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OPTIMIZING PRODUCTIF WAQF TOWARDS PROSPERITY: EVIDENCE FROM PWM DIY

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Abstract

Introduction: Indonesia is a country with a population of 273 million people, but this large population does not guarantee that the level of prosperity is high. The economic challenge facing the country, especially after Covid-19, is economic recovery in social aspects such as poverty and inequality. Yogyakarta Special Region Province contributes to quite high levels of poverty and inequality in Indonesia. Apart from the fiscal policy used by the government, there are aspects that can reduce poverty rates or reduce disparities through community movements by maximizing waqf into productive waqf.

Purpose: This research analyzes the main components and multiplier effect of productive waqf managed by PWM DIY.

Methodology: The research combines quantitative data and qualitative data. Quantitative data to provide a descriptive description of waqf management and qualitative data were taken using a sample method consisting of 32 of which there were 28 direct and indirect waqf managers and 4 representatives of DIY PWM.

Findings: PWM DIY manages 28,552 M2 waqf land where 2,560 AD2 has been established for 20 percent of educational activities from Nursery school - high school, 20 percent for social and religious activities such as mosques and business charities and 60 percent for office or association activities. Based on the AHP method, it shows that productive waqf activities managed by PWM DIY have increased two priorities, namely increased employment opportunities and increasing access to education services. Apart from that, the benefit ratio (RI) value is 1.14 and the Consistency Ratio (CR) is 0.97, which means that



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DIY PWM activities in managing waqf into productive waqf are consistent and have a positive impact on the beneficiaries both directly and indirectly on the community.

Paper Type: Research Article

Keywords: Waqf productive; AHP; PWM DIY; disparity

INTRODUCTION

Indonesia is a country with a population of 273 million people based on the latest dukcapil data from the Ministry of Home Affairs last April 2022. However, the large population does not provide an understanding that the level of prosperity is high. Indonesia is ranked 111th out of 189 of all countries in terms of human development. This does not mean that Indonesia is free from poverty, but it shows that Indonesia is still far behind other countries (Prahesti & Putri, 2018). Poverty is still a major problem in Indonesia (Suripto & Subayil, 2020) where the majority of citizens are Muslim. Moreover, Indonesia is also a country affected by the corona virus pandemic, so that many economic sectors have experienced setbacks, which has created a lot of opportunities for unemployment which is the biggest contributor to poverty rates. The Special Region of Yogyakarta is also not spared from this. So much of the economic journey has stopped and the unemployment rate has increased.

Disparity can be minimized by having an even distribution of income and wealth. Islam as a religion that is *rahmatan lil 'alamin* certainly provides a solution to the problem of poverty because Islam provides an instrument that is made an obligation for its people, namely zakat (Amymie, 2017). Zakat is a form of worship that falls into the categories of fiqh worship and fiqh mu'amalah. Fiqh of worship refers to everything, including the value of human obedience to Allah, and fiqh of mu'amalah refers to everything related to interpersonal relationships. In other words, by paying zakat, humans can maintain good relationships with Allah in the form of worship, and with fellow humans. A person can increase his wealth by paying zakat to those in need. In addition, paying zakat can purify and purify those who pay from greed, selfishness and arrogance, and will gain the pleasure of Allah SWT (Khasandy et al., 2019). Every individual in the Islamic religion is required to play an active role in alleviating poverty and improving and developing the quality of life in a process of togetherness through zakat, infaq and shadaqah (Munandar et al., 2020).

The development of economics and law in Indonesia, apart from the ZIS instrument, there are instruments that can be used by Islamic institutions to empower people and alleviate poverty, namely through productive waqf instruments (Eugenia et al., 2022). In 2004, there was a waqf law, namely Law Number 41 2004 concerning waqf, which is about waqf assets, waqf institutionalization and waqf development management. Waqf plays an important role in the economy and society

so that waqf management must be transparent and productive so that it contributes to improving welfare and developing various infrastructure for the empowerment and independence of the people (Asri et al., 2020).

According to Zainal (2016) the development of waqf in Indonesia has not occurred as massively as the ZIS instrument and the potential of waqf has not been able to demonstrate and provide direct benefits to the people. The main obstacle in waqf management is the nazhir, namely the main waqf manager. The weakness for the nazhir is that he does not have experience in how to empower waqf assets so that they can produce or provide economic value to the people. Managing productive waqf is not an easy thing to do, it requires management skills and abilities, a sense of entrepreneurship and being able to capture information appropriately. Apart from the nazhir side, obstacles to productive waqf management according to Rozalinda (2020) are the role of waqf assets to improve the welfare of the people, the development pattern of waqf assets and their characteristics.

This research focuses on waqf assets that have been managed productively by Muhammadiyah at the Yogyakarta Muhammadiyah Regional Leadership (PWM) office. The research was conducted in relation to the institutionalization of waqf assets regulated by the Indonesian Waqf Board (BWI) regarding the shift in perception that the management of waqf assets from individuals or traditional to modern institutions and organizations guaranteed by law. PWM DIY is institutionally and guaranteed by law to manage waqf which includes educational, health and socio-religious and cultural institutions.

Management of non-productive waqf into productive waqf has the aim of improving welfare. The welfare obtained is not for individual welfare but for social welfare. According to Medaline (2017) social welfare is an organized system of social services and institutions that aims to help individuals and groups achieve a satisfactory standard of living and health as well as personal and social relationships that can improve their full abilities. To achieve social welfare, it is necessary to strengthen institutions in waqf management, in this case the risk management faced by waqf managers becomes more complex. Risk management of non-profit organizations according to Khalid et al (2019) must bear risks if they want to continue their organizational goals, including waqf institutions which are vulnerable to the dangers posed by potential risks.

The risk stages according to the Waqf Core Principle (WCP) are identifying, measuring, evaluating, monitoring, reporting and controlling or reducing all material risks in a timely manner and to assess capital adequacy and liquidity in relation to the risk profile and market and macroeconomic conditions (Indonesia et al., 2018). Productive waqf management is waqf objects that are used in production activities and the results are distributed according to the waqf objectives (Qurrata et

al., 2019). According to Puspitasari (2017) productive waqf takes the form of agricultural land or plantations, commercial buildings, which are managed in such a way as to generate profits, some of the proceeds of which are distributed to waqf beneficiaries.

The aim of waqf is not only to collect financial resources or in any form from donors and distribute them, but the wealth and optimization of waqf resources must provide benefits to members of the group or the surrounding community, so that the productive use of waqf is not limited to religious activities but has a wider scope in improve and strengthen the development of the social and economic conditions of society. Ambrose et al (2018) stated that as a form of voluntary and voluntary charity, productive waqf can encourage the socio-economic development of society. Sulaiman & Zakari (2019) state that the important role of waqf is that it can promote religion, education, health, food security, even housing or organizations through the construction of public service facilities such as mosques, educational institutions, hospitals, etc. This research analyzes the impact of productive waqf managed by PWM DIY on increasing social welfare and identifies the advantages that business charities have in increasing productive waqf.

METHODOLOGY

Primary data was obtained from the first source, both PWM DIY and waqf managers such as school principals, students, and guardians, namely by conducting direct and in-depth interviews. The number of respondents taken as samples was 32 people consisting of 28 waqf managers directly and indirectly and 4 representatives of PWM DIY. Meanwhile, the data sources were taken purposively and snowballing, the collection technique was a combined method, the data analysis was inductive/qualitative.

The method used in this research is Analytical Hierarchy Process or commonly called AHP, which is an analytical method to support decision making. This method supports describing multi-factor and multi-criteria problems into one hierarchy. The AHP method follows research by Putra et al (2023) which uses AHP apart from being a matrix analysis as well as measuring strong factors in optimizing waqf in PWM DIY. Pairwise comparison matrix analysis to identify priority output or synthesis of priority with the value 1 placed in the diagonal position of the matrix. With the following formula equation:

$$Geomean = \sqrt[n]{a_1 \times a_2 \times \dots \times a_n} \quad 1$$

Where n is the total respondents and a is the respondent data. The next stage is to test the level of consistency with the eigenvector values obtained from the synthesis of priority process or produced from formula 1. The step to test the level of consistency consists of a

pair comparison matrix d with the eigenvector so that the result of the previous multiplication is divided by the eigenvector. Index consistency can be written in the following formula:

$$CI = (\lambda_{max} - n) / (n - 1) \quad 2$$

Where λ_{max} obtained from the previous eigenvector which is divided by n and n is the number of elements in the study. The final step is to calculate the consistency ratio with the following equation:

$$CR = CI / RI \quad 3$$

Where CR is the consistency ratio; CI is a consistency index and RI is a random index. This research uses synthesis of priority analysis and consistency testing for each matrix.

RESULTS AND DISCUSSION

Overview of the Waqf managed by PWM DIY

The waqf land managed by PWM DIY covers an area of 28,552 M², which consists of 5 buildings on a land area of 2,560 M² spread across DIY Province. Apart from land and buildings, there are 2,555 units of goods and 10 vehicles. Buildings managed by PWM DIY are used for educational activities by 20 percent, social and religious activities by 20 percent and for office and association activities by 60 percent. Muhamamadiyah Regional Leader (PWM) D.I. Yogyakarta oversees several assemblies, one of which is the Waqf Utilization Council (MPW). This council has the task of developing and safeguarding waqf assets and community property as well as guiding the community in implementing waqf, grants, infaq, shadaqah which are waqf in nature. Muhamamadiyah regional leadership's productive waqf assets have reached 75% which are used for offices (PWM, PDM, PCM and PRM), educational institutions (high school, middle school, elementary school, Islamic boarding school) as well as social and religious activities (Lazismu, Orphanage, Da'wah Garden, Mosque).

Waqf Productive for office

The Waqf Utilization Council which is spread across the Muhamamadiyah Regional Leadership (PWM), Muhamamadiyah Regional Leadership (PDM), Muhamamadiyah Regional Leadership (PDM) and Muhammadiyah Branch Leadership (PRM) is not only used as an office building, but is also used for economic, social, and religious activities. and society. Apart from being a Muhamamadiyah office area, PWM DIY is also used as a regional Ortom office and has a hall and mosque which are also used besides Muhamamadiyah for recitations, weddings and seminars by organizations and the public as well as public institutions.

PDM Yogyakarta City, apart from being an office with orthom and Lazismu, also has a mosque, hall which is used by organizations and the public for recitations and various kinds of community social activities. Apart from that, PDM City has two rooms which are used by the Aisyiyah Regional Head as a place to exhibit MSME products and there is no rental fee. PDM Kota has 14 employees. PCM Gedongtengen is in a waqf land complex which includes Muhammadiyah Elementary School, Lazismu Office, PRM Office, Mosque and Hall. Apart from being used for prayer and recitation activities, this mosque and hall are also used by the community and students as a place for meetings and community activities.

PRM Nitikan owns wakaf land on which it not only functions as an office but also functions as a place of education (Nursery School/TK), a business unit in the form of a TokoMu outlet which sells necessities whose sources are taken from BulogMu, a Muhammadiyah business unit, and a place of worship and social religion. It is also used for other than worship and recitation, BMT as a form of microfinance institution, LazisMu and 4 ambulances as real social evidence.

Waqf Productive for Educational Institutions

MWK PWM DIY has educational institutions such as kindergarten, elementary school, middle school, high school, and Islamic boarding school. Among the samples for this study were SD Mugen, SMPM 2 Yogyakarta, SMA M 1 Yogyakarta and Madrasah Mu'alimin Muhammadiyah Yogyakarta. All the schools that the researchers used as samples have national standard school facilities, not only classrooms and laboratories but also halls, mosques and business units or BUMS. The specialty of all these educational institutions is that the halls and mosques are not only used for school activities but can also be used by members of the organization for free so that they can help mobilize the activities of the Muhammadiyah organization, whereas if they are used from outside the organization, these halls are for rent and generate income for the school. Most BUMS or School-Owned Enterprises are canteens for students' consumption/lunch needs and mini markets that sell consumption needs and stationery needed by students. Madrasah Mu'allimin Muhammadiyah is an example of an educational institution that has many business units other than the two mentioned above, such as laundry, drinking water and bread business units, thus increasing income for the school, and increasing the number of benefits in the form of employees, thus opening many job opportunities. Regarding the relationship with Lazismu, apart from Mugen Elementary School, all the schools and madrasas above have collaborated with LazisMu in the form of collecting sadaqah funds from students, then the funds collected are used for social activities both inside and outside of school.

Waqf Productive for Social and Religious Activities

Apart from being a place for fostering orphans and poor children, this orphanage has complete facilities, it also has a business unit in the form of a multi-purpose building which is rented out and involves the orphanage children as managers so that the orphanage gets additional income and the orphanage gets a profit from the profit sharing from renting the multi-purpose building. The LAzismu DIY office has 12 management employees and functions as a place for services such as donations, infaq, sacrifices, zakat fitri, zakat mall. Services to the community not only provide capital assistance and scholarships but also help with tree seedlings and construction of Al-Qur'an Education Parks as well as distribution of sacrificial animals and sacrificial meat in canned form so that they last a long time.

The Aceh Miniature Mosque is a form of solidarity between the people and the entire Aceh Provincial Government, so this beautiful miniature mosque was built for the people of Jogja who at that time were hit by a major earthquake at the end of 2006. This mosque was inaugurated on October 26 2010. It is located on the side of the national highway or southern ring road. Apart from being used for worship and recitation as well as community activities around the mosque, this mosque also has a mini petrol station. This Muhamadiyah Hospital has the privilege of not only being a health service center, but also having a mosque which is the center of religious and social activities with the name KH Mosque. Sudja'. Apart from recitations on Monday afternoons, Thursday afternoons, The Sat Nite, Sunday Mornings, also has a business unit in the form of a minimarket with a Logmart, Rukti Jenazah Service, and Hall. This mosque also provides free services such as free drinking water, free vegetable bazaar, blood donation, free mass circumcision in collaboration with Lazismu which has an office on the first floor of this mosque. All Muhammadiyah business activities can absorb labor and increase people's income and are a form of Muhammadiyah organizational independence and this has been emphasized by KH. Ahmad Dahlan with the sentence Live Muhammadiyah and Don't Look for Life in Muhammadiyah.

ANALYTICAL HIERARCHY PROCESS

The number of respondents taken as samples was 32 people consisting of 28 waqf managers directly and indirectly and 4 representatives of PWM DIY. There are 5 criteria that form the basis for assessing the impact of waqf optimization based on the results of respondents' answers, namely in A). Improving educational services; B). Improving health services; C). Opening job opportunities; D). Increasing economic access and E). Increase income. Criteria A and B include ease of accessing educational services from kindergarten to high school as well as health facilities, providing affordable education and health services

and adequate education and health infrastructure and facilities. Criterion C includes that productive waqf can open permanent and temporary employment opportunities through EXPO Muhammadiyah activities, etc. Criteria D and E include activities carried out by Muhammadiyah that increase economic access and increase community income.

Table 1. Matrix

	A	B	C	D	E
A	1	2.34	6.97	3.56	3.27
B	2.34	1	8.21	1.03	1.60
C	6.97	8.21	1	4.57	4.08
D	3.56	1.03	4.57	1	3.20
E	3.27	1.60	4.08	3.20	1
	17.14	14.18	24.83	13.36	13.15

Table 1 shows that the overall indicators of the productive role of waqf have the main priority of increasing employment opportunities with a value of 24.83 and increasing educational access services of 17.14. Productive waqf managed by PWM DIY still has a lot of work to do in improving economic access and increasing income because these two criteria are the lowest criteria with scores of 13.36 and 13.15.

Tabel 2. Indeks Consistency

CI	1.03
RI	1.14
CR	0.97
λ Maks	12.18

Table 2 shows that the benefit ratio (RI) value is 1.14 and the Consistency Ratio (CR) is 0.97, which means that PWM DIY activities in managing waqf into productive waqf are consistent and have a positive impact on beneficiaries both directly and indirectly on the community.

CONCLUSION

PWM DIY manages 28,552 M² waqf land where 2,560 AD² has been established for 20 percent of educational activities from kindergarten – high school, 20 percent for social and religious activities such as mosques and business charities and 60 percent for office or association activities. Based on the AHP method, it shows that productive waqf activities managed by PWM DIY have increased two priorities, namely increased employment opportunities and increasing access to education

services. However, there is still a lot of work to do in improving economic access and increasing income. The research results show that every activity organized by PWM DIY must be able to open wide access to MSME actors from branch level (PRM) to regional level (PWM) as well as optimize unproductive and productive waqf land for MSME business activities and increase business charity in economic sector.

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