

opción

Revista de Antropología, Ciencias de la Comunicación y de la Información, Filosofía,
Linguística y Semiótica, Problemas del Desarrollo, la Ciencia y la Tecnología

Año 36, 2020, Especial N°

27

Revista de Ciencias Humanas y Sociales

ISSN 1012-1587/ ISSNe: 2477-9385

Depósito Legal pp 198402ZU45



Universidad del Zulia
Facultad Experimental de Ciencias
Departamento de Ciencias Humanas
Maracaibo - Venezuela

Efficiency of National Zakat Institutions on Increasing Muzakki from 2015-2016

Ahmad Maulana¹, Sunan Fanani^{1*}

Department of Islamic Economics, Faculty of Economics and Business,
Universitas Airlangga, Surabaya, Indonesia.

sunanfanani123@gmail.com

Abstract

Zakat is an obligation for Muslims who meet certain conditions (muzakki). Indonesia, the largest Muslim country, has facilitated citizens to channel zakat to who are entitled. The purpose of this study was to analyze the efficiency of a zakat institution on the growth of the muzakki numbers in Indonesia. Results showed that there is efficiency in LAZ Mandiri with a score of 0.76 in 2016 & needs to refer to LAZ Nahdlatul Ulama to improve its performance. Moreover, organizational performance of zakat management institutions has not been optimally increasing the number of muzakki in Indonesia.

Keywords: Zakat, Zakat institution, Muzakki, DEA.

Eficiencia de las instituciones nacionales de Zakat en el aumento de Muzakki de 2015-2016

Resumen

El zakat es una obligación para los musulmanes que cumplen ciertas condiciones (muzakki). Indonesia, el país musulmán más grandes, ha facilitado a los ciudadanos canalizar el zakat a quienes tienen derecho. El propósito de este estudio fue analizar la eficiencia de una institución zakat en el crecimiento de los números muzakki en Indonesia. Los resultados mostraron que hay eficiencia en LAZ Mandiri con un puntaje de 0.76 en 2016 y necesita referirse a LAZ Nahdlatul Ulama para mejorar su rendimiento. Además, el desempeño organizacional de las instituciones de gestión de zakat no ha aumentado de manera óptima el número de muzakki en Indonesia.

Palabras clave: Zakat, Institución zakat, Muzakki, DEA.

1. INTRODUCTION

One important question that arises from the many national amil zakat institutions is how effective the zakat institution is in increasing the number of muzakki in Indonesia. Zakat is a common thing in Indonesia. This is nothing else because Indonesia is a country with the largest Muslim population in the world. Zakat is the third pillar of Islam and is also a *Maliyah ijtima'iyah* worship that has various strategic social functions in order to improve the welfare of the people. *Maliyah ijtima'iyah* worship itself is worship that has material social dimensions (ILYAS et al., 1993). The success of the zakat instrument in the welfare of the ummah empirically has been proven in history during the Caliph Umar bin Abdul Azis.

At that time zakat which was managed in a trustful and professional manner by amil zakat, was able to improve the welfare of the people and minimize matters relating to poverty in a relatively short time (HAFIDHUDDIN, 2019). In terms of zakat, in Indonesia there are many national amil zakat institutions. As has been released on the page of the Directorate General of Taxes, there are currently 20 national amil zakat institutions, some of which are YDSF (Al Falah Social Fund Foundation), Yatim Mandiri and Laziznu (LAZIZ NADHATUL ULAMA) (DIREKTOR JENDERAL PAJAK, 2018).

The development of the acquisition of zakat increasingly shows a positive trend each year. Data from the National Zakat Agency (BAZNAS) shows that zakat collected nationally in 2015 reached 3.7

trillion. This figure shows a 54-fold increase from 2002 which was only 68.39 billion and or increased by 3.6 trillion in the period of 13 years. Seeing this good trend, the National Zakat Amil Agency (BAZNAS) targets that in 2016 it can collect as much as 5 trillion zakat.

Table 1: The Growth of Zakat Gain (Amil Zakat Institution. 2016)

Years	Zakat Obtained (in billion)
2002	68,39
2003	85,28
2004	150,09
2005	295, 5
2006	373,17
2007	740
2008	920
2009	1200
2010	1500
2011	1730
2012	2200
2013	2700
2014	3300
2015	3700

The development of significant zakat acquisition in 13 years from 2002 to 2015 turned out to be still very large gap when compared to the existing potential. Prof. Didin Hafidhudin as Chair of the

National Amil Zakat Agency (BAZNAS) for the period 2004-2015 explained that Indonesia's zakat potential is even greater, in 2009 he said that Indonesia's zakat potential reached 19.9 trillion per year (NU Online, 2009). Then based on research conducted by BAZNAS in collaboration with the Bogor Agricultural Institute and the Islamic Development Bank (IDB) in 2011 Indonesia's zakat potential data is known to be 3.4% of Indonesia's GDP or around 217 trillion.

The potential value of 217 trillion zakat consists of potential household industry zakat of 82.7 trillion, the potential of private industry zakat up to 114.89 trillion, BUMN zakat potential of 2.4 trillion, and the zakat of savings potential of 17 trillion. Based on the potential benchmark of 217 trillion, the potential of zakat can be calculated which can be absorbed by the amil zakat institution only around 1.7%, of course this portion of 1.7% is a very small number and this phenomenon can be used as an irony in a Muslim-majority country.

In 2007, the level of public awareness for zakat has increased (PIRAC, 2012). This survey shows that 55% of Muslim communities are aware and recognize themselves as obligatory to pay zakat (muzakki). This number increased 5.2% compared to the previous survey in 2004 which was 49.8%. This awareness raising is also seen from the obedience of muzakki in fulfilling their obligations. Most of the respondents who claimed to be compulsory zakat (muzakki) (95.5%) fulfilled their obligations to pay zakat.

Most of the respondents apparently chose to distribute their zakat to mosques around the house. The level of public trust in BAZ and LAZ is still very small and even decreases. Respondents who distributed their zakat to BAZ and LAZ decreased from 9% and 1.5% in the 2004 study to only 6% and 1.2%. From the results of this study it can be concluded that the dominant factors causing the inequality between the potential and realization of zakat acquisition absorbed by zakat institutions are more due to the large number of muzakki who distribute their zakat not to official zakat institutions, but directly to individuals. Therefore the authors are interested in conducting a study on the performance of zakat institutions with efficiency as the basis for calculating performance.

2. METHODOLOGY

The procedure in data collecting in this study was carried out by means of documentation and observation. Documentation is to collect financial report data and change reports on zakat funds in 2015-2016 from various sources such as journals, books, websites and related research, while observation is getting data through visiting directly to the institution or the website. In this study, the approach used is the production approach and variables in calculating the efficiency value using several input and output variables. The input variables used are fundraising expense, program expense, fixed assets, and current assets, while the output variables are funds collected, and funds that are successfully distributed.

Efficiency value = Input Variable / Output Variable

Data Envelopment Analysis (DEA) is a mathematical programming technique that measures the efficiency of decision-making units (UPK) against similar UPKs where all of these units are at or below the frontier efficient curve (DENIZER et al., 2000). This technique is used to measure the efficiency of each Decision Making Unit (DMU) by providing the maximum ratio of the proportion of output to the proportion of DEA inputs and profits is requiring less data and can work with small sample sizes (MUHAMMAD RIZKY PRIMA SAKTI, 2018).

3. RESULTS AND DISCUSSION

The financial reports have been obtained by DEA. The results obtained are included in the following Table 2. Fundraising expense incurred by the three LAZNAS experienced a difference where in 2015-2016 LAZNAS Yatim Mandiri managed to reduce fundraising expense by experiencing a decrease in this fee by 35%, which in 2015 fundraising expense reached Rp. 7,878,970,855 and dropped to Rp. 5,849,088,904 in 2016, while the other 2 LAZNAS, LAZ Al Falah Social Fund Foundation and LAZ Nahdlatul Ulama, both experienced an increase where the highest increase was experienced by the LAZNAS Nahdlatul Ulama at 71%.

Table 2: Analysis of changes

No	Analysis of changes	YATIM MANDIRI		YDSF		Lazisnu				
		Period 2015	2016	period 2015	2016	period 2015	2016			
				P		P				
1.	Fundraising expense	7.878.970.885	5.849.088.904	35%	500.518.910	627.657.168	20%	36.750.000	128.679.499	71%
2.	Program expense	2.584.947.490	3.112.778.903	17%	1.820.626.767	1.765.580.911	-3%	898.892.807	1.278.493.169	30%
3.	Fixed assets	110.031.115.151	126.392.111.819	13%	3.027.024.767	3.610.919.888	16%	1.365.000.000	3.865.800.000	63%
4.	Current asset	36.144.213.542	28.283.928.122	28%	4.321.456.478	6.138.975.167	30%	105.986.248	1.059.862.478	90%
5.	Funds acquisitions	60.889.514.578	68.129.767.324	11%	47.738.529.350	50.718.006.703	6%	5.992.618.712	59.926.187.120	90%
6.	The funds that successfully distributed	43.812.058.457	54.164.987.377	19%	49.857.662.872	48.207.379.499	-3%	5.056.975.905	58.866.324.692	91%

The expense program issued by the three LAZNAS showed a difference where LAZ Yatim Mandiri and LAZ Nahdlatul Ulama experienced an increase in program expense while LAZ Foundation for the Al Falah Social Fund decreased. LAZ Nahdlatul Ulama became LAZNAS which experienced the highest program expense increase of 30%, from Rp. 898,892,807 in 2015 to Rp. 1,278,493,169. Whereas LAZNAS Al Falah Social Fund Foundation succeeded in suppressing its program expense by experiencing a 3% decrease from that in 2015 of Rp. 1,820,626,767 to Rp. 1,765,580,911 in 2016.

The fixed assets of all three LAZNAS have all increased where LAZ Yatim Mandiri has increased in value by 13%, LAZ Al Falah Social Fund Foundation has increased by 16%, and the highest percentage increase has been experienced by LAZ Nahdlatul Ulama, which is 63% of 2015 worth Rp. 1,365,000,000 to Rp. 3,865,800,000 in 2016.

Changes in the value of current assets owned by the LAZNAS showed a difference where LAZNAS Yatim Mandiri experienced a decrease in the value of current assets by 28%, while the LAZNAS Al Falah Social Fund Foundation and LAZ Nahdlatul Ulama, where LAZ Nahdlatul Ulama experienced a 90% increase from in 2015 Rp. 105,986,248 to Rp. 1,059,862,478 in 2016.

Changes in the amount of zakat, infaq, shodaqoh collected by LAZNAS show that the equation has increased, where the LAZNAS Nahdlatul Ulama has the highest increase in the amount of funds raised

by 90% of which in 2015 amounted to Rp. 5,992,618,712 to Rp. 59,926,187,120 in 2016.

Changes in the amount of zakat funds, infaq, shodaqoh distributed by the three LAZNAS showed differences. LAZNAS Yatim Mandiri has increased the percentage of zakat, infaq, shodaqoh funds distributed by 16%, LAZNAS Nahdlatul Ulama has increased by 91%, while LAZNAS Al Falah Social Fund Foundation has decreased ZIS funds distributed by 6% from that in 2015 amounting to Rp. 49,857,662,852 to Rp. 48,207,379,499 in 2016.

The efficiency calculation in this study uses the Data Envelopment Analysis method with a production approach that is processed with the MaxDEA Basic tool. An efficient value will be obtained by the Zakat Management Organization if the existing variables produce maximum output. The input output variables used are processed to determine the value of efficiency. In the production approach, the institution / institution is considered as the fund manager that produces output from the funds owned, so the input output variables used in this study are fundraising expense, program expense, fixed assets, current assets, total ZIS funds collected, and total ZIS funds that distributed.

The nominal amount is not enough to analyze the level of efficiency of a Decision Making Unit. Data must be processed or calculated using Data Envelopment Analysis tools / software with several models and approaches. Calculation of efficiency with the

Variable Return to Scale (VRS) model is a model of efficiency calculation by assuming that if there is an addition of one input it cannot be followed by the addition of output. Constant Return to Scale (CRS) is an efficiency calculation model on DEA which includes that adding one input unit will increase one output as well. In terms of the approach, the input approach is the calculation of efficiency that focuses on minimizing the use of inputs, while the output approach is the calculation of efficiency that focuses on how to maximize output.

A Decision Making Unit is considered efficient if it has a score of 1 and is considered inefficient if the value is less than 1. From the results of data processing carried out using Data Envelopment Analysis, the efficiency level of the three LAZNAS shown in table 3.

Table 3: The efficiency level of the three LAZNAS

Decision Making Unit		Yatim Mandiri			YDSF		Lazisnu	
		Score		Benchmark	Score	Benchmark	Score	Benchmark
2015	Input Approach	CRS	1	YDSF (1,00)	1	YDSF (1,00)	1	YDSF (1,00)
		VRS	1	YDSF (1,00)	1	YDSF (1,00)	1	YDSF (1,00)
	Output Approach	CRS	1	YDSF (1,00)	1	YDSF (1,00)	1	YDSF (1,00)
		VRS	1	YDSF (1,00)	1	YDSF (1,00)	1	YDSF (1,00)
2016	Input Approach	CRS	0,76	Lazisnu (1,00)	1	Lazisnu (1,00)	1	Lazisnu (1,00)
		VRS	1	Lazisnu (1,00)	1	Lazisnu (1,00)	1	Lazisnu (1,00)
	Output Approach	CRS	0,76	Lazisnu (1,00)	1	Lazisnu (1,00)	1	Lazisnu (1,00)
		VRS	1	Lazisnu (1,00)	1	Lazisnu (1,00)	1	Lazisnu (1,00)

Benchmark is a reference for efficiency, which in calculating efficiency uses Data Envelopment Analysis. Each Decision-Making Unit will be compared to its efficiency with other Decision-Making Units, so that each Decision-Making Unit will have a benchmark. An efficient Decision-Making Unit benchmark will refer to the Decision-Making Unit itself, while the Inefficient Decision-Making Unit will refer to the more efficient Decision Making Unit.

As shown in the table above, where there is a score of 0.76 on the LAZ Yatim Mandiri efficiency score, this indicates that the efficiency of LAZ Yatim Mandiri as an institution that produces services in the calculation has only reached 76%, meaning there is still a 24% improvement opportunity. Inefficient Decision Making Unit will show benchmarks that refer to other Decision-Making Units, such as LAZ Yatim Mandiri above, it can be read that LAZ Yatim Mandiri in producing services with resources owned is less efficient than LAZ Nahdlatul Ulama.

The word "zakat" according to a review in terms of language is have meaning to increase. While according to the syara' review is a name for a particular asset, obtained (excluded) from a certain asset, according to certain methods, given to a certain group of people (ACHMAD, 1991). Etymologically Zakat has several meanings which are sacred. The purpose of this sacred word is holy from sin and immorality. In addition, zakat can also mean growing and blessing (DJUANDA, 2006). In Jurisprudence, the issue of zakat is placed on the second book of rub 'al worship, this explains the primacy of the

teachings of zakat compared to other teachings of teaching and shows only zakat which is considered contained with social value (RISYA, 2009). Zakat is the critical components of which has socio-economic-spiritual dimension that creates economic balance for the welfare of the people in the society which will avoid social, economic, and spiritual poverty (KUSUMA and RYANDONO, 2016).

The large number of national amil zakat institutions in Indonesia does not necessarily increase the rate of acquisition of zakat funds or muzakki. This study shows that not all zakat institutions are efficient institutions for distributing zakat funds. This is evidenced by the production approach which is an approach with financial institutions as makers of savings accounts and loans. The input in this approach is calculated from the number of workers, capital expenditures on fixed assets, and other materials such as land. The output of this approach is defined as the sum of the accounts. The production approach works together with the assumption that VRS will produce pure technical efficiency. This approach and assumptions resulted in a performance efficiency score at LAZNAS in 2015-2016 as a whole which has achieved efficiency. Consistent efficient scores were demonstrated by LAZ Yatim Mandiri, LAZ Al Falah Social Fund Foundation and LAZ Nahdlatul Ulama in 2015 to 2016.

This study found an inefficient score using the same approach but with different assumptions. In this case, to find this score, the assumption of CRS is needed which will result in overall technical efficiency. Performance efficiency values at LAZNAS in 2015-2016

obtained an inefficient score of 0.76 in the LAZ Yatim Mandiri Zakat Management Organization in 2016, while LAZ Yatim Mandiri & LAZ Nahdlatul Ulama were consistently consistent from 2015 to 2016 experiencing efficiency. This is in line with the previous study which states that the performance of the National zakat institution already has efficient calculation in carrying out its functions and roles (AINI, 2012; AKBAR, 2014; ISKANDAR, 2009; RAHMAYANTI, 2014).

The results of this study indicates that efficient scores alone are not enough to increase muzakki and zakat funds that can be collected and distributed by zakat institutions to the community. This shows that zakat nstitutions need to improve their efficiency by optimizing the inputs used such as operational expense & expense programs to carry out their roles as a zakat fund distribution optimally.

4. CONCLUSION

The large number of zakat institutions has not been able to increase the number of muzakki in countries that are dominated Muslim. The three institutions distributing zakat funds, LAZ Yatim Mandiri, LAZ Al Falah Social Fund Foundation (YDSF) and LAZ Nahdlatul Ulama, in 2015-2016 as a whole have achieved efficiency with the VRS approach. Future research is expected to be able to contribute more to how to increase the role of zakat institutions in Indonesia to meet the shortcomings and limitations of this study.

CONFLICT OF INTEREST

The author reports no conflict of interest of this work.

SOURCE OF FUNDING

This study is completed with individual funding.

REFERENCES

- ACHMAD, S. 1991. **Terjemah Fat-hul Qorib**.
- AINI, N.N. 2012. **Efisiensi Lembaga Zakat Nasional Menggunakan Metode Data Envelopment Analysis Periode 2008-2009**.
- AKBAR, N. 2014. **Analisis Efisiensi Organisasi Pengelola Zakat Nasional dengan Pendekatan Data Envelopment Analysis**. TAZKIA Islam. Financ. Bus. Rev. 4.
- DENIZER, C., DINC, M., & TARIMCILAR, M. 2000. **Measuring banking efficiency in the pre-and post-liberalization environment: Evidence from the Turkish banking system**. World Bank Publications.
- DIREKTOR JENDERAL PAJAK, 2018. 1.2.2.2.1.1. **Daftar Lembaga Keagamaan Yang Disahkan | Direktorat Jenderal Pajak [WWW Document]**. URL <http://webcache.googleusercontent.com/search?q=cache:http://www.pajak.go.id/content/122211-daftar-lembaga-keagamaan-yang-disahkan> (accessed 1.31.19).
- DJUANDA, G. 2006. **Pelaporan zakat pengurang pajak penghasilan**. RajaGrafindo Persada.
- HAFIDHUDDIN, D. 2019. **PERAN STRATEGIS ORGANISASI ZAKAT DALAM MENGUATKAN ZAKAT DI DUNIA**. *Al-Infaq J. Ekon. Islam* 2, 1–4.

- ILYAS, Y., AMIN, M.M., & LALITO, M.D. 1993. **Muhammadiyah dan NU: reorientasi wawasan keIslaman. Kerjasama LPPI UMY, LKPSM NU, dan PP Al-Muhsin.**
- ISKANDAR, T. 2009. **ANALISIS EFISIENSI KINERJA KEUANGAN PADA LEMBAGA AMIL ZAKAT POS KEADILAN PEDULI UMMAT (PKPU) YOGYAKARTA (PERIODE TAHUN 2004-2008).**
- KUSUMA, K.A., & RYANDONO, M.N.H. 2016. **Zakah index: Islamic economics' welfare measurement. Indones. J. Islam Muslim Soc.** 6, 273-301.
<https://doi.org/10.18326/ijjims.v6i1.273-301>
- MUHAMMAD RIZKY PRIMA SAKTI, A.M. 2018. **Efficiency, stability and asset quality of Islamic vis-à-vis conventional banks: Evidence from Indonesia. J. Islam. Account. Bus. Res.** 9, 378-400. <https://doi.org/https://doi.org/10.1108/JIABR-07-2015-0031>
- NU ONLINE, 2009. **Potensi Zakat Indonesia Mencapai Rp 19, 9 Triliun | NU Online [WWW Document].** URL <http://www.nu.or.id/post/read/20173/potensi-zakat-indonesia-mencapai-rp-199-triliun> (accessed 2.1.19).
- PIRAC, 2012. **Mensejahterakan Umat dengan Zakat | PIRAC [WWW Document].** URL <http://www.pirac.org/2012/05/25/mensejahterakan-umat-dengan-zakat/> (accessed 2.1.19).
- RAHMAYANTI, A. 2014. **Efisiensi Lembaga Amil Zakat dalam Mengelola Dana Zakat di Indonesia (Studi Kasus: PKPU, Rumah Zakat, dan BAMUIS BNI).**
- RISYA, M.S. 2009. **Zakat untuk pengentasan kemiskinan. PP LAZIS NU.**



**UNIVERSIDAD
DEL ZULIA**

opción

Revista de Ciencias Humanas y Sociales

Año 36, Especial N° 27 (2020)

Esta revista fue editada en formato digital por el personal de la Oficina de Publicaciones Científicas de la Facultad Experimental de Ciencias, Universidad del Zulia.

Maracaibo - Venezuela

www.luz.edu.ve

www.serbi.luz.edu.ve

produccioncientifica.luz.edu.ve