

Optimization of Masjid-Based Zakat Management: A Graduation Empowerment Approach

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ABSTRACT

Research related to optimizing zakat management has been widely discussed, as well as masjid-based objects, but research related to optimizing zakat at masjid focusing on the application of graduation empowerment is still rarely found. This research initiated the concept of graduation empowerment in the Masjid-based zakat Management. Thus, the mustahik around the masjid can be managed systematically so that the graduation process into muzkki can be measured and effective. This article is a conceptual study through a literature review of selected articles that examine best practices both in microfinance and in social funds for the poor. Empowerment of graduations at the Masjid can be done effectively through: 1) The masjid has baitul maal and baitul tamwil (BMT) as divisions that manage the social funds of Masjid worshipers; 2) BMT builds a mustahik and muzakki database as a basis for making maps of community empowerment; 3) BMT designs graduation empowerment for mustahik through holistic intermediation; 4) professional managers; 5) partnerships with technical assistance providers; 6) program and reporting transparency

Keywords: Optimization, Masjid-Based, Zakat Management, Graduation empowerment, BMT

INTRODUCTION

The potential of zakat in Indonesia is very large but the potential has not been maximized until now. Based on IPPZ component calculations, Indonesia's zakat potential reaches Rp 233.8 trillion (equivalent to 1.72 percent of GDP in 2017). While in 2019 as stated by the chairman of Baznas that the potential for zakat in Indonesia is IDR 252 trillion, but the zakat collected by Baznas is very small compared to the potential for zakat collection which is formulated in the amount of IDR 8.1 trillion or only around 3.5% (CNBC Indonesia, May 16, 2019). In terms of distribution, the average national zakat distribution is 66.03 percent of the total zakat collected. (rri.co.id visited 9/25/2019). This shows that

optimizing the management of zakat is still very crucial considering the majority of Indonesia's population is Muslim and zakat is one of the pillars of Islam.

Several studies highlight that in addition to the low level of zakat literacy in Indonesian society, the unprofessional aspects of zakat management are the causes of zakat management in Indonesia being suboptimal. The study of Uzaifah (2010) and Sularno (2010) (Aedy, 2015) shows that this makes muzakki decide to donate directly to mustahik.

LITERATURE REVIEW

Zakat and Empowerment

Zakat is a few assets specifically given to certain groups distributed with certain conditions as well (Hafidhuddin, 2002). The group is mentioned in Al-Quran surah At-Taubah verse 60 namely Fakir, Poor, Amil, Muallaf, Servant of Sahaya, Gharimin, Fisabilillah, and Ibn Sabil. The group receiving the zakat is called Mustahik. Whereas the obligatory zakat group is called Muzakki. Zakat has been proven to play an important role in overcoming various economic problems such as the problem of economic inequality (BAZNAS, 2019) and the problem of poverty holistically (Ayyubi & Saputri, 2018)

The results of the assessment of the impact of zakat conducted by the Strategic Study Center of the National Amil Zakat Agency (Puskas-BAZNAS) in 2018 indicate that zakat can narrow a mustahik's income gap by 78%. In addition, empirically, zakat is able to help the state in removing mustahik from poverty 3.68 years earlier (PUSKAS, 2019). Also, this study shows that the number of poor groups fell by 28% after obtaining zakat funds. Whereas based on had kifayah, the decrease in the number of poor groups was 36%, if measured based on the rice Nisab the decrease was 23% and if measured based on the golden ratio the reduction in the number of poor groups reached 26% (BAZNAS, 2019).

Even more specifically zakat can improve welfare and reduce poverty, material poverty, spiritual poverty, and absolute poverty, as seen from changes in the Islamic CIBEST poverty index for mustahik households (Ayyubi & Saputri, 2018)

The main purpose of zakat is to help the poor and needy so that they can improve their standard of living. Financial assistance from zakat institutions provides opportunities for these asnaf to elevate themselves to a higher socioeconomic level. Thus in addition to the consumptive nature

of zakat funds must also accommodate the zakat which is intended for the development of asnaf life force in the form of productive zakat. Consumptive Zakat is in the form of fulfilling their.

Graduation Empowerment

One of the best practices in the world of empowerment for the poor is the application of a graduation model in Microfinance from Hashemi and Rosenberg (2006) and Hashemi and Umaira (2011) through 10 pilot projects in 2006 and continues to be replicated today in various countries.

Graduation models provide empowerment through systematic and measurable stages. The first stage is livelihood protection in the form of financial assistance for daily life (survival), guaranteed Employment, food aid, and cash grants, aim to improve the food security of the poor to avoid hunger and poverty. The next stage is livelihood protection in the form of facilitation to improve the skills of the poor to start a business through training and mentoring programs, encouraging starting savings and then providing subsidized loans.

In Indonesia alone, research that has raised this subject has not been done much including research (Yuniar, Hanifah, & Muljarjadi, 2018) that examines the effectiveness of the distribution of public funds using the results chain method from the MFI through the input-output-results stage. Likewise, a number of Islamic researchers proposed poverty alleviation models using Islamic charity funds such as zakat, infaq and alms, endowments integrated with microfinance (Obaidullah (2008); Kaleem and Ahmad (2009).

Holistic Approach

The holistic approach is intended as an approach to overcoming the problem of

poverty as a whole, where poverty is not only a matter of financial shortages, but also involves other aspects such as social problems and spiritual problems. So a holistic approach is needed regarding all these aspects. Holistic empowerment is one of the important aspects for optimizing the management of zakat in the Masjid by implementing empowerment in accordance with the characteristics of poverty. However, there are still very few studies that examine this holistic approach. Where many studies examine the empowerment of the financial aspects, for example the granting of assistance/financial grants) or social aspects (related to training and developing poor people's capacity). But studies related to the spiritual approach are still very rare.

A number of studies examine that one of the difficulties in empowering the poor is a spiritual problem where many poor people are sometimes far from their gods and also the problem of "character" that is not in line with the Islamic character such as the character of being ungrateful, dishonest, unsafe, unwilling to work hard and not expand friendship. In Islam it is believed that in addition to earnest endeavors in the world, God's permission to provide blessings that are blessed and sustainable is also the main thing that is sometimes overlooked by the poor. So that the spiritual approach is an important aspect to be addressed in empowerment activities.

One of the empirical studies examining the holistic approach is the study of Wediawati and setiawati (2016) and Wediawati et al (2018) where spiritual intermediation is carried out simultaneously with financial and social intermediation. Financial intermediation includes providing facilitation in the form of micro savings, micro financing, micro insurance, payment services and financial transfers. Social intermediation in the form of all activities to increase the confidence of the poor and their

capacities, while spiritual intermediation includes all activities carried out by the organization to increase the value and meaning of people's lives towards awareness and commitment to fulfill their obligations to God and humans through sharia exemplary sharia, education sharia and sharia training. With this holistic approach, poor people (mustahik) can be comprehensively handled in empowerment activities developed by empowerment institutions. One of the best practices of holistic empowerment in Indonesia and in the world can be seen in the empowerment activities implemented by the Jogokariyan Masjid, Jogjakarta. The activity of providing assistance to the poor is accompanied by spiritual empowerment where the poor are nurtured so that their obedience to God also increases.

RESEARCH METHOD

This research is a conceptual study using descriptive methods. The study was conducted through a literature review of selective papers that examined the best practices of managing social funds for the empowerment of the poor, especially zakat funds in Indonesia. The search was limited to seven journal portals, namely: (1) Elsevier Science. (2) Emerald. (3) JSTORE. (4) Springer Link. (5) Taylor & Francis. (6) Wiley-Blackwell. (7) Google Scholar.

The search is limited to articles that have keywords: "best practices of empowering the poor" as well as the keyword "Masjid" and zakat management. From this search, can be described based on keywords as follows:

Table 1. Number of Relevant Articles Based on The Journal Portal

Journal's Portal	Keywords	
	"Best practices" and "empowering the poor"	"Mosque/masjid" and "zakat management"
Elsevier	0	2
Emerald	0	0
Taylor and Francis	0	5
JSTOR	0	3
Springer	0	0
Wiley Lib	0	0
Google Schollar	0	291
Jumlah	0	299

Sources: Literature review

From the results of best practices AND empowering the poor, no one article was obtained. While with the keyword "Mosque/Masjid" AND "Zakat Management" obtained as many as 299 articles. Most articles are from Google Scholar. Screening is carried out to extract only studies that examine the optimization of Masjid-based zakat with the empowerment model for poor people who conduct themselves. The search results returned 10 relevant articles. Furthermore, to enrich the analysis, a search was made for reports from a number of institutions concerned with conducting research and at the same time implementing programs closely related to the empowerment of the poor, namely the Consultative Group Assist the Poorest (CGAP), the Institute of Research and Training Institute (IRTI) and the National Amil Zakat Agency (National Amil Zakat Agency) BAZNAS) for the past 10 years to obtain 8 relevant articles. Finally, a conceptual model was obtained that could optimize the management of zakat through the Masjid using the graduation empowerment approach.

Based on the results of the literature review of relevant articles, this study initiated the management of zakat conducted by the Masjid in the form of Baitul Maal Wattamwil by applying a holistic empowerment approach. The argument why the Masjid was carried out in the form of Baitul Maal Wattamwil has been revealed beforehand as well as empowering graduations with a holistic approach. Thus this session will discuss how to apply it so that it can have an impact on the lives of the poor.

Management of zakat in the Masjid must be done professionally, so it must be done separately from the management of the Masjid in general. For this reason, the institutional concept that has been stable to manage community funds so far in the Masjid can be in the form of microfinance institutions/Baitul Maal Wattamwil (Kaleem and Ahmad (2009) (Halim, Mohd, Ashikin, & Rom, 2012)

The form and stages of graduation empowerment are carried out by accommodating the classification of the poor as well as the level of their needs with the holistic approach illustrated in Figure 1.

As it is known, the poor have three kinds of needs, namely the need for survival (such as eating, drinking, housing), urgent needs (costs for sick family members, paying debts, housing repairs, etc.) and the need to develop life (business costs, entertainment, giving, etc.) .

Baitul maal wattamwil pattern can accommodate the classification of these needs in such a way. In Figure 1. can be seen the institutional structure of BMT in accommodating the three classifications of poor people according to Robinson (2000) classification, namely productive (economically active poor), the poor and the poorest through Baitul Maal and Baitul Tamwil.

RESULT AND DISCUSSION

Baitul Maal implements Social Intermediation to serve the poor and the poorest with social agreements (tabarru) in the form of economic incentives in the form of subsidies to the poor in accordance with sharia rules (Al-Quran Surat Attaubah: 60) and in the form of good loans (Qardhul Hasan).

The second is in the form of social incentives through assistance, training and other facilitation. This ensures the poor get "income" flow (from the rich) and builds their capacity and confidence.

Baitul Tamwil carries out the role of Financial Intermediation for economically active poor with commercial contracts (tjaro) in the form of fundraising in savings and deposits such as mudharabah and wadiah, and 2), distribution of funds through cooperation in equity contracts (syirkah) and sales contracts (bai '). To maintain the balance of the role of Baitul Maal and Baitul Tamwil in order to continue in accordance with Islamic principles, BMT plays the role of spiritual intermediation (Wediawati and Setiawati, 2016) where the activities carried out by BMT are:

1. Exemplary Sharia

Exemplary Sharia is an activity carried out by BMT stakeholders in two main activities which are exemplary in terms of good words (thoyyibah) and good behavior (Wediawati and Setiawati, 2016). Exemplary here is intended to build public trust about trustworthy BMT managers. Aqeedah Islam that is embedded in the soul of a Muslim, will be reflected in the speech and behavior that is Islamic and become the forming of Islamic personality as the main element of Islamic personal power.

2. Sharia Compliance

Sharia compliance is a BMT activity that is carried out in accordance with Shariah principles (Obaidullah, 2008; Obaidullah &

Khan, 2008; Wediawati and Setiawati, 2016; Sharia Covenant Guidelines (PAS) BMT). These activities include:

- a. Managers who understand the concept of Sharia and the concept of transactions in accordance with Islamic law (fiqh muamalah).
- b. Sharia Supervisory Board that functions in accordance with its duties and responsibilities in accordance with the provisions of the National Sharia Council-Indonesian Ulema Council (DSN-MUI)
- c. Regular Sharia audits as a control mechanism for BMT operations that are in line with sharia principles.
- d. All operational activities are in accordance with Islamic principles.

3. Sharia Education

Sharia education is a BMT activity to spread knowledge about Islamic law both about worship and about muamalah to BMT stakeholders. The target of knowledge sharing is divided into two classifications to make it easier for BMTs to design Islamic education materials, namely: a) external spiritual education to the general public (government, public and private); b) Internal spiritual education to improve and maintain the spiritual aspects of BMT members and administrators (Ascarya, 2012, Wasposito, 2008; Wediawati and Setiawati, 2016).

4. Sharia Training

Sharia training is an activity undertaken to enhance the skills of stakeholders in implementing Sharia concepts that are based on Faith, Islam and Ihsan in two main activities namely worship and muamalah activities (Mardhatillah and Rulindo, 2008; Wediawati & Setiawati 2016). These two things are inseparable unity. Because the practice of a Muslim in life is very much determined by the quality of his piety

(worship). Devoted worship produces a devout person in all aspects of life.

The implementation of intermediation activities allows BMT to apply a holistic approach to managing community funds, especially zakat. However, several important factors must be carried out by BMT to guarantee the successful management of zakat funds, namely:

1. *Data Base - Map of Community Empowerment*

A number of researches (Aedy, 2015; Wisandani, 2017) highlight that the weakness in zakat distribution is the absence of accurate data on muzakki and mustahik so that both the collection of funds and the distribution is carried out in a systematic and not measured manner.

The success of the community empowerment at the Jogokariyan Masjid, Jogjakarta is partly due to the empowerment map as a basis for designing sustainable empowerment programs. One strategy for building an accurate faith-based database is through Masjids.

2. *Partnership with institutions providing technical assistance.*

A number of studies (Adriani, Joeliaty, Hilmiana, & Yunizar, 2019) reveal that one of the weaknesses of Microfinance Institutions is that partnerships have not yet been developed either internal partnerships (eg Masjids with Masjids and Masjid organizations) as well as external partnerships (with NGOs, governments, the private sector). This partnership is useful for Masjid BMTs especially to overcome the problem of limited human resources managers, technology support, zakat management and also access to information. Partnerships with other

institutions can help Masjid BMTs collect and distribute zakat funds to entitled recipients more efficiently and effectively.

3. *Transparency*

As revealed, one of the problems in optimizing zakat fund management is the issue of trust. For this reason, one aspect that must be upheld is the Masjid BMT must ensure that management is carried out transparently, accountably and effectively. Masjid BMTs must have periodic, detailed, transparent and accountable financial reports especially for muzakki. This reporting can be done through general media such as the dhuafa wallet through mass media, through bulletins, or submitted to muzakki privately in the form of digital financial reports.

CONCLUCIONS

Based on the discussion that has been done, it can be concluded that the optimization of zakat can be done through the Masjid by applying graduation empowerment. To ensure optimization, at least six steps must be taken:

1. The masjid has baitul maal and baitul tamwil (BMT) as divisions that manage the social funds of Masjid worshippers;
2. BMT builds a *mustahik* and *muzakki* database as a basis for making maps of community empowerment;
3. BMT designs graduation empowerment for *mustahik* through holistic intermediation;
4. Professional managers;
5. Partnerships with technical assistance providers;
6. Program and reporting transparency

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APPENDIX

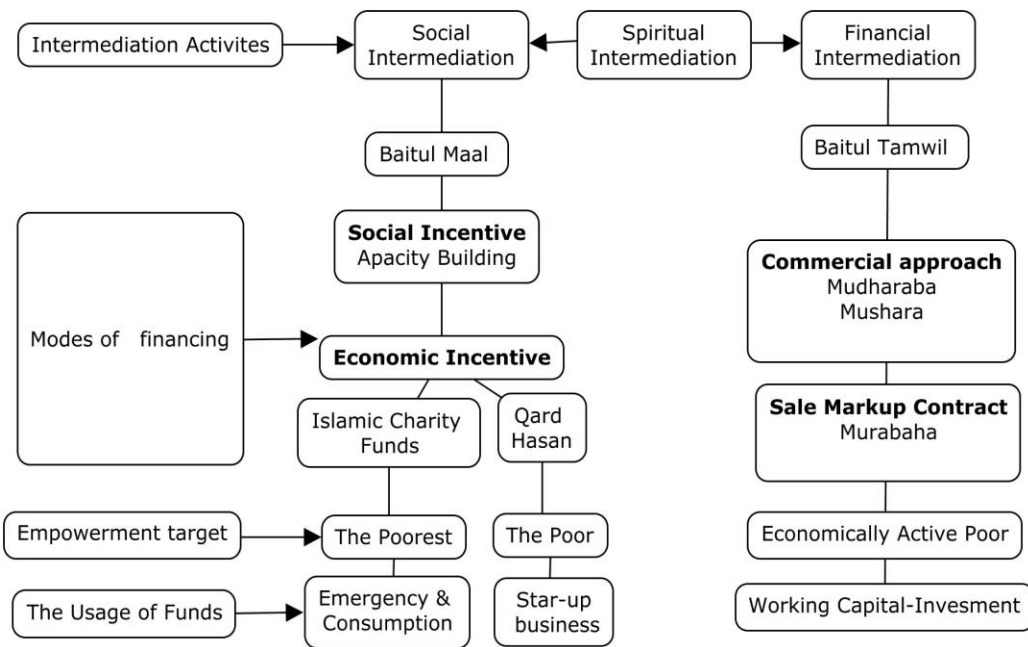


Figure 1. Graduation Empowerment through Masjid-Based Zakat Management