

## Analysis of BAZNAS Tangerang District Performance

**Rahma Suryaningtyas**  
Bogor Agricultural University

### ABSTRACT

*Zakat has a significant role in the field of economics, as well as having social and moral implications and alleviating poverty. There is a huge gap, however, between targeted zakat collection, which reached Rp 20 billion, and actual zakat collection, which equals Rp 2 billion in 2017. This research was carried out in order to evaluate the performance of BAZNAS Tangerang District. The purposive sampling technique was used in this research. The analytical method used was the National Zakat Index (NZI) with a method of calculation known as the Multi-Stage Weighted Index, which measured zakat performance based on macro and micro dimensions. The results of the assessment of the NZI of Tangerang District is 0.60 that showed a fairly good condition based on classification of zakat performance. This research provides recommends for BAZNAS Tangerang District to improve its performance.*

*Keywords: BAZNAS Performance, NZI, Tangerang District, Zakat*

### INTRODUCTION

*Zakat* is an obligatory act for every Muslim. The command to provide *zakat* is firmly demonstrated in the Al-Qur'an, where the word '*Zakat*' is mentioned 30 times, 27 instances of which are mentioned along with the word '*shalat*' (Shiddieqy, 2005). *Zakat* funds collected from *muzaki* (the *zakat* provider) will later be distributed to eight groups of *mustahik* (*zakat* receiver) according to Al-Qur'an, Surat At-Taubah verse 60.

For Muslims, *zakat* is an instrument through which to carry out an economic and moral task (Multifah, 2010). *Zakat* has a role in three areas: economics, society, and morality. In the field of economics, *zakat* is considered to be an income distribution instrument between the poor and the rich, so that wealth is not accumulated within one group only. Within society, *zakat* is able to develop people's sense of responsibility to help each other. In the area of morality, *zakat* plays the role of cleansing one's

heart from ungenerous, because *zakat* develops a sense of sharing and purifies the wealth of *muzaki* in order to obtain *ridho* from Allah based on the wealth that they own (Multifah, 2010).

*Zakat* also plays a significant role in reducing the problem of poverty. Poverty is a problem faced by every developing country. According to Beik (2009), many government policies have tried to address the issue of poverty, but such policies have not been well established, and they require an alternative government instrument. Some of these alternative instruments are *zakat*, *infaq*, and *shadaqah*. *Infaq* is disbursement for benefit interest. *Infaq* does not have nisab (the minimum amount for a Muslim net worth to be obligated to give *zakat*), (El-Bantanie, 2009). *Shadaqah* is giving movable or immovable goods, which will soon run out whether it is used or not, to another person or legal entity, such as foundation or the like, without compensation and conditions, but simply to please God and expect his reward on the day of Judgement (A. Roihan A. Rashid, 2001)

Indonesia is the largest Muslim-majority country in the world. Indonesia's Muslim population is approximately 87.18 percent of its total population (BPS, 2010). This leads to a greater opportunity for *zakat* collection in Indonesia compared to other countries. The study on *Badan Amil Zakat Nasional* (BAZNAS) that was coordinated with the Faculty of Economics and Management Bogor Agricultural University (FEM-IPB) showed that the total potential collection of *zakat* at the national level is 217 trillion rupiahs (Firdaus et al., 2011).

This high figure for the potential collection of *zakat* needs to be managed wisely in order to alleviating poverty of society. One way to do this is to establish a *Zakat* institution. *Zakat* management through a *zakat* institution has certain strengths compared to the individual *zakat* provider: 1) *Zakat* payment discipline; 2) the avoidance of the feeling of inferiority on the part of the *mustahik* when there is direct contact with the *muzaki*; 3) the attainment of efficiency, effectiveness, and the precise targeting of *zakat* utilization; and 4) the promotion of syiar Islam within the organization of government in accordance with Islamic goals (Qadir, 1998).

*Zakat* fund collection at the national level is increasing every year, even though its figure has not yet reached the potential collection of *zakat*. In the last five years, national *zakat* collection has increased approximately 20 percent per year on average. The *zakat* fund collected in 2016 was measured at 4.42 trillion rupiahs (Wibisono, 2016). This collected *zakat* fund was only 1.54 percent of its potential value. Therefore, the evaluation of *zakat* institution performance is required in order to optimize *zakat*'s potential.

Tangerang District has the largest population in Banten Province: 3,370,594 in 2015. With the largest Muslim population, Tangerang District also has the highest *zakat* fund collection target, which

is approximately 20 billion rupiahs every year. The actual collected *zakat* fund, however, is only 2 billion rupiahs per year (Tangsel Pos, 2016), which is only 10 percent of the potential value.

*Zakat* is one of the solutions to poverty alleviation in Tangerang District. The main goal of *zakat* is to solve several crucial problems in society such as poverty, unemployment, natural disaster, debt, and income inequality (Qardhawi, 1988). Research that observed *mustahik* households that had received *zakat* funds from *dompet dhuafa* (one of the *zakat* institutions in Indonesia) showed that *zakat* fund distribution helped to decrease the number of households living below the poverty line by about 10 percent (Beik, 2009). *Zakat* fund collection targets should be optimized in order to decrease the poverty rate in Tangerang District.

In general, this research aims to identify the performance of BAZNAS Tangerang District as an official *zakat* institution in order to assess and evaluate the operation of the institution and to recommend several strategic steps to optimize the performance of *zakat* management. The *zakat* management performance evaluation is based on the measurement of the National *zakat* Index (NZI). NZI is an index that was arranged by the research team at the Center of Strategic Studies BAZNAS and is a composite index for measuring the condition and growth of *zakat* at the national level (Puskas BAZNAS, 2016).

## LITERATURE REVIEW

According to Qardawi (1988), the word *Zakat* has its root in 'zaka' which connotes blessedness growth, cleanliness, and goodness. Based on a fiqh term, *Zakat* is the amount of wealth that is obliged to be given to a certain recipient within a certain time. From many verses of the Qur'an and Hadiths about *Zakat*, fiqh scholars have determined several benefits arising from

*Zakat* (Dahlan et al., 2003): 1) it protects the wealth of the rich from the desire to rob that is caused by the social gap; 2) it helps the poor; 3) it cleanses one’s heart of miserliness; 4) it cleanses wealth obtained in illegal ways; and 5) it demonstrates gratitude for Allah’s blessings.

*Zakat* incorporates *hikmah* and benefits that hugely impact a person’s faith, as well as social and economic aspects. Accordingly, *zakat* is an alternative method for solving several socio-economic problems.

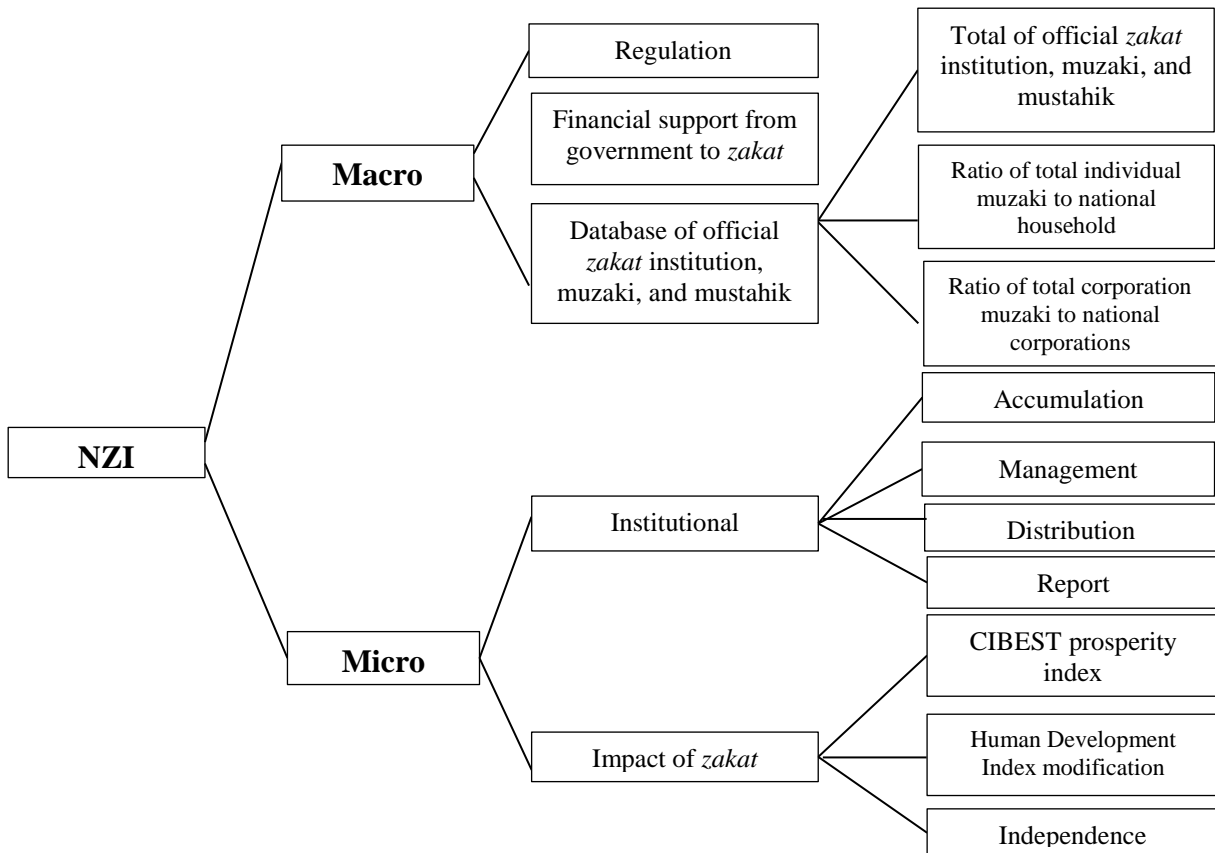
Strategic Studies BAZNAS is a composite index for measuring the condition and growth of national *zakat*. NZI was expected to be an indicator that demonstrated the significance of *zakat*’s role to *mustahik* and provided an illustration of the stage of *zakat* institution development, either through internal institutions, society participation, or government support (Puskas BAZNAS, 2016).

NZI components are generally formed by macro and micro dimensions, as seen in Figure 1. The macro dimension was reflected by the aggregate role of government and society contributions to *zakat* institution development. The micro dimension was reflected by the perspectives of the *zakat* institution and *Zakat* receivers or *mustahik* (Puskas BAZNAS, 2016).

METHODOLOGY

National Zakat Index (NZI)

The National *Zakat* Index (NZI) developed by the research team at the Center of



Source: Puskas BAZNAS (2016)

Figure 1. Components of National *Zakat* Index (NZI)

The analysis tool used in this study was the National *Zakat* Index (NZI) and an estimation method with the Multi-Stage Weighted Index. This method combined several weighting steps for every component of the index, consisting of dimensions, indicators, and variables. The estimation method was divided into several steps (Puskas BAZNAS, 2016).

The estimation method of is with the Multi-Stage Weighted Index, **the first step** involved scoring with a likert scale by using a score range from 1 to 5, with 1 for the worst condition and 5 for the best condition about zakat management of BAZNAS Tangerang District. This scoring was made for all variables in this index. The macro dimension used three indicators: regulation, government financial support, and the database of the official *zakat* institution, *muzaki*, and *mustahik*. The database of the official *zakat* institution was then divided into total of official *zakat* institution, individual *muzaki* ratio, and firm *muzaki* ratio. The micro dimension used two indicators: *zakat* institution performance and the impact of *zakat* upon *mustahik*. *Zakat* institution performance was divided into four specific variables: accumulation, management, distribution, and reporting. The impact of *zakat* was represented by five variables: the impact of *zakat* on economic, spiritual, education, health, and independence aspects.

**The second step** was the measurement of index according to every variable. The formulation of this step is provided below:

$$I_i = \frac{S_i - S_{\min}}{S_{\max} - S_{\min}}$$

Definitions:

- $I_i$  : Index of variable  $i$
- $S_i$  : Actual score on variable measurement
- $S_{\max}$  : Maximal score
- $S_{\min}$  : Minimal score

**The third step** involved multiplying the index of every variable by its weighting value to obtain the index value of the indicator. The indicators for regulation and government budget did not require certain measurements because they had no detailed variables, whilst other indicators needed to be divided into several variables with certain measurements.

a. Index of *Zakat* Institution Database

$$X_{13} = 0.33X_{131} + 0.33X_{132} + 0.33X_{133}$$

Definitions:

- $X_{13}$  : Index of *zakat* institution database
- $X_{131}$  : Index of total of official *zakat* institution variable
- $X_{132}$  : Index of ratio of individual *muzaki* to total household variable
- $X_{133}$  : Index of ratio of corporation *muzaki* to total corporation variable

b. Index of Institutional Indicator

$$X_{21} = 0.30X_{211} + 0.20X_{212} + 0.30X_{213} + 0.20X_{214}$$

Definitions:

- $X_{21}$  : Index of institutional indicator
- $X_{211}$  : Index of collections variable
- $X_{212}$  : Index of management variable
- $X_{213}$  : Index of distribution variable
- $X_{214}$  : Index of report variable

c. Index of *Zakat* Impact Indicator

$$X_{22} = 0.40X_{221} + 0.40X_{222} + 0.20X_{223}$$

Definitions:

- $X_{22}$  : Index of *zakat* impact indicator
- $X_{221}$  : Index of CIBEST prosperity variable (material and spiritual)
- $X_{222}$  : Index of education and health variable (HDI modification)
- $X_{223}$  : Index of autonomy variable

The fourth step was multiplying the index of every indicator by its weighting value to obtain the index of micro and macro dimensions.

A. Index of Macro Dimension

$$X_1 = 0.30X_{11} + 0.40X_{12} + 0.30X_{13}$$

Definitions:

- X<sub>1</sub> : Index of macro dimension
- X<sub>11</sub> : Index of regulation indicator
- X<sub>12</sub> : Index of government’s financial support indicator
- X<sub>13</sub> : Index of zakat institution database indicator

B. Index of Micro Dimension

$$X_2 = 0.40X_{21} + 0.60X_{22}$$

Definitions:

- X<sub>2</sub> : Index of micro dimension
- X<sub>21</sub> : Index of institutional indicator
- X<sub>22</sub> : Index of zakat impact indicator

The fifth step involved multiplying the index of every dimension by its weighting value to obtain the National Zakat Index by using this formulation:

$$IZN = 0.40X_1 + 0.60X_2$$

Definitions:

- IZN : National Zakat Index
- X<sub>1</sub> : Macro dimension
- X<sub>2</sub> : Micro dimension

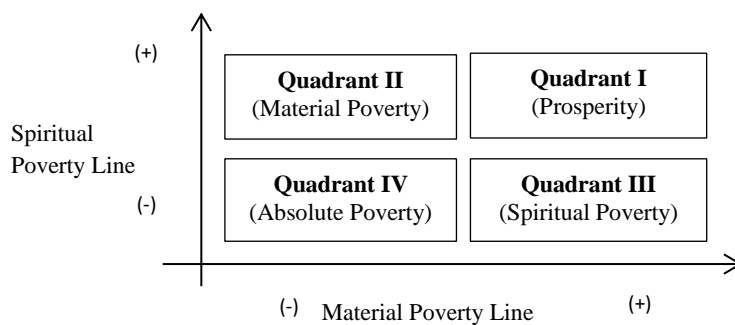
The result of the index value would be a score between 0.00 and 1.00. The valuation scale of the National Zakat Index organizes zakat performance into five classifications, as seen in Table 1.

Table 1. Classification of Zakat Performance

Score	Criteria
0.81–1.00	Very Good
0.61–0.80	Good
0.41–0.60	Fairly Good
0.21–0.40	Less Good
0.00–0.20	Not Good

CIBEST Prosperity Index

The Center of Islamic Business and Economic Studies (CIBEST) Model, or CIBEST index, was developed by Beik and Arsyianti (2015). The development of the index was based on the CIBEST quadrant of the following four areas: prosperity, spiritual poverty, material poverty, and absolute poverty.



Source: Beik and Arsyianti (2015)  
Figure 2. CIBEST Quadrant

The CIBEST (Center For Islamic Bisnis and Economic Studies) index measured the number of people in each

quadrant and the implications for government policy. The focused ‘needs’ that required measurement were material

and spiritual needs. Within the CIBEST concept, the analysis unit used was household/family. This was based on the concept that the family is a unit and thus has to be measured as an intact unit. Within the CIBEST concept, household/family was divided into six sub-groups: head of family; working adult; non-working adult (> 18 years old); teenagers (14–18 years old); children (7–13 years old); and children 6 years old or younger.

#### *Human Development Index Modification*

The Human Development Index (HDI) explains how people are able to access development facilities in order to obtain income, health, education, etc. The HDI was introduced by the United Nations Development Programme (UNDP) in 1990 and published periodically in the yearly report, the Human Development Report (HDR). The HDI was formulated from three basic dimensions: a long and healthy life, knowledge, and a decent standard of living.

HDI measurement uses a new method that is based on the life expectancy at birth, expected years of schooling and mean years of schooling, and income per capita (BPS 2014). The HDI modifications that were measured in this research were health and education.

$$\text{HDI} = \sqrt{I_{\text{health}} \times I_{\text{education}}} \times 100$$

Definitions:

HDI : Human Development Index

$I_{\text{health}}$  : Health Index

$I_{\text{education}}$  : Education Index

To measure the attainment of inter-region HDI, this research utilized the HDI grouping in several categories:

**Table 2.** HDI categories

HDI Value	Criteria
0–60	Low HDI
61–70	Medium HDI
71–80	High HDI
81–100	Very High HDI

Source: Modifikasi BPS (2014)

## RESULTS AND DISCUSSION

BAZNAS Tangerang District is an official *zakat* institution in Tangerang District. The management of *zakat*, *infaq* and *shadaqah* in Tangerang District was based on the Region Act Number 24 2004. The vision of BAZNAS Tangerang District is to create a society that is aware of *zakat* and to decrease social inequality. Regarding this vision, BAZNAS Tangerang District develop the following goals 1) optimization of *Zakat*, *infaq*, and *shadaqah* (ZIS) collection and utilization in accordance with sharia principles; 2) an increase in *muzaki* awareness through BAZNAS and a minimization of the social inequality experienced by *mustahik*; and 3) the realization of *ibadah ijtima'iyah* (society), which is based on *ukhuwah Islamiyah* for the prosperity of *umat*. BAZNAS Tangerang District also has a motto for its daily operations: “BAZNAS towards individual shaleh and social shaleh.”

The evaluation results of BAZNAS Tangerang District's performance, based on the National *Zakat* Index, are demonstrated below.

#### *Macro Dimension*

The components of the macro dimension of the measurement of NZI consisted of three indicators: regulation, government financial support, and the *zakat* institution's database. The *zakat* institution's database indicator is explained in detail by several variables that consist of the number of official institutions that

issue *zakat*, *muzaki*, *mustahik*, individual *muzaki* ratio, and firm *muzaki* ratio.

The measurement of the macro dimension index began with the scoring of each variable that formed the macro dimension (Table 3).

The scoring was based on the actual condition of *zakat* management in BAZNAS Tangerang District. After the score was obtained, the measurement of every variable and indicator's index value was able to be carried out.

**Table 3.** Likert Scale Scoring of Variables that Constitute the Macro Dimension

Indicator	Variable	Actual Condition	Score*
Regulation (X <sub>11</sub> )	Regulation	Tangerang District has regional legislation regarding <i>zakat</i> , which is Regional Act Number 24 2004.	5
Government financial support (X <sub>12</sub> )	Government financial support	In 2016, the government financial support to operational cost ratio was approximately 0.76 percent.	5
<i>Zakat</i> institution's database (X <sub>13</sub> )	The number of official institutions that issue <i>zakat</i> , <i>muzaki</i> and <i>mustahik</i> (X <sub>131</sub> )	BAZNAS Tangerang District currently has no database of the number of official institutions that issue <i>zakat</i> , <i>muzaki</i> , and <i>mustahik</i> in every institution.	1
	Individual <i>muzaki</i> ratio (X <sub>132</sub> )	The ratio of registered individual <i>muzaki</i> to total households in Tangerang District was only approximately 0.012 percent.	1
	Firm <i>muzaki</i> ratio (X <sub>133</sub> )	The ratio of registered firm <i>muzaki</i> to total firms in Tangerang District was approximately only 0.82 percent.	1

Source: Secondary Data (2017)

#### a. Regulation

The operation of *zakat* in Tangerang District is based on Regional Act Number 24 2004 regarding *zakat*, *infaq*, and *shadaqah* (ZIS) management in Tangerang District. The act was developed for the implementation of Act Number 38 Year of 1999 regarding *zakat* management. Regional Act Number 24 2004 consists of 11 chapters and 24 sections that explain the rules of ZIS management in Tangerang District.

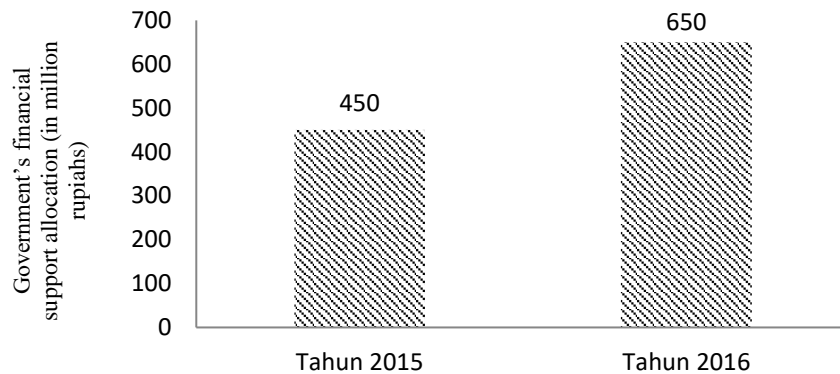
The regulation variable obtained 5 in the scoring because there was already a regional act for the operation of *zakat* in Tangerang District. This demonstrated the government's support for the operation and development of *zakat*. After obtaining the variable score of 5, the index was able to be measured. The result of the

measurement was 1. This means that the performance of BAZNAS Tangerang District based on the regulation was considered to be very good. The index, which was 1, then needed to be multiplied by its weighting value, which was 0.30. Therefore, the indicator index value obtained was 0.30.

#### b. Government Financial Support

In 2016, the government's financial support allocation for BAZNAS Tangerang District's operational costs was approximately 650 million rupiahs. This number increased from 2015, when it was only 450 million rupiahs. This means that the increase in the budget was 200 million rupiahs. The budget allocation was used to pay for electricity, the internet, incentives for BAZNAS employees, etc. The changes

to budget allocation for BAZNAS operational costs is presented in Figure 3.



Source: Tangerang District Office's Archive (2017)

**Figure 3.** Allocation of Government Financial Support for BAZNAS Tangerang District

Based on the budget plan that was coordinated by BAZNAS, the cost of BAZNAS operations for *Zakat* management was approximately 850 million rupiahs. The ratio of government financial support allocation to BAZNAS operational costs was approximately 76 percent. This ratio exceeds 75 percent and made the variable score 5. Based on the score, the variable index value was considered to be 1. The weighting value of this indicator was 0.04. The variable index value was then multiplied by its weighting value, resulting in an indicator index value of 0.04.

### c. Zakat Institution Database

The *Zakat* institution database indicator was categorized into the number of official *Zakat* institutions, *muzaki* and *mustahik*; the individual *muzaki* ratio; and the firm *muzaki* ratio.

- *The number of official institutions that issue zakat, muzaki and mustahik variable index*

The variable for the number of official *Zakat* institutions, *muzaki* and *mustahik* obtained a score of 1 because BAZNAS Tangerang District has no database on the number of official institutions that issue *zakat*, *muzaki* and *mustahik*. The only

database owned by BAZNAS was on the *zakat* Collector Unit (ZCU) in 29 sub-districts, as an effort to help *zakat* collection and distribution. *zakat* institutions in Tangerang District have not officially registered their names with BAZNAS Tangerang District. Therefore, this variable scores 1, and the index value is 0. These numbers show that there was no database on the number of official *Zakat* institutions, *muzaki* and *mustahik* owned by BAZNAS Tangerang District, demonstrating a lack of *Zakat* institution data collection in Tangerang District.

- *Individual muzaki ratio index*

The individual *muzaki* ratio score is 1 because the ratio of registered individual *muzaki* to the number of households in Tangerang District was only 0.012 percent, which was less than 1 percent. The number of individual *muzaki* registered in BAZNAS Tangerang District was only 100 people out of 827,015 households. This variable index value was 0, which demonstrated that the number of individual *muzaki* registered in BAZNAS Tangerang District was considered low.

- *Firm muzaki ratio index*

The firm *muzaki* ratio variable obtained a score of 1 because the number of registered firm *muzaki* to the total number of firms in Tangerang District was only 0.82 percent. Registered firm *muzaki* in BAZNAS Tangerang district numbered only 40 out of the total 4,883 firms in Tangerang District. The value of this

variable index was 0, demonstrating that the performance of BAZNAS Tangerang District based on the registered firm *muzaki* ratio was considered to be not good.

The measurement result of the macro index value with regards to its variable, indicator, and macro dimension is shown in Table 4.

**Table 4.** Index Value of Each Variable and Indicator of Macro Dimension

Dimension	Index Value	Indicator	Index Value	Variable	Index Value
Macro	0.70	Regulation (X <sub>11</sub> )	1.00	Regulation	1
		Government financial support (X <sub>12</sub> )	1.00	APBD Support	1
		Zakat institution database (X <sub>13</sub> )	0	The number of official <i>zakat</i> institutions (X <sub>131</sub> )	0
				Individual <i>muzaki</i> ratio (X <sub>132</sub> )	0
		Firm <i>muzaki</i> ratio (X <sub>133</sub> )	0		

Source: Secondary data (2017)

The macro dimension index value was 0.70, which means that the performance of BAZNAS Tangerang District in macro terms was considered to be good. The result shows that the government of Tangerang District has provided good support to increase the quality of *zakat* management.

*Micro Dimension*

Micro dimension components consist of two indicators: the institutional indicator and the *zakat* impact indicator. The measurement of the micro dimension index value begins with the scoring of every variable in the micro dimension (Table 5).

**Table 5.** Likert Scale Coring on the Variables of Micro Dimension

Indicator	Variable	Actual Condition	Score*
Institutional (X <sub>21</sub> )	Collection (X <sub>211</sub> )	<i>Zakat</i> fund collection's growth in BAZNAS Tangerang District from 2015 to 2016 was 14.12 percent	4
	Management (X <sub>212</sub> )	BAZNAS Tangerang District has a Standard Operational Procedure (SOP), strategic planning, and an annual working program.	4
	Distribution (X <sub>213</sub> )	BAZNAS Tangerang District is able to distribute <i>Zakat</i> funds to <i>mustahik</i> . The Allocation to Collection Ratio (ACR) of BAZNAS Tangerang District is 100 percent. BAZNAS vave several times to distribution <i>zakat</i> funds. Distribution for the social (consumptive) program in the sixth month, distribution for economy (productive) program was less than six months, and there was separated allocation for the <i>dakwah</i> program of about 0.7 percent.	4
<i>Zakat</i> Impact (X <sub>22</sub> )	Reporting (X <sub>214</sub> )	BAZNAS Tangerang District's financial report was not audited.	2
	Material and spiritual prosperity (CIBEST prosperity index) (X <sub>221</sub> )	CIBEST prosperity index is 0.51.	3

Education and health (HDI modification) (X <sub>222</sub> )	HDI modification value is 34 percent.	2
Autonomy (X <sub>223</sub> )	Autonomy value is 2.45 ≈ 2.	2

Source: Primary and Secondary Data (2017)

a. Institutional Indicator

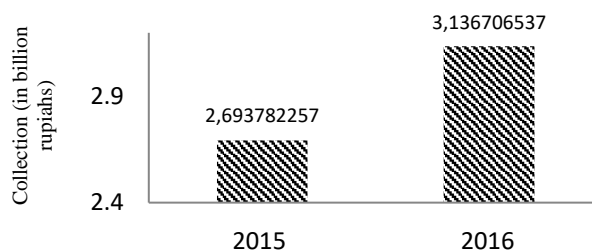
The institutional indicator consisted of several variables: collection, management, distribution, and reporting.

- Collection index

The score for the collection variable was 4 because the growth of Zakat fund collection increased by

approximately 14.12 percent from 2015 to 2016.

Collected Zakat funds in 2015 were approximately 2,693,782,257 rupiahs and increased in 2016 to approximately 442,294,280 rupiahs. Zakat funds were collected through Zakat Collector Unit (ZCU) that existed in 29 sub-districts in Tangerang District or through direct collection from the muzaki to BAZNAS Tangerang District.



Source: BAZNAS Tangerang District Office’s Archive (2017)

Figure 4. Zakat Fund Collection of BAZNAS Tangerang District (2015–2016)

Based on the obtained score, the collection variable index value was 0.75, which means that Zakat fund collection in Tangerang District was considered good.

- Management variable index value

The management variable score was 4 because BAZNAS Tangerang District had a Standard Operational Procedure (SOP), strategic planning, and an annual working program. The management variable index value was 0.75, which means that the Zakat fund management of BAZNAS Tangerang District was considered good.

- Distribution Index

The distribution variable score was also 4 because BAZNAS

Tangerang District’s ACR was 100 percent. This means that the total collected Zakat fund in 2015, 2,693,782,257 rupiahs, was fully distributed in 2016. Zakat fund distribution for the social (consumptive) program called ‘Indonesia Peduli’ was carried out in the sixth month, while Zakat fund distribution for the economy program (productive) was carried out for less than six months. The latter program took place in March, June, and September. BAZNAS Tangerang District also had separate allocation for the dakwah program, approximately 20 million rupiahs, which was approximately 0.7 percent of the total Zakat fund. The distribution variable index value was 0.75, which means that the

management of *Zakat* funds in BAZNAS Tangerang District was considered good.

- *Reporting index*

The reporting variable score was 2 because BAZNAS Tangerang District's financial report was not audited. The financial report was only internally audited. The reporting variable index value was 0.25, which means that the *Zakat* fund financial report in BAZNAS Tangerang District was considered less good.

The values of the index variables above were processed in order to obtain an overall institutional index. The overall institutional index obtained from the measurement was 0.65. This means that, institutionally, BAZNAS Tangerang District was considered good.

*b. Zakat Impact Indicator*

The *Zakat* impact indicator consisted of several variables: material and spiritual prosperity (CIBEST prosperity index), education and health (HDI modification), and autonomy. The scoring of the variables was obtained from direct interviews using a questionnaire, with 100 respondents. All of the respondents were

*mustahik* who received *Zakat* funds from BAZNAS Tangerang District in 2016. Respondents were divided based on gender, age, education, occupation, and the number of people under their responsibility.

- *CIBEST prosperity index*

The CIBEST prosperity index measurement is based on the material and spiritual wealth of *mustahik*. Table 6 shows that the number of households in quadrant I or considered to be materially and spiritually prosperous was 50. The average income of this group was 2,680,900 rupiahs and the average spiritual score was 3.92. After receiving *Zakat* funds, the number of households in this group increased to 69. The average income of this group was 2,965,683 rupiahs and the average spiritual score was 3.93, meaning that the CIBEST prosperity index of this group was 0.69. The increase in the number of households in quadrant I is 19 households, meaning that *Zakat* has the ability to bring about greater prosperity for approximately 19 percent of households. The CIBEST prosperity index value was 0.69, with a score of 4.

**Table 6.** *Mustahik* Household Classification based on CIBEST Prosperity Index

No.	Quadrant	Before <i>Zakat</i>			After <i>Zakat</i>		
		Spiritual score average	Average income	Number of households	Spiritual score average	Average income	Number of households
1.	Quadrant I (Prosperity)	3.92	2,680,900	50	3.93	2,965,683	69
2.	Quadrant II (Material Poverty)	3.83	542,500	36	3.93	759,250	20
3.	Quadrant III (Spiritual Poverty)	3	1,937,500	8	3	2,106,250	8
4.	Quadrant IV (Absolute Poverty)	3	921,667	6	3	1,300,000	3

Source: Primary Data (2017)

The CIBEST prosperity index value of 0.75 means that *mustahik* prosperity in Tangerang District was considered good.

- *Human Development Index results*

The concept of human development is a development process that aims for the better availability of income, health, and education. Human development as an overall performance measurement is formed from three basic dimensions, including a long and healthy life, knowledge, and a decent standard of living. Each dimension has its own indicator (BPS 2014).

The *mustahik* life expectancy value was 0.33, which means that the average life expectancy of a baby born in was approximately 33 percent with the ability to live until the age of 33. The field research, however, implies that many people who survived lived until the age of 60. From 100 *mustahik* respondents, the number of 28-year-old heads of the family was one, with three heads of family aged 32 and two heads of family aged 33.

The education index is one of the human resource qualities that represents the knowledge dimension of the HDI. The indicators used to measure the education index were mean years of schooling and expected years of schooling. Based on those two indicators, the HDI value was 0.34.

The education and health index measurement for *mustahik* households using the HDI modification resulted in an index value of 0.34, or 34 percent. This result scored 2, which was considered low. The overall HDI modification index value was 0.25, which means that human development from the perspective of education and health was considered less good.

- *Autonomy*

The autonomy variable index score was 2 because the average *mustahik* household in Tangerang District had unstable employment. The score was decided based on the average score of jobs and savings of the *mustahik* household, which was 2.45. The autonomy variable index value was 0.25, which means that the employment and savings of *mustahik* households in Tangerang District was considered less good.

Each value of the variable index determined the overall *zakat* impact indicator. The overall value of the *zakat* impact indicator was 0.45.

Each value of the variable index that represented micro dimensions determined the overall value. The results of the measurement are demonstrated in Table 7. The measurement of this indicator was based on the formula below:

$$\begin{aligned} X_1 &= 0.40X_{21} + 0.60X_{22} \\ &= 0.40(0.65) + 0.60(0.45) \\ &= 0.53 \end{aligned}$$

The micro dimension index value was 0.53, which means that the performance of BAZNAS Tangerang District from the micro dimension perspective was considered fairly good. The result needs to be maintained and even improved because *zakat* is an alternative instrument for poverty alleviation. Well-managed *zakat* will be able to have a positive impact for *mustahik* so that they will be more financially independent and able to transform into *muzaki*, which means a decrease in the number of households living below the poverty line.

**Table 7.** The value of variables and indicators of micro dimensions

Dimension	Index Value	Indicator	Index Value	Variable	Index Value
Micro	0.53	Institutional (X <sub>21</sub> )	0.65	Collection (X <sub>211</sub> )	0.75
				Management (X <sub>212</sub> )	0.75
				Distribution (X <sub>213</sub> )	0.75
				Reporting (X <sub>214</sub> )	0.25
		Zakat Impact (X <sub>22</sub> )	0.45	Spiritual and material prosperity (CIBEST prosperity index) (X <sub>221</sub> )	0.75
				Education and health (HDI modification) (X <sub>222</sub> )	0.25
				Autonomy (X <sub>223</sub> )	0.25

Source: Primary and secondary data (2017)

### National Zakat Index (NZI)

The NZI was obtained from the measurement of macro and micro dimension indicator values. Based on the measurement, the NZI value is shown below:

$$\begin{aligned} \text{NZI} &= 0.40X_1 + 0.60X_2 \\ &= 0.40(0.70) + 0.60(0.53) \\ &= 0.60 \end{aligned}$$

The NZI value of 0.60 means that BAZNAS Tangerang District performance was considered fairly good, although there were still many aspects that needed to be fixed and improved. The overall performance of *zakat* management needs to be optimized in order to reach its targets. One of the targets regarding *zakat* is that *zakat* fund collection reaches 20 billion rupiahs annually. The NZI result provides an evaluation reference for BAZNAS Tangerang District to improve their *zakat* performance.

The evaluation of BAZNAS Tangerang District's performance was seen in the scoring of each NZI variable that is in accordance with the actual condition. The macro dimension consisted of these variables: regulation, government financial support, the number of official *zakat* institutions, *muzaki* and *mustahik*, individual *muzaki* ratio, and firm *muzaki* ratio. Regulation regarding *zakat* management in Tangerang District was reflected in Regional Act Number 24

2004. The existence of the act demonstrated government support through an increase in the performance of *zakat* management in Tangerang District. This aspect of *zakat* performance needs to be maintained and improved in many ways through adaptation to the current condition of *zakat* management, without neglecting the principles of sharia. The government's financial support allocation for BAZNAS Tangerang District is another form of government support that demonstrated an optimization of *zakat* management performance, so that *zakat* funds were focused on the prosperity of *mustahik*. Government financial support allocation for *zakat* management was considered very good and should be maintained and improved, so that the operational cost is fully covered by the budget allocation.

The number of official *zakat* institutions, *muzaki* and *mustahik* in Tangerang District was not recorded and registered in BAZNAS Tangerang District. It is recommended that BAZNAS Tangerang District develops a registration mechanism for *zakat* institutions, *muzaki* and *mustahik* in Tangerang District in order to perform further coordination of *Zakat* fund management. The number of individual *muzaki* registered in BAZNAS Tangerang District was slight, as was the number of firm *muzaki*. Based on this fact, more intensive publication and socialization of *zakat* is urgently needed to increase the awareness of *muzaki* regarding the obligatory aspect of *zakat*

payment. It must be noted, however, that the achieved performance needs to be maintained so that it will not cause a higher publication cost that directly reduces the allocation of *zakat* funds for *mustahik*.

The micro dimension consisted of these variables: collection, management, distribution, reporting, material and spiritual prosperity, education and health, and autonomy. *zakat* fund collection in Tangerang District did not attain the target: The *zakat* fund collection target for every year is approximately 20 billion rupiahs but the actual collection every year is approximately 2 billion rupiahs. This demonstrates that a more proactive effort in collecting *zakat* funds is needed. *Zakat* institutions need to actively approach *muzaki* to raise their awareness, provide them with a good service when they are in the process of paying *zakat*, and provide transparent reporting of *zakat* fund utilization. These methods need to be applied to increase the trust of *muzaki*.

*Zakat* management performance was considered fairly good through the existence of *zakat* management's Standard Operational Procedure, strategic planning, and annual working program. *Zakat* management will be optimizable if there is ISO certification or quality management so that trust will increase between *zakat* institutions and *muzaki*. *zakat* distribution in Tangerang District was considered fairly good because *zakat* institutions were able to distribute 100 percent of collected funds to *mustahik*. The financial reporting of the *zakat* institution was considered less good because it was not externally audited and only internal audits were performed. This was also considered less good because the institution had no periodic report publication or sharia audit report. This fact needs to be evaluated and revised so that BAZNAS management reporting will be improved. Material and spiritual prosperity, education and health, and the autonomy of *mustahik* were considered less good. This fact shows that a coaching

program and controls are needed for *mustahik*. A coaching program is needed to increase the financial independence of *mustahik* and to increase their ibadah. The main goal of the *zakat* management program is to eventually transform *mustahik* into *muzaki*. Overall, BAZNAS Tangerang District was considered fairly good in managing *zakat* funds based on the measurement of NZI.

## CONCLUSIONS AND RECOMMENDATIONS

The index measurement results of the macro dimension was 0.70, which means that BAZNAS Tangerang District performance in the macro dimension was considered good. The index value for the micro dimension was 0.53, which means that BAZNAS Tangerang District performance in the micro dimension was considered fairly good. The NZI value for Tangerang District was 0.60, which means that, overall, *zakat* management performance was considered fairly good.

Based on the NZI measurement of each dimension, BAZNAS Tangerang District's performance from the macro dimension perspective was considered good. The government needs to provide support for *zakat* management through the allocation of financial support for *zakat* management operations. BAZNAS Tangerang District was expected to arrange a registration mechanism for *zakat* institutions, *muzaki* and *mustahik* in order to complete the database and generate further coordination between *zakat* fund collection and distribution.

The index measurement result for the micro dimension shows that the performance of *zakat* management was considered fairly good. However, the performance needs to be improved through more proactive publication and socialization about *zakat*. In addition, a coaching program also needs to be developed for *mustahik* in Tangerang

District, in order to increase their financial independence and spiritual condition.

## REFERENCES

- A. Roihan A. Rasyid. (2001). *Hukum Acara Peradilan Agama*. Jakarta (ID): Rajawali Pers.
- Abdullah, Yusop, dan Awang. (2012). A technical Note on the Derivation of Zakat Effectiveness Index (ZEIN). *International Journal of Economics, Management, and Accounting* 20(2), 75–86.
- Aedy, Hasan. (2015). Measuring The Quality of Zakat Management of Government-Endorsed Bodies. *International Journal of Science and Research (IJSR)* 4(8), 2047–2051.
- An-Nabhani, T. (1996). *Membangun Sistem Ekonomi Alternatif*. Surabaya (ID): Risalah Gusti.
- Arafat, Nur. (2015). *Implementasi Peraturan Daerah No 02 Tahun 2008 tentang Pengelolaan Zakat pada Tahun 2012–2014 (Studi pada Badan Amil Zakat Daerah/BAZDA Kota Bekasi)* [thesis]. Bandung (ID): Universitas Padjajaran.
- [Bappenas] Badan Perencanaan Pembangunan Nasional. (1993). *Indikator Kemiskinan di Indonesia*.
- BAZNAS Kabupaten Tangerang. (2014). *Program Kerja BAZNAS Tahun 2014*. Tangerang (ID).
- Beik I. S. (2009). Analisis Peran Zakat Dalam Mengurangi Kemiskinan: Studi Kasus Dompot Dhuafa Republika. *Zakat and Empowering Vol II*.
- Beik I. S. dan Arsyianti. (2016). *Ekonomi Pembangunan Syariah: Edisi Revisi*. Jakarta (ID): RajaGrafindo Persada.
- Beik I. S. dan Pratama. (2016). *Zakat Impact on Poverty and Welfare of Mustahik: A CIBEST Model Approach*. *AFEBI Islamic Finance and Economic Review* 1(01), 1–12.
- [BPS] Badan Pusat Statistik Kabupaten Tangerang. *Kabupaten Tangerang dalam angka tahun 2016* [internet]. [diunduh 2017 Maret 15]. Retrieved from <https://tangerangkab.bps.go.id/>
- [BPS] Badan Pusat Statistik. *Kewarganegaraan, Suku Bangsa, Agama, dan Bahasa Sehari-Hari Penduduk Indonesia Hasil Sensus Penduduk 2010* [internet]. [diunduh 2017 April 12]. Retrieved from [http://demografi.bps.go.id/phpfiletree/bahan/kumpulan\\_tugas\\_mobilitas\\_pak\\_chotib/Kelompok\\_1/Referensi/BPS\\_kewarganegaraan\\_sukubangsa\\_agama\\_bahasa\\_2010.pdf](http://demografi.bps.go.id/phpfiletree/bahan/kumpulan_tugas_mobilitas_pak_chotib/Kelompok_1/Referensi/BPS_kewarganegaraan_sukubangsa_agama_bahasa_2010.pdf).
- [BPS] Badan Pusat Statistik Provinsi Banten. *Garis Kemiskinan Menurut Kabupaten/Kota* [internet]. [diunduh 2017 April 3]. Retrieved from <https://banten.bps.go.id/>
- [BPS] Badan Pusat Statistik. *Indeks Pembangunan Manusia 2014*. [internet]. [diunduh 2017 April 12]. Retrieved from <http://ipm.bps.go.id/>
- Dahlan et al. (2003). *Ensiklopedi Hukum Islam*. Jakarta (ID): Ichtisar Baru Van Hoeve.
- DEKS Bank Indonesia. (2016). *Wakaf: Pengaturan dan Tata Kelola yang Efektif*. Jakarta (ID): Departemen Ekonomi dan Keuangan Syariah Bank Indonesia.
- [DEPAG] Departemen Agama Republik Indonesia. (1995). *Al-Qur'an dan Terjemahannya*. Yayasan Penerjemah Al-Qur'an, Semarang.
- Dompot Dhuafa. (2016). *Yuk Simak! Pengelolaan Zakat di Zaman Rasulullah SAW*. [internet]. [diunduh 2017 Mei 8]. Retrieved from <https://www.dompetdhuafa.org/post/detail/1869/yuk-simak--pengelolaan-Zakat-di-zaman-rasulullah-saw>.

- El-Bantanie, M.S. (2009). *Zakat Infaq dan Shadaqah*. Bandung (ID). PT. Salamadani Pustaka Semesta.
- Firdaus, Beik, I. S., & Irawan, dan Juanda. (2012). *Economic Estimation and Determinations of Zakat Potential in Indonesia*. IRTI Working Papers.
- Hafidhuddin, D. (2002). *Zakat dalam perekonomian modern*. Jakarta (ID): Gema Insani.
- Juanda B. (2009). *Metodologi Penelitian Ekonomi dan Bisnis*. Bogor (ID). IPB Pr.
- Kementrian Agama, R. I. (2013). *Standarisasi Amil Zakat di Indonesia*. Jakarta.
- Mintarti et al. (2012). *Indonesia Zakat and Development Report 2012*. Jakarta (ID): IMZ.
- Multifiah. (2011). *ZIS untuk Kesejahteraan Ummat*. Malang (ID): Universitas Brawijaya Press (UB Press).
- Murniati R, & Beik, I. S. (2014). Pengaruh Zakat Terhadap Indeks Pembangunan Manusia dan Tingkat Kemiskinan *Mustahik*: Studi Kasus Pendayagunaan BAZNAS Kota Bogor. *Jurnal Al-Muzara'ah* 2(2),131–146.
- Noor et al. (2015). Efficiency of Islamic Institutions: Empirical Evidence of Zakat Organizations' Performance in Malaysia. *Journal of Economics, Business, and Management* 3(2), 283–286.
- Nurzaman, M. S. (2016). Evaluating the Impact of Productive Based Zakat in the Perspective of Human Development Index: A Comparative Analysis. *Kyoto Bulletin of Islamic Area Studies*, 42–62.
- Pramanik, A. H. (1993). *Development and Distribution in Islam*. Petaling Jaya: Pelanduk Publications.
- Pramanik, A. H. (1998). *Poverty from Multidimensional Perspectives: A Micro Level Study of Seven Malaysian Kampung (Villages)*. Kuala Lumpur (MY): Cahaya Pantai.
- Puskas BAZNAS. (2016). *Indeks Zakat Nasional*. [internet]. [diunduh pada 2017 Maret 5]. Retrieved from [http://www.puskasbaznas.com/images/nzi/Indeks%20Zakat%20Nasional\\_PUSKASBAZNAS.pdf](http://www.puskasbaznas.com/images/nzi/Indeks%20Zakat%20Nasional_PUSKASBAZNAS.pdf).
- Qadir, A. (1998). *Zakat dalam Dimensi Mahdah dan Sosial*. Jakarta (ID): Raja Grafindo Persada.
- Qardhawi, Yusuf. (1988). *Hukum Zakat*. Jakarta (ID): Pustaka Litera AntarNusa.
- Qardhawi, Yusuf. (2005). *Spektrum Zakat dalam Membangun Ekonomi Kerakyatan*. Jakarta (ID): Zikrul Hakim.
- Saf, Muhammad Abduh. (2015). Efektivitas Pelaksanaan Perda Pengelolaan Zakat di Kota Mojokerto dan Kabupaten Sidoarjo. *Al-Daulah: Jurnal Hukum dan Perundangan Islam* 5(2), 312–332.
- Shiddieqy. (2005). *Pedoman Zakat*. Semarang (ID): Pustaka Rizki Putra.
- Suharto, E. (2009). *Kemiskinan dan Perlindungan Sosial di Indonesia: Menggagas Model Jaminan Sosial Universal Bidang Kesehatan*. Bandung: Alfabeta.
- Syahyuti. (2014). *Mau ini Apa itu? "Komparasi Konsep, Teori, dan pendekatan dalam Pembangunan Pertanian dan Pedesaan: (125 versus 125)"*. Jakarta (ID): Amplitudo Media Science.
- Tangsel Pos. (2016). *Hilang, Potensi Zakat Rp 20 Miliar*. [internet]. [diunduh 2017 April 3]. Retrieved from <http://tangselpos.co.id/2016/08/05/hilangpotensi-Zakat-rp-20-miliar/>
- UNDESA. (2012). *Revision. World Population Prospects. Population Division Database. Detailed Indicators*. [diunduh 2013 Juni 14].

Retrieved from  
<http://esa.un.org/unpd/wpp/unpp/>  
<http://hdr.undp.org/en/69206>  
Wibisono, Y. (2016). *Potensi Zakat Nasional: Peluang dan Tantangan Pengelolaan disampaikan pada Seminar Nasional Zakat 2016*. Retrieved from  
[http://www.puskasbaznas.com/images/ppt/Panel-1\\_Yusuf Wibisono.pdf](http://www.puskasbaznas.com/images/ppt/Panel-1_Yusuf_Wibisono.pdf)  
Rahma Suryaningtyas  
Bogor Agricultural University  
Indonesia  
rahmasuryaningtyas05@gmail.com

