

Priority Problems and Solutions in Formulating Strategies to Optimize Zakat Collection in Indonesia: ANP Approach

Mochammad Ardani & Arif Pujiyono
Universitas Diponegoro

ABSTRACT

Zakat is giving part of the assets that are owned by a certain amount (nishab) at a certain time (haul) and giving it to a certain group (mustahiq). The potential for zakat in Indonesia is high, considering that the majority of Indonesia's population is Muslim. The potential for zakat collection in Indonesia is recorded at IDR 217 trillion. However, the amount of zakat funds that can be collected is only 10.22 trillion rupiah, which means 4.71% of the calculated potential. This research aims to determine priority problems, solutions and formulate strategies in optimizing zakat collection. The method used is the Analytical Network Process (ANP), which is a data analysis technique to formulate factor priorities and determine strategies based on several key-informant perspectives with in-depth interview technique. This study took key informants from the Ministry of Religion, the amil zakat agency (BAZ), amil zakat institution (LAZ), sharia economic community (MES), and academics in achieving the research objectives. The results of the study explained that the priority problems in collecting zakat are low reporting, governance of zakat institutions, low public awareness, and low levels of human resources. Priority solutions in collecting zakat are the provision of sharia audits, the establishment of SOPs for collecting zakat, zakat education, and establishing partners with social and humanitarian institutions. Strategies that can be implemented in optimizing zakat collection are tightening supervision for zakat institutions and increasing public's trust toward amil zakat institutions by improving their quality of governance and human resources.

Keywords: Zakat Collection, Optimization Strategy, BAZ, LAZ, Analytical Network Process.

JEL: D91, G41, L31.

INTRODUCTION

Zakat is part of property with certain conditions that Allah requires the owner to be handed over to certain people who are entitled to receive it with certain conditions too (Al-Qardhawi, 2011). Zakat is also the fourth pillar of Islam. The concept of zakat contains great economic wisdom or benefits. Zakat plays a significant role in the process of distributing assets so that they do not concentrate in certain groups and can have good consequences for the economy (Martono *et al.*, 2019). Amil is an inseparable element in the implementation of zakat. Amil zakat is a person who carries out all activities related to zakat matters, including the process of collecting,

maintaining and distribution, as well as the task of recording the entry and exit of the zakat fund (Hafidhuddin, 2002).

The amil zakat institution is regulated in Law Number 23 of 2011 concerning Zakat Management. There are two types of zakat institutions in Indonesia, namely the amil zakat agency (BAZ) which is formed by the state and the amil zakat institution (LAZ) which is formed by the public sector (Wahyuni-TD *et al.*, 2021). The zakat management at BAZ and LAZ is divided into two things: the collection of zakat funds (funding) and the distribution of zakat funds (lending). Various problems arise related to the two management, more specifically related to the collection of

zakat among Indonesian society which actually has very high potential.

The potential for zakat can be seen from the total population of Indonesia, which is predominantly Muslim, which is 200.18 people (87.12%) of the total population (Global Religious Futures, 2020). If the number of Muslim populations gets bigger, the potential for zakat that can be collected is also higher. The next

potential can be seen from the increase in the number of amil zakat institutions from year to year (Table 1). LAZ is experiencing a more massive development compared to BAZ, but BAZ has the advantage of the distribution of offices that can reach up to the district/city level. BAZ also has the authority to form zakat collection unit (UPZ) at a smaller level of society, such as in sub-districts or in mosques.

Table 1. Number of Zakat Organizations (OPZ) in 2015-2019

<i>Year</i>	<i>National LAZ</i>	<i>Province LAZ</i>	<i>City LAZ</i>	<i>National BAZ</i>	<i>Province BAZ</i>	<i>City BAZ</i>	<i>Total</i>
2015	5	-	2	1	34	476	518
2016	16	7	10	1	34	514	582
2017	19	11	25	1	34	514	604
2018	23	14	32	1	34	514	618
2019	26	18	37	1	34	514	630

Source: BAZNAS (2020a).

The potential for zakat in Indonesia is significant and has been researched through various approaches (Asfarina *et al.*, 2019). Previous research has explained that the potential for zakat is IDR 217 trillion (Firdaus *et al.*, 2012), IDR 270 trillion (Huda *et al.*, 2014), IDR 462 trillion (Sudiby, 2018), and IDR 233,8 trillion (PUSKAS BAZNAS, 2020). In fact, the zakat that can be collected from the

Indonesian people is still very minimal. The amount of ZIS funds raised in 2019 was IDR 10.22 trillion (BAZNAS, 2020b). This amount is only 4.91% of the total potential estimated in existing researches. Even if it is compared with the Gross Domestic Product (GDP) of Indonesia, the amount of zakat funds collected does not reach 2.5% (Table 2).

Table 2. Proportion of Zakat Collection to Indonesia's GDP in 2015-2019

<i>Year</i>	<i>Indonesia's GDP (billion rupiah)</i>	<i>Zakat Collection (billion rupiah)</i>	<i>Zakat Collection to PDB (%)</i>
2015	11.526	3,65	0,032
2016	12.401	5,02	0,040
2017	13.589	6,22	0,046
2018	14.838	8,12	0,055
2019	15.833	10,23	0,065

Source: BPS (2020), processed.

The proportion of zakat realization collected compared to Indonesia's GDP only ranges from 0.032% to 0.064%. These figures are still far from the ratio of zakat *nishab* to income in general, which is 2.5%. (Bin-Nashwan *et al.*, 2020). This shows that the collection of zakat in Indonesia is still

very far from the existing potential and very likely to be optimized.

The increase in zakat institutions has not been able to optimize the zakat funds collected from the community (Mongkito *et al.*, 2018). According to Yusuf and Derus (2013), this is because: 1)

zakat is still too focused on zakat fitrah; 2) lack of information regarding the concept of zakat in society; and 3) low trust in zakat institutions. The low professionalism of zakat organization also became a problem in zakat management (Nasri et al., 2019).

On the other hand, zakat has a huge impact on the economy. Zakat is an instrument to reduce the income gap between the rich and the poor (Andiani et al., 2018; Kasri and Putri, 2018; Widiastuti et al., 2018). Zakat can also be an empowerment tool for the poor (Manara et al., 2018). It is very important to ensure that zakat can be collected optimally if we see the big benefits.

In fact, the issue of sub-optimal zakat collection is complex and needs to be seen from the perspective of all elements in zakat, namely regulators, supervisors, amil institutions, and the community. This can be done through the formulation of a

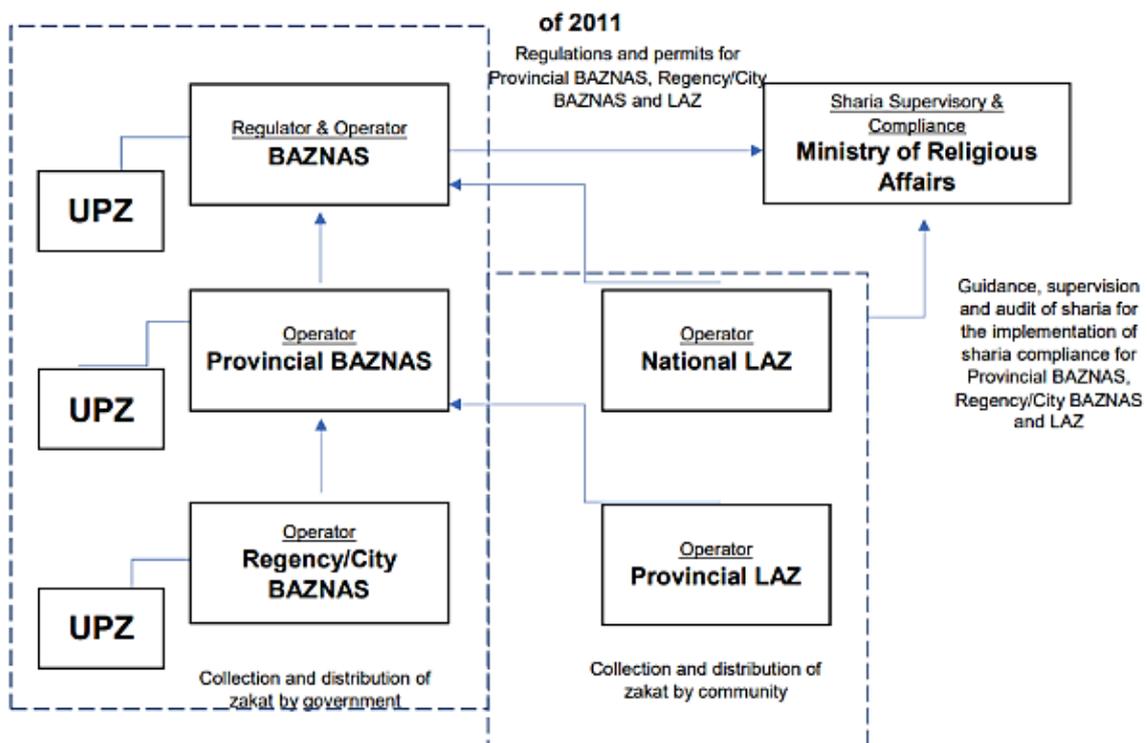
strategy that is designed by looking at various sides. That's why this study used Analytical Network Process (ANP) to identify problems and solutions priority to form strategies of zakat optimization.

LITERATURE REVIEW

Institutions of Zakat

Yustika (2013) describes institutions as rules of the game in society. The rules of the game include regulations that establish the community in interacting. Organization becomes an important element in the institution (Ankarlo, 2002), especially in the management of zakat in Indonesia. The structure of zakat institutions has been regulated in Law Number 23 of 2011. The organizational structure of zakat in Indonesia can be seen in Figure 1.

Figure 1. Structure of Amil Zakat Institution in Indonesia



Source: BAZNAS (2019).

Institutions that oversee and have the authority to collect zakat are included in the zakat management organization (OPZ), which consists of BAZ, LAZ, and UPZ. According to Government Regulation (PP) Number 14 of 2014, BAZ is a zakat institution established by the government under the Ministry of Religion of the Republic of Indonesia directly, while LAZ is a zakat institution established by the public and is private.

The central BAZNAS has two functions according to applicable laws, namely as an operator and a regulator. The central BAZNAS as an operator can form an UPZ in charge of collecting, managing and distributing zakat and other religious funds (DSKL). BAZNAS as the regulator functions to provide licenses and subordinate operations to zakat institutions established in Indonesia. The nature of the reporting of the BAZNAS structure is bottom up, namely: from UPZ reporting to district/city BAZ, then district/city BAZ reports to provincial BAZ, and provincial BAZ reports to central BAZNAS.

There is a slight difference between the provincial and national LAZ systems. The provincial LAZ is responsible for reporting to the provincial BAZNAS and the national LAZ. The national LAZ is also responsible for reporting to the national BAZNAS. It can be concluded that in the end, all zakat institution operations must be reported to the central BAZNAS and audited by the Indonesian Ministry of Religion as a supervisor.

Zakat in the Perspective of Islamic Consumption

What cannot be separated from one's consumption is seen from the aspects of urgency, purpose, and consumption ethics. The main purpose of a Muslim's consumption is as a means of helping to worship Allah. Consuming something with the intention of increasing stamina in obedience to devotion to Allah will make

consumption valuable worship for which humans get reward (Pujiyono, 2006).

Consumption in Islam also considers the fulfilment of needs for the present and the future. This is an intertemporal consumption theory put forward in conventional economics, that consumption is also carried out in two times (Karim, 2008). Income is the sum of consumption and saving, it can be written as an equation (i).

$$Y = C + S \quad (i)$$

where,

Y = Income.

C = Consumption (present times).

S = Saving (future times).

The future time as intended in Islamic understanding is not only in the world, but also in the Last Day. Therefore, the savings that are accumulated in the world should have the benefit of being used when the End Times will come (QS. Al-Baqarah verse 254 and 274). Consumption brought up to the End Times can be in the form of zakat, infaq, alms, and waqf.

Rasulullah explained in a hadith whose meaning is, "What you own is what you have eaten and what you have fed". Therefore, the income equation in intertemporal consumption theory according to Islam becomes like an equation (ii) (Karim, 2008).

$$Y = FS + S \quad (ii)$$

In which:

Y = Income.

FS = Final Spending in the way of Allah which includes consumption (C) and infaq.

S = Saving.

This concept assumes that zakat is allocated as a person's consumption, thus reducing one's income. This makes zakat as one of the behaviours in Islamic consumption, because it has a purpose to fulfil future needs spiritually.

Previous Research

Previous research discusses zakat collection strategies from the management side of the amil zakat institution (Abidah, 2016; Andiani *et al.*, 2018; Coryna and Tanjung, 2015; Kasri and Putri, 2018; Mintarti, 2011). There are also those who discuss the public's interest in paying zakat to institutions (Bin-Nashwan *et al.*, 2020; Muda *et al.*, 2006; Saad and Haniffa, 2014; Satrio and Siswantoro, 2016).

The problem of zakat collection is a complex matter and needs to be seen from the perspective of all elements in zakat, namely regulators, supervisors, amil institutions, and the community. There are also few previous studies that use the ANP method as the basis for a research approach to determine strategy. With ANP, components can be analysed based on their priorities and through a cross-stakeholder perspective to obtain comprehensive results. Those are the novelty in this research when compared with previous research.

METHODOLOGY

Table 3. Research Key Informants

No.	Name	Position	Category
1.	H. Hasan Toha, MBA.	Head of MES Central Java	Expert
2.	Satria Nova, S.T.	Head of LAZ Dompot Dhuafa Central Java	Practitioner
3.	H. Sobirin, S.Pd.I	Division of Zakat and Waqf Empowerment Regional Office of Kemenag Central Java	Practitioner
4.	Prof. Dr. Ahmad Rofiq, M.A.	Professor at UIN Walisongo, Semarang and Vice Head of MUI Central Java.	Expert
5.	Munif Ibn Fatahu Syarif	Zakat Management Division of BAZNAS Central Java	Practitioner

Source: Author's computation (2020)

Data Analysis

The analysis was performed using the Analytical Network Process (ANP) method. ANP is used when there are complex interrelationships between decisions and choices. The reciprocity that results from ANP is to turn the hierarchy into a network (Valmohammadi and Dashti,

Sample

This study uses key informants in data collection in the field. Key informants are selected based on their capabilities, experience and authority within the scope of zakat management, particularly in the field of collection. The selected informants are adjusted to the criteria that become the research variables, consisting of experts and practitioners with a total of 3-5 respondents for limited conditions (Ascarya *et al.*, 2018).

Experts are selected from the perspective of the MUI institution as well as university lecturers who have research experience in the field of zakat and also the perspective of the community as representatives of *muzakki* who act as distributors of zakat funds. These community representatives were selected from the community board of the sharia economic community (MES). The selected practitioners include the Ministry of Religion as the supervisor and regulator, BAZ, and LAZ as the amil zakat institution. The respondents used in this study can be seen in Table 3.

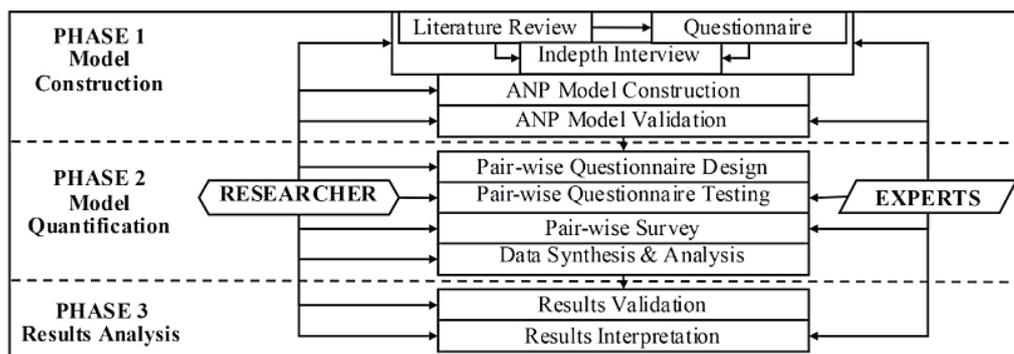
2016). This makes inter-cluster relationships interrelated, not structured from top to bottom or vice versa. The ANP method does not only link clusters to criteria, but can link criteria to one another so as to produce feedback (Saaty and Vargas, 2005). The ANP method is used in order to see the interaction and feedback between criteria (inner dependence) and

between sub-criteria (outer dependence) (Onut *et al.*, 2011).

The steps taken in research using the ANP method can be seen in Figure 2. These steps are the development of the ANP

stages by Ascarya (2014) from the model introduced by Saaty and Vargas (2005). The implementation of research using the ANP method involves at least three main stages, namely model construction, model quantification, and results analysis.

Figure 2. Research Steps of ANP



Sumber: Ascarya (2014).

The first step is to make a model of the research that will be carried out. This model can be formed from the initial survey in order to see the current conditions. The source used can be in the form of literature study through the literature review method or through discussions with related experts and deepening the problems from the experts.

The next stage is weighting the model that has been formed. Weighting between criteria and between sub-criteria is carried out through in-depth interviews with predetermined key informants. The weighting is based on the comparison between the components in the criteria and sub-criteria, which is also called a pairwise comparison.

The questionnaire formulation was done using a pairwise comparison approach with the aim of finding out which of the two things had a more dominant influence. Weighting is done through interviews and assessments are carried out using fuzzy numbers. Fuzzy numbers describe how closely related elements are when juxtaposed. Fuzzy numbers and their linguistic scales are described in Table 4.

Table 4. Fuzzy Number Linguistic Scale

Fuzzy Number	Linguistic Scale
1	Equally important
3	Somewhat important
5	Essentially important
7	Very strongly important
9	Absolutely important
2, 4, 6, 8	Intermediate value (x)

Source: Valmohammadi and Dashti (2016).

The data that has been collected is processed through Super Decisions software. Data processing starts from data input into the software, then pairwise comparisons are made for existing criteria and between sub-criteria. Before the data is processed in software, what is done is to determine the geometric mean and calculation of Kendall's coefficient of concordance, with the aim of measuring the suitability between respondents.

The geometric mean is a type of average calculation that shows the center of tendency or a certain value that has a formula such as equation (iii) (Ascarya and Yumanita, 2018).

$$(\prod_{i=1}^n a_i)^{1/n} = \sqrt[n]{a_1 a_2 \dots a_n} \quad (\text{iii})$$

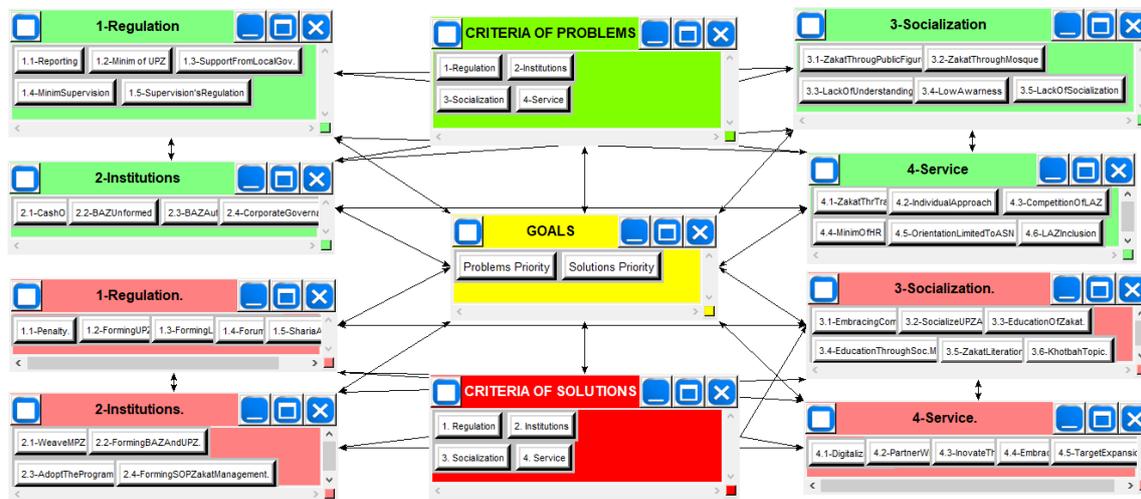
In addition to the geometric mean, the measurement of the agreement on the answers of each respondent is also carried out by calculating the Ratter Agreement and Kendall's W. Ratter Agreement is a measure that shows the suitability of the respondents' agreement (R1-Rn) to a problem in one cluster. If the value of W = 1, it indicates a perfect level of conformity. Vice versa, if W = 0, then it shows no compatibility at all.

RESULTS

Model Construction

The research model was built through literature study steps on previous studies, discussions with academics and experts, and in-depth interviews with research subjects (Ali et al., 2020). The subjects interviewed came from experts (academics, fatwa publishers, and community) and practitioners (ministries, supervisors, and amil institutions).

Figure 3. Research Model Framework



Source: Author's computation (2020)

The ANP model has a network form that is interconnected between its parts (Figure 3). That is, the "goal" part has reciprocal connections to the criteria and sub-criteria. The criteria section has reciprocal connections to their respective sub-criteria. Meanwhile, each sub-criteria section has connections to sub-criteria outside of its own criteria.

The ANP model that is built consists of three parts, namely objectives, criteria, and sub-criteria. The objectives listed in this research model are:

- Determination of priority problems in collecting zakat.
- Determination of priority solutions in collecting zakat.

The direct objective section with the following criteria formed based on the research initial survey, which consists of:

- Regulation, containing the conditions of the laws and regulations on zakat management as well as the conditions for monitoring zakat management.
- Institutions, contains related zakat institutional system in Indonesia in general.
- Socialization contains the conditions related to the collection of zakat funds from the community and what has been done by zakat stakeholders in collecting zakat from the community.
- Service contains related to the provision of zakat collection services carried out by amil zakat institutions,

including in providing convenience in collecting zakat.

Each criterion that is formed has 4 to 6 components which are the elaboration of these criteria. These components are referred to as sub-criteria. Sub-criteria are formed based on the problem side and the solution side. Both things are adjusted and have valid synchronization, because they are determined based on the results of in-depth interviews.

Model Quantification

The test begins by measuring the level of consistency of the pairwise comparison between elements. The consistency level limit of each pairwise comparison is 90%. That is, there is a maximum tolerance level of 10% (0.10) that the data being compared is inconsistent. The results of the consistency test for each criterion used can be seen in Table 4.

Table 4. Inconsistency Test Results

Components	Inconsistency					
	R1	R2	R3	R4	R5	ALL
Problem						
Criteria	0,01368	0,01914	0,04989	0,03244	0,01914	0,01332
Sub-criteria Regulation	0,03109	0,04650	0,03010	0,03738	0,01970	0,01332
Sub-criteria Institutions	0,01368	0,03036	0,01914	0,02752	0,01914	0,01195
Sub-criteria Socialization	0,01368	0,01913	0,01913	0,00812	0,00296	0,02150
Sub-criteria Service	0,00574	0,01733	0,02102	0,03439	0,02190	0,00124
Solution						
Criteria	0,01914	0,02597	0,01039	0,03120	0,00388	0,00781
Sub-criteria Regulation	0,03082	0,07690	0,03114	0,02232	0,03010	0,00654
Sub-criteria Institutions	0,05794	0,02602	0,05023	0,04288	0,02844	0,02639
Sub-criteria Socialization	0,05794	0,02602	0,01959	0,02245	0,02506	0,00455
Sub-criteria Service	0,02021	0,04132	0,04259	0,03506	0,01386	0,02791

Source: Author's computation (2020).

The results of the consistency test showed that all pairwise comparisons had an inconsistency level below 10% (0.10). The highest inconsistency value is in the Regulation sub-criteria in the solution aspect, with a value of 0.0769. This indicates that all pairwise comparisons are consistent and priority results can be analysed.

Results of the pairwise comparison between elements are divided into several parts: 1) Comparison of priorities between criteria; 2) Comparison of priorities between sub-criteria within the same criteria; and 3) Comparison of priorities among sub-criteria as a whole.

The order of priority of pairwise comparisons between criteria can be seen in Figures 4a and 4b.

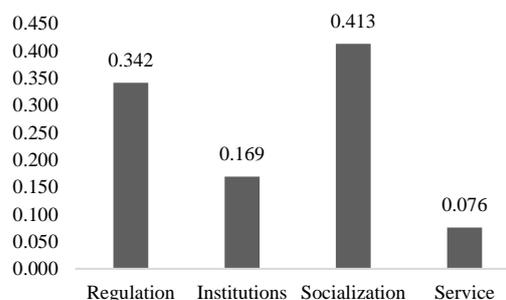


Figure 4a. Priority Criteria from Problem Aspects

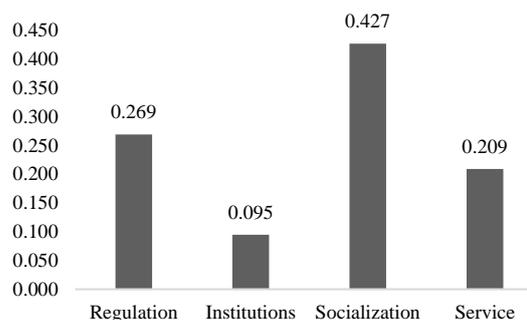


Figure 4b. Priority Criteria from Solution Aspects

Source: Author’s computation (2020)

The criterion that is considered the most priority in terms of the problem is socialization with points 0.413. Followed by the criteria for Regulation (0.342), Institutional (0.169), and Services (0.076). Meanwhile, the priority criterion in the zakat collection solution is socialization

with a score of 0.427. Followed by the criteria for Regulation (0.269), Service (0.209), and Institutional (0.095).

Comparisons between sub-criteria are also divided into aspects of problems and solutions. The priority results from pairwise comparisons between sub-criteria for each criterion can be seen in Figures 5a and 5b.

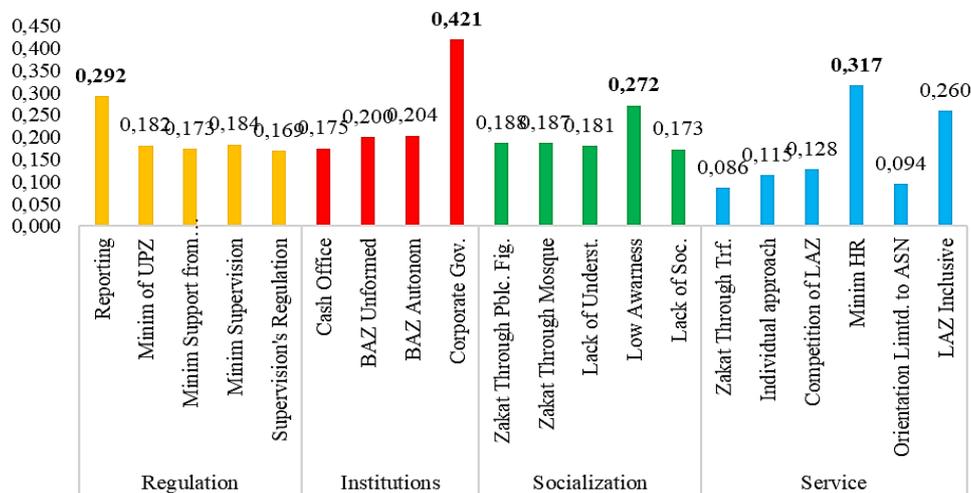


Figure 5a. Priority Between Sub Criteria in Each Criteria of the Aspect of the Problem

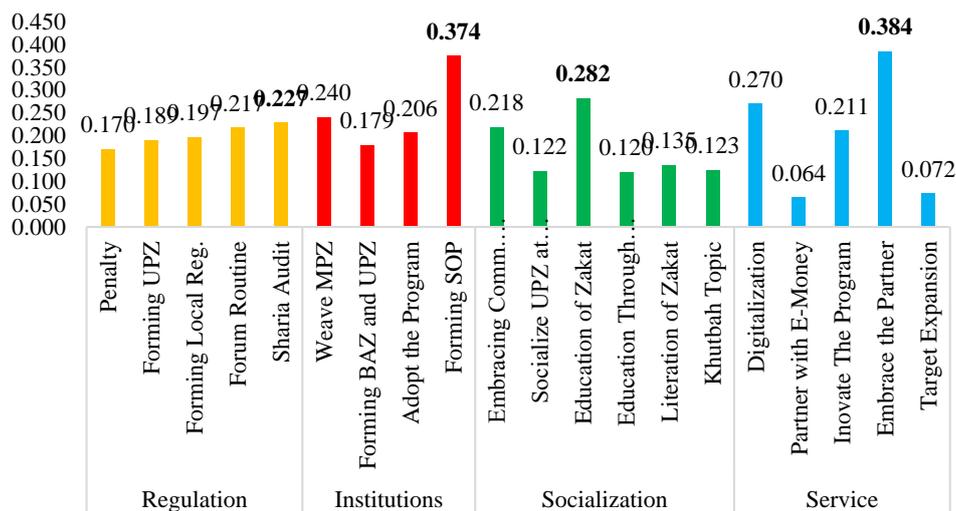


Figure 5b. Priority Between Sub Criteria in Each Criteria of Solution Aspect

Source: Author’s computation (2020)

Sub-criteria that are considered a priority issue for each criterion are related

to reporting (0.292), governance of zakat institutions (0.421), low public awareness

(0.272), and lack of human resources (HR) (0.317). Meanwhile, the sub-criteria that are considered a priority solution in optimizing zakat collection are the provision of sharia audits (0.227); making SOPs for zakat management (0.374), zakat education (0.282), and establishing partners with social-humanitarian institutions (0.384).

The calculation of weights for all elements in the model is also carried out in order to find out which sub-criteria are the priority choices. This is done by limiting the overall weight calculation of the sub-criteria. The priority of the paired weighting results is illustrated in Figures 6a and 6b.

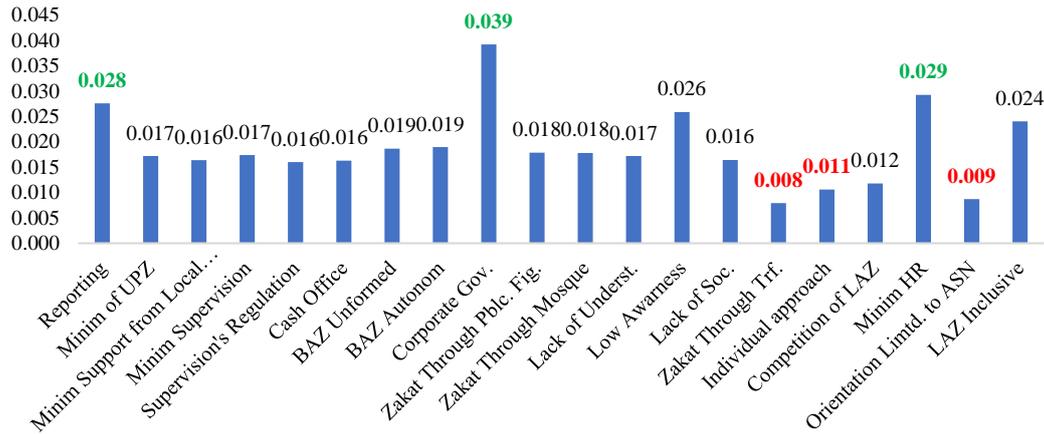


Figure 6a. Limitation of Priority for All Sub-Criteria in Problem Aspect

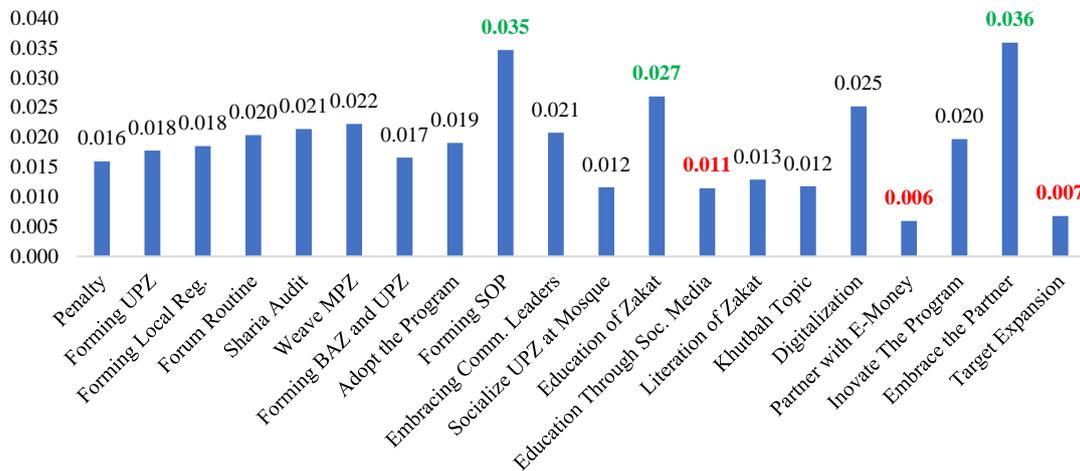


Figure 6b. Limitation of Priority for All Sub-Criteria in terms of Solution

Source: Author's computation (2020)

The result of the order of the most priority sub-criteria seen from the problem aspect is the corporate governance of the amil zakat institution with a score of 0.039, followed by the sub-criteria for minimum HR (0.029) and the sub-criteria for reporting (0.028). Meanwhile, the sub-

criteria that are considered the least priority so far are zakat through transfer (0.008), orientation limited to ASN (0.009), and individual methods (0.011).

The sub-criteria that are considered to have the highest priority in zakat collection solutions are establishing

partners with social and humanitarian institutions (0.036), procurement of SOPs for zakat collection management (0.035), and zakat education (0.027). On the other hand, the sub-criteria considered to be the least priority to date to become a solution for collecting zakat are becoming an e-money partner (0.006), expanding the target (0.007), and education through social media (0.011).

DISCUSSION

Criteria Priority

Socialization is considered to be the main problem because many people still do not understand the obligation to pay zakat in full. There are still many people who do not understand the types of zakat that must be paid, the calculation of assets that must be zakat, and where to distribute the zakat to be paid. On the other hand, people who probably already understand about zakat are not aware of paying zakat.

Even so, people who already understand about zakat also do not automatically pay their zakat to the official amil zakat institution. There are still many people who pay their zakat through community leaders. Not a few also distribute their zakat through local mosques or even directly to the poor around them (Ascarya and Yumanita, 2018).

These methods can certainly cause zakat funds that are distributed not to be recorded in the regional or national zakat collection reports. There are still many mosques that do not register themselves as official zakat institutions or even as UPZs. As a result, the zakat funds that have been collected cannot be recorded and become one of the causes for the gap in the realization and the potential for zakat is very large.

So far, the act of intelligence and socialization to the public about the importance of paying zakat is still low.

Therefore, the socialization criteria rank priority in terms of the problem of collecting zakat.

In line with the problem, the criteria for socialization are also a priority order for zakat collection solutions in Indonesia. The following priorities are followed by the criteria for Regulation, Services and Institutions. This shows that there is a need for community intelligence movements related to zakat and public awareness of the obligation to pay zakat. However, it is not quite there. The community also needs to be directed to distribute their zakat through amil zakat institutions (be it BAZ, LAZ, or UPZ) which are officially registered on a national and regional scale. This is necessary so that zakat distribution can be recorded and entered into a national accumulative report.

Problems and Solution Priority in Regulation Criteria

The reporting problem is in line with the previous discussion which explained that many institutions do not report their zakat management. There are still many amil zakat institutions that operate without official permission from the authorities. That way, the reports of their zakat collection do not exist, or are not submitted to BAZNAS and the Ministry of Religion as the central regulator. In fact, there are still many official amil zakat institutions that do not submit their zakat collection reports. The reasons behind this are various, ranging from the low capability of existing resources, a disorganized financial system, to the low level of supervision by local authorities.

The laws and regulations require that every institution that collects and manages zakat funds must submit a report to the local BAZ at least once a year. For zakat institutions at the regional level, it is obligatory to report it to Regional BAZ in their area. Then, Regional BAZ will convey it to BAZNAS. The reporting rules are bottom up structured. In the law itself,

sanctions can be given to institutions that do not comply with these rules. Even so, imposing sanctions is deemed inappropriate because the problem of managing zakat is a social and humanitarian problem. If there is a humanitarian agency that stumbles on a small scandal like this, it will cause a bad perception in the community.

Therefore, the solution that is considered the most priority is the existence of a sharia audit. Sub-criteria from the solution aspect that are considered the next priority are holding routine FOZ, forming regional regulations, forming UPZ, and the least priority is the application of sanctions.

Sharia audit is an audit process at amil zakat institutions from a financial aspect and compliance with sharia regulations related to zakat management. The amil zakat institution should accept two audits, namely audits from public accountants (general financial reports) and sharia audits. According to Yusuf and Derus (2013), the sharia audit process of zakat institutions was first exemplified by the Caliph Umar bin Khattab in order to increase the control and credibility of the institution.

Problems and Solution Priority in Institutions Criteria

Corporate governance is an important point in the sustainability of an institution. Usually, large private companies pay great attention to governance. For amil zakat institutions in Indonesia, the factor of institutional governance is often ignored. The governance of zakat institutions in Indonesia is not well standardized. The existence of good governance is able to increase the performance and professionalism of the institution and foster public trust in the institution. This is in line with research from Abidah (2016) and Wahyuni-TD et al. (2021).

Included in this is the management of amil's HR which has not been going well so far. The results of the interview

explained that one of the weaknesses of HR in zakat institutions is that most of them do not have the basics of zakat management. They also do not have a strong desire to pursue the amil field, because they make this job the umpteenth choice (not the main choice). This has an impact on the development of the institution's performance in the future.

The solution that is considered a priority for the institutional category is the establishment of SOPs for zakat institutions in collecting and managing zakat. The next priority solution is to establish MPZ, adopt superior programs, and form BAZ-UPZ as run by BAZNAS Central Java, where each division and activities have its own SOP. In total there are 12 SOPs related to certain activities in BAZNAS Central Java. Therefore, BAZNAS can formulate an SOP that can be applied to all zakat institutions in Indonesia. That way, the direction of movement and governance of amil zakat institutions in Indonesia has uniformity in the ultimate goal.

Another solution that can be applied in optimizing zakat collection is establishing a zakat collecting partner (MPZ) for amil zakat institutions. This is in line with research from Kasri and Putri (2018) which suggests expanding the sources of zakat collection. The existence of MPZ will make it easier for LAZ to collect zakat because it is able to reach areas that could be far from LAZ's original location. This is implemented by LAZ Dompot Dhuafa. LAZ Dompot Dhuafa only has representative offices in 31 provinces throughout Indonesia, but they use the MPZ network to expand its movement, including expanding the area for collecting zakat funds.

Problems and Solution Priority in Socialization Criteria

If we look at the criteria for socialization, it can be seen that the community is still not fully aware of the obligation to give zakat. The results of interviews with the Chair of

the MES and the Ministry of Religion also revealed repeatedly that zakat points could not be collected maximally due to the lack of desire and interest of the community to pay zakat, even though the assets owned were sufficient for the compulsory zakat.

The awareness of paying zakat can also be influenced by people's understanding of zakat. This is in line with research published by Puskas BAZNAS, that the level of community literacy is still at 67.14% and is in the medium category (Herlin *et al.*, 2017). This means, there are still 32.86% of people who do not understand and are aware of paying zakat.

Compliance to pay zakat is also influenced by subjective attitudes and norms that exist in society (Saad and Haniffa, 2014). This means that the people's habit of not paying zakat is also a factor in the lack of awareness to pay zakat as a whole. According to the respondents, this could be because the community has already paid taxes, so there is no need to pay zakat anymore. In fact, zakat can be a tax deduction.

The solution that becomes a priority in the criteria for socialization is to intensify zakat education. The knowledge of zakat had proven to be important in directing people paying zakat through zakat institution (Annahl *et al.*, 2021). It can start from elementary, high school and extend to college institution. With the tiered zakat education, people will be aware and know when to pay zakat when they enter the world of work later.

According to research respondents, the condition of zakat education in Indonesia has so far only been applied intensively in madrasah-based (MI, MTs, MA) or Islamic-based schools (SDIT, SMPIT, SMAIT). Zakat education which is included in the subject of Religious Education is still insufficient to instill the importance of discussing zakat in detail.

This is in line with research from Ascarya and Yumanita (2018) which

formulated strategic priorities in the form of education to the public to increase awareness in paying zakat. Abidah (2016) on her research also provides an example from LAZIS-MU which involves educational institutions as a place to learn zakat in practice.

Problems and Solution Priority in Service Criteria

All respondents generally agree that zakat institutions in Indonesia have limitations in terms of the quantity and quality of their resources, especially in HR. In line with research from Abidah (2016), there are still many zakat institutions that only rely on traditional systems with weak HR. This can have an impact on the performance of collecting zakat.

In addition, there are still many amil zakat officers who do not understand the ins and outs of the concept and practice of zakat. This was also explained by LAZ Dompot Dhuafa which stated that there are still many amil officers who make their job the final way of looking for work. They do not make amil work their first choice in job search. At first, they had tried here and there to get a job, but it was not accepted anywhere. When they get their turn to be accepted as amil zakat officers, they also accept them professionally, but not based on passion. This is also in line with research from Andiani *et al.* (2018), Coryna and Tanjung (2015), and Mintarti (2011). Especially for zakat institutions which are local in nature and are still small in scope.

This condition can certainly affect their performance while working in collecting zakat. The activity of collecting zakat is the main key in the management of zakat. The zakat funds collected become "gasoline" for zakat institutions to be able to move and provide benefits to *mustahiq*. Therefore, the role of amil who is professional and capable is important here.

The world of education also has not provided a pathway to educate HR to

become capable and professional amil zakat. Most education for amil will be given after they enter as amil officers in zakat institutions. It also still needs to be re-examined on the amil-amil zakat education activities that are taught so that it can form the character of amil-amil zakat that is not less competitive with other jobs.

As an alternative, the agreed upon priority solution in optimizing the collection of zakat from the service side is to partner with other social and humanitarian institutions. These priority solutions are followed by the sub-criteria for digitization, program innovation, expanding targets, and establishing partners with e-money.

Coordination and collaboration are needed in optimizing the potential for raising existing zakat funds. Collaboration can also be done with institutions that are not amil zakat, such as social institutions and humanitarian agencies. Such institutions often focus on solving problems when there are precarious conditions, such as calamities, epidemics, or natural disasters that are befalling communities. Collaboration with these institutions is very helpful in distributing zakat funds which are accommodated in amil zakat institutions. If the zakat fund distribution program has clear objectives, then it will be able to attract the attention of muzakki to donate part of their assets, whether in the form of zakat or infaq/alms (Saad and Haniffa, 2014). That way, the community's intention to pay zakat funds at amil zakat institutions can increase and the zakat funds collected can be recorded in the report.

CONCLUSION

This study aims to determine the priority of problems and solutions that are considered the most important in optimizing zakat collection in Indonesia. Determination of priority components is carried out using the ANP approach.

Based on the results of data processing and interpretation, the problem and solution that becomes a priority in the collection of zakat criteria is socialization. In sub-criteria for each criterion, the priority components are: 1) Reporting; 2) Governance of zakat institutions; 3) Low public awareness; and 4) Lack of HR. The priority components of solution in sub-criteria for each criterion, are: 1) Conducting sharia audits, 2) Establishing SOPs for zakat management for zakat institutions; 3) Increase zakat education; and 4) Establish partners with social and humanitarian institutions.

Recommendations given from the results of this research to regulators (Ministry of Religion and BAZNAS) are that they can form SOPs for collecting zakat for zakat institutions in Indonesia. In addition, regulators can also tighten supervision for zakat institutions with sharia audits. Zakat institutions (BAZ, LAZ, and UPZ) should be able to improve institutional governance, particularly in strengthening amil as HR. Zakat institutions together with regulators can continue to improve socialization to the public about the importance of zakat obligations and the benefits that can be provided through zakat. This can be done by instilling zakat education in educational institutions in both theory and practice. Another step that can be an alternative is to create an awareness campaign to pay zakat that follows trends in society. For the community, it is better if they can distribute zakat funds to amil institutions and choose trusted amil institutions.

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Mochammad Ardani

Islamic Economics Program FEB
Diponegoro University, Semarang
Prof. Soedartho, SH. Street, Semarang,
Indonesia.

iamardz@alumni.undip.ac.id

Arif Pujiyono

Islamic Economics Program FEB
Diponegoro University, Semarang
Prof. Soedartho, SH. Street, Semarang,
Indonesia.

