

**USE OF PRODUCTIVE ZAKAT IN LAZ AND BAZNAS IN JEMBER****Devirahtiasari Pratiwi**

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Productive zakat can improve welfare mustahiq if managed properly. There are three institutions that carry out productive zakat in Jember, namely the National Zakat Agency (Baznas), Lazismu and LAZ YDSF. LAZ carries out management functions in carrying out productive zakat, namely planning, implementation and supervision. But there are still obstacles in the implementation of productive zakat, namely in the process of supervision and the limited amount of funds. Actions that can be taken to overcome these obstacles include forming a special team to supervise and assist MSMEs in carrying out their business and publicizing the importance of zakat and the benefits of zakat for welfare.

Introduction

Indonesia is a country with the fourth largest population in the world with a population of 261,890,900 inhabitants. A large population brings benefits including the abundant availability of labor. However, if it is not supported by good government policies, this will only have a negative impact on Indonesia, including the problems of poverty and economic inequality. The government has made various efforts to overcome the problem of poverty and economic inequality. One of the efforts was carried out, among others, by promoting the real sector through Micro, Small and Medium Enterprises (MSMEs). The development of MSMEs is an appropriate way to improve people's welfare. MSMEs are expected to be able to sustain national economic growth and reduce poverty.

The growth of MSMEs in Indonesia in general and in Jember district in particular is still not satisfactory. Data from the Jember Regency Cooperative Department stated that the number of MSMEs as of July 2016 was only 4097 units. Ibrahim and Hapsari (2009) stated that the growth of MSMEs at present is still considered not quite evenly distributed, mainly due to the limited number and quality of business development institutions. Likewise, the limited access to capital will still be faced by most MSMEs in Indonesia. There are many MSMEs that are constrained in getting capital to develop their business mainly due to the existence of a guarantee scheme in credit. One instrument that can help the poor in general and MSMEs in particular to be able to access capital by providing productive use is through productive zakat.

Zakat is the third pillar of the five pillars that make up Islam. Zakat is a worship that plays an important role in building the welfare of the people, besides that it also helps to increase work morale and as a means of economic equality if managed properly and trustworthy. The benefits of zakat if not used productively can only be felt for a short amount of time for the recipient of zakat (*mustahiq*). The distribution of zakat for consumption must be reviewed and converted into productive zakat so that it can provide more benefits for the recipients of zakat.

Productive Zakat is productive utilization of zakat whose understanding is more on how or methods of delivering zakat funds to the target in a broader sense in accordance with spirit and purpose. Assets or zakat funds given to mustahiq are not spent directly for consumption of certain needs, but are developed and used to help their business, so that with this effort they can fulfill their daily needs continuously. (Asnaini, 2008: 64)

According to data from the National Zakat Agency (BAZNAS) in 2014 the potential for zakat in Indonesia was Rp. 270 trillion, but the realization is only Rp. 2.5 trillion. The magnitude of the potential of zakat if managed properly can improve the welfare of the community. Distribution of zakat products will provide more change if channeled through productive efforts. Productive zakat is expected to help the growth of MSMEs and ultimately be able to improve welfare.



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The zakat management institution which applies the productive zakat utilization system, namely LAZ and Baznas. LAZ and Baznas in Jember are present contributing in managing zakat productively with the hope that the people who initially are the mustahiq group (zakat recipients) can become muzakki (zakat providers). However, there is no comprehensive information regarding the effectiveness of LAZ and Baznas in Jember in terms of management of productive zakat and its impact on MSME growth. This needs to be done further research whether the utilization of productive zakat really has an impact on the growth of MSMEs. Based on the background described above, the authors are interested in conducting research on the utilization of productive zakat at LAZ and BAZNAS in Jember Regency.

Literature Review

Definition of Zakat

Zakat if viewed in terms of language has several meanings, namely *al-barakatu* (blessing), *an-namaa* (growth and development), *ath-thaharu* (purity), and *ash-shalahu* (impression). Zakat means significant growth and development by giving zakat to the poor and those who are entitled, then there will be circulation of money in the community which results in the development of the function of money in the economy in society.

The meaning of the terminology of zakat is to issue a portion of certain assets that have reached the nishab (a certain amount which is the minimum limit of the assets required for zakat), given to those who have the right to receive it (based on the grouping), and the property is own property and even the age of ownership for a year.

Productive in a large Indonesian dictionary comes from English which is productive which means being able to produce (in large quantities), or able to produce continuously and used regularly to form new elements (online.kbbi). According to Dagon (2000: 893) productive means producing goods or works in large quantities that can be used continuously. So productive zakat in general can be interpreted as the utilization of zakat productively whose understanding is more on how or methods of delivering zakat funds to the target in a broader sense, in accordance with the objectives. Productive zakat is defined as zakat in the form of assets or zakat funds that are given to mustahiq that are not spent directly for consumption of certain needs, but are developed and used to help their business, so that they can fulfill their daily needs continuously.

Types of Zakat

1. Maal Zakat (Assets)
Part of one's wealth (also legal entity) which must be issued to certain groups of people after being owned for a certain period of time in a certain minimum amount.
2. Zakat Al-Fitr
Payments must be made by every Muslim who has the advantage of reasonable family needs at night and Eid al-Fitr.

Purpose of Using Zakat

According to the Ministry of Religion of the Republic of Indonesia in Suprayitno (2005: 44) zakat should be used for the following matters:

1. Improve living standards
2. Education and Scholarships
3. Overcoming Employment and Unemployment
4. Health Service Program
5. Orphanage
6. Mosque

Utilization of Productive Zakat

Utilization can be interpreted with usability, namely the ability to bring results and benefits; efficient; appropriate. Self-utilization is often interpreted as exploitation in order to be able to bring results and benefits. (online.kbbi) Based on this understanding, it can be concluded that utilization in the context of zakat means that



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zakat collected is then managed into an effort to be able to bring results, uses, and benefits that are in line with the purpose of distributing zakat, namely generating permanent income and alleviating poverty.

The utilization of zakat has been stipulated in Law No. 23 of 2011 concerning zakat concerning the collection, distribution, utilization and reporting, article 27, namely:

1. Zakat can be utilized for productive endeavors in the framework of supporting the poor and improving the quality of the people.
2. The utilization of zakat for productive businesses as referred to in paragraph (1) is carried out if the basic needs of mustahiq have been fulfilled.

Zakat Management Agency

According to Sudirman in Ali (2014) Zakat management institutions in Indonesia are divided into two, namely the Amil Zakat Agency (BAZ) and the Amil Zakat Institution (LAZ). BAZ is an institution formed by the government which is tasked with managing zakat, while LAZ is an institution formed by the community and obtains recognition from the government. The functions of the two institutions are as follows:

1. As a financial intermediary. Amil acts as a liaison between muzakki and mustahiq. As a financial intermediary, amil is required to apply the principle of trust.
2. Utilization. Through this function, amil strives for muzakki to be more blessed and his peace of life becomes guaranteed. On the other hand, amil also strives that mustahiq does not always depend on giving even in the long term it is hoped that it will turn into a new muzakki.

Law number 23 of 2011 market 7 mentions four main functions of establishing BAZNAS, namely:

1. Plan the collection, distribution and utilization of zakat.
2. Carry out the collection, distribution and utilization of zakat.
3. Controlling the collection, distribution and utilization of zakat.
4. Report and account for the implementation of zakat management.

Research Methods

This research is a field research using a qualitative research method approach and a case study approach by exploring the utilization of productive zakat and the financial performance of MSMEs at LAZ and BAZNAS in Jember. According to Sugiyono (2018: 13), qualitative research methods are research methods that are based on the philosophy of postpositivism, used to examine natural objects where the researcher is a key instrument, the technique of data collection is triangulated (combined), data analysis is inductive / qualitative and the results of qualitative research emphasize more meaning than generalization.

Discussion

The study took place in Jember Regency. The researcher selects several research locations and individuals who can help researchers understand the problems to be fully researched. The locations of selected data collection include:

1. Jember Regency Cooperative Office
2. Jember National Amil Zakat Agency (Baznas)
3. Independent Amil Zakat Institution
4. Lazismu Amil Zakat Institution
5. Azka Amil Zakat Institution
6. YDSF Amil Zakat Institution
7. BMH Amil Zakat Institution

The researcher collects various types of data and uses the time as effectively as possible to gather information at the research site. The procedure for collecting data in this study involved four types of strategies, namely observation, interviews, documentation and audio-visual material. Furthermore, data obtained from interviews, field notes and documentation are systematically arranged into categories, translated into selected units that are important and which will be studied, and make conclusions so that they are easily understood by themselves and others.



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Based on the results of research in the field at several Amil Zakat and Baznas Institutions, it is known that only three institutions carry out productive zakat, namely the Jember National Amil Zakat Agency (Baznas), Lazismu Amil Zakat (LAZ) Institution and LAZ YDSF. While the other three institutions namely LAZ Yatim Mandiri, LAZ Azka and LAZ BMH did not carry out productive zakat. The three Amil Zakat Institutions (LAZ) that carry out productive zakat, namely Jember Regency National Amil Zakat Agency (Baznas), Lazismu Amil Zakat (LAZ) Institute and LAZ YDSF channel funds obtained from muzakki to selected mustahik in the form of venture capital. Business capital provided in the form of goods or business equipment such as rombongan and other business equipment and money.

According to Mr. Fauzan Adhim as the administrator of Baznas, Baznas views that productive zakat has a good social impact for the general public and productive zakat recipient mustahik, therefore Baznas focuses on distributing zakat funds to productive zakat. But the productive zakat carried out by Baznas is still very minimal. This is because Baznas Jember is still standing. Since it was inaugurated in 2018, Baznas has provided productive zakat assistance to 6 SMEs in Jember Regency. The assistance provided is not in the form of money but rather for goods and equipment to start a business to operational costs in starting a business. UKM of productive zakat recipients must meet the criteria determined by Baznas. The criteria for productive zakat recipients are those who have creativity. Mustahik who has no creativity is not the target of productive zakat recipients.

The Lazismu administrator, Mr. Kamil stated that productive zakat in Lazismu is more about economic empowerment with the criteria of zakat recipients in addition to the 8 groups that are entitled to receive zakat (asnaf) as well as business groups that are considered capable of conducting business so that they can benefit the community around them. According to Mr Kamil there are 3 ways to obtain information on productive zakat recipients, namely through submissions by mustahik, public reports and searches carried out directly by Lazismu. Assistance provided varies - can be in the form of capital (money) or equipment tailored to the needs of SMEs. Lazismu not only provides assistance in the form of capital, but also provides training and assistance to SMEs that are productive zakat recipients to help these SMEs market their products. Suppose UKM Batik Houses in Crispy Silo and Cireng where Lazismu helps market their products. The amount of funds given to SMEs varies according to business needs. The amount of grants provided ranges from 1 - 5 million rupiah. The process of mentoring and monitoring the running of the business was carried out spontaneously through occasional visits made by the Lazismu management. There is no definite schedule regarding the time of the visit, but communication with SMEs is still ongoing.

The Al-Falah Social Fund Foundation (YDSF) operates since 2010 but it was not until 2016 that YDSF managed and distributed its funds independently. According to Mr. Dani as YDSF management, since 2016 there have been many productive zakat carried out by YDSF. Productive zakat on MSMEs is a priority compared to consumptive zakat because according to Bapak Dani the consumptive zakat after being studied does not give a good effect to the community because it creates dependency on the recipient. Consumptive zakat is good if it is accepted by mustahik who are no longer productive. SMEs receiving productive zakat on YDSF go through the selection process, whether they are eligible or not to receive zakat. The selection process includes several criteria, including whether the mustahik is still in the productive age (capable of trying) or not and whether the mustahik has skills in certain fields or not. After going through the selection process YDSF provided additional training to mustahik in accordance with the business fields that will be cultivated by the Mustahik. The assistance provided by YDSF is not in the form of funds but rather for equipment and business equipment such as rombongan, cooking tools and other business equipment. The evaluation process was carried out by YDSF for SMEs during the first 3 months. The target given is 750,000 rupiah per month. This target is expected to spur the spirit of mustahik in carrying out its business.

Based on the results of research on the three LAZs that carry out productive zakat it is known that LAZ carries out management functions in carrying out productive zakat, namely planning, implementation and supervision. But there are still many obstacles in the implementation of productive zakat. Constraints that are very felt occur in the supervision process. This is because the human resources or the number of LAZ administrators are limited so LAZ cannot supervise the effectiveness of SME businesses. Another obstacle felt by LAZ is in the field of



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funding. The limited amount of funds hinders LAZ from channeling productive zakat maximally. The limited number of productive zakat recipients is partly due to the limited funds owned by LAZ.

The obstacles faced by LAZ above certainly must receive special attention so that the productive zakat program runs effectively. Actions that can be taken to overcome these obstacles include establishing a special team to monitor and assist SMEs in carrying out their business. LAZ can work with the regional government and LPM to succeed the productive zakat program. Efforts that can be implemented related to constraints in the field of funding are socialization to the general public regarding the importance of zakat and the benefits of zakat for welfare. The higher public awareness about the importance of zakat, the higher the amount of funds collected will increase and ultimately improve the welfare of the community.

Conclusion

Productive zakat is expected to help the growth of MSMEs and ultimately be able to improve welfare. The zakat management institution which applies the productive zakat utilization system, namely LAZ and Baznas. However, there is no comprehensive information regarding the effectiveness of LAZ and Baznas in Jember in terms of management of productive zakat and its impact on MSME growth. There are three institutions that carry out productive zakat in Jember, namely the National Zakat Agency (Baznas), Lazismu and LAZ YDSF. The three institutions channeled funds obtained from muzakki to selected mustahik in the form of business capital in the form of business funds and equipment. LAZ carries out management functions in carrying out productive zakat, namely planning, implementation and supervision. But there are still many obstacles in the implementation of productive zakat. Constraints that are very felt occur in the supervision process and the limited amount of funds obtained. Actions that can be taken to overcome these obstacles include forming a special team to supervise and assist SMEs in carrying out their business and publicizing the importance of zakat and the benefits of zakat for welfare.

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