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Optimization of Zakat Maal's potential to Boost Ummah's Economy

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Abstract

This research was conducted with the aim of (1) knowing the potential amount of zakat maal and the realization of zakat maal in Palopo City; (2) knowing what factors hinder the management of zakat maal in Palopo city; (3) knowing the potential optimization of zakat maal in Palopo city in encouraging the economy of the people. This research is classified as qualitative, using data in the form of direct interviews/questions and answers (dialogue) and documents. The data obtained were then collected both primary and secondary, then the data processing and analysis techniques were carried out through three stages: explaining, describing and describing. This study's results indicate that the management of zakat mal in the city of Palopo by the National Zakat Agency (BAZNAS) shows that its management has not run optimally to explore the potential of Zakat in the area. The inhibiting factors are zakat managers, where the quantity of zakat managers is low, namely the unavailability of operational and professional personnel who work entirely in managing Zakat. The level of public trust is also an inhibiting factor where people are worried that the zakat money will not reach the people who are entitled to receive it. BAZNAS seeks to minimize the inhibiting factors for zakat management by strengthening BAZNAS management. The government's role in providing training according to expertise, business capital, employment, and education to the community and preachers' role to make people aware and provide understanding to the community about the obligation to issue zakat mal.



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1 Introduction

Indonesia is a country with natural resources that can fulfil people's lives. Indonesia's natural wealth comes from land, water, and what is contained under Article 33 of the 1945 Constitution. This abundant natural wealth of Indonesia has not yet impacted the evenly distributed welfare of the people. One way to overcome the problem of equal distribution of welfare is to collect Zakat and distribute zakat funds appropriately (Mulyawisdawati & Nugrahani, 2019).

Zakat is one of Islam's messages that directly contact humanity's basic needs, namely the creation of balanced economic welfare, which does not foster jealousy between the rich and the poor (Amalia & Mahalli, 2012). Zakat is the message of Islam that once got priority in fostering the ummah when the Prophet Muhammad

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SAW fostered people in the city of Medina for the first time. Zakat is teaching that underlies the development of a socio-economic strength of Muslims. The concept of poverty alleviation of the ummah, through the practice of zakat worship, which is taught in Islam, is an alternative that can be taken in overcoming the intended social problem (Najma, 2014).

The significant potential of Zakat needs to be explored optimally so that it can help drive the economy of the people and other potentials. So that the standard of living of the people becomes elevated. However, the problem so far, among others, is managing Zakat on productive utilization, which has not been carried out professionally. The collection and distribution of Zakat have not been maximized (Hidayatulloh, 2019). Besides the low level of public understanding of the issue of Zakat, especially the actual and contemporary problems.

Considering that Zakat is so essential and is an obligation for Muslims to perfect the teachings of Zakat, the government has paid attention and formed law number 38 of 1999 in which zakat management is as stated in article 1 paragraph (1) of Law no. 38 of 1999, is defined as planning, organizing, implementing and supervising the collection and distribution and utilization of Zakat. The zakat management organization that the government recognizes consists of two institutions, namely the Amil Zakat Agency and the Amil Zakat Institution. Law Number 38 of 1999 appears in the spirit that zakat management institutions appear professional, trustworthy and independent. The still low level of trust, especially the muzak, towards the amil zakat, is also one of the problems that need attention. Apart from that, the people's awareness to give Zakat, invest and give charity also still has to be grown.

Indonesia is a country with the largest Muslim population in the world. In 2013, Indonesia's Muslim population reached 87.21% (Ministry of Religion, 2013). It can be ascertained that with the largest Muslim population, Indonesia also has enormous potential for Zakat. Based on research by Baznas, Bogor Agricultural University (IPB), and the Islamic Development Bank (IDB), the potential for national Zakat is IDR 217 trillion. This figure should have a tremendous impact on poverty alleviation efforts in Indonesia. However, the BAZNAS report reveals that only Rp from the zakat potential can be absorbed and managed by the BAZNAS institution. 450 billion for 2007, increased to Rp 2.73 trillion in 2013 or only about 1%. So far, research on Zakat discusses the potential of Zakat, the impact of Zakat on community welfare and other social problems, or studies on the realization of zakat fund receipts separately.

For the South Sulawesi region, the potential for Zakat based on a survey of the Indonesian Zakat Initiative (IZI) Representative of South Sulawesi said that the potential for zakat maal in this area could reach IDR 9 trillion (Ayu Rugayya: 2019: 1). However, specifically in Palopo, the potential for Zakat in Palopo City is estimated to reach Rp. 7 billion per year for civil servants. The realization of the zakat collection does not accompany this potential. The realization of Zakat in 2018 is around Rp. 3 billion. (TribunNews: 2019)

Of course, this vast potential can be used to alleviate poverty and improve the community's welfare, especially groups of people who are still in the category of underprivileged people. According to the Central Statistics Agency (BPS), the number of poor people in Palopo (residents with per capita expenditure per month below the poverty line) in Palopo as of December 2017 reached 15,440 people (Palopo in Figures: 2018).

Table 1. Number of Families by District

No	Kecamatan	Pra sejahtera	Sejahtera		Total
			I	II	
1	Wara Selatan	197	532	2073	2802
2	Sendana	110	303	1196	1609
3	Wara	370	1266	4464	6100
4	Wara Timur	613	1405	5242	7260
5	Mungkajang	207	467	1281	1955
6	Wara Utara	412	689	2353	3454
7	Bara	595	1082	4064	5741
8	Telluwana	389	670	2427	3486
9	Wara Barat	241	504	1634	2379
	Palopo	3134	6918	24734	34786

Source: Central Statistics Agency of Gowa Regency (2019)

Zakat is the third pillar of Islam, and Allah SWT requires Zakat. Zakat can cleanse the perpetrator of sin and show the truth of his faith, as for the method by giving part of the property that has reached nishab within one year to the person who has the right to receive it (Bahari, 2014). According to the terminology of sharia, Zakat is an obligation for certain assets, for certain groups, and within a particular time. So, it can be interpreted that Zakat is the name or designation of something (the right of Allah Ta'ala) issued by someone to people who are entitled to receive it.

How important it is to pay Zakat has been clearly explained in the Koran and the Hadith. Where in the Koran, the words Zakat and prayer are always referred to together in 82 verses. From this, there is a strong relationship between Zakat and prayer both in terms of the consequences of not doing it and obliging the same goal (Masturi Ilham, Nurhadi, op. Cit., Pp. 250-251). Legal Basis of Zakat a. Al-Qur'an The legal basis for Zakat is one of the words of Allah SWT an-Nur 56:

وَأَقِيمُوا الصَّلَاةَ وَآتُوا الزَّكَاةَ وَأَطِيعُوا الرَّسُولَ لَعَلَّكُمْ تُرْحَمُونَ

Meaning: And establish prayers, pay Zakat, and obey the apostles, so that you will be given mercy (Ministry of Religion of the Republic of Indonesia, 2005, 358.).

Pillars of Zakat are the elements that must be fulfilled before doing Zakat. Zakat pillars include people who give Zakat, Zakat assets, and people who are entitled to receive Zakat (Nasrullah, 2012). According to the jumhur ulama, issuing Zakat's mandatory requirements are divided into eight conditions: being Muslim, sensible and mature, free, perfect property, developing in real or estimated, to the nisab, sufficiently haul and free from debt. The legal requirements for Zakat are divided into two, namely intention and tamlik. The fuqoha agreed that it is required to intend to pay Zakat. That is, the intention must be shown to Allah SWT. By holding fast, Zakat is an obligation established by Allah and always hopes for his pleasure. Meanwhile, tamlik is a legal requirement for the implementation of Zakat, namely that the ownership of zakat assets must be released and given to the mustahiq (Beik, 2009).

According to (Nazri et al., 2012), Zakat is broadly divided into two, namely: zakat maal and zakat nafs. Zakat maal is Zakat in gold, silver, animals, plants (fruits and seeds) and commercial goods. As for zakat mal (property) and others, it is issued depending on the respective time. The Zakat of the nafs or often referred to as the Zakat of the soul, which is also called "Zakātul Fitrah" (Zakat given in connection with the completion of fasting in the month of Ramadan). Even this zakat fitrah must be issued by every Muslim man and woman, both adults and children, as well as free people. This zakat obligation applies to those who have excess food in the month of Ramadan. Zakat fitrah is one sha' (about 2.5 kg or 3.5 liters of rice).

In carrying out the zakat order, several types of assets must be Zakat, namely: Zakat on gold and silver, Zakat on livestock, Zakat on agricultural products (plants and fruits), Zakat on the profession, Zakat on commerce, zakat rikaz and mining goods. 1. Gold and silver zakat is a method of paying Zakat using gold and silver when it has reached the conditions that apply to both of them, whether in the form of metal, liquid or lumps. The conditions that apply to both are when the haul and nishab have been determined. 2) Zakat on livestock is a method of paying Zakat using livestock exemplified by the Prophet such as camels, cows/buffalo and goats. 3) Zakat from agricultural products is Zakat in plants, plants, fruits and other agricultural products, which must be issued if the Zakat has met the requirements. The main requirement of agricultural Zakat is to reach the nishab, namely 5 ausaq, 1 ausaq is equal to 60 bushels, the amount is approximately 910 grams. 4). Professional Zakat is any type of work used as a source of income, working for the government and the private sector. 5). Commercial Zakat is an owned property, which is prepared to be traded to obtain profit, and the property owned must be the result of one's own business. 6). Zakat rikaz is a hidden treasure in the era of jahiliyyah, namely the assets of infidels taken during the Islamic era, either in small or large amounts. And 7). Zakat on mining goods is Zakat in the form of all valuable agricultural products created in it, such as gold, silver, iron, copper, tin, asphalt and others.

Those who pay Zakat or what is often referred to as muzaki can be divided into four categories: perfect ownership; if the Zakat is developed, the assets should be the primary advantages and needs, and the assets should be free from debt problems. At the same time, those who are entitled to receive Zakat can be divided into eight categories, namely poor people, poor people, zakat administrators, converts, to release or free slavery,

people in debt, people who struggle in the way of Allah, and people who on the way.

The Zakat Management Organization is an institution engaged in the management of zakat, infaq and sadaqah funds. " (Rifqi Muhammad: 2006: 2) The definition according to Law Number 38 the Year 1999 regarding Zakat Management in Article 1, Paragraph 1 is: planning, organizing, implementing, and controlling activities for collection, distribution and utilization (Pratama, 2015). In whatever their form and position, Zakat management organizations generally have two functions: financial intermediary and empowerment.

Zakat in the social sphere acts as a unique tool given to Islam to eradicate poverty from society by making the rich aware of social responsibility. Simultaneously, in the economic field, Zakat prevents the terrible accumulation of wealth in the hands of a few and allows wealth to be spread before it becomes extensive and perilous in the hands of the owner, so a portion is given. In Islamic economic terms, Zakat is an act of transferring wealth from the rich to the unprivileged. The transfer of wealth means the transfer of economic resources. This action will, of course, result in specific economic changes; for example, someone who receives Zakat can use it for consumption or production. Thus, even though Zakat is a form of worship to Allah, it can have an economic meaning (Mulyawisdawati & Nugrahani, 2019).

Zakat can be used as a form of capital for small businesses. Thus, Zakat has a tremendous influence in various matters of the people's lives, including the influence in the economic field. Another effect of Zakat is the distribution of income relative to the Muslim community. In other words, managing Zakat professionally and productively can help the economy of a vulnerable community and assist the government in improving its economy, namely the empowerment of the people's economy following the missions it carries.

As previously explained, productive Zakat is meant here is the utilization of Zakat in a productive way. The law of productive Zakat in this sub-concept is understood by the law of distributing or giving zakat funds to mustachios productively. Zakat funds are given and loaned to be used as business capital for the poor, the poor and the weak. Al-Qur'an, al-Hadith and Ijma 'do not explicitly mention how to give Zakat whether by consumptive or productive. It can be said that no nail and shariah argument regulates how to give Zakat to the mustahiq. (Asnaini: 77) Verse 60 of surah at-Taubah (9), by some scholars', is used as a legal basis in distributing Zakat.

Based on the description in the background, problem formulation and research objectives, and literature review, the conceptual framework in our study are:

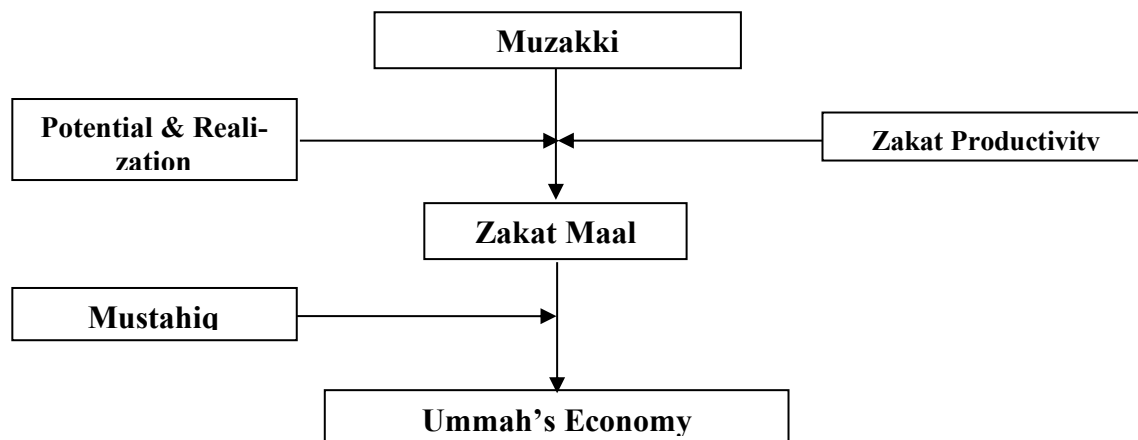


Figure 1. Conceptual Framework for

2 Research Method

The approach in our research is qualitative. The type of research we use is field research conducted through observation, interviews and documentation and describes the facts that occur in the field. The research location that we use is the city of Palopo (BAZ, local government). The research time we used was September-October 2019. The name of the place to conduct this research was as follows:

The types of data we used in this study were divided into two types, namely primary data and secondary data. Primary data is data obtained directly from the research location. In contrast, secondary data is data obtained from various sources, such as books, financial reports, 2015-2018 GRDP data, Palopo in Figures 2019, journal magazines, scientific papers, the internet, and various sources. Other. The methods we use in data collection consist of three methods: the observation method, the interview method, and the documentation method. The observation method is a method of systematic observation and recording of the symptoms studied. The interview method meets two people to exchange information and ideas through question and answer to construct meanings on specific topics. Furthermore, the method of documentation is the collection of data obtained through document documents. This study used various data processing techniques, including data reduction, data presentation, and conclusion drawing.

3 Result and Discussion

3.1 Result

Zakat's potential can be calculated using the Indonesian zakat opinion (2%), and the average zakat estimate from eight countries is 4.3% (Hayati & Chaniago, 2011).

Table 2. Potential Zakat in Palopo City

TAHUN	PDRB	POTENSI ZAKAT	
		2%	4.30%
2015	4,140,871,840,000	82,817,436,800	178,057,489,120
2016	4,428,497,040,000	88,569,940,800	190,425,372,720
2017	4,745,899,890,000	94,917,997,800	204,073,695,270
2018	5,102,987,200,000	102,059,744,000	219,428,449,600

Source: Data from BPS Palopo City

Based on table 2, it can be seen that the potential for Zakat in Palopo City has increased from year to year with an average of IDR 92,091,279,850 - (estimated 2% of GRDP) or IDR 197,996,251,678, - per year (estimated at 4.3% of GRDP). This is an opportunity for BAZNAS to increase the collection of zakat funds in Palopo City.

This potential is tracked from the number of civil servants (PNS) with two criteria, namely: (1) Muslim PNS and (2) standard monthly salaries that meet the professional zakat ratio, namely Rp. 4,192,000 - (four million one hundred and ninety-two thousand rupiahs). Following the Palopo mayor's regulation number 99 / I / 2018 concerning the payment of zakat income, Infaq and sadaqah within the Palopo city regional apparatus organization's scope in 2018. As the first step for this purpose, the number of Palopo City civil servants is presented, as shown in Table 3 below:

Table 3. Potential Muslim Civil Servants

NO	ISTANSI	Jumlah ASN	Pangkat				WAJIB	
			I	II	III	IV	Zakat	Infaq
1	SEKRETARIAT DAERAH	198	0	62	106	30	95	103
2	BADAN	311	1	47	215	48	209	102
3	RUMAH SAKIT	399	4	29	280	86	293	106
4	DINAS	1111	2	187	742	180	745	366
5	SATPOL	54	0	19	32	3	27	27
6	KECAMATAN	143	1	34	96	12	95	48
7	KELURAHAN	370	2	96	272	0	222	148
8	PUSKESMAS	423	0	38	326	59	299	124
9	TK	73	0	8	39	26	55	18
10	SD	693	0	26	390	277	550	143
11	SMP	539	0	9	233	297	414	125
	TOTAL	4314	10	555	2731	1018	3004	1310

Source: Data from DPKAD Palopo City

Table 4. Multicollinty Test Results

From table 3, it can be seen that the number of Palopo City civil servants in class I is 10 people, group II is 555 people, group III is 2,731 people, and class IV is 1,018 people.

Civil servants who meet the requirements of professional zakat nisab are Muslim civil servants with a minimum income of Rp. 4.192.000, - whose nishab is derived from Zakat on agriculture and the amount of

gold and silver. This study obtained data that 3,004 Muslim civil servants meet the requirements of the professional zakat nisab. They are potential as muzakki with details as in the table below.

Table 4. Potential for Professional Zakat

NO	ISTANSI	WAJIB		POTENSI ZAKAT 2,5 % (perbulan)	POTENSI INFAQ (Perbulan)
		Zakat	Infaq		
1	SEKRETARIAT DAERAH	95	103	10,865,878	3,350,000
2	BADAN	209	102	23,352,460	3,890,000
3	RUMAH SAKIT	293	106	32,804,425	4,360,000
4	DINAS	745	366	84,191,893	13,020,000
5	SATPOL	27	27	2,858,275	930,000
6	KECAMATAN	95	48	10,459,083	1,410,000
7	KELURAHAN	222	148	22,527,296	4,650,000
8	PUSKESMAS	299	124	31,884,383	5,200,000
9	TK	55	18	6,157,120	690,000
10	SD	550	143	75,435,389	8,130,000
11	SMP	414	125	53,151,591	3,390,000
	TOTAL	3004	1310	353,687,793	49,020,000

Source: Data from DPKAD Palopo City

From table 4 it can be seen that the potential for Zakat per month from Palopo City civil servants is Rp. 353,687,793, - or Rp. 4,244,253,516, - per year collected from 3004 people Muslim civil servants. Apart from them, 1,310 Muslim civil servants are potential sources of infaq and alms. For example, if each non-muzakki civil servant gives donations and alms as much as group IV, a minimum of Rp. 100,000, - group III is Rp. 50,000, - and class II is Rp. 20,000, the potential for donations and alms is Rp. 49,020,000 per month or Rp. 588,420,000 per year. Thus, the total potential of ZIS from Muslim PNS Palopo City is Rp. 402,707,793 - per month or Rp. 4,832,493,516 per year.

Realization of Zakat Maal, the achievement of Zakat Maal in the city of Palopo in 2015-2018 is as follows:

Table 5. Maal zakat receipts

TAHUN PENERIMAAN	ZAKAT MAAL	ZAKAT PROFESI	TOTAL	PROSENTASE		
				PDRB 2%	PDRB 4,3%	ZAKAT PROFESI (%)
2015	Rp 105,331,000	Rp 133,308,552	Rp 238,639,552	0.29%	0.13%	3.14%
2016	Rp 184,142,500	Rp 224,266,287	Rp 408,408,787	0.46%	0.21%	5.28%
2017	Rp 179,441,100	Rp 365,287,753	Rp 544,728,853	0.57%	0.27%	8.61%
2018	Rp 142,804,740	Rp 642,312,343	Rp 785,117,083	0.77%	0.36%	15.13%

Source: Data from Baznas Palopo City

Based on the data in Table 5, it is known that the collection of Zakat in the city of Palopo in the period 2015-2018 ranges from 0.29 to 0.77%, with an average of 0.52% based on an opinion of 2% of GRDP. Meanwhile, based on the assumption of 4.3% of the GRDP, this figure is smaller, ranging from 0.13 to 0.36 per cent with an average of 0.24 per cent. This achievement is still minimal when compared to its potential. This shows that there is still an opportunity for Baznas in Palopo further increase the amount of zakat collection in this region. The achievement of the zakat collection in 2018 in the city of Palopo has nominally increased from the previous year, which reached Rp. 785,117,083, -.

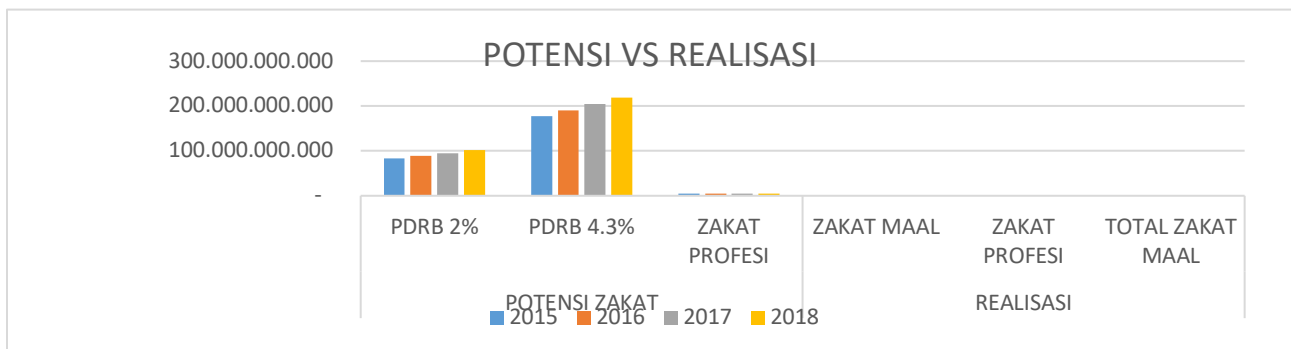


Figure 2. Graph of the Potential and Realization of Zakat Maal

Each year, the collection of professional Zakat has increased for the period 2015-2018, ranging from 3.14% to 15.13%, with an average of 8.04%. for the achievement in 2018 amounting to Rp. 642,312,343, - compared to 2017 only Rp. 365,247,753.

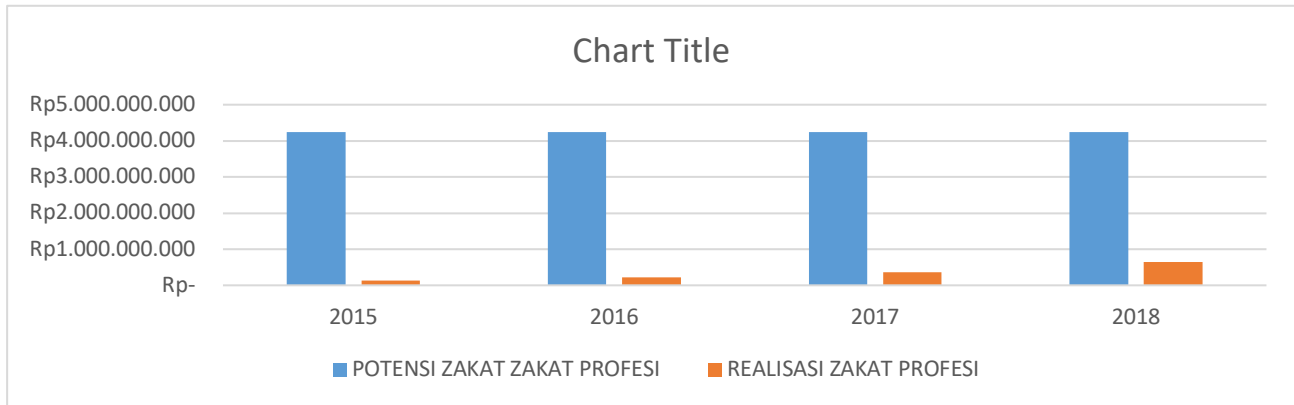


Figure 3. Potential of Professional Zakat vs Realization of Professional Zakat

There are two types of zakat distribution carried out by BAZNAS Palopo City, namely consumptive distribution, namely distribution of funds directly needed by mustahik and distribution productively, namely giving zakat funds in the form of productive assistance to improve their standard of living.

Table 6. Distribution of Zakat

Tahun	Penerimaan Zakat	Distribusi Zakat Produktif	Distribusi Zakat Konsumtif	Total Distribusi Zakat	distribusi / Penerimaan (%)	Zakat produktif / Distribusi Zakat (%)	Zakat konsumtif / Distribusi Zakat (%)
2015	Rp 238,639,552	Rp0	Rp235,842,000	Rp 235,842,000	99%	0%	100%
2016	Rp 408,408,787	Rp0	Rp274,410,000	Rp 274,410,000	67%	0%	100%
2017	Rp 544,728,853	Rp0	Rp242,000,000	Rp 242,000,000	44%	0%	100%
2018	Rp 785,117,083	Rp544,500,000	Rp98,340,000	Rp 642,840,000	82%	85%	15%

Based on table 6, it can be seen that in 2015 - 2017 the distribution of Zakat, 100% was distributed consumptively. Since 2018 there has been a change, where the distribution of productive Zakat is more excellent with a ratio of 85%.

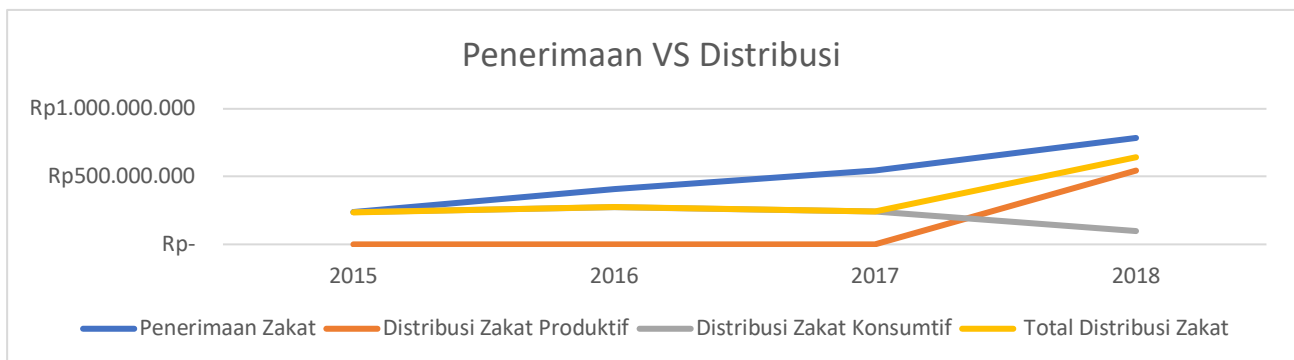


Figure 4. Zakat Receipts vs Zakat Distribution

Table 7. Potential vs Realization

Tahun	Potensi (2% PDRB)	Penerimaan Zakat Maal	Persentase (%)
2015	Rp82,817,436,800	Rp 238,639,552	0.29%
2016	Rp88,569,940,800	Rp 408,408,787	0.46%
2017	Rp94,917,997,800	Rp 544,728,853	0.57%
2018	Rp102,059,744,000	Rp 785,117,083	0.77%

Table 7. Illustrates that from 2015-2018 there continues to be a gap between zakat potential and its realization. In 2015, the potential for Zakat in Palopo was Rp. 82.8 billion, but only Rp. 238 million was realized. Likewise, in 2018 the potential for Zakat that was realized was only Rp. 785 million from Rp102 billion or 0.77% of this potential. One of the causes of this gap is the low level of public trust in the Zakat Lembaga. Research conducted by PIRAC stated, "The level of public trust in the Amil Zakat Institution (LAZ) and the Amil Zakat Agency (BAZ) is still minimal. When the existing LAZ has not been able to collect and manage the amount of potential Zakat, then this gap can also be caused by the low performance of LAZ. LAZ's performance can be seen from the efficiency of its resource management and the productivity of the institution ".

Table 8. Contribution of Zakat to APBD

Tahun	APBD Palopo	Penerimaan Zakat Maal	Persentase (%)	Potensi Zakat	Persentase (%)
2015	759,230,000,000	Rp 238,639,552	0.03%	Rp82,817,436,800	11%
2016	1,053,000,000,000	Rp 408,408,787	0.04%	Rp88,569,940,800	8%
2017	963,855,000,000	Rp 544,728,853	0.06%	Rp94,917,997,800	10%
2018	982,922,000,000	Rp 785,117,083	0.08%	Rp102,059,744,000	10%

From table 8 above, it can be seen that currently, the zakat contribution to the APBD is still below 1%. However, if it is appropriately managed, the authors believe that the zakat potential will exceed PAD. Zakat can also be used to finance APBD programs, such as scholarships, compensation for the poor, capital assistance for small businesses, which, of course, can make the community prosperous. The potential of Muslim funds collected from Zakat is a medium and long-term alternative solution for regional fiscal independence. Moreover, reduce the dependence on transfer funds from the centre that can be used for economic empowerment of the people, which cannot be resolved only with APBD funds from the recipients of local taxes and levies. Zakat, which is managed with a system and management that is trustworthy, professional, integrated and accountable, can trigger the economic movement of the community. The collection of Zakat managed by Baznas is very high and helps local governments carry out development programs. Zakat is given to eight (8) ashnaf, and according to the author, there are two forms of distribution: productive utilization and consumptive utilization. For example, it is used as health insurance for the week, free education services or scholarships for needy students, assistance for victims of natural disasters, fires, floods, and others.

Factors Obstructing the Management of Zakat Mall in Palopo City Zakat Managers

The low level of quantity and quality of zakat managers, especially their operational personnel, is a significant problem in managing Zakat. What is meant by the low quantity of zakat managers is the lack of operational and professional personnel who work entirely in collecting Zakat.

Based on the results of an interview with Mr. as'ad (the Baz Palopo administrator) that: "Currently, the Palopo City Baznas still requires operational personnel who are tasked with collecting Zakat and also have knowledge of zakat fiqh so that they can explain to the public about the obligation of Zakat the virtues of Zakat and how. Calculation of Zakat. With the hope that it can increase the receipt of zakat maal. The plan is that next year Baznas will budget for the admission of special employees to handle the collection of Zakat as zakat ambassadors, "

According to Dr KH. Syarifuddin Daud, MA (chairman of MUI Palopo) that zakat managers must be experts in Zakat, professional and independent, so that public trust in Baznas will grow. The BAZNAS management who will be recruited does not have a structural position in his institution to avoid a break in concentration in carrying out their duties. Managers who will be recruited must understand and have enthusiasm in collecting Zakat, donations and alms. Recruiting young cadres as operational staff in each division is the right solution to optimize the future performance of BAZNAS. Young souls in operational personnel can help collect Zakat `` door to door ", visiting the houses of zakat obligors. In this case, the zakat officer does not automatically collect Zakat on zakat obligors. The Zakat must be given a notification letter that BAZNAS is ready to collect and manage Zakat professionally, transparent, and accountable. The letter states the stages of zakat management. After management is carried out, the management submits proof of management directly to the taxpayer and through the media. If so, compulsory Zakat will entrust that ZakatBAZNAS manages Zakat.

Trust

Trust in the management of Zakat by institutions. Because zakat money will not reach the right person, it is used individually or in groups or is misused. Such concerns and suspicions maybe because what is expected has not come true or perhaps because there are no reports that can be witnessed in an accountable and transparent manner. People who are obliged to Zakat in the city of Palopo are not allergic to zakat management institutions. Most of them agree that the Zakatan institution manages Zakat.

This is according to what virtual mother said, "Basically I want to give trust to zakat management institutions, especially Baznas to manage my zakat, by looking at the current condition of Baznas that the distribution of zakat is unclear and the financial statements are not exposed".

Mrs Rumaeni and Mrs Juwita expressed the same thing. ``I should distribute my Zakat to the orphanage rather than giving zakat management institutions that are not clear where it will be distributed. However, I still hope the institution manages Zakat. "

Based on the results of an interview with Ustadz Lukman (Chairman of the Insan Madani Foundation) that compared to this year, the previous year when he served as Baznas secretary, public trust in Baznas was meager, especially since there had been problems in managing zakat funds in terms of revolving funds where at that time the program funds no one returned, even the traffic jam amounted to 250 million and the mustahik considered the fund to be assistance that did not need to be returned. There was no coaching assistance to the mustahik ".

Public distrust of weak and non-transparent government institutions. It must be admitted that BAZ, formed by the government, is still far from the professional-productive principle.

Community

Understanding The community's understanding of obligations is generally limited to worship, prayer, fasting and Hajj. Prayers and fasting are core lessons for everyone who studies religion. Such worship has also been practised from an early age, even for those who are not yet obliged. It is not known that Zakat is only limited to zakat fitrah, which is carried out in the month of Ramadan and is accompanied by fasting. Many of them are not aware of zakat mal, which is an obligation to clean up the property. Therefore, people only pay zakat fitrah, or they know but feel they are not obliged to pay it. Some people issue it in the form of alms even though they intend to clean up their property.

This is following what was expressed by Mr Musafir, S.Ag. "BAZ management sometimes still has a public understanding that the Zakat that is obligatory is only Zakat fitrah, and Mr Assad also confirms this that some people's understanding is that Zakat is only limited to zakat fitrah and is distributed during the month of Ramadan. ".

Ustadz Lukman stated that the public's understanding of Zakat is still low because there are still people who think that Zakat is only in the month of Ramadan. Some think that Zakat is collected when the haul and nishab are sufficient.

So, people need to be given an understanding of Zakat, especially zakat mal. So that people can distinguish alms from zakat mal.

The technology used

The application of existing technology in a zakat institution is still very far away compared to that applied to financial institutions. This also becomes one of the obstacles to the progress of the utilization of Zakat. The technology applied to amil institutions is still limited to the usual standard technology. The accounting, administration, collection and utilization systems must use the latest technology to reach all groups of society, especially the upper-middle-class segment, which have excess funds.

High mobility requires high technology that supports it, and if the amil zakat institution can innovate in providing convenience to muzakki, it will be increasingly able to enhance the process of raising funds. For example, collaborating with banks for Zakat payment via ATM or mobile banking and developing various digital services, such as donations via internet sites or collaborating with various providers of online shop platforms and digital businesses. The use of technology and making it easier for muzakki to donate will also make it easier for amil zakat institutions to raise funds in the community.

This was expressed by Mrs Lisa (Baz administrator) "that cooperation with the banking sector is limited to opening a Giro account for zakat collection".

Zakat information

The zakat information system's presence is only to make it easier to identify location points that have been worked on by an institution and which locations have not received assistance. This can prevent where there will be "fat" empowerment sites and "thin" locations. Because the primary purpose of the presence of amil zakat institutions is in addition to managing zakat funds, it must also be able to coordinate so that the benefits and effects of Zakat can be felt for increasing the welfare and welfare of the community. However, an independent institution must manage this information system and ideally manage it by the state.

According to Assad, "the LAZ management in Palopo city last month was invited, only representatives of Laziz Wahdah and LazisMU who discussed LAZ reporting concerning the receipt and distribution of zakat to ensure that no double assistance was received to receive zakat or muzakki who paid no payment for LAZ."

3.2. Discussion

Strengthening this organization is expected to increase the receipt of zakat by The officers or administrators who will be recruited do not have a position elsewhere in their institution to avoid a break in concentration in carrying out their duties. Management who will be recruited must understand and have enthusiasm in collecting zakat. Donations and alms. Establishing a UPZ (Zakat Collector unit) aims to reach the community down to the lowest strata in their collection and distribution. UPZ (Zakat Collecting Unit) was formed in various agencies in Palopo City. Among them are schools, government offices, mosques, and others.

The government is expected to formulate and implement a strategic policy plan if it is to make shari'ah a source of inspiration and commit to the welfare of all people and not only to specific groups. Zakat requires professional management. Unlike the distribution of zakat in the past, which was managed, proper and correct management is required in productive zakat management. This is because management requires complete administrative handling, starting from the collection, distribution, and utilization. The distribution of zakat that is productive is different from the distribution of zakat in a consumptive manner. This happens to people who distribute zakat directly to the poor without going through an institution that results in unproductive funds obtained. Providing training according to expertise, business capital, employment, and education to the community can improve people's lives through zakat funds.

The role of preachers, in this case, is to provide an understanding and convince the public about the importance of zakat mal because some people do not know about zakat mal, which is an obligation.

According to Mr As'ad that "there are still many people who think that zakat is only zakat fitrah and is distributed during the month of Ramadan. Some think that alms are the same as zakat, determining the haul and nishab".

According to ust. Lukman said that "Baznas has collaborated with IMKOP (Muballigh Association of Palopo City). BAZnas management should follow up on this collaboration to increase community work by socializing zakat and its virtues with uniform Friday sermons that are distributed to every Dai".

The Palopo City Baznas can develop several digital service strategies, namely: 1. internal platform. Baznas develops various digital services, such as donations via the internet site, Android programs, and various developed programs. 2. External Platform. Baznas collaborates with various providers of online shop platforms and digital businesses. 3. Social Media Platform. In this case, Baznas develops various donation service innovations via social media such as Line, WhatsApp ads, Facebook ads. 4. Innovation Platform, where Baznas has produced various campaign and service innovations by giving birth to digital zakat machines and others. Various Digital Zakat programs. Furthermore, Baznas is socialized through media publicity, social media campaigns, email, and direct mail.

Zakat distribution at the Palopo City Baznas is channelled in the form of a program: The distribution of zakat is based on the Qur'anic approach in the letter at taubah verse 60. Muallaf, Asnaf Gharimin, Asnaf Fisa-bilillah, Smart Palopo Program, Prosperous Palopo Program, Caring Palopo Program.

Of the 8 programs, based on data in 2018, the Palopo City Baznas distributed productive zakat in the Palopo Prosperous program with a percentage of 85%. The distribution of zakat is productive by using the zakat funds as business capital or assistance in sewing machines, carts and others.

Based on the results of an interview with Mr Dr KH. Syarifuddin Daud, MA "that zakat is divided into two, namely zakat fitrah and zakat maal. Zakat maal allows it to be distributed to the productive sector following the MUI fatwa regarding the Zakat Fund's transfer for Productive activities and the public benefit on February 2, 1982. "

From the researcher's observations of several groups of recipients of the Palopo City BAZNAS (National Zakat Agency), it can be seen that the utilization that has been carried out so far is still far from the expectations of low-income families. This is because the intensity of empowerment is still very low. Most beneficiary groups thought that the empowerment carried out so far had more emphasis on the socialization method than using other methods such as training, mentoring, and other methods that were not included in the methods above. This socialization method emphasizes general and not in-depth things and is usually ineffective to follow up on the method to be implemented. Thus, the results achieved, whether related to business success or social aspects, such as solidity within his family, still need improvement.

This was conveyed by the traveller (the Baz administrator) that "every month we come to the mustahik to see the business conditions of the mustahiks and the guidance is limited to how to bookkeeping, teach each month the donations and collect the donations."

This was also emphasized by Mr As'ad (BAZ administrator.) that "the role of banking is very much needed to guide mustahik to improve human resources and introduce ways of saving because almost all productive zakat recipients do not know how to save at the bank".

According to Mr Ruslan (Bank Manager), "the distribution of zakat to the productive sector is very good for reducing poverty, but in fostering zakat recipients, it is better if the cooperation with government agencies and banks".

SWOT analysis (Strength-Weakness-Opportunity-Threat) is carried out to obtain alternative strategies that will be developed by looking at the input from the analysis of inhibiting factors and optimization efforts (attachment 10) and referring to the results of the SWOT analysis carried out using the Matrix. SWOT, which can clearly describe how the opportunities and threats faced can be adjusted according to the internal strengths and weaknesses that are owned. Analysis of the formulation of SO, WO, ST and WT strategies is shown in the following table.

Table 9. SWOT analysis

	S	W
O	a. Utilizing the role of BAZNAS figures for network expansion within the Palopo City Government. b. Strengthening alliances to facilitate transactions for ASNs and the General Public in Palopo City	a. Strengthening the organization by increasing the quality and quantity of human resources b. Repair the IT system

		<ul style="list-style-type: none"> c. Approaching community and religious leaders and collaborating with IMKOP (Muballigh Association of Palopo City). D. Strengthening regulation through the role of government e. Cooperation with banks and government agencies
T	<ul style="list-style-type: none"> a. Strengthening the alliance to create a zakat campaign program within the Palopo City Government. b. Increase the campaign as a transparent and clean institution. c. Distribution of zakat to productive sectors 	<ul style="list-style-type: none"> a. Implement a strategy of collecting zakat funds through a payroll system where zakat funds are deducted at the time of monthly payroll.

The SWOT matrix provides general strategy alternatives for BAZNAS in implementing Presidential Instruction No.3 of 2014. The SWOT matrix formulation is generated from internal strategic and external strategic factors that show its position and condition.

4 Conclusions

Based on the analysis and discussion results, several conclusions can be drawn as follows; 1. This study's results indicate that the potential for zakat in the city of Palopo in 2018 reaches Rp. 82,817,436,800, - up to Rp. 219,428,449,600 - Each year, this potential has increased by an average of Rp. 92,091,279,650, - (estimated 2% of GRDP) or Rp. 197,996,251,678, - (estimated 4.3% of GRDP). The potential of monthly professional zakat from PNS Palopo City is IDR 353,687,793 - or IDR 4,244,253,516 - per year collected from 3004 Muslim civil servants. The realization of zakat maal in 2018 was Rp. 785,117,083, - with an annual increase of approximately 200 million per year.

Zakat requires good management in order to benefit the entire community. However, the management of zakat in Palopo City has not been effective and has experienced many obstacles. The inhibiting factors are zakat managers, where the quantity and quality of zakat managers are low, namely the lack of operational and professional personnel who work thoroughly in managing zakat. The level of public trust is also an inhibiting factor. People are worried that the zakat money will not reach the person entitled to receive it but is misused by irresponsible people for personal use.

BAZNAS, the zakat mal management institution, has not maximally explored the potential of zakat in Palopo city to encourage the people's economy. Therefore, BAZNAS seeks to optimize the potential of zakat by strengthening the Baznas organization by recruiting professional staff and the formation of UPZ. It is hoped that the government's role is by strengthening regulations to support BAZNAS's efforts in managing zakat mal.

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