

# Ziswaf Collection Strategy on LAZISMU X, Indonesia

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## ABSTRACT

The concept of zakat is recommended to create a balance of individual and social life. The collection of zakat in LAZISMU X is still slightly contrary to its enormous potential. This study aims 1) To find out the of zakat's fund collection method on LAZISMU X 2) To find out the application of business strategies in the form of Business Models Canvas in collecting zakat at LAZISMU X. This study used a descriptive qualitative approach. The collected data included primary data and secondary data by observations, interviews, and documentations. The result shows that 1) the collection of zakat conducted at LAZISMU X is still traditional. 2) Implementing the Business Model Canvas strategy could focus on three aspects First, Digitizing Ziswaf, Second, Utilization of Social Media, and Third, Human Resources/Amil ziswaf. LAZISMU X can apply these three aspects to maximize the collection of zakat funds for further research that can examine in terms of effectiveness, institutional capabilities, human resources, and the application of industry 4.0 in other philanthropic institutions.

**Keywords:** ziswaf, Lazis, Muhammadiyah

## 1. INTRODUCTION

Zakat is one of the pillars Islam which has been made obligatory by Allah s.w.t to each and every Muslim. Zakat, as a financial distribution can be used to reduce poverty and improve their quality of life, whereby the property can be distributed to eligible individuals [1]. If zakat distribution is better managed to the zakat recipients, it will resolve all poverty problems among Muslim [2].

Paying zakah is an obligation for Muslim when possessing assets that cover a specific amount according to Islamic rule (*nisab*) and reach the time period of a year (*haul*). Since zakah can be compared as a welfare fund or a source of funds that will help other Muslim in the society for a better life, therefore, people who possess enough assets can help people who are poor or have less. People who have possessions can help others in the society by giving zakah. This is the format that is hardly observed in other religions apart from Islam. There are 8 types of people who are able to receive zakah [3]. The command to perform ziswaf we can see in the Qur'an the letter Adz-dzariyat which means: "And in their possessions, there is a right for the poor who ask and the poor for their part" [4].

Furthermore, the implementation of the ziswaf worship itself refers to the QS. al-Taubah, which means: Take ziswaf from part of their wealth; with that ziswaf, you cleanse and purify them and pray for them. Verily, your prayers (become) peace of mind for them. And Allah hearth again, knowing (Qur'an, 9: 103)[4]. The word 'takes' in QS. al-

Taubah: 103 above, illustrates that ziswaf should be collected and managed by a professional or amil institution. Zakat institution manages distribution to the zakat recipients and is one of the organizations that provides stability and maintains the Islamic socio-economic system. It is also an integral part that provides the highest level of development for *asnaf* life [5]. In fiqh, someone, if they want to pay ziswaf, can be done in two ways. 1) Direct ziswaf system, muzakki can pay ziswaf directly to mustahik (8 *asnaf* ziswaf recipients), 2) Indirect ziswaf payment system made through ziswaf institutions or amil ziswaf. According to Purnamasari [6], in a more macro context, the purpose of ziswaf worship will not be achieved if ziswaf or amil ziswaf institutions do not manage it through the indirect ziswaf system. The benefits of ziswaf payment through the indirect ziswaf system, according to Hafidhudin [7] include: ensuring the certainty and discipline of ziswaf payers, maintaining feelings for the mustahik ziswaf when dealing directly with muzakki, achieving efficiency and effectiveness, as well as the right target in distributing ziswaf assets, showing feelings for the mustahik ziswaf when dealing directly with muzakki, achieving efficiency and effectiveness, as well as the right targets in distributing ziswaf assets [7], showing syiar Islam in the spirit of organizing an Islamic government while the weakness of ziswaf payment through the indirect ziswaf system is that it is seen that the community is prone to fraud, not on target, and not suitable for its purpose. The potential of ziswaf in Indonesia, according to the National Amil Ziswaf Agency (Baznas), is around IDR 232 trillion or estimated to reach 1.75 percent of GDP. The ziswaf fund collection in Indonesia 2016-2017 is presented in Table 1.

**Table 1** Ziswaf fund collection for 2016-2017 [8]

Philanthropy Institution	Collections 2016	Collections 2017
	Amount of funds	Amount of funds
BAZNAS	111,690,914,428	153,542,103,405
BAZNAS Province	192,609,000,494	448,171,189,258
BAZNAS Region	3,311,745,042,024	3,426,689,437,619
LAZ	1,401,248,170,005	2,195,968,539,189
Total	5,017,293,126,950	6,224,371,269,471

The high potential of ziswaf is an opportunity for LAZ, especially LAZISMU X, to be able to collect ziswaf funds as much as possible. For this reason, a strategy is needed to gather the ziswaf. Some of the approaches taken to produce the right strategy are through the Business Model Canvas (BMC) approach. BMC (Business Model Canvas) analysis is an abstract concept design of a business model that represents business strategies and processes in organizations [9]–[11]. This study aims to formulate a ziswaf collection strategy carried out by LAZISMU X and an analysis of ziswaf collection strategies by analyzing the business model canvas approach.

## 2. METHOD

In this research, we need a tool to obtain data from sources to be extracted, which is a method to facilitate obtaining information from research sources so that they can find authentic and accountable findings in research. This research is a type of qualitative research using a qualitative descriptive approach that is research that illustrates data and information based on facts obtained in the field.. This writing held in May 2019 - September 2019 at LAZISMU X. In this study, the data needed by researchers are primary data and secondary data. Data source is a subject from which the data was obtained. Based on this understanding, the data source referred to by the researcher, will obtain and explore data information needed in the study. In exploring the data source, the researcher examines documents obtained from research sites, books, websites/blogs, and through interviews with the management of zakat fund management as well as those related to the object of this writing, likewise with digging secondary data where secondary data is as a complement to the writer object. Data collection techniques documentation, observation, interview, and data management techniques.

Data analysis techniques:

- a. Data collection. Collecting data by the results of observations and interviews in the field, both primary and secondary data.
- b. Data reduction. By selecting, sorting, classifying, directing, and organizing data in order to facilitate researchers.
- c. Data Presentation. A collection of information that has been arranged and allows us to draw conclusions or take the next step. The results of data presentation can be in the form of tables, figures, or graphics.
- d. Verification. Done based on data reduction and presentation of data looking for patterns, models, equations, things that often appear or relationships.

## 3. RESULTS AND DISCUSSION

### 3.1. LAZISMU X Collection Program

From the results of interviews conducted with the LAZISMU X. The forms of ziswaf collection programs carried out by LAZISMU X can be identified as follows: Ziswaf pickup service, IHSAn (Daily Infaq All You Can), Cars Go to Heaven, Donation for Disaster Preparedness, Student infaq Friday, LAZISMU Program Infaq Mosque box, Infaq Retail Box, and Little Philanthropy.

### 3.2. Business Model Canvas LAZISMU X

We adopt the Business Model Canvas[9]as a framework for analysis. Business Model Canvas (BMC) is described by nine components.[12]There are enhancements in socio-entrepreneurship, namely Change in offering, and Change in strategy [13], Social & Environmental Costs, Social & Environmental Benefits [14]. However, in this study using only nine elements.

The left side of the ‘canvas’ reflects the product-related components, whereas the right side is focused on the customers’ side. Value proposition, characterized as “the bundle of products and services” aimed at satisfying users’ needs and creating value, is located in-between [15].

From the ziswaf collection model at LAZISMU X, a business model mapping can do, this is done to describe the effectiveness of various existing programs so that it is possible to develop business strategies. The results of the interview to map the components of each element of the business model based on BMC are as follows:

#### 3.2.1. Customer segment

As a philanthropic institution, LAZISMU is dedicated to empowering the community through the productive use of ziswaf, infaq, shadaqah funds, and other religious funds. The LAZISMU customer segment emphasizes the need for a very close presence between Amil and Muzakki so that the vital role in finding customers is the presence of service offices, LAZISMU service offices in X are scattered as many as 23 units, need good coordination and organization in organizing all existing service offices. Other customer segments are individual muzakki with segmentation according to productive zakat products, zakat on assets,

professional zakat and so on. Forage segmentation includes the age level of children 6-12 years, students 13-18 years, and General without age limit.

### 3.2.2. Value propositions

The value proposition at LAZISMU X is to provide certainty that the ziswaf fund distribution program will be right on target because it works in harmony with Muhammadiyah institutions. So that Muzakki will get more trust in LAZISMU.

### 3.2.3. Channels

Channels LAZISMU X has 23 service offices spread throughout X, making it easier for muzakki to pay ziswaf. Also, in the digital era, LAZISMU X provides convenience through e-banking facilities for payment via transfer, both through mobile banking and internet banking. LAZISMU also provides infaq box media provided at each study meeting or recitation at several mosques.

### 3.2.4. Customer relationships

Customer relationship explains that LAZISMU X must determine the type of relationship that it wants to build with its customer segments. To maintain good relations with muzakki, LAZISMU X is committed to being a trusted philanthropic institution. All forms of programs implemented by LAZISMU will be directly informed to muzakki via the WhatsApp broadcast regularly. For royal muzakki, they will be given an infaq coupon (Afterlife investment).

### 3.2.5. Revenue streams

The revenue stream for Islamic based philanthropic institutions, so that all forms of proper collection and empowerment programs conducted by LAZISMU X must be by the provisions of the sharia of the Qur'an, ash-sunnah, Ijma, and others. So, the intention carried out by LAZISMU X is to be God's representative in sharing benefits.

### 3.2.6. Key Resources

Key Resources describes the most valuable assets needed for a business model to function [9]. LAZISMU has an institution that seeks to provide benefits to the community requires resources that can compete. The current state of resources consisting of 5 total amil workers is still said to be lacking because it does not yet have its own fundraiser and IT experts, the head office already exists, the service office has 23 units, and has computer and internet network facilities.

### 3.2.7. Key Activities

The main activities of LAZISMU X are socialization through Muhammadiyah institutions, socialization through various social media in the form of Facebook, WhatsApp, and Twitter. Maintenance cooperation in several businesses such as shops, pharmacies, schools, and mosques providing ziswaf pickup service.

### 3.2.8. Key Partnerships

Partners from LAZISMU X include autonomous organizations namely Aisyiyah, Muhammadiyah Youth, Nasyiyatul Aisyiyah, Muhammadiyah Student Association, Muhammadiyah Student Association, educational institutions, financial institutions (BTM), and mosques. Meanwhile, synergy with institutions outside Muhammadiyah LAZISMU has collaborated with various institutions and communities in channeling and utilizing ZISWAF funds such as BAZNAS, X, and various hobby and professional communities and so on.

### 3.2.9. Cost Structure

LAZISMU X has two cost categories, namely Fixed cost, and variable cost. Fixed costs include electricity, water, telephone, water, telephone, internet, amil salaries. Variable costs include marketing costs, ziswaf distribution costs, and administrative costs.

From the results of BMC analysis in the ziswaf collection strategy at LAZISMU X can be seen that the collection is still done traditionally, ziswaf collection today is faced with competition from various other philanthropic institutions. Some input to determine the ziswaf collection planning strategy at LAZISMU X.

Among the inputs and suggestions that can be given to LAZISMU X as consideration is:

- a. Digitizing Ziswaf  
In order to increase the value proposition LAZISMU can collect ziswaf, infaq, and alms (ZIS) through digital services, this service intends to help the community to fulfill their ziswaf worship. Although there is a ziswaf payment service through e-banking, the use of other digital services can provide convenience for those who are busy and do not have free time to do ziswaf. Ziswaf payment can also take advantage of the PayPal service and scan the GO-PAY electronic money QR code or other digital wallet services. Ziswaf digitalization as an answer to the challenges of the digital 4.0 era so that you can work more effectively.
- b. Utilization of Social Media  
The utilization of social media is part of the LAZISMU X in the collection of ziswaf. The social media channels that have been carried out so far are limited to WhatsApp. For Facebook and Twitter, there are already but not optimal. For this reason, a renewal in the channel is needed by utilizing the latest websites, social media such as Instagram, YouTube, and others.

c. Human Resources/ Amil ziswaf  
 The key resources in LAZISMU, X, are very inadequate, and the number is very limited, there is even some staff who have more than one task, for example,

being an admin as well as marketing fundraiser and others. Amil does not yet have the ability of IT so that the current marketing patterns do not optimally utilize technology.

**Table 2.** Mapping business model canvas in LAZISMU X

Key Partnerships	Key Activities	Value Propositions	Customer Relationships	Customer Segments
<ul style="list-style-type: none"> <li>Muhammadiyah's Autonomous Organization School Educational Institutions Universities</li> <li>Muhammadiyah Economic Institute</li> <li>Muhammadiyah Da'wah Institute</li> <li>Muhammadiyah Educational Institutions</li> <li>Bank Financial Institutions</li> <li>Mosques in the LazismuX area</li> </ul>	<ul style="list-style-type: none"> <li>Information dissemination through Muhammadiyah institutions</li> <li>Socialization through social media</li> <li>Maintenance cooperation (Pharmacies, Stores, Schools, Mosques)</li> <li>Ziswaf pickup service</li> <li>Amil power</li> <li>Head Office</li> <li>Serviced Offices</li> <li>Computer</li> <li>Internet network</li> </ul>	Provide certainty in the distribution of ziswaf funds to empowerment programs	<ul style="list-style-type: none"> <li>Investment coupons (infaq) hereafter.</li> <li>Broadcast through WhatsApp activities and programs carried out</li> </ul> <hr/> <p style="text-align: center;"><b>Channels</b></p> <ul style="list-style-type: none"> <li>Muzakki Service Office, there are 23 service offices</li> <li>e-banking</li> <li>Media infaq boxes (cans, boxes, etc.)</li> <li>A counter at Recitation, Event.</li> <li>Information via WhatsApp</li> </ul>	<ul style="list-style-type: none"> <li>Service offices play an essential role</li> <li>Muzakki individuals, according to ziswaf segmentation, Productive Ziswaf, Ziswaf Mal, Ziswaf Profession, and others.</li> <li>Muzakki age segment:</li> <li>IHSAn (General), Young Philanthropy (Children), Young Philanthropy (Students)</li> </ul>
<b>Cost Structures</b>		<b>Revenue Stream</b>		
<ul style="list-style-type: none"> <li>Fixed Cost Electricity fees, water fees, telephone fees, internet fees and Amil salary</li> <li>Variabel Cost Marketing Fee, Ziswaf distribution costs through programs, Administrative costs</li> </ul>		The ziswaf funds collected are the ummah funds, which are fully used for public benefit.		

**4. CONCLUSION**

The result shows that zakat collecting method in LAZISMU X applies traditional method. By using the Business Model Canvas strategy in LAZISMU X zakat collection, it is recommended to focus on three aspects, namely the Digitalization of Ziswaf, Utilization of Social Media, and Human Resources/ Amilziswaf. For further research can examine in terms of effectiveness, institutional capacity, human resources, and the application of industry 4.0 in other philanthropic institutions in Indonesia.

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