



Group Alms Management as a Sustainable Community-Based Fundraising Model

Asep Yudha Wirajaya^(✉) 

Sebelas Maret University, Central Java 57126, Indonesia
asepyudha@staff.uns.ac.id

Abstract. This article attempts to answer the challenges related to the transparency of the management of public funds channeled through the Philanthropy Institute, Sedekah Rombongan amid the bustle of alleged misappropriation of donated funds at the ACT Institution. This study uses a qualitative descriptive research model by engaging in observations. The data was obtained through interviews, both structured and unstructured. In addition, data were also obtained through direct observation involved in the group alms community. Then, the data is classified according to the predetermined problem formulation. Then, it is analyzed and drawn to a conclusion. Sedekah entourage is a non-profit organization that can manage sources of funds that come from the community and then distribute them to the poor who have not been touched by government programs. In addition, the group alms is also an organization that can attract the interest of the younger generation to go directly to the community to promote human values and compassion. Awareness of human values and compassion that is instilled through the group's alms program can be felt by the lower classes of society. Thus, the community can participate actively to be able to help each other without seeing differences in ethnicity, language, race, and religion. This is the core of religious teachings, namely spreading love towards fellow human beings.

Keywords: alms · group alms · models · fundraising · sustainability

1 Introduction

Demographics and Institute of Poverty (IDEAS) predicts Indonesia's poverty rate could reach 10.81% in 2022 or 29.3 million. This is due to the weakening of the social protection budget in the State Revenue and Expenditure Budget as part of the impact of the protracted COVID-19 pandemic, the Russia – Ukraine war, and increasing global economic pressures. Of course, this makes more and more poor people financially vulnerable, so they are simply ignored by the state. Therefore, it is necessary to build public awareness to help each other through the group alms program. In addition, the government must also play an active role in preparing a clear legal umbrella so that aspects of monitoring and supervision of the existence of this philanthropic institution can run well. Moreover, the world of Indonesian philanthropy has just been shocked by the alleged misappropriation of donation funds by the ACT Institution [1].

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The emergence of the case, of course, affects the attitudes and attention of the Indonesian people. Therefore, the competent authorities must act immediately to resolve the case fairly, openly, and objectively so that there is legal certainty for all parties. This is important considering that Indonesia is one of the most generous countries in the world according to a survey by the charity Aid Foundation (CAF) in the 2018 World Giving Index report [2]. Do not let the emergence of these cases then lead to negative perceptions that can turn off the sense of empathy, solidarity, and cooperation in our society. It is proven that there are at least 110 philanthropic institutions listed in the Indonesian philanthropy directory, with 115 partners and networks and 1,205 regular program participants [3].

Sedekah rombongan is one of the Philanthropic Institutions in Indonesia that continues to move and transform into a social organization that is ready to help others by continuously improving its services. Sedekah Rombongan openly stated that the institution prioritizes service for the poor who are sick and unable to seek treatment. Thus, the presence of Alms Group acts as a 'bridge' between the benefactors and the patients. In addition, Alms Group also does not hesitate to cooperate with the government and other social institutions to uphold human values [4]. Of course, this is in line with the development of the world of philanthropy itself, which always strives to share resources and donate in an organized manner for long-term and sustainable strategic interests [2].

The interesting thing about this development is the side of its increasingly widespread utilization. For example, religious philanthropy, now it is not only limited to building mosques, disasters, or helping orphans but has entered a more strategic realm. For example, economic empowerment, women, anti-corruption, advocacy for migrant workers, empowerment of workers, and so on [2]. Now, in the context of the Sedekah Rombongan, the author also finds an interesting development, namely that their target is not only underprivileged patients who need treatment, but also extends to providing food to the poor, pedicab drivers, online motorcycle taxi drivers, and even the abandoned and the insane. Also did not go unnoticed by their attention and handling. This development occurred in the Alms Group in the Pati district. Because of its uniqueness, it actually "triggered" a conflict with the Sedekah Rombongan head office. However, the conflict can be resolved properly, namely the naming "Sedekah Rombongan" is no longer allowed to be pinned. Finally, they used the name "Ayo Berbagi Pati".

As a matter of fact, "Sedekah Rombongan" as a philanthropic institution that has been active in Indonesia for a long time is expected to be able to advance the world of philanthropy in Indonesia so that it can contribute more to the achievement of social justice and sustainable development. Thus, Philanthropic Institutions in Indonesia are expected to be able to advance the interests of philanthropic actors, both those from the donor sector, managers/distributors/intermediaries, and aid recipients, based on the principles of partnership, equality, diversity, justice, the universality of philanthropy and Indonesian nationality. Thus, the Indonesian Philanthropy Institute is not only a distributor of funds or grants but also encourages the creation of an environment that supports the development of the philanthropic sector in Indonesia [3, 5].

2 Method

This study uses a qualitative-descriptive research model [6]–[9] by engaging in observations [10, 11]. The data obtained through interviews, both structured and unstructured [12]. In addition, data were also obtained through direct observation involved in the group alms community [13, 14]. Then, the data is classified according to the predetermined problem formulation. Then, it is analyzed and drawn into a conclusion [15].

3 Result and Discussion

3.1 Philanthropy – Charity – CSR

Before talking further about the development of philanthropy in Indonesia, it helps us to know the difference between Philanthropy, Charity, and Corporate Social Responsibility. Etymologically, the word “philanthropy” comes from Greek, namely “Philos” which means love, and “Anthropos” which means human. As for the Big Indonesian Dictionary, it is known the word philanthropy means love for others. Thus, “philanthropy” means love for fellow human beings in the sense of caring for other less fortunate human conditions [2, 16].

This philanthropic action is then manifested through generosity and love for others. This philanthropic tradition has existed since the days of the Ancient Greeks and Romans when they donated their assets to libraries and education [2]. Likewise in the days of Ancient Egypt, they donated their land to be used by religious leaders. In fact, at the time of the Kingdom and Sultanate in Indonesia, this tradition was manifested by the term “*Perdikan*” area. This means that areas are exempt from all kinds of royal/sultanate tax levies. With the aim that the community can be more serious in carrying out worship [14, 17, 18]. Even in the early days of the Islamic Sultanate, this was enshrined in an Act of Simbur Lighting. is the peak of the area or area where there is a place of worship from various kinds of tax levies. Even the Sultanate helps provide financing for the implementation of education or worship. [19]–[21]. With the hope that the community will understand and live up to the teachings of the religion, they believe that the life of society and the state becomes safer, more comfortable, peaceful, and prosperous.

The definition of Charity based on the Big Indonesian Dictionary is good deeds that are multiplied. In a broader sense, charity is an act carried out to be good for the community or fellow human beings (giving alms, raising funds to help victims of natural disasters, the elderly, orphans, and so on) [16]. In other words, charity is more short-term and spontaneous with limited impact. Although this activity can be carried out both by individuals and by institutions [2]. So, what distinguishes between philanthropy and charity is that philanthropy acts in an organized manner so that it can solve problems to the root, while charity is a direct gift and only to overcome symptoms or symptoms.

While CSR or Corporate Social Responsibility is an action or concept built by the business world or industry as part of their responsibility to the lives of the surrounding community. The form of responsibility is taken from part of the company’s profits to be distributed to community groups in need [2]. In other words, corporate social responsibility is a rule that requires companies to involve themselves in activities that have

Table 1. Differences in Philanthropy, Charity, and CSR

Kegiatan	Sifatnya	Dampak	Cara Pemberian	Cakupannya	Pemberi
Philanthropy	Long-term and sustainable	Broad impact	Organized and scalable	Wider and unlimited	Foundation/Institution/Organization/Company/Independent
Charity	The short-term and only symptom	Limited impact	Direct Giving	Wider	Individual/community
CSR	Long-term and sustainable	Broad impact	Organized and scalable	Limited to the scope of core business	Company

Source: Indonesian Philanthropy [3]

a social and ethical impact and impact on employees and the surrounding community [16].

Philanthropy also has a slightly different meaning from Corporate Social Responsibility (CSR) because its scope is wider, not only limited to certain core businesses. This has led several companies to continue to establish their philanthropic institutions, even though they already have CSR activities. This is more motivated by their desire to develop activities that have a much wider impact. It is also the case that, in practice, not a few companies use the Philanthropic Institution only as an extension of CSR, such as the Danamon Peduli Foundation. However, some are completely separate between philanthropic and CSR institutions, such as Adaro, which created the Adaro Foundation to accommodate philanthropic activities, and PT Adaro Energy, Tbk, which also has its own CSR division. More clearly, these differences can be seen in the following Table 1.

As previously stated, the culture of giving has existed since ancient times. Therefore, it is not surprising that the generosity of the community has fostered philanthropic institutions in Indonesia. This can be understood because helping fellow human beings has become the basic instinct of every human being as a social being. It is highly recommended by all religious teachings as a concrete manifestation of faith. In addition, economic growth which is increasingly showing a positive trend on the one hand is encouraging. However, on the other hand, it has also created bigger social and economic disparities [3]. Meanwhile, the post-pandemic state's financial capacity has not yet been fully capable of overcoming these problems. Therefore, good and transparent management of the Philanthropic Institution is needed so that it can optimize the potential possessed by all Indonesian stakeholders. Thus, the existence of the Philanthropic Institution can synergize with the government to make a better Indonesia.

However, several challenges are still problems that must be faced by all philanthropic stakeholders, such as the absence of a clear and firm legal umbrella related to institutional infrastructure. Therefore, there is a need for synergistic, effective, and targeted efforts from various components of philanthropy actors and supporters in Indonesia to resolve these challenges.

3.2 The Problems of Philanthropic Institutions - Alms Group

3.2.1 Legal Protection

As it is widely understood that the state of Indonesia is a state of law, then everything related to the livelihood of the people should be regulated through laws and other derivative regulations. However, until now the legal umbrella related to philanthropy still refers to Law no. 9 of 1961 concerning Raising Money and Goods [22]. Of course, the statutory regulations are outdated and no longer by the context. Whereas the potential for philanthropy in Indonesia is estimated at Rp 200 trillion [2]. The following is the classification of Philanthropic Institutions in Indonesia. Table 2.

Therefore, the government and the DPR RI need to play an active role in immediately updating their set of laws and regulations. Given the absence of an up-to-date legal umbrella, the result is that organized fundraising is still minimal and most philanthropic institutions are still using a direct giving pattern. In addition, the government also needs to provide some kind of tax incentive to encourage donors to be more enthusiastic

Table 2. Classification of Philanthropic Institutions in Indonesia

Institution Type	Amount
Family Philanthropy	18
Corporate Philanthropy	17
Religious Philanthropy	30
Independent Philanthropy	37
Media Philanthropy	4
Other Institutions	4

Source: Directory of Indonesian Philanthropic Institutions [3]

about giving. If we still refer to the old laws, philanthropic institutions in Indonesia will be bothered with fundraising rules that must be renewed every 3 months. Not to mention the rules regarding local, regional, and national categorization of philanthropy or fundraising, which are very restrictive in today's digital era [2]. Again, it all comes down to the attitude and active role of the government and the Indonesian House of Representatives in preparing new laws that are more accommodating and responsive to existing developments [23].

This includes those related to tax incentive regulations that are quite interesting, such as tax exceptions, namely tax exemptions for donations as tax objects. Then the tax deduction, the contribution as a deduction from taxable income. So the donations given can be a deduction from taxable income. This has become common abroad. In Indonesia, it already exists, but it is still limited to zakat [5, 24, 25]. Even then, the results are not significant because it is limited to only five fields. In addition, the tax incentives provided are still small, namely, only 5%, not significant so not many people claim. Whereas in other countries, super deductions have been implemented, namely the provision of tax incentives in large amounts up to 200%, given to areas that are considered important but have not contributed much [2].

Thus, the policies that have not been widely supported have become one of the reasons why philanthropy in Indonesia has not developed quite significantly. In fact, in terms of very large potential, coupled with the nature of the Indonesian people who are generous and happy to share.

Moreover, currently, philanthropic institutions in Indonesia have developed quite rapidly and are professional. Coupled with the emergence of digital philanthropy trends that make it easier for people to share with a more transparent system. If the policies of the government can be encouraged, of course, the philanthropic funds collected and organized will be bigger and wider, thus having an impact on the nation's economic growth [2].

3.2.2 Institutional Governance

In addition to the legal umbrella issue, the issue of institutional governance is something that is very important and needs to be addressed. For example, the administration of the

collection of donations, the management of the distribution of donations, and the supervision of the administrative system of both, including the Human Resources involved in it. So far, the personnel involved in the management system at “*Sedekah Rombongan Pati*” or “*Ayo Berbagi Pati*” are people who have joined for a long time and are considered senior and trustworthy. Meanwhile, there has never been any kind of debriefing or up grading for them on good and correct philanthropic management procedures. As a result, so far their management has been running as it is and even impressed without any planning at all. In fact, as a professional philanthropic institution, there should be some kind of database related to clear donors/givers and recipients (by name by address) [5, 26].

The activities carried out are practically just routine, as every Thursday night at 20:00 WIB they hold a coordination meeting at the house of the chairman of the “*Sedekah Rombongan Pati*” to organize and prepare the distribution of blessing rice. The distribution is carried out starting at 22:00 WIB - 24:00 WIB in the Pati area. The targets of this blessing rice distribution are pedicab drivers, online motorcycle taxi drivers, crazy people or abandoned people they meet along the way. Meanwhile, the collection of blessing rice itself is usually done on the H-a few hours before the implementation. The donors are also not properly recorded (by name & by address). They usually donate money, mineral water, snacks, bread, rice wraps, etc. spontaneously.

As for the program for assisting patients from the poor, this was also carried out only to the extent of spontaneity. They usually get information from social media, then the information is followed up with field surveys and asking village officials. After being declared appropriate, patient assistance services are carried out until the patient recovers. This service is really extraordinary all out, they even take the patient who really needs a referral to a hospital outside the Pati area, such as to Semarang or Solo. Once again, the administrative management of records is still a problem that must be addressed.

Furthermore, sometimes on the sidelines of the available time, they also serve the delivery of corpses for families who can't afford it. This also runs only to the extent of spontaneity that is not managed properly. As a result, as long as there is someone in need and the fleet and driver are available, it will be implemented. The delivery of the bodies was not only limited to the Pati area, even outside Central Java had also been carried out.

Regarding the reporting and evaluation model, they are only limited to submitting details of income and expenses in Thursday night forums (for internal) and at regular monthly meetings (for external/headquarters). Once again, there is no online system that can monitor and ensure that all these funds are on target. Therefore, there needs to be improvement efforts both internally and externally, including the government in it (as regulator and evaluator).

4 Conclusion

“*Sedekah Rombongan Pati*” is a philanthropic movement capable of embracing and moving the younger generation to care and be involved in helping others in need. However, in subsequent developments, there need to be improvements both in terms of management of the collection of donations, management of the distribution of donations, and management of reporting and program evaluation. In addition, the government also needs

to play an active role in preparing the legal umbrella so that this philanthropic climate can grow well. Considering Indonesia's philanthropic potential reaches Rp 200 trillion / year. With a clear and firm legal umbrella, donors will be even more motivated to donate because they also get incentives in the context of taxation. While on the other hand, the managers of philanthropic institutions can also be more secure, comfortable, and professional in their management. They can even develop the Philanthropic institution into an institution capable of empowering the community so that it can contribute to economic growth.

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