

Efficiency Strategy of Zakat Management Organizations For Zakat Institutions; Case Study At National Amil Zakah Institution BMH

Ade Syariful Allam

Islamic Business Management, Institut Tazkia

Jl. Ir. H. Djuanda No. 78 Sentul, Citaringgul, Kec. Babakan Madang, Kota Bogor, Jawa Barat, Indonesia 16810

Info Artikel

Keywords:

Data Envelopment Analysis (DEA), Efficiency, Generic Strategy

ISSN (print): 1978-6387

ISSN (online): 2623-050X

Abstract

The level of growth which is relatively stagnant in BMH (2020 – 2021) period indicates inefficiencies have occurred due to the not optimal management of input variables (HR costs, socialization costs, operational cost) or in maximizing output achievement (collection and distribution of Zakah, Infaq, Shodaqoh). This study has objective to analyze the efficiency level of the BMH in 2018 – 2021 and develop a generic strategy to increase efficiency for BMH. Methods of data analysis using the Purposive Sampling technique, taking 23 BMH Representative offices in Indonesia with the same variables (2018 – 2021). This research is non-parametric quantitative Data Envelopment Analysis and qualitative research with desk studies supported by survey and interview. The first result is seen from the average efficiency score of BMH with CRS and VRS approaches. It is known that none of the BMH Representatives in 23 provinces in Indonesia has achieved maximum efficiency (1,000) during the 4-year observation period (2018 – 2021). The second result, when viewed from the efficiency trend, the experienced an increase in efficiency during the four-year observation period (2018 – 2021). The third result in research on efficiency measurement is based on the category of institutional scale based on the average ZIS earnings per year, indicating that the condition of the BMH scale has a positive effect on efficiency. The fourth result measurements based on the time before the Covid-19 Pandemic (2018 - 2019) and during the Covid-19 Pandemic (2020 - 2021), shows that the Covid-19 Pandemic has no effect on the inefficiency.

Author Correspondence:

Ade Syariful Allam

adesyariful77@gmail.com



1. Introduction

Since the beginning of the Covid-19 pandemic in Indonesia in early 2020, the government has implemented several countermeasures including issuing a Large-Scale Social Restrictions policy which later changed the term to Enacting Restrictions

on Community Activities with various levels from 1 – 4 The Covid-19 pandemic has had an impact on economic contraction in almost all sectors of the economy. This condition has certainly contributed to the increasing number of poor people, including the many companies that have been forced to lay off their employees and the limited movement of people in carrying out economic activities, such as traders and public transport drivers.

Look at the problem of poverty, Islam provides a solution with the existence of "social finance" or Islamic social finance entities that have an important role in overcoming poverty, one of which is zakat. The term zakat has three different connotations: linguistics, theology, and law. Linguistically, zakat means cleaning or purifying something from dirt. Theologically, this means the spiritual purification that results from giving zakat. Legally, zakat means the transfer of ownership of certain properties to individuals specifically under certain conditions (Wahab, 2012). The role of zakat is to create justice in the economic field and as a source of income for citizens to fulfill their needs (Rusydia, 2018)

In Islam, zakat functions in alleviating and eradicating the problem of poverty so that the abundance of wealth does not revolve solely in the realm of the owner of wealth (Yaqin, 2017). The economic existence of zakat can erase the stark difference between the poor and the rich. Zakat is one of the fiscal instruments in the economy that has been practiced since the Prophet Muhammad, and based on history, zakat has a very important role in the mechanism of income distribution and boosting the economy at that time.

The amount of potential zakat that can be collected in Indonesia in 2019 is IDR 233.8 trillion (PUSKAS BAZNAS, 2021), which is a challenge for all zakat activists, both in terms of collection and in terms of utilizing zakat funds that are right on target and effective. In Islam, community empowerment cannot be separated from the role of zakat. Zakat-based community empowerment is a method of utilizing zakat funds whose main objective is to improve the quality of life of the poor through the utilization of zakat funds.

With so many Zakat Management Organizations growing and operating in the community down to the district/city level, there is hope for increased collection of zakat funds and optimization in terms of their distribution. Meanwhile, according to BAZNAS, based on actual data regarding the collection of zakat, infaq and alms by the official in 2019, it still reaches Rp. 10.2 trillion. This means that only 4.2 percent of the potential that can be collected or the equivalent of 1.72 percent of GDP in 2018 is Rp. 13,588.8 trillion (PUSKAS BAZNAS, 2021).

This certainly greatly influences the optimization of zakat funds that can be utilized for programs to empower the poor.

Efficiency and effectiveness are two things that are necessary for the Zakat Management Organization. The study of the efficiency of the Zakat Management

Organization is an important study in Islamic economics. The Zakat Management Organization is an institution that manages public funds and is responsible for all forms of their use, so that the utilization of zakat can provide higher benefits to the people. This is where the strategic role of zakat funds is managed efficiently, it can provide a wider impact of benefits to people in need, so that it is hoped that zakat will be able to contribute to poverty alleviation.

In the year of observation from 2018 - 2021, growth in terms of ZIS collection at LAZNAS BMH shows relatively stagnant numbers in 2020 - 2021. From these data, there are indications that there has been inefficiency due to the still not optimal management of input variables (HR costs, outreach costs/ marketing and other operational costs) or in maximizing output achievement (collection and distribution of ZIS). Based on the background presented above, researchers will conduct research on the level of efficiency of LAZNAS Baitul Maal Hidayatullah (BMH) in 2018 - 2021. The selection of LAZNAS BMH is because researchers see that LAZNAS BMH is one of the zakat institutions based on community organizations which from the collection side shows a good growth trend among other large organization-based zakat institutions that were earlier born, such as NUCare-LAZISNU (NU) and LAZISMU (Muhammadiyah).

This research was conducted during the observation period of 2018 - 2021, with the hope that it will get results of measuring the efficiency of LAZNAS BMH based on the category of collection scale in each BMH Representative office and will also get efficiency results based on before the Covid-19 Pandemic and when the Covid-19 Pandemic occurred. 19 in Indonesia. The years 2018 - 2019 are an illustration of the level of efficiency before the Covid-19 Pandemic, while 2020 - 2021 is an illustration of the level of efficiency during the Covid-19 Pandemic.

There have been many previous studies on the efficiency of national-level Zakat Management Organizations in Indonesia such as those conducted by Eko Fajar Cahyono (2015), Salman Al Parisi (2016), Aulia Zahra, Prayogo P. Harto & Ahmad Bisyr AS. (2016), and Ayif Fathurrahman; Ibnu Hajar (2019), Irma Faikhotul Hikmah, Atina Shofawati (2020) Refia Alfina, Purnama Putra (2021). However, from previous research, researchers have not found research specifically conducted for one national zakat institution by taking data from all representative offices and recommending a generic strategy for increasing efficiency. Related to this, the researcher sees that it is necessary to conduct more specific research so that it can be seen in a more comprehensive manner so that it is useful for implementing generic strategies for increasing the efficiency of an LAZNAS BMH. This study has objective to analyze the efficiency level of the BMH in 2018 - 2021 and develop a generic strategy to increase efficiency for BMH.

2. Research Method

This type of research is quantitative and qualitative. The research quantitatively uses a non-parametric Data Envelopment Analysis (DEA) approach. As for qualitative research using desk studies, surveys, and interviews. The author uses the Data Envelopment Analysis (DEA) analysis tool introduced by Charnes Abraham and friends (A. Charnes, W. Cooper, A. Y. Lewin, 1997). DEA is a production factor analysis model to measure the relative efficiency level of a set of similar economic activity units (UKE). The DEA analysis tool is designed specifically to measure the relative efficiency of a production unit in conditions where there are many inputs and outputs, which are usually difficult to deal with perfectly by other efficiency measurement analysis techniques (Akhmad Syakir Kurnia, 2006). The relative efficiency of an Economic Activity Unit (UKE) is the efficiency of a UKE compared to other UKEs in the sample that use the same type of input and output.

The population in this study was LAZNAS BMH in twenty-three BMH Representative offices in twenty-three provinces in Indonesia. Twenty-three BMH Representative offices were selected as research samples because they have financial statements that have been audited by public accountants during the period 2018 - 2021 and have the same input and output variables used.

3. Results

An institution can be said to be efficient if it can utilize the resources (inputs) it must produce maximum output without the waste of Naufal & Firdaus (2018). An efficient institution is an institution that can maximize output with a certain level of input or can minimize costs (inputs) to achieve a certain level of input (Prativi, Dewi, & Lubis, 2020). Table 1 below shows descriptive statistics of variable inputs and outputs from LAZNAS BMH in twenty-three provinces in Indonesia during the four-year observation period (2018 - 2021).

Table 1. Descriptive Statistics

Variable	Average	Max	Min	St. Dev
Input				
Salary Costs	Rp 773.668.615	Rp 6.988.613.084	Rp 18.700.000	1.400.313.172
Marketing Costs	Rp 99.606.730	Rp 1.640.298.231	Rp 90.000	250.436.634
Office Assets and Operations	Rp 274.803.785	Rp 2.125.175.705	Rp 114.696	423.731.857
Output				
ZIS Collection	Rp 9.700.654.599	Rp 88.336.397.757	Rp 218.067.582	18.083.433.683
ZIS Distribution	Rp 8.212.007.659	Rp 75.478.465.900	Rp 67.800.000	15.484.654.066

Source: Process secondary data

Based on the results of the analysis of several variables used as inputs and outputs in the Data Envelopment Analysis (DEA) research, salary costs are the variables with the average costs with the largest amount compared to the variables of marketing costs as well as office assets and operations. The average salary cost to

be paid by LAZNAS BMH in twenty-three provinces in Indonesia is IDR 773,668,615 with a maximum value of IDR 6,988,613,084 and a minimum value of IDR 18,700,000. Furthermore, the average market-ing costs that must be incurred by the zakat institution are Rp. 99,606,730 with a maxi-mum value of Rp. 1,640,298,231 and a mini-mum value of Rp. 90,000. Then, of the twen-ty-three LAZNAS BMH provinces in Indone-sia, the average has office assets and opera-tions of Rp. 274,803,785 with a maximum value of Rp. 2,125,175,705 and a minimum value of Rp. 114,696.

In the output variables of the LAZNAS BMH in twenty-three provinces, the average ZIS collection is greater than the distribution of ZIS. The average amount of Zakat, Infaq, and Sadaqah (ZIS) that can be collected by LAZNAS BMH is IDR 9,700,654.99 with a maximum value of IDR 88,336,397,757 and a minimum value of IDR 218,067,582. Then the average amount of ZIS distribution carried out by LAZNAS BMH is IDR 8,212,007,659 with a maximum value of IDR 75,478,465,900 and a minimum value of IDR 15,484,654,066.

The efficiency of LAZNAS BMH in twenty-three provinces in Indonesia has been annu-ally examined using the DEA method using a common frontier. Table 2 below shows the average of the Technical Efficiency (TE), Pure Technical Efficiency (PTE), and Scale Effi-ciency (SE) of LAZNAS BMH over four years with the details of 2018 (Panel A), 2019 (Pan-el B), 2020 (Panel C), 2021 (Panel D), Overall year (Panel E).

Tabel 2. Summary of Efficiency Scores (TE, PTE, and SE) from Year to Year

Years/ Type of Efficiency	Mean	Max	Min	SD
Panel A (2018)				
TE	0,447	1,000	0,123	0,206
PTE	0,502	1,000	0,149	0,241
SE	0,909	1,000	0,639	0,096
Panel B (2019)				
TE	0,486	0,836	0,246	0,162
PTE	0,565	1,000	0,248	0,221
SE	0,886	0,995	0,642	0,104
Panel C (2020)				
TE	0,593	1,000	0,169	0,231
PTE	0,680	1,000	0,176	0,268
SE	0,887	1,000	0,609	0,120
Panel D (2021)				
TE	0,691	1,000	0,211	0,224
PTE	0,761	1,000	0,216	0,241
SE	0,917	1,000	0,659	0,097
All Years				
TE	0,554	1,000	0,123	0,228
PTE	0,627	1,000	0,149	0,263
SE	0,900	1,000	0,609	0,105

Source: Process secondary data

From table 2 above, it is known that the av-erage Technical Efficiency (TE) and Pure Technical Efficiency (PTE) scores of LAZNAS BMH in twenty-three provinces in Indonesia still show low efficiency values. However, the TE and PTE values of LAZNAS BMH have increased from year to year. The highest Technical Efficiency value of LAZNAS BMH is in 2021 (0.691), while the lowest value is in 2018 (0.447).

Likewise, the highest Pure Technical Efficiency (PTE) of LAZNAS BMH is in 2021 (0.761) and the lowest value is in 2018 (0.502).

In addition to presenting efficiency panels from LAZNAS BMH in twenty-three prov-inces from year to year, this study also showed the level of efficiency of the LAZNAS BMH over a four-year period (2018-2021) using the Data Envelopment Analysis (DEA) method. The results will be displayed through an efficiency score with a range between 0-100%. A score of 100% describes the LAZNAS BMH ability to optimally manage its input and output variables. Meanwhile, if the efficiency value is less than 100%, it indi-cates that the potential LAZNAS BMH is in-efficient or has not managed its input and output variables optimally.

In addition to presenting efficiency panels from LAZNAS BMH in twenty-three prov-inces from year to year, this study also showed the level of efficiency of the LAZNAS BMH over a four-year period (2018-2021) using the Data Envelopment Analysis (DEA) method. The results will be displayed through an efficiency score with a range between 0-100%. A score of 100% describes the LAZNAS BMH ability to optimally manage its input and output variables. Meanwhile, if the efficiency value is less than 100%, it indi-cates that the potential LAZNAS BMH is in-efficient or has not managed its input and output variables optimally. The efficiency score of the data processing results can be seen in tables 3, 4 and 5

Tabel 3 LAZNAS BMH Efficiency Score with CRS Assumption

Constant Return to Scale (CRS)					
DMU	2018	2019	2020	2021	Mean
Bali	0,263	0,836	0,484	0,354	0,484
Banten	0,302	0,638	1,000	1,000	0,735
Bengkulu	0,209	0,310	0,407	0,702	0,407
DI. Yogyakarta	0,601	0,650	0,638	0,752	0,661
DKI Jakarta	0,655	0,782	0,711	1,000	0,787
Jambi	0,255	0,402	0,229	0,726	0,403
Jawa Barat	0,669	0,578	0,750	1,000	0,749
Jawa Tengah	0,539	0,463	0,489	0,463	0,489
Jawa Timur	0,516	0,582	0,656	0,674	0,607
Kalimantan Timur	0,634	0,453	0,609	0,659	0,589
Kalimantan Utara	0,639	0,495	0,562	0,629	0,581
Kepulauan Riau	0,169	0,318	1,000	0,616	0,526
Lampung	0,403	0,533	1,000	0,401	0,584
Maluku	1,000	0,314	0,169	0,211	0,423
Maluku Utara	0,302	0,334	0,325	0,363	0,331
Nusa Tenggara Barat	0,566	0,246	0,404	0,756	0,493
Nusa Tenggara Timur	0,508	0,354	0,357	0,625	0,461
Papua	0,375	0,493	0,459	0,623	0,488
Papua Barat	0,123	0,666	0,414	0,864	0,517
Sulawesi Barat	0,621	0,680	0,698	0,622	0,655
Sulawesi Selatan	0,352	0,374	0,670	0,863	0,565
Sulawesi Tenggara	0,275	0,366	0,835	1,000	0,619
Sumatera Utara	0,308	0,312	0,763	1,000	0,596

Source: Process secondary data

Table 4. LAZNAS BMH Efficiency Score with VRS Assumption

DMU	Variable Return to Scale (VRS)				Mean
	2018	2019	2020	2021	
Bali	0,275	0,864	0,493	0,356	0,497
Banten	0,320	0,673	1,000	1,000	0,748
Bengkulu	0,221	0,326	0,419	0,743	0,427
Di. Yogyakarta	0,648	0,743	0,785	0,913	0,772
DKI Jakarta	0,900	1,000	0,984	1,000	0,971
Jambi	0,264	0,439	0,295	0,727	0,431
Jawa Barat	0,745	0,633	0,866	1,000	0,811
Jawa Tengah	0,574	0,530	0,574	0,560	0,559
Jawa Timur	0,807	0,907	1,000	1,000	0,929
Kalimantan Timur	0,807	0,659	1,000	1,000	0,867
Kalimantan Utara	0,651	0,609	0,574	0,640	0,619
Kepulauan Riau	0,170	0,332	1,000	0,721	0,556
Lampung	0,474	0,556	1,000	0,435	0,616
Maluku	1,000	0,354	0,176	0,216	0,437
Maluku Utara	0,312	0,342	0,329	0,371	0,338
Nusa Tenggara Barat	0,571	0,248	0,414	0,776	0,502
Nusa Tenggara Timur	0,521	0,362	0,367	0,653	0,476
Papua	0,396	0,556	0,529	0,698	0,545
Papua Barat	0,149	1,000	0,505	1,000	0,663
Sulawesi Barat	0,695	0,699	0,709	0,683	0,697
Sulawesi Selatan	0,459	0,470	0,946	1,000	0,719
Sulawesi Tenggara	0,275	0,368	0,840	1,000	0,621
Sumatera Utara	0,312	0,334	0,844	1,000	0,623

Source: Process secondary data

Table 5 Summary of LAZNAS BMH Efficiency Score

DMU	CRS	VRS
Bali	0,484	0,497
Banten	0,735	0,748
Bengkulu	0,407	0,427
DI. Yogyakarta	0,661	0,772
DKI Jakarta	0,787	0,971
Jambi	0,403	0,431
Jawa Barat	0,749	0,811
Jawa Tengah	0,489	0,559
Jawa Timur	0,607	0,929
Kalimantan Timur	0,589	0,867
Kalimantan Utara	0,581	0,619
Kepulauan Riau	0,526	0,556
Lampung	0,584	0,616
Maluku	0,423	0,437
Maluku Utara	0,331	0,338
Nusa Tenggara Barat	0,493	0,502
Nusa Tenggara Timur	0,461	0,476

Source: Process secondary data

From table 5 above shows a summary of efficiency scores based on CRS and VRS assumptions against LAZNAS BMH in twenty-three provinces in Indonesia. From the results of the analysis per each BMH Representative none showed maximum efficiency during the four-year observation. However, there are several Representative BMH that have the highest efficiency scores compared to other BMH Representatives who use CRS and VRS analysis.

This study also divide the BMH category based on the amount of collection of ZIS BMH Representatives:

Table 6 BMH Representative Office Scale Based on ZIS Collection

Category	Assessment Standards (ZIS Collection)	Value Limit (ZIS Collection)	Number of BMH Representatives
BMH <i>Top</i>	≥ Rp. 10 billion per year		5
BMH <i>Middle</i>	≥ Rp. 5 billion per year	10 billion per year	7
BMH <i>Low</i>	< Rp. 5 billion per year		10

Source: Process secondary data

From table 6 above shows the level of efficiency of the zakat institution based on the category of ZIS collection amount during the four-year period (2018-2021) using the Data Envelopment Analysis (DEA) method. The results will be displayed through an efficiency score with a range between 0-100%. A score of 100% describes the ability to optimally manage its input and output variables. Meanwhile, if the efficiency value is less than 100%, indicating that the potential is inefficient or has not managed the input and out-put variables optimally.

Based on the results of efficiency with the CRS approach in the Top category, it is known that there are three BMH Representatives who rank in the top three, namely BMH Representative DKI Jakarta (0.787), BMH DI. Yogyakarta (0.661), and BMH East Java (0.607). Furthermore, for efficiency analysis with the VRS approach in the Top category, there are also a few BMH Representatives who rank in the top three including BMH DKI Jakarta Representative (0.971), BMH East Java (0.929), and BMH East Kalimantan (0.867). In addition to obtaining the highest efficiency, in this Top category there is also a Representative BMH who obtains the lowest efficiency score. When reviewed based on efficiency results with the CRS approach, BMH South Sulawesi Representative occupies the lowest position compared to other provinces, as well as the results of the VRS efficiency analysis.

Based on the results of efficiency with the CRS approach in the Middle category, it is known that there are three BMH Representatives who rank in the top three, namely BMH West Java Representative (0.749), BMH Banten (0.735), and BMH Southeast Sulawesi (0.619). Furthermore, for efficiency analysis with the VRS approach in the Middle category, there are also a few BMH Representatives who rank in the top three including BMH West Java Representative (0.811), BMH Banten (0.748), and BMH Southeast Sulawesi Representative (0.621). In addition to obtaining the highest efficiency, in this Middle category there is also a Representative BMH who obtains the lowest efficiency score. When reviewed based on efficiency results with the CRS approach, BMH Papua Representative occupies the lowest position compared to other Representative BMH, as well as the results of the VRS efficiency analysis.

Based on the results of efficiency with the CRS approach in the Low category, it is known that there are three BMH Representatives who rank in the top three, namely BMH Representative of West Sulawesi (0.655), BMH North Sumatra (0.596), and BMH Lampung (0.584). Furthermore, for efficiency analysis with a VRS approach in the Low category, there are also a few provinces that rank in the top three including BMH West

Sulawesi Representative (0.697), BMH West Papua (0.663), and BMH North Representa-tive (0.623). In addition to obtaining the highest efficiency, in this Low category there is also a Representative BMH who obtains the lowest efficiency score. When reviewed based on efficiency results with the CRS approach, BMH Representative Jambi occupies the low-est position compared to other BMH Repre-sentatives, while when reviewed based on efficiency results with the VRS approach, BMH Representative Bengkulu occupies the lowest position compared to other BMH Rep-rentatives.

In addition to presenting efficiency panels from year to year as a whole using the TE and PTE approaches, based on CRS and VRS assumptions and also based on the BMH Representative categories (Top, Middle, and Low) in twenty-three BMH Representatives in twenty-three provinces in Indonesia, this study also shows the level of efficiency of LAZNAS BMH based on before the Covid-19 Pandemic (2018 – 2019) and during the Covid-19 Pandemic (2020 – 2021), by using the Data Envelopment Analysis (DEA) meth-od. The results will be displayed through an efficiency score with a range between 0-100%. The 100% score describes the ability of the zakat institution to optimally manage its input and output variables. Meanwhile, if the efficiency value is less than 100%, indicating the potential of the zakat institution is ineffi-cient or has not managed its input and out-put variables optimally.

Table 7 LAZNAS BMH Efficiency Score Comparison Summary with CRS and VRS Assumptions Before and During the Covid-19 Pandemic

DMU	Pra Pandemi		Saat Pandemi	
	CRS	VRS	CRS	VRS
Bali	0,549	0,570	0,419	0,425
Banten	0,470	0,496	1,000	1,000
Bengkulu	0,260	0,273	0,555	0,581
DI. Yogyakarta	0,626	0,696	0,695	0,849
DKI Jakarta	0,718	0,950	0,855	0,992
Jambi	0,328	0,352	0,477	0,511
Jawa Barat	0,623	0,689	0,875	0,933
Jawa Tengah	0,501	0,552	0,476	0,567
Jawa Timur	0,549	0,857	0,665	1,000
Kalimantan Timur	0,544	0,733	0,634	1,000
Kalimantan Utara	0,567	0,630	0,595	0,607
Kepulauan Riau	0,244	0,251	0,808	0,860
Lampung	0,468	0,515	0,701	0,718
Maluku	0,657	0,677	0,190	0,196
Maluku Utara	0,318	0,327	0,344	0,350
Nusa Tenggara Barat	0,406	0,409	0,580	0,595
Nusa Tenggara Timur	0,431	0,442	0,491	0,510
Papua	0,434	0,476	0,541	0,613
Papua Barat	0,395	0,574	0,639	0,752
Sulawesi Barat	0,651	0,697	0,660	0,696
Sulawesi Selatan	0,363	0,464	0,766	0,973
Sulawesi Tenggara	0,320	0,322	0,918	0,920
Sumatera Utara	0,310	0,323	0,881	0,922

Source : Process secondary data

Table 7 above shows a comparison of effi-ciency scores based on CRS and VRS assump-tions against LAZNAS BMH in twenty-three provinces in Indonesia before the Covid-19 Pandemic and during the Covid-19 Pandem-ic. From the results of the analysis on each BMH Representative, there was no Repre-sentative BMH that

showed maximum efficiency during observations before the Covid-19 Pandemic. However, there is a Representative BMH that shows maximum efficiency during observations during the Covid-19 Pandemic based on efficiency results with a CRS and VRS approach, namely BMH Banten Representative. Meanwhile, BMH Representatives who showed maximum efficiency during observations during the Covid-19 Pandemic were based on efficiency results with a VRS approach, namely BMH Representative of Banten, BMH East Java, and BMH East Kalimantan. However, there are also several Representative BMHs that have the highest efficiency scores compared to other Representative BMHs using CRS and VRS analysis before and during the Covid-19 Pandemic.

Based on the results of efficiency with the CRS approach before the Covid-19 Pandemic, it is known that there are three BMH Representatives who rank in the top three, namely BMH DKI Jakarta Representative (0.718), BMH Maluku (0.657), and BMH DI. Yogyakarta (0.626). Furthermore, for efficiency analysis with the VRS approach before the Covid-19 Pandemic, there were several BMH Representatives who ranked in the top three including BMH DKI Jakarta Representative (0.950), East Java BMH (0.857), and East Kalimantan BMH (0.733).

Based on the results of efficiency with the CRS approach during the Covid-19 Pandemic, it is known that there are three BMH Representatives who rank in the top three, namely BMH Representative Banten (1,000), BMH Southeast Sulawesi (0.918), and BMH West Java (0.875). Furthermore, for efficiency analysis with the VRS approach during the Covid-19 Pandemic, there are several BMH Representatives who rank in the top three including BMH Banten Representative (1,000), East Java BMH (1,000), and East Kalimantan BMH (1,000).

In addition to obtaining the highest efficiency, there was also a Representative BMH who obtained the lowest efficiency score. When reviewed based on efficiency results with the CRS approach before the Covid-19 Pandemic, BMH Bengkulu Representative occupies the lowest position compared to other Representative BMH, as well as the results of the VRS efficiency analysis. Meanwhile, if reviewed based on efficiency results with a CRS approach during the Covid-19 Pandemic, BMH Maluku Representative occupies the lowest position compared to other BMH Representatives, as well as the results of VRS efficiency analysis.

4. Discussion

There was an increase in efficiency in the TE and PTE values of LAZNAS BMH because in 2018 - 2019 a policy was issued by the LAZNAS BMH Foundation Trustee at that time to limit the recruitment of human resources and choose a strategy to increase human performance (productivity) with the implementation of KPI-based targets. This is corroborated based on an interview with LAZNAS BMH Director of

Operations, "the amil recruitment restriction policy correlates to savings in other cost variables, namely sal-ary costs and other operating costs and fo-cuses on improving performance to maximize output in the form of ZIS collection and dis-tribution."

As Moeheriono (2012) stated that perfor-mance is a description of the level of achievement of the implementation of a pro-gram of activities or policies in realizing the goals, objectives, vision and mission of the organization as outlined through the strategic planning of an organization. As Rusmini & Tony Seno Aji (2019), stated that efficiency in the production approach, amil as a fund / cost manager to produce output from funds that have been successfully collected in the form of collecting zakat funds.

At LAZNAS BMH Representatives who rank at the top of the research results with the CRS and VRS approach, namely BMH DKI Jakar-ta, West Java BMH, and Banten BMH, East Java BMH, and East Kalimantan BMH. Start-ing in 2018, the Management of LAZNAS BMH implemented the "BMH based on area" policy for the three BMH Representatives: DKI Jakarta, West Java and Banten as well as several other regions, such as the East Java-Bali-Nusa Tenggara Region, Sumatra Region, Kalimantan Region, Sulawesi-Maluku-Papua Region. This is based on the consideration that the BMH Representative has proximity both demographically and territorially, so that it can be more intensive in formulating patterns of strategy, operations, fundraising activities, and services to donors. This is cor-robated by the results of an interview with the Marketing Director of LAZNAS BMH, "BMH based on area is very effective for co-ordinating in operational, collection and dis-tribution aspects."

Meanwhile, the East Kalimantan Representa-tive BMH is the initial base of the history of the establishment of Pesantren and Hi-dayatullah Community Organizations, which have an influence on the collection and dis-tribution activities of ZIS BMH East Kaliman-tan Representatives. This is corroborated by the results of an interview with the Market-ing Director of LAZNAS BMH, "BMH East Kalimantan Representative is a representa-tive who is very related to the history of the establishment of Hidayatullah, so that its ex-istence and work, especially in the field of education and proselytizing, have long been known to the community there and of course this affects the collection of ZIS there."

As M. Falikul Isbah (2018) stated that the Hi-dayatullah Islamic Boarding School in Balik-papan succeeded in raising public funds through BMH to finance education programs and proselytizing missions. There is an inter-dependent relationship between its develop-ment in managing educational institutions and proselytizing, with socialization, and the collection of community funds.

Meanwhile, for LAZNAS BMH in the repre-sentative who ranks lowest in the research results with the CRS and VRS approaches, namely BMH North Maluku Representative (0.338). In BMH North Maluku Representa-tive, one of the causes of

inefficiency is leadership and managerial factors, high turnover and still lack of optimization of output variables in ZIS collection. This is corroborated by the results of an interview with the Marketing Director of LAZNAS BMH, "BMH North Maluku Representatives are often faced with the problem of their team's performance, the condition of high turnover human resources and it has quite an impact on ZIS collection activities there."

As Nur Shofa Barkhiyyah (2020) stated that employee satisfaction (and) has a positive and significant influence on the high and low work performance of employees.

BMH Representatives who top the list in the research results with a CRS and VRS approach in the Top category, namely BMH DKI Jakarta Representative, BMH DI. Yogyakarta, BMH East Java, and BMH East Kalimantan. In the four BMH Representatives operationally the institution has been relatively established with the acquisition of a fixed number of donors exceeding 10,000 donors. This is corroborated from the results of an interview with the Marketing Director of LAZNAS BMH, "BMH Representative of DKI Jakarta, East Java, East Kalimantan and DI. Yogyakarta, operationally, is already quite established with the acquisition of permanent donors of more than 10,000 donors."

Meanwhile, for BMH Representatives in BMH Representatives in the Top category who ranks lowest in the research results with a CRS and VRS approach, namely BMH South Sulawesi Representatives. In BMH South Sulawesi Representative, one of the things that causes inefficiency is the factor of still lack of optimization of output variables in ZIS collection. This is corroborated by the results of an interview with the Marketing Director of LAZNAS BMH, "BMH South Sulawesi Representative in terms of human resources is quite adequate, but in terms of productivity, which needs to be improved again."

In LAZNAS BMH in the representatives who rank at the top of the research results with the CRS and VRS approach in the Middle category, namely BMH West Java Representative, BMH Banten, and BMH Southeast Sulawesi. In the three BMH Representatives, operationally the institution has been relatively established with the acquisition of a fixed number of donors exceeding 5,000 donors. This is corroborated by the results of an interview with the Marketing Director of LAZNAS BMH, "BMH at the middle level has indeed begun to be adequate to carry out operations, then it will continue to be improved in terms of its management, especially in terms of collecting ZIS."

Meanwhile, for LAZNAS BMH was represented in the Middle category Representative BMH which ranks lowest in the research results with the CRS and VRS approach, namely BMH Papua Representative. In BMH, the Representative of Papua, one of the things that causes inefficiency is the factor of lack of optimization of output variables in the collection of ZIS. This is corroborated by the results of an

interview with the Marketing Director of LAZNAS BMH, "BMH Papua Representatives include BMH which has a relatively sufficient number of human resources, but needs to be improved in terms of amil productivity to be more optimal in fundraising activities,"

At BMH Representatives who rank at the top of the research results with a CRS and VRS approach in the Low category, namely BMH West Sulawesi Representative, BMH North Sumatra, BMH Lampung, and BMH West Papua. In the four BMH Representatives, operationally, the institution is still heading towards establishing with the acquisition of the number of donors still fluctuating at 1000 donors. This is corroborated by the results of an interview with the Marketing Director of LAZNAS BMH, "BMH at this low level in terms of the number of human resources and infrastructure can be said to have climbed relatively well, although subsequently it is still being accompanied intensively so that its capacity can be even better, especially in terms of collecting ZIS."

Meanwhile, for BMH Representatives in the Low category which ranks lowest in the re-search results with the CRS approach, namely BMH Jambi Representative and with the VRS approach, namely BMH North Maluku Representative. The two BMH Representatives have similarities in managerial issues and there is still a lack of optimization of the output variables in the ZIS collection.

As Agni Fidya Utami (2019) shows that the size of the institution has a positive influence on the efficiency of LAZNAS. It can be interpreted that the larger a LAZNAS is, the greater the efficiency value in LAZNAS. This happens because, large companies can maximize output and minimize their expenses so that efficient conditions are achieved.

From the results of the study above, researchers concluded that the Covid-19 Pandemic has no influence on the inefficiency of LAZNAS BMH. This can be seen from the results of research with the CRS and VRS approaches on several BMH Representatives which showed a trend of increasing efficiency during the Covid-19 Pandemic (2020 - 2021) compared to before the Covid-19 Pandemic (2018 - 2019), namely BMH Banten Representative, BMH Bengkulu, BMH DI. Yogyakarta, BMH DKI Jakarta, BMH Jambi, BMH West Java, BMH East Java, BMH East Kalimantan, BMH Riau Islands, BMH Lampung, BMH North Maluku, BMH West Nusa Tenggara, BMH East Nusa Tenggara, BMH Papua, BMH West Papua, BMH West Sulawesi, BMH South Sulawesi, BMH Southeast Sulawesi, and BMH North Sumatra. This is corroborated by the results of an interview with the Marketing Director of LAZNAS BMH, "BMH representatives tend to increase their efficiency during the Covid-19 Pandemic because they tend to be able to adapt to changes, one of which is by maximizing the use of information technology."

However, there are also several BMH Representatives who experienced a decline during the Covid-19 Pandemic compared to before the Covid-19 Pandemic

(2018 - 2019), name-ly BMH Bali Representative and BMH Malu-ku with the CRS and VRS approaches, and BMH Central Java with the CRS approach.

As Muhammad Syamsul Bahri, Evania Herindar (2021) stated that private zakat in-stitutions showed a drastic increase in effi-ciency successively during 2018-2020. The results of the study revealed that zakat insti-tutions in Indonesia have resilience to the ef-fects of the Covid-19 Pandemic. This is indi-cated by the efficiency value of zakat institu-tions in Indonesia which has a trend of in-creasing efficiency.

5. Conclusions and Suggestions

Conclusion

The causes of inefficiency of a zakat institution can be caused by several factors. One is due to the occurrence of cost wastage, or it can also be caused by an imbalance of funds in several variables that are processed in calculating the efficiency of a company or institution.

This study can be seen from the average efficiency score of LAZNAS BMH with the CRS and VRS approach. From these results, there has not been a single BMH Representative in twenty-three provinces in Indonesia that achieved maximum efficiency (1,000) during the four-year observation period (2018 - 2021).

The efficiency level of LAZNAS BMH in twenty-three provinces in Indonesia from year to year in BMH Representatives in twenty-three provinces in Indonesia have not reached maximum efficiency, but judging from the efficiency trend, LAZNAS BMH experienced an increase in efficiency during the four-year observation period (2018 - 2021).

Based on the results of research analysis based on the category of institutional scale based on the average ZIS acquisition in each year, namely Top (ZIS collection above 10 billion per year), Middle (ZIS collection above 5 - 10 billion per year), and Low (ZIS collection below 5 billion per year), it shows that the condition of the LAZNAS BMH scale has a positive influence on efficiency.

Efficiency measurement with comparison of data at the time before the Covid-19 Pandemic (2018 - 2019) and during the Covid-19 Pandemic (2020 - 2021) at LAZNAS BMH concluded that the Covid-19 Pandemic has no influence on the inefficiency of LAZNAS BMH.

Suggestion

In addition to being able to produce efficiency values, the DEA method can also produce the right level of improvement, or the level of improvement needed to achieve optimal efficiency values.

That the biggest cause of inefficiency and LAZNAS BMH in 23 provinces in Indonesia comes from output variables consisting of ZIS collection and ZIS

distribution. Therefore, to achieve maximum efficiency, LAZNAS BMH must maximize its output variable by increasing the collection of Zakat, Infaq, and Sadaqah (ZIS) funds and ZIS distribution.

In the input variable, LAZNAS BMH must reduce the use of marketing costs and the purchase of assets and other operations. The trick is to allocate financing to the most effective marketing strategy for collecting ZIS and buying assets and using more controlled office operations with the principle of benefits that can support increased employee performance or productivity.

Researcher advise LAZNAS BMH in carrying out efficiency improvement strategies using a balance scorecard perspective.

Researcher divided the initiative of the LAZNAS BMH efficiency improvement strategy based on the Balance Scorecard perspective (Kaplan, Robert S dan Norton, 2000), which can be deciphered :

1) Financial Perspectives

On this perspective, LAZNAS BMH has policies in the areas of:

- a. Optimization of ZIS collection.
- b. Optimization of ZIS distribution.
- c. Restrictions on asset purchases.
- d. Management of *ujroh* (salary) *amil*.
- e. *Amil* operations (socialization / marketing / office costs, and others).

2) Customer Perspective

- a. Expansion of the donor segment.
- b. An increase in the number of new donors.
- c. Retaining old donors.
- d. Manage donor complaints.
- e. Donor satisfaction.

3) Internal Process Business Perspectives

- a. Implementation of good institutional governance.
- b. Maximize the utilization of digital technology.
- c. Innovation of socialization / marketing programs.
- d. Distribution program innovation.
- e. Application of *amil* rewards and punishments.

4) Learning and Growth Perspectives

- a. *Amil* capacity building.
- b. Application of organizational culture.
- c. Evaluation of *amil* productivity.
- d. Standardization of *amil* competencies.
- e. *Amil* satisfaction.

References

6. References

- A. Charnes, W. Cooper, A. Y. Lewin, L. M. S. (1997). Data Envelopment Analysis Theory, Methodology and Applications. The Journal of the Operational Research Society, Vol. 48,(No. 3).
- Barkhiyyah, N.S. (2020). Pengaruh Motivasi Islam dan Kepuasan Kerja Terhadap Kinerja Karyawan Studi Kasus Lembaga Amil Zakat Nasional Baitul Maal Hidayatullah Surabaya. Jurnal Ekonomi Syariah Teori Dan Terapan, 7 No. 1.
- Coelli, Timothy J, D.S. Prasada Rao, C. J. O. & G. E. B. (2005). An Intoduction to Efficiency and productivity Analysis. Edisi kedua, Springer.
- Falikul Isbah, M. (2018). Public Fundraising for Financing Islamic Education and Dakwa Mission. Academic Journal of Islamic Studies, 3, 2503–4227.
- Hatry, Harry. (1996). Excerpts from Measuring Program Outcomes : A Practical Approach. United Way of America.
- Kaplan, Robert S & Norton, D. (2000). Balanced Scorecard : Menerapkan Strategi Menjadi Aksi. Jakarta : Erlangga.
- Kurnia, Syakir, A (2006). Model Pengukuran Kinerja dan Efisiensi Public Metode Free Disposable Full. Jurnal Ekonomi Pembangunan, Vol. 11, No. 2, 1–20.
- Nurhasanah, S & Lubis, D. (2017). Efisiensi Kinerja BAZNAS Bogor Dan Sukabumi: Pendekatan Data Envelopment Analysis. Jurnal Akuntansi Dan Keuangan Islam ,5(2).
- PUSKAS BAZNAS. (2021). Outlook Zakat 2021 (pp. 1–144). <https://puskasbaznas.com/publications/books/1418-outlook-zakat-indonesia-2021>
- Rusmini & Seno Aji, T. (2019). Efisiensi Kinerja Lembaga Amil Zakat Dalam Mengelola Dana ZIS Dengan Metode DEA (Studi Pada YDSF Surabaya). Jurnal Zakat dan Wakaf STAIN Kudus, 6(2).
- Rusydiana, A. S. (2018). Perubahan teknologi dan efisiensi pada organisasi. Liquidity, 7(2), 124–136.
- Sugiyono. (2016). Metode Penelitian Kuantitatif, Kualitatif dan R&D. Bandung : Alfabeta.
- Syamsul Bahri, M & Herindar, E. (2021). Covid-19 and Efficiency in Zakat Institutions: Evidence from Indonesia. Paper to Be Presented at the 5th International Conference of Zakat (ICONZ), Jakarta, Indonesia.
- Utami, Agni .F. (2019). Pengaruh Ukuran dan Rasio Biaya Terhadap Efisiensi Lembaga Amil Zakat di Indonesia. Universitas Pendidikan Indonesia.
- Yaqin, A. (2017). Optimalisasi Zakat Produktif Dalam Pengentasan Problem Kemiskinan. IQTISHADIA: Jurnal Ekonomi & Perbankan Syariah, 2(2), 220. <https://doi.org/10.19105/ iqtishadia.v2i2.849>