is quite good, which is carried out through training and outreach to increase knowledge.

IV. Discussion

Overall, the management strategy starts from the collection and distribution of recommended zakat, which includes:

1. Zakat collection
a. Collection diversification: Zakat is giving birth market development carried out by expanding the Zakat Collection Unit (UPZ), cooperating with private companies and BUMN and develop the ability to collect new geographic areas as well as giving birth to the ability to collect other zakat maal, such as agricultural zakat, plantation zakat, animal husbandry zakat, fishery zakat, gold silver zakat and other precious metals, trade zakat and so on.
b. Increasing public trust that is socialize and promote the institution itself to the community online and in person so that people are more familiar with zakat institutions in their environment and with high transparency, effective communication, and community participation in decision-making related to the management of zakat.
c. Increasing zakat literacy that is through the Zakat Game method so as to increase literacy so that it is not only through conventional methods through lectures, discussions, seminars, outreach, face-to-face education or through digital media.

2. Distribution of Zakat
a. Improvement of programs: improve programs owned by Baznas and Laz through continuous evaluation and improvement which includes monitoring and evaluating program implementation and use of technology to optimize performance and implement zakat utilization through productive zakat programs.
b. Digital transformation: namely using digital technology in collecting zakat through non-cash payments using websites and mobile applications such as E-Money, I-Banking or other digital platforms and increasing the effectiveness of zakat distribution through digital technology such as mustahik data collection, distribution via bank transfers through cooperating banks and financial reports in digital form on the website.

Study Bin-Nashwan et al., (2021) increasetrust as a strategy for the survival of zakat institutions in increasing community tithe compliance by proactively engaging with the government in building public trust. Based on Baznas restra (strategic plan) for 2020-2025, the basic strategy for zakat for 2020-2025 is divided into four, namely (1) increasing the quantity and quality of Amil, (2) increasing public awareness and zakat literacy, (3) strengthening program strategies and integrated mustahik data and (4) regulations and GAG (Good Amil Governance)(BAZNAS, 2021).

V. Conclusion

Overall, the recommended zakat management strategies include diversifying zakat collection, improving programs, increasing public trust, utilizing digital technology, and increasing zakat literacy. Utilization of existing resources in each amil zakat institution must be supported by effective and efficient management, as well as
synergy between physical and non-physical resources. Thus, amil zakat institutions in Probolinggo Regency can improve performance and provide optimal benefits in zakat management.

References


