The Measurement of The Zakat Management Organization Transparency Index at The Provincial Level of The National Board of Zakat Republic of Indonesia

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Abstract: This research aims to measure and compare the transparency index at the provincial level of the National Board of Zakat Republic of Indonesia (BAZNAS). This research uses quantitative methods with a descriptive approach. The transparency index is measured using the Zakat Management Organization Transparency Index (ITRANS OPZ) model with a multi-stage weight index approach. Sample selection was based on purposive sampling, with four entities: BAZNAS South Kalimantan Province, BAZNAS Special Region of Yogyakarta, BAZNAS Bengkulu, and BAZNAS Southeast Sulawesi. The results of measuring the transparency index in four BAZNAS Provinces are sequentially as follows: BAZNAS Special Region of Yogyakarta (0.96), BAZNAS South Kalimantan, BAZNAS Southeast Sulawesi (0.89), and BAZNAS Bengkulu (0.81). The comparison results of four BAZNAS Provinces show that the highest index is BAZNAS South Kalimantan and BAZNAS Special Region of Yogyakarta (financial dimension; 0.40), BAZNAS South Kalimantan, BAZNAS Special Region of Yogyakarta, and BAZNAS Southeast Sulawesi (management dimension; 0.26), and BAZNAS Special Region of Yogyakarta (program dimension; 0.30). This research implies that BAZNAS, at the provincial level, needs to increase the transparency index to increase Muzaki's trust and collect zakat funds in each Province.

Keywords: BAZNAS, BAZNAS Province, Zakat Management, Transparency Index, Zakat Program.

Introduction
According to several researchers, e.q. Bahri et al. (2023), Munandar et al. (2019), and Nopiardo (2019), in Indonesia, it is regulated in Law Number 23 of 2011 concerning zakat management. The law explains that zakat management includes planning, implementation, and coordination in zakat collection, distribution, and utilization. To achieve maximum zakat management, the Indonesian government has made it easier for Muzaki to pay zakat by forming a zakat management organization (Saputra, 2024). Zakat management organization consists of the National Board of Zakat (BAZNAS), which the government formed, and the
Amil Zakat Institute (LAZ), which was formed by the community and confirmed by the government to help collect, distribute, and utilize zakat (Renata & Afrimaigus, 2022).

Based on data obtained from the BAZNAS Information and Documentation Management Officer (PPID), currently, there are 492 BAZNAS entities in Indonesia, consisting of one BAZNAS as a central board at the national level, 34 BAZNAS Province, and 457 BAZNAS Regency/City. The percentage of BAZNAS, including BAZNAS Province, still needs to be bigger than that of the Zakat management organization in coaching and LAZ in collecting and disbursing zakat, infaq, and sedekah nationally. It can be seen in Table 1 in detail.

Table 1. The amount of Zakat, Infaq, and Sedekah Collection and Distribution based on the Category of Zakat Management Organization (IDR)

<table>
<thead>
<tr>
<th>OPZ Level</th>
<th>Collection 2020</th>
<th>2020 (%)</th>
<th>Disbursement 2020</th>
<th>2020 (%)</th>
<th>Absorption (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>BAZNAS RI</td>
<td>385.126.583.224</td>
<td>3,1</td>
<td>357.673.037.626</td>
<td>3,1</td>
<td>92,8</td>
</tr>
<tr>
<td>BAZNAS Province</td>
<td>489.538.808.289</td>
<td>3,9</td>
<td>444.926.604.298</td>
<td>3,9</td>
<td></td>
</tr>
<tr>
<td>BAZNAS Regency/City</td>
<td>1.735.824.169.041</td>
<td>14,0</td>
<td>1.590.768.396.569</td>
<td>13,8</td>
<td></td>
</tr>
<tr>
<td>Amil Zakat Institution</td>
<td>4.077.297.116.443</td>
<td>32,8</td>
<td>3.527.539.299.233</td>
<td>30,6</td>
<td></td>
</tr>
<tr>
<td>OPZ in Coaching and Unreported Zakat Fitrah</td>
<td>5.741.459.770.472</td>
<td>46,2</td>
<td>5.609.737.828.531</td>
<td>48,7</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>12.429.246.447.469</td>
<td>100</td>
<td>11.530.645.166.257</td>
<td>100</td>
<td></td>
</tr>
</tbody>
</table>

Source: BAZNAS (2021)

Table 1 shows that in 2020, the national zakat, infaq, and sedekah collection reached IDR 12.42 trillion, of which 3.9 per cent was obtained from the ZIS collection performed by the Provincial BAZNAS, IDR 489.53 billion. However, the BAZNAS Province has contributed well to the collection and disbursement of it. This is proven by the provincial-level BAZNAS collection in 2020, which reached IDR489.53 billion, and the funds distributed amounting to IDR444.92 billion. It means that the BAZNAS Province has an absorption capacity. It is significant, namely 90.89 per cent. So, it is included in the practical category, where one of the indicators that shows the effectiveness of a Zakat Management Organization can be seen from the level of Allocation to Collection Ratio (ACR) or absorption capacity. Therefore, transparency becomes important with large fund amounts and relatively high ACR levels. This effort ensures that BAZNAS remains credible and trusted by the public when collecting zakat funds.

Currently, the potential and realization of the zakat collection could be more optimal. Based on data from the Ministry of Home Affairs, in the second semester of 2021, Indonesia had a Muslim population of 237.53 million or 86.9 per cent (Kusnandar, 2021). As a country with a majority Muslim population, Indonesia has great potential to collect zakat (Bahri & Arif, 2020). The results of a study conducted by the BAZNAS Strategic Research Centre in 2019 show that the potential for zakat in Indonesia reaches a nominal value of 327.6 trillion rupiahs in one year. Measurements were carried out using the Zakat Potential Mapping Indicator approach (2019), including five zakat objects: agricultural zakat, livestock zakat, money zakat, income zakat, and corporate zakat.

Measurements were performed using the Zakat Potential Mapping Indicator approach (2019), including five zakat objects: agricultural zakat, livestock zakat, money zakat, income zakat, and corporate zakat. The most considerable zakat potential is in the
corporate zakat dimension, which reaches IDR144.5 trillion rupiahs or 38.9 per cent of the total national zakat potential is followed by income zakat, money zakat, agricultural zakat, and livestock zakat in the next place. However, when compared, the enormous potential is not comparable to the realization of zakat collection in Indonesia, where in the 2022 Indonesian Zakat Outlook, it is stated that the realization of zakat collection in 2020 reached IDR 12.43 trillion or 3.34 per cent of the total existing potential (BAZNAS, 2021). The potential for zakat on a provincial scale in Indonesia has also reached quite a prominent figure, namely IDR 4.37 trillion, while the realization of zakat collection at the BAZNAS Province only reached IDR 489.53 billion in 2020.

Many factors cause the Zakat collection to be unoptimum. First, there needs to be more understanding, socialization, and public awareness regarding zakat (Diasti & Sali mudin, 2022). Second, there still needs higher trust in OPZ (BAZNAS, 2017). Third, OPZ’s lack of transparency (Alam, 2018; Khatiman et al., 2021). Fourth, the culture and habits of Indonesian society tend to prefer to channel their zakat funds directly to Mustahiq (Herianingrum et al., 2024; Rifai & Priyono, 2020). One of the main factors in not maximizing zakat collection is the low level of public trust in the management of zakat funds in OPZ. Therefore, accountability and transparency need to be a concern for all parties.

In the guidelines for zakat management organizations prepared by the Ministry of Religion, it is stated that public awareness and trust in zakat can grow further by realizing it through OPZ performance that is accountable, transparent, and professional (Ministry of Religion, 2016). Building public trust should be familiar to every Sharia entity because this is not only a form of horizontal reporting and accountability to the community, but most importantly, it is a form of vertical accountability to Allah (Ermiati & Abdullah, 2021). It is related to the concept of responsibility in Sharia Enterprise Theory (SET), a theory for companies united with divine values. Allah is the creator and sole owner of all the resources in the world, while the assets owned by stakeholders are only a trust entrusted to Allah and will be accounted for again before Him (Latifah, 2020). In connection with the SET concept, zakat management institutions should carry out their management by the Sharia in an accountable and transparent manner.

From the results of researchers' observations on each provincial BAZNAS website, many provincial BAZNAS still need to publish their financial reports. Of the 34 provincial BAZNAS officially recorded by the BAZNAS Information and Documentation Management Officer (PPID), there are only three provincial BAZNAS that have published complete financial reports for the last five years, namely Baitul Mal Aceh Nangroe Aceh Darussalam, BAZNAS South Kalimantan, and BAZNAS Southeast Sulawesi. Meanwhile, BAZNAS Bangka Belitung Islands' website also publishes financial reports but needs to attach financial reports for 2021. Likewise, DKI Jakarta also publishes financial reports on its website but still needs to attach them for 2018.

Several previous studies have measured the Zakat management organization transparency index; in 2021, BAZNAS measured the OPZ transparency index, which was carried out on 363 OPZs, where the results of the OPZ transparency index measurement found that the national measurement results received a score of 0.58 in the relatively good category. Another study was conducted by Zakiyyah et al. (2021), who obtained results showing that the transparency index for the research object was in the transparent category. Meanwhile, research conducted by Fatoni dan Fakhirudin (2021) obtained a sufficient
category for the objects studied. Merdeka dan Muid (2022) found that the average level of accountability and transparency for the research objectives could have been higher.

Several previous studies have also examined the influence of transparency on the receipt of zakat funds. Nikmatuniayah et al. (2017) research proves that accountability and transparency influence the receipt of zakat funds. The same results were also proven by research by Sari et al. (2019), who found that accountability and transparency have a positive effect on zakat receipts. Meanwhile, research measuring and comparing transparency indices in Provincial BAZNAS is still limited. This research is essential to carry out considering the strategic position of Provincial Baznas as an intermediary between BAZNAS and Regency/City BAZNAS. The results of this research can also be used to strengthen the position of Provincial BAZNAS. Therefore, this research aims to measure and compare Indonesia’s provincial BAZNAS transparency index.

Method

This research uses quantitative methods with a descriptive approach. The quantitative method emphasizes the analysis of numerical data, which is processed using statistical methods (Supriatna et al., 2022). The author uses the Zakat Management Organization Transparency Index in the quantitative method. This research uses descriptive analysis to explain the results of calculating the Transparency Index value. It refers to the model the National Board of Zakat (BAZNAS) prepared. Data sources consist of primary and secondary data. Primary data is in the form of respondent responses collected by the researcher to answer his research problem in a questionnaire. Respondents consisted of Amil Zakat in the finance, management and program section at BAZNAS South Kalimantan, BAZNAS Special Region of Yogyakarta, BAZNAS Bengkulu, and BAZNAS Southeast Sulawesi. Meanwhile, secondary data used in this research are published financial reports, Provincial BAZNAS documentation, or other data available on the websites and media of the four BAZNAS Provinces.

The population in this research is all BAZNAS Province, which is officially registered with the BAZNAS Information and Documentation Management Officer (PPID), namely 34 BAZNAS. The method used in selecting samples in this research is a non-probability sampling method with a purposive sampling approach. Purposive sampling is a technique for determining samples with specific considerations (Sugiyono, 2016). In this research, there are several criteria in selecting samples, namely the Amil Zakat Province, which is registered in the official data of the BAZNAS Information and Documentation Management Officer (PPID), the provincial Amil Zakat Board (LAZ), which has an official website and the Amil Zakat Board (LAZ) Province that returned the questionnaire. Based on the criteria and conditions determined through purposive sampling techniques, the number of samples obtained was 4, consisting of BAZNAS South Kalimantan and BAZNAS Special Region of Yogyakarta, BAZNAS Bengkulu, and BAZNAS Southeast Sulawesi.

Data collection techniques in this research were carried out using observation, questionnaires, and literature studies. The researcher carried out the data collection process directly. First, observations in this research were carried out through websites and social media owned by the four BAZNAS Provinces. Second, questionnaires were given to respondents who worked in finance, management and programs at the BAZNAS Province, which had been determined as the sample. The questionnaires that have been collected will
then be measured using a Likert scale, which is a method that measures both positive and negative responses to a question. Sugiyono (2016) explains that the Likert scale measures a person’s attitudes, opinions, and responses regarding an activity. The measurement scale used in this study is an assessment of 1 to 5 with a score of 1= Very Weak, 2= Weak, 3= Fair, 4= Strong, and up to 5= Very Strong. Third, a literature study was carried out to support this research, taken from various literature such as books, journals, and the Internet.

The data analysis technique used in this research is quantitative analysis, where the analysis results will focus on the results of the BAZNAS transparency index for BAZNAS South Kalimantan and BAZNAS Special Region of Yogyakarta, BAZNAS Bengkulu, and BAZNAS Southeast Sulawesi. The data analysis technique in this research uses ITRANS OPZ measurements, consisting of three dimensions: financial, management, and program. The Zakat Transparency Index uses a multi-stage weighted index; each component has its value. The method used in collecting quantitative data to calculate the value of the components of the Zakat transparency index is dimensions, variables, and indicators.

**Result and Discussion**

**Result**

Transparency in Zakat Management Organizations (OPZ) is supported by the Sharia enterprise theory, which states that responsibility is divided into vertical responsibility to Allah SWT and horizontal responsibility to humans (Triyuwono, 2006). Accountability is directed to humans, and Allah SWT is the giver of trust. OPZ's awareness of the importance of being accountable to Allah for the trust given will automatically create maximum responsibility for all activities carried out. The embodiment of OPZ's responsibilities in this research is OPZ's openness in financial aspects, zakat management, and program implementation activities.

In 2020, Puskas BAZNAS performed ITRANS OPZ measurements at 363 OPZs throughout Indonesia. This study's results differ from those of Puskas BAZNAS. Table 2 briefly shows the differences between the two.

**Table 2. ITRANS OPZ Measurement Results by Puskas BAZNAS**

<table>
<thead>
<tr>
<th>ITRANS Dimensions</th>
<th>BAZNAS South Kalimantan</th>
<th>BAZNAS Special Region of Yogyakarta</th>
<th>BAZNAS Bengkulu</th>
<th>BAZNAS Southeast Sulawesi</th>
</tr>
</thead>
<tbody>
<tr>
<td>Penulis Puskas BAZNAS</td>
<td>0,40 0,88</td>
<td>0,40 0,84</td>
<td>0,37 -</td>
<td>0,35 0,76</td>
</tr>
<tr>
<td>Management</td>
<td>0,26 0,92</td>
<td>0,26 0,80</td>
<td>0,20 -</td>
<td>0,26 -</td>
</tr>
<tr>
<td>Program</td>
<td>0,23 0,88</td>
<td>0,30 -</td>
<td>0,25 -</td>
<td>0,28 0,89</td>
</tr>
<tr>
<td>ITRANS OPZ</td>
<td>0,89 0,89</td>
<td>0,96 0,79</td>
<td>0,81 -</td>
<td>0,89 0,76</td>
</tr>
</tbody>
</table>


**Discussion**

In the ITRANS OPZ measurement results performed by Puskas, BAZNAS only attached the 15 highest provincial level ITRANS OPZ values so that not all BAZNAS Provinces attached the results of their transparency index measurements, one of which was BAZNAS Bengkulu.
The same thing was also done for the results of each dimension; Puskas BAZNAS, in its measurement results, only attached the 15 highest ITRANS scores, both in the financial, management, and program dimensions. The Table above shows that the BAZNAS Special Region of Yogyakarta was not mentioned in its score in the program dimension measurement results because it was not included in the 15 highest ITRANS scores in the program dimension. Likewise, BAZNAS Southeast Sulawesi should have mentioned its score in the management dimension measurement results because it was not included in the 15 highest ITRANS scores in the management dimension.

The difference between the measurement results of this research and research conducted by Puskas BAZNAS lies in the weights used in carrying out ITRANS measurements in each dimension. The Measurements carried out by Puskas BAZNAS on each ITRANS dimension weight is 1.00. In contrast, this research uses a weight of 0.40 on the financial dimension and a weight of 0.30 on the management and program dimensions, where the weights used in this research are based on the weightings that Puskas BAZNAS has determined to calculate each dimension. Furthermore, another difference lies in the year the ITRANS measurements were carried out, where the results of the ITRANS measurements carried out by Puskas BAZNAS were only carried out in 2020. In contrast, this research does not focus on just one year but from when OPZ was first established.

If you look at the ITRANS OPZ results at each BAZNAS Province, the ITRANS OPZ measurement results at BAZNAS South Kalimantan obtained the same value as the results of measurements carried out by the BAZNAS Puskas, namely ITRANS of 0.89. Furthermore, the ITRANS OPZ measurement results at BAZNAS Special Region of Yogyakarta obtained different results from the measurements carried out by Puskas BAZNAS. BAZNAS Special Region of Yogyakarta obtained an ITRANS score of 0.96 in this research. In contrast, the results of measurements carried out by Puskas BAZNAS in 2020 obtained an ITRANS score of 0.79, which means that the BAZNAS Special Region of Yogyakarta is currently much better at implementing transparency.

Then, the results of ITRANS BAZNAS measurements for Southeast Sulawesi also differed from the results of measurements carried out by Puskas BAZNAS. BAZNAS Southeast Sulawesi obtained an ITRANS result of 0.89 in this research. In contrast, the measurement results by Puskas BAZNAS obtained a result of 0.76, meaning that BAZNAS Southeast Sulawesi is better at implementing its transparency treatment in financial, management, and program dimensions.

Based on the measurements carried out in the first dimension, namely the financial transparency dimension, the results showed that the four BAZNAS Provinces studied were BAZNAS South Kalimantan and BAZNAS Special Region of Yogyakarta, BAZNAS Bengkulu, and BAZNAS Southeast Sulawesi received the transparent category. This category was obtained because the four BAZNAS Provinces have good quality financial reports and have published financial reports that have been carried out well through websites and mass media. It aligns with Aristi and Azhari’s (2021) statement, which shows that publishing reports on the collection and distribution of zakat management openly through print media and social media is used to measure transparency.

Furthermore, in the second dimension, management transparency, the results were that BAZNAS South Kalimantan, BAZNAS Special Region of Yogyakarta, and BAZNAS Southeast Sulawesi received the transparent category, which means that the three BAZNAS Provinces
have written SOPs for zakat management in their institutions and have information channels and public complaint channels that external parties can access. Meanwhile, BAZNAS Bengkulu is still in the reasonably transparent category in the management dimension, which means that BAZNAS Province could be more optimal regarding management transparency.

In the last dimension, program transparency, BAZNAS Special Region of Yogyakarta, BAZNAS Bengkulu, and BAZNAS Southeast Sulawesi obtained the transparent category. In contrast, BAZNAS South Kalimantan obtained quite transparent results. These results are supported by previous research conducted by Mutmainah (2018), which concluded that not all OPZs submitted complete and comprehensive information regarding the programs.

Upon comprehensive evaluation of ITRANS OPZ, by aggregating the transparency index measurements of the three dimensions, the results were encouraging. BAZNAS South Kalimantan, BAZNAS Special Region of Yogyakarta, BAZNAS Bengkulu, and BAZNAS Southeast Sulawesi achieved the transparent category. This positive outcome is a testament to the financial, management, and program transparency efforts of these four BAZNAS Provinces. It is further reinforced by the research by BAZNAS (2021), which affirms that, on the whole, OPZs are transparent in all dimensions, including finances, zakat management, and program implementation activities.

Judging from the number of ZIS fund receipts each year at the BAZNAS Provinces studied, the results of a high transparency index do not determine that OPZ always receives high ZIS fund receipts. The amount of ZIS fund receipts in each BAZNAS Province can be seen in Figure 1.

![Figure 1](image-url)

**Figure 1.** Increase in ZIS Fund Receipts in 4 Provincial BAZNAS entities (in Billions of IDR)

Source: Financial Report of BAZNAS Province

The results of this research have revealed that transparency is indeed an effort to increase ZIS fund receipts, but a high ITRANS score does not determine that ZIS fund receipts will always be high and increase. The results of this research on the transparency of zakat management are also a form of Provincial BAZNAS responsibility to Allah SWT and horizontal responsibility to humans as stated in the Sharia Enterprise Theory initiated by Triyuwono (2006). OPZ’s responsibilities are realized in the financial dimensions, zakat management, and program implementation activities. These results are also supported by previous research conducted by Ismail and Dukalang (2021), where transparency positively influences zakat
receipts but is insignificant.

Based on the results of ITRANS measurements, BAZNAS of South Kalimantan, BAZNAS Special Region of Yogyakarta, BAZNAS Bengkulu Province, and BAZNAS Southeast Sulawesi have achieved the transparent category because they had values above 0.76. If we look at the receipt of ZIS funds, based on data obtained from each financial report and statistical report on receipt of ZIS funds on the BAZNAS Province, BAZNAS South Kalimantan, and BAZNAS Special Region of Yogyakarta websites. BAZNAS Special Region of Yogyakarta showed a good increase in ZIS fund receipts from 2019 to 2021. Meanwhile, BAZNAS Southeast Sulawesi experienced a decrease in ZIS fund receipts from the previous year in 2021. BAZNAS Southeast Sulawesi also received a relatively high ITRANS score in the transparent category, 0.86. Thus, it can be proven that transparency is indeed one of the efforts to increase ZIS fund receipts, but a high ITRANS score does not determine that ZIS fund receipts will always be high and increase. These results are supported by previous research conducted by Ismail and Dukalang (2021), where transparency positively influences zakat receipts but is insignificant.

Conclusion

Based on the results of measurements carried out using the ITRANS OPZ formula, the following conclusions were obtained: The overall transparency index measurement results in 4 BAZNAS Provinces obtained the transparent category, where BAZNAS Special Region of Yogyakarta has achieved the highest OPZ transparency with an OPZ transparency index of 0.96. Then, in second place were BAZNAS South Kalimantan and BAZNAS Southeast Sulawesi with 0.89. Moreover, in the last place, the BAZNAS Bengkulu was 0.81. Furthermore, the comparison results of index measurements in the four BAZNAS Provinces showed that BAZNAS South Kalimantan and BAZNAS Special Region of Yogyakarta obtained the highest index in the financial dimension. BAZNAS Special Region of Yogyakarta is 0.40. BAZNAS South Kalimantan, BAZNAS Special Region of Yogyakarta, obtained the highest index in the management dimension. BAZNAS Special Region of Yogyakarta and BAZNAS Southeast Sulawesi was 0.26. The BAZNAS Special Region of Yogyakarta obtained the highest index in the program dimension, 0.30. This research implies that BAZNAS, at the provincial level, needs to increase the transparency index to increase Muzaki’s trust and collect zakat funds in each Province. The suggestion for the following result is to compare ITRANS OPZ with more BAZNAS at the provincial level.

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