

THE HYBRID OF *WAQF* LAND AND ZAKAT FUND DEVELOPMENT: A CASE STUDY FOR PROTECTING *ASNAF FISABILILLAH* WELL-BEING

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Abstract

This research purpose is to explore the hybrid of *Waqf* land and zakat fund in the development of *asnaf fisabilillah* needs. Due to the current situation, *asnaf fisabilillah* in the context of zakat division in modern time interpretation can be used to design socio-economic development and to uphold the symbolism of Islam. The significant value of understanding this issue will undergo qualitative research based on a paradigm of strategic management theories to suit the internal and the external needs of Pahang SIRC. Using purposive sampling, Pahang SIRC has been chosen to be part of the study where rich data got from the semi-structured interview with three officers. The data were taped, transcribed and analyzed using coding analysis for multiple interviews. Our results inform that, from Pahang SIRC officer's perspective, there is a need in the hybrid between *Waqf* land and zakat fund to the well-being of *asnaf fisabilillah*. The officers are more worried about the benefits of interest they give to the *asnaf fisabilillah* are insufficient, so that the collection of zakat fund needs to be in the "house." The finding shows that Pahang SIRC has two projects that involved *asnaf fisabilillah* in the combination of *Waqf* land and zakat fund. In summary, this study provides some discussion of the single case study which represents a hybrid of *Waqf* land, and zakat is a comprehensive collaboration within SIRC unit in their operation. The awareness of the knowledge of *Waqf* land and zakat from the shariah and management principles give a broader perspective to the professionals in Pahang SIRC to contribute to the target group.

Keywords: Well-being; *Waqf* land; Zakat Fund, *Asnaf fisabilillah*

INTRODUCTION

Zakat is synonymous, part of social security in Islam that strives to maintain public harmony from financial aspects and the ability to empower the quality of their lives. The importance of zakat as mobility of the economy of the lower society, Allah SWT has placed zakat as one of the pillars of Islam which is obligatory to obey. Islam is very concerned with the bonds of brotherhood among Muslims, especially with zakat, a capable Muslim from the point of view is obliged to share the wealth with the needy of Islam. At the same time, zakat provides a means of social security in a society of diverse groups. Comprehensive distribution of zakat in Islam has to operate within the Al Quran guidelines. Qur'an itself has given guidance to zakat trustee to distribute zakat according to the advice provided.

The term zakat can be traced back from the fundamental surah At-Taubah (09), verse 103: *“Take, [O, Muhammad], from their wealth a charity by which you purify them and cause them to increase and invoke [Allah 's blessings] upon them. Indeed, your invocations are reassurance for them. And Allah is Hearing and Knowing. (At-Taubah 9:103)*

Through surah At-Taubah (09), verse 103, Allah SWT ordered His Messenger to take zakat from their property and then purify them through zakat. Since zakat is an essential ingredient of one's faith in Islam, it should be managed exhaustively so that the distribution of zakat is equitably referred to the Quran and the Hadith. The distribution of zakat in Islam has recognized to distribute among certain groups of needy. Is proved by surah al-Taubah verse 60 which means;

“As-Sadaqât (here it means Zakât) are only for the Fuqarâ'(poor), and Al-Masâkin[] (the poor) and those employed to collect (the funds); and for to attract the hearts of those who have been inclined (towards Islâm); and to free the captives; and for those in debt; and for Allâh's Cause (i.e. for Mujâhidûn - those fighting in the holy wars), and for the wayfarer (a traveller who is cut off from everything); a duty imposed by Allâh. And Allâh is All-Knower, All-Wise”. (At-Taubah 9:60)

When referring to the zakat and *Waqf* perspective, the potential hybrid to develop these two great concepts are possible to have in a condition that Shariah rules govern the connections. Where is the equality point of *Waqf* and zakat that allows these two things to be connected? While zakat is compulsory and is subjected to the pillars of Islam, *Waqf* is voluntary, and it is not a practice that Allah has enforce.

Waqf comes from the Arabic word *waqafa* which means to stop, prevent and detain. *Waqf* is any property that the donor holds from any deal of sale, inheritance, grant and will, besides, to maintain its physical resources, for the sake of virtue with the intent to bring the donor closer to Allah SWT. (Pahang SIRC, 2014).

PROBLEM STATEMENT

The introduction of a hybrid on zakat and *Waqf* is very recent to be highlighted by a few researchers. Rashid, Farah, & Hasan, (2018) mentioned the combination of zakat fund and *Waqf* land to serve housing needs among *asnaf*. Indonesia researcher, for an example (Zaenal, Astuti, Choirin, & Sadariyah, 2017) presented the hybrid of zakat and *Waqf* land to form a hospital to provide health needs among *asnaf*. In their innovative study, Rashid et al. and Zaenal et al. manage to present various development that can be formed to harmonize *Waqf* land and zakat fund evolution. The local standard of this research, to explore what *Waqf* land and zakat fund can cater to the development of *asnaf fisabilillah* needs. The problem ascended due to the limited financials commitment lingering *asnaf fisabilillah*. Actually, which group of the population can we consider under *asnaf fisabilillah*? All questions about the potential of *asnaf fisabilillah* getting a return from the hybrid land of *Waqf* and zakat funds will be discussed thoroughly in this paper.

PURPOSE OF THE STUDY

This study purpose will focus only on *asnaf fisabilillah* right on the *Waqf* land and zakat fund hybrid. How to help *asnaf fisabilillah* in catering their quality of life by hybridizing *Waqf* land and zakat fund benefits? Which *asnaf fisabilillah* is meant to receive the distribution of zakat funds? Basically, *Asnaf fisabilillah* is among the critical *asnaf* categories in the context of the distribution of zakat in modern times and if expanded, its interpretation can be used to plan socio-economic development. Since this study is a single case study, therefore many references are taken referring to the rules practised in Pahang SIRC. Through this study also, the researcher will refer to the enactment practices practised by SIRC in Malaysia only.

ZAKAT AND WAQF IN MALAYSIA

In Malaysia, zakat and *Waqf* are managed under the management of the State Islamic Religious Council (SIRC). Essentially, SIRC will determine the direction of zakat and *Waqf* based on the enactment of the state which has been enacted by the following Shariah law. However, there are few differences in the practices and approaches of each SIRC following the management experience and knowledge of their own.

Zakat is distributed in a conservative and unproductive way because it focused on the purpose of meeting expenses and subsistence requirements life. A question that lingers around zakat distribution is how effective zakat as an element that will help the needy to improve their quality of life. Towards these arguments, *asnaf fisabilillah* will be the subject matter in this research paper to investigate, either the empowerment of *asnaf fisabilillah* has been catered successfully.

The interpretation of *Asnaf fisabilillah* is limited to a specific purpose to the defence of Islam as well as there is something that extends to the use of all acts that draw us closer to Allah SWT and obedience to Him or any action relating to good practices allow in Shariah (Dato' Haji Nooh Bin Gadot, 2009). Under this perspective, Pahang SIRC defines a few criteria to be highlighted under *asnaf fisabilillah*, which are any Muslim or Islamic institution or its members, activities that are done towards *amar makruf* and *nahi munkar*, the activity must be able to enhance Islam and maintain the respect of Islam and its implementation should follow the Islamic law, efforts must be made to return to Islam.

Activities that are done must not be inclined or declined to things that are detrimental to or infiltrate the image of Islam or Muslims. The efforts are in the form of exterminating ignorance and enhancing Islamic understanding and intellect, efforts to liberate the ummah from economic conquests, preparation of infrastructure or facilities for the development of Islamic knowledge or understanding, efforts must be made to enhance the image and guard the dignity of Islam and follow the priority (Pahang SIRC, 2019).

METHODOLOGY: QUALITATIVE RESEARCH

This research adopts a qualitative research method relying on primer data, informed from the semi-structured interview with three informants. In line with the methodological approach of qualitative research, this primer data will have guided by the conceptual framework (Merriam, 2015) formed from the strategic management theory. The

contributions of strategic management theory will also be bounded by the fiqh of shariah, to make sure the proposition is in line with the Islamic philosophy. This type of research methodology is the constructivist framework that interprets informant to construct their understanding of reality through experiences, knowledge, and environment (Merriam, 2009).

Specific to the research problem, the qualitative research paradigm, revealed the existing knowledge and understanding about the hybrid of *Waqf* land and zakat fund networks potential in Pahang SIRC. The qualitative research, permit the researcher to design the research flow, to get an idea of what one is looking to conduct the study (Eleanor, 1999). As the research was interested in exploring the potential hybrid of *Waqf* land and zakat fund for *asnaf fisabilillah*, Pahang SIRC management team has established as the unit of analysis (Baxter & Jack, 2008).

CONCEPTUAL FRAMEWORK

From the previous discussion, the conceptual framework has been instructed using strategic management theory (Green, 2014) and the Fiqh approach contribution explain by Islamic scholars such as Yusuf Qaradawi (Zulkifli, 2013) and Muhammad Syukri Salleh (2009). In a more holistic approach, this conceptual framework was developed accordingly with the strategic management theory and fiqh aulawiyat approach. Figure 6.1 presented the strategic management process and theory in this conceptual framework. Extensive research has shown by Che Rose, Uli, Abdullah, & Ismail, (2009) that management theory provides a straightforward conceptual framework for construct wisdom of knowledge and arrange a draft for the process to guide organizations toward their missions.

The general paradigm of this conceptual framework includes the potential economics factors that *Waqf* land and zakat fund can generate. Besides that, managers must conduct good management to identify the best opportunities for the outcome that can be received from those inputs. The establishment of *Waqf* land and zakat fund process into the strategic management process is made up of three main components strategy formulation, strategy implementation, and strategy evaluation.

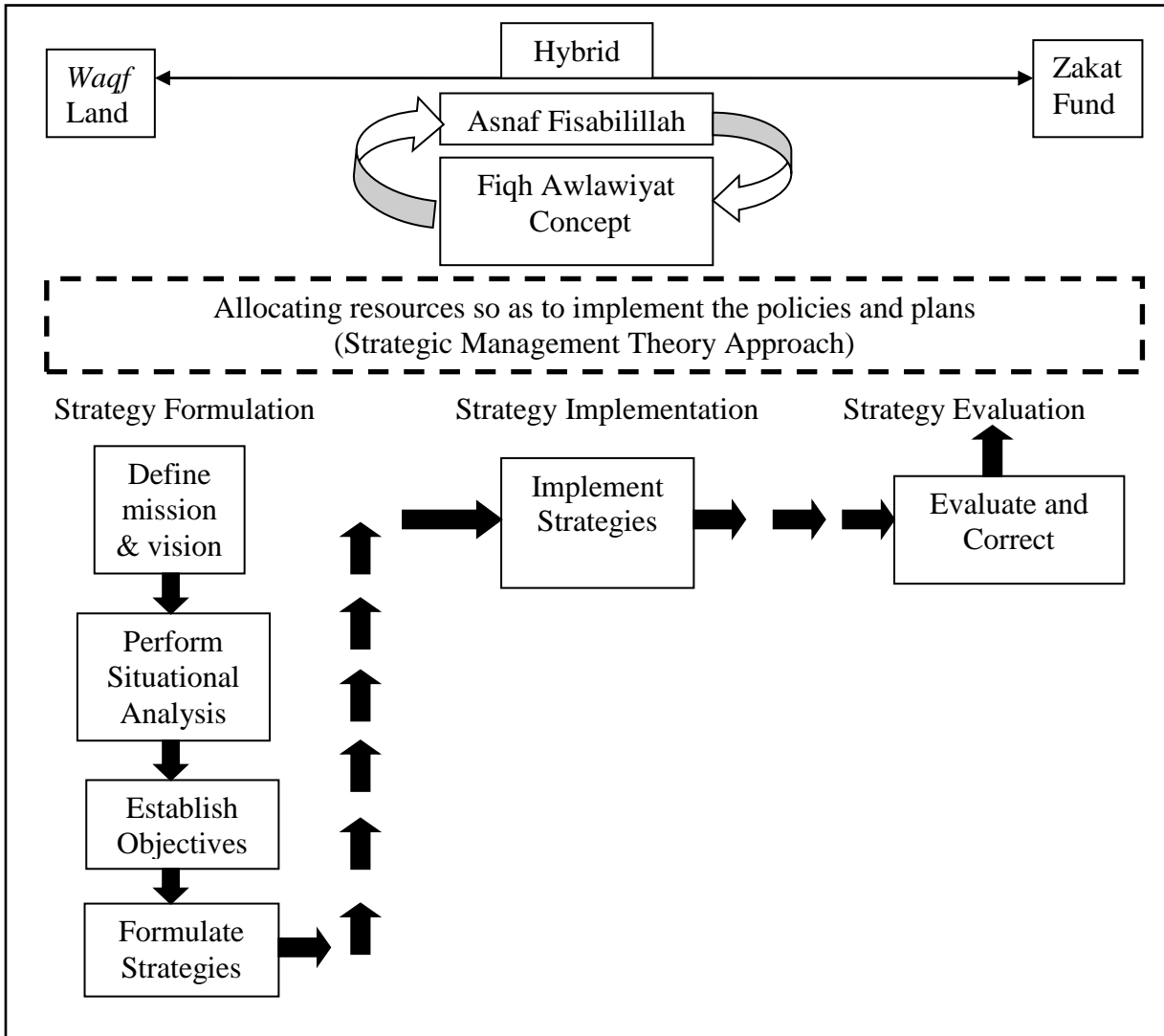


Figure 1: Conceptual Framework Using Strategic Management Process and Theory for Hybrid Waqf Land and Zakat Fund (adapted from Zainal Abidin Mohamed, Ho Jo Ann and Wong Foong Yee, 2013)

INTERVIEW PROCESS

Interviews present a convenient way for researchers to study the world of others, although real perceptives may sometimes be fleeting. Even when the interviewer and the interviewee seem to be talking the same voice, their words may have the same meanings. Thus, the conversation becomes more difficult when two parties have dissimilar perspectives. However, with a wise and strategic mission, proper interview conduct can produce a robust set of data (Qu & Dumay, 2011). By implementing a semi-structured interview in this research, strategies

to enhance qualitative research might involve the rigorous process. The qualitative study naturally, understands how the engagement regulates between interviewees' and interviewer.



Figure 2: Interviewing in Practice (adapted from to Alshenqeeti (2014))

FINDINGS AND ANALYSIS

Observing the management strategy of Pahang SIRC; based on the interviews shared, this study is able to identify a few missions to cater to *asnaf fisabilillah* in the hybrid of *Waqf* land and zakat fund. In Pahang SIRC, the scope of *asnaf fisabilillah* focuses on prioritizing Islamic missionary efforts. The strategist determines to assist and to finance the essential development of religious institutions with the condition that there is a prior initiative to seek assistance from the government. In general, Pahang SIRC also encourages the ability trusted financing could give an excellent return to the ummah.

In Table 1, researchers explain the findings studies that delivered from the interview. Despite being able to explore some of the ideas and commitments that exist amongst the Pahang SIRC management, this study prefers not to put much weight on the findings considering that this study was too many limitations. It is because of the idea lingering among the managers and not form the chief executive officer (CEO), the highest-ranking person responsible for critical managerial decisions.

Thus, the hybrid of *Waqf* land and zakat fund development for protecting *asnaf fisabilillah* well-being are trying to show the internal principles of Islamic social finances. Enlightening how the management of SIRC satisfies some basic needs that has been used for the important function. Therefore, researchers see no reason why rational changes from organizational cannot go on for some time, involving another categorized *asnaf*. Pahang SIRC proves that they managed to provide services to the whole community with high integrity and professionalism in managing *Waqf*, zakat, and baitulmal asset. The management capability to make changing and investigate the potential productivity of the SIRC's assets with more innovative and synergistic. Pahang SIRC can lead the other SIRC institutions in the management of *Waqf* and zakat hybrid as the model of *asnaf fisabilillah* welfare which has been covering.

Table 1: Summary of Transcription of Three (3) Informants According to Theme

Informants	Theme 1 Define mission & vision	Theme 2 Perform Situational Analysis	Theme 3 Establish Objectives	Theme 4 Formulate Strategies	Theme 5 Implement Strategies	Theme 6 Evaluate and Correct
A	“We survive to give the best benefits for asnaf”	“ <i>Asnaf fisabilillah</i> basically in Pahang are focus on education”	“ <i>Asnaf fisabilillah</i> play needs are focussing in education”	“ we bought land in Egypt using baitulmal fund and the we <i>Waqf</i> the land”	“ this modus operandi could be applied in various development that involve <i>Waqf</i> and zakat”	“we do the budgeting for asnaf fisabilillah and it is reduce for long term”
B	“ Our CEO mission is to established the SIRC portfolio by serving the ummah”	“we manage to build 11 storey hostel building in Egypt and this give social return to islam in producing human capital among asnaf”	“ education will give <i>asnaf fisabilillah</i> bright future”	“we build a building to balance the future cost that the asnaf have to spent for hostel”	“the strategies is come from our CEO, This ideas give some output to be part of ummah asset”	“ we calculate on per head, with this type of development we manage to save almost 50% form the total budget”
C	“The collection of zakat fund will boost our welfare services”	“we spent for <i>asnaf fisabilillah</i> in education, to help the student give back the knowledge towards society”	“ <i>asnaf fisabilillah</i> play significant roles to help their family by having good qualification”	“we managed to save a portion of budget for this type of development?”	“asset allocation for this type of development is for long term project”	“this type of development also save expenditure for the students, the do not pay for the rent, the just pay for the bill”

CONCLUSIONS

In conclusion, this study contributes a new inspiration to promote infrastructure on *Waqf* land while at the same time, strengthening asnaf can also be empowered. The comprehensive hybrid, collaboration or cooperation between zakat and *Waqf* under the management of SIRC in their operations enables the benefits of *Waqf* and zakat to be distributed. The decision to

formulate a hybrid between zakat and *Waqf* is entirely up to the management of SIRC. In general, this hybrid can be carried out if the benefits are returned to the asnaf. This is because; the use of the zakat fund has been emphasized in the Quran only for the eight asnaf who have been detailed. Knowledge of zakat and *Waqf* from the principles of shariah and management provide a broader perspective to professionals in SIRC Pahang to contribute to the asnaf group. To ensure that the hybrid between zakat and *Waqf* is successful, the Asnaf group that will receive the benefits needs to be carefully identified to avoid wasting zakat resources which are a society trust. The integrity among zakat and *Waqf* practitioners is vital to ensure that each development project has an impact on improving the quality of life among asnaf.

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