

Implementation of Total Quality Management in Waqf Management at the Al-Qur'an Waqf Board Yogyakarta

Indra Sholeh Husni^{1*}, Arizqiya Nurfattah², Meichio Lesmana³, Ahmad Iqbal⁴

¹ CIES, Center for Islamic Economics Studies UNIDA Gontor, Indonesia

² ICAST, International Centre for Awqaf Studies UNIDA Gontor, Indonesia

³ UIN Sunan Ampel Doctoral Program, Indonesia

⁴ UIN Sunan Ampel Doctoral Program, Indonesia

*Corresponding author(s). E-mail(s): indrasholehhusni@unida.gontor.ac.id

Contributing authors: arizqiya.nurfattah@unida.gontor.ac.id, meichiolesmana@uinsby.ac.id,
ahmadiqbal@uinsby.ac.id

Abstract

The development of the waqf paradigm in society represents a significant momentum in the effort to transform waqf management from traditional to professional practices, aiming to enhance the function and usefulness of waqf. To achieve this, waqf needs to be managed and developed professionally while adhering to Islamic Shari'a principles. However, many institutions or Nazir still do not manage waqf funds professionally. This research specifically discusses the implementation of Total Quality Management (TQM) and its application in the management of waqf at the Al-Qur'an Waqf Board (BWA) Yogyakarta. The main aim of this study is to examine the implementation of TQM in the management of waqf assets at BWA Yogyakarta. This study uses a descriptive qualitative method with a socio-economic approach to analyze the management of waqf in an institution responsible for collecting and distributing waqf funds. The implementation of TQM at BWA Yogyakarta has been carried out effectively, as indicated by the fulfillment of four out of five TQM indicators. However, there is one indicator that has not been fully implemented: the long-term commitment of Nazir. BWA Yogyakarta currently applies an annual contract system for Nazir, without a service period, which means that Nazir can continue to be part of the institution even after the age of 60. This lack of a long-term commitment leads to frequent changes in staff, which could affect the consistency and sustainability of waqf management. Despite this, the overall implementation of TQM at BWA Yogyakarta has been effective in meeting most of the TQM indicators, with the exception of the long-term commitment indicator.

Keywords: Waqf Management, Total Quality Management, Professionalism, Quality, Human Resources

Introduction

The development of the waqf paradigm in society marks a critical turning point in transforming waqf management from traditional practices to a more professional and systematic approach. This shift is driven by the need to maximize the potential and benefits of waqf assets, ensuring they serve their intended purpose more effectively. (Jaih Mubarak, 2008) Professional waqf management is essential for enhancing the utility, sustainability, and economic impact of waqf, making it a vital instrument for social and economic development. However, in Indonesia, the management and development of waqf assets are still far behind

compared to other Islamic countries. Many waqf assets remain underutilized or mismanaged, resulting in minimal contributions to the broader economic welfare of the Muslim community.(Rozalinda, 2015)

Research indicates that the lack of professionalism in waqf management has rendered many waqf initiatives unproductive, failing to fulfill their potential as a means of economic empowerment. In contrast, Islam offers a clear framework for managing waqf assets professionally under the principles of Islamic Shari'a, ensuring accountability, transparency, and sustainability.(Soritua Ahmad Ramdani Harahap, Nusa Dewa Harsoyo, Ahmad Iqbal, 2023) By adopting professional management practices, waqf can be transformed into a powerful tool for addressing economic disparities, funding social services, and fostering community development. The challenge lies in bridging the gap between traditional practices and modern management techniques to unlock the full potential of waqf in Indonesia.(Lutfi, 2013)

A survey conducted by CSRC revealed that the number of full-time Nazir in Indonesia is significantly low, accounting for only 16%, while the majority, 84%, work as part-time Nazir. This situation highlights that the role of Nazir has not yet been established as a desirable or sustainable profession within the community. Many Nazir undertake their responsibilities alongside other primary occupations, which may limit their ability to focus on the optimal management of waqf assets. This lack of full-time dedication can hinder the professionalization of waqf management, affecting its overall effectiveness and productivity in supporting the economic welfare of the community.(Ismanto, 2009)

One of the main reasons for this issue is the inadequate financial incentives for Nazir.(Indra Sholeh Husni, 2022) According to the survey, only 8% of Nazir reported receiving a salary for their work, and even among those, 82% expressed dissatisfaction with the salary's insufficiency. This financial instability discourages individuals from pursuing the role of Nazir as a long-term career. Furthermore, the selection process for Nazir is often not based on professional qualifications or expertise but rather on personal factors such as reputation, familial connections with the wakif, or the wakif's trust. This approach undermines the professional standards required for efficient waqf management and highlights the need for structural reforms to attract competent and dedicated individuals to this critical role.(Rozalinda, 2015)

Considering the suboptimal management of waqf, this study explores the implementation of Total Quality Management (TQM) in waqf management. In TQM, service and management are inseparable concepts. The research focuses on the Al-Qur'an Waqf Board (BWA) Yogyakarta, which runs various waqf programs, including Qur'an Waqf, Water Action for People, Tebar Cahaya Indonesia Terang, Special Da'wah Waqf, Peer-to-Peer Zakat, Indonesia Belajar, Productive Waqf, and Humanitarian Charity. This study aims to provide insights and motivation for other waqf institutions to manage and develop waqf assets professionally.

Literature Review

Nazir

In the Arabic-Indonesian Dictionary, the word "nazir" is defined as "the one who sees" or "the examiner."(Muhammad Yunus, 1973) In fiqh literature, a nazir refers to someone responsible for the management of waqf, meaning a guardian, administrator, manager, or someone who is committed and entrusted with authority. Additionally, in other literature, nazir is understood as the person who holds the trust to preserve and manage waqf assets in the best possible way, in accordance with its purpose and intended use. The nazir plays an essential role in ensuring that waqf assets are managed effectively and productively,

providing long-term benefits for the community, in line with the original goals of the waqf.(Muhammad Daud Ali, 1988)

In the Waqf Law No. 41 of 2004, the definition of a nazir is the party that receives waqf assets from the wakif to be managed and developed according to its intended purpose. The fundamental principle of this law is that anyone who meets the criteria and is capable of taking legal action can become a nazir, whether an individual, an organization, or a legal entity.(Abdul Latif, Meichio Lesmana, Rusyda Afifah Ahmad, 2022) This provision allows not only individuals but also legal bodies to act as nazir, provided they fulfill the requirements set by the law. This opens the opportunity for more parties to participate in waqf management, as long as they have the capacity and competence to carry out the trust responsibly.(Sholahuddin, Muhammad., Hakim, 2008)

Waqf

The term "wakaf" or "waqf" originates from the Arabic word "waqafa," which means "to stop," "to halt," "to remain in place," or "to stand still." This word reflects an action of halting or stopping something in a specific state, and in the context of waqf, it refers to the act of halting or relinquishing ownership of an asset for a particular purpose. The concept of waqf in Islam is closely related to utilizing the donated assets for public welfare and long-term benefits for the community, rather than for personal or individual use.(Muhammad Abid Abdullah Al-Kabisi, 2004)

According to Islamic law (syara'), waqf is the act of withholding ownership rights over a property (al-'ain) with the intention of donating its benefits or advantages (al-manfa'ah) for the sake of Allah.(Arie Rachmat Soenjoto, Susilo, & Afif, 2018) In other words, waqf is not merely about transferring ownership of an asset but involves dedicating the benefits derived from the asset to broader social purposes, such as for mosques, schools, hospitals, or other humanitarian activities. In this case, the waqf property remains in its original form, but the benefits obtained from it will continue to serve noble purposes.(Jawad Mughniyah dan Muhammad, 1996)

The concept of withholding the essence or the original form of an asset in waqf means ensuring that the property donated cannot be sold, inherited, gifted, mortgaged, leased, lent, or used for any other purposes that contradict the initial intention of the waqf. This principle ensures that waqf properties will not lose their intended social function or be used for personal gain, but will continue to provide ongoing benefits in line with their original purpose. Therefore, the management of waqf must be done carefully and professionally to ensure its long-term impact on the community.(Jawad Mughniyah dan Muhammad, 1996)

Total Quality Management (TQM)

Total Quality Management (TQM) is a concept that requires commitment and involvement from all stakeholders within an organization or company to consistently meet customer satisfaction and expectations.(Tjiptono, Fandy., Diana, 2019) Key characteristics of TQM include a strong focus on customers, a deep obsession with quality, the use of scientific approaches in decision-making and problem-solving, long-term commitment, teamwork, continuous process improvement, provision of education and training, controlled freedom, a unified goal, and employee involvement and empowerment.(Bunjamin, 2019) These principles align closely with the teachings of Islam, which encourages collaboration, mutual

support, and the pursuit of collective well-being within an organization or community. The concept of *ta'awun*, or cooperation, which is commanded by Allah, can facilitate the work, expand the scope of benefit in an institution or organization, and strengthen the social fabric of the community. Islam emphasizes values like cooperation, tolerance, unity, and all forms of goodness that lead to the common welfare of society. (Arizqiya Nurfattah, 2023)

TQM's principles are deeply rooted in the Islamic teachings found in the Quran and Hadith. (Miftahul Huda, Indra Sholeh Husni, Nisa Fatikhah Merdekasari, Ahmad Suminto, 2023) Islam encourages people to work in a planned, systematic, measurable, and directed manner, always striving for excellence based on expertise. Islamic teachings provide fundamental principles that guide all levels of work, from the smallest to the largest matters, especially in managing tasks within a country, institution, or organization. In this study, the author focuses on five out of the ten TQM characteristics. This selection is based on the research scope, aiming to explore how these specific characteristics contribute to the success of organizational management. These five characteristics are: (Tjiptono, Fandy., Diana, 2019)

1. High Obsession with Quality: Organizations must be obsessed with exceeding or meeting customer needs and expectations, striving for excellence in every aspect of their operations.
2. Long-Term Commitment: TQM represents a business paradigm, and long-term commitment is crucial to instilling cultural changes that will ensure the successful implementation of TQM practices over time.
3. Teamwork: Organizations that adopt TQM emphasize teamwork, partnerships, and strong relationships between employees, suppliers, government institutions, and the surrounding community to foster collective growth and productivity.
4. Education and Training: For an organization implementing TQM, continuous education and training are fundamental. Employees are encouraged to continually improve their skills and knowledge, fostering a culture of learning and growth.
5. Employee Involvement and Empowerment: One of the core elements in TQM implementation is ensuring that employees are actively involved and empowered in decision-making processes. This increases accountability, responsibility, and the overall quality of decisions made within the organization.

These five TQM characteristics are vital for enhancing organizational performance and aligning with Islamic principles that encourage systematic, collaborative, and responsible management practices.

Research Method

The research methodology used in this study is in-depth interviews with a qualitative approach. According to Krisyantono (Kriyantono, 2008), in-depth interviews involve conducting thorough and frequent interviews with informants (more than once). These interviews are also referred to as "intensive interviews" because they are conducted multiple times. Krisyantono explains that the qualitative approach is "a methodology designed to understand the uniqueness from top to bottom by gathering various internal and external information." This subjective methodology does not focus on the size of the population or surveys, and the sample size is usually limited. The information collected is intended to capture the uniqueness of the subject being studied, which justifies further research. The

primary data source for this study is primary data. According to Syafrizal and Muslich (Syafrizal Helmi Situmorang dan Muslich Lutfi, 2014), primary data is information gathered directly by an individual or organization from the object being studied, usually through interviews or observations. In this research, primary data consists of interviews with staff at the Al-Qur'an Waqf Board (BWA) Yogyakarta.

The data collection methods used in this study are as follows: 1. **Observation:** Sugiyono (Sugiyono, 2017) defines observation as a data collection technique to observe human behavior, work processes, natural phenomena, and respondents. In this research, direct observation was conducted to assess the implementation of TQM, with the goal of gaining a clear understanding of the actual situation at the Al-Qur'an Waqf Board (BWA) Yogyakarta. 2. **Interviews:** This method involves direct question-and-answer sessions with informants or staff at the Al-Qur'an Waqf Board (BWA) Yogyakarta. The researcher has prepared an interview guide to help obtain the necessary data. The data collected in this study includes a brief history and an overview of the implementation of TQM at the Al-Qur'an Waqf Board (BWA) Yogyakarta. (Sugiyono, 2017)

Result and Discussion

Profil of BWA

The Al-Qur'an Waqf Board (BWA) is a professional Islamic philanthropic institution established to gather, manage, and distribute waqf, zakat, infaq, and charity funds from the Muslim community. The programs and projects carried out by BWA are designed professionally, ensuring that each initiative considers innovative, unique, and specific aspects that address the fundamental needs of individuals and society. Every project is meticulously crafted to meet the evolving requirements of the community while maintaining its religious and social significance. BWA continuously engages in its activities and strives to mobilize Al-Qur'an waqf donations from Muslims, distributing them to various communities across the archipelago, particularly in areas that are vulnerable in terms of faith and education.

Implementation of Total Quality Management (TQM) at BWA Yogyakarta

Total Quality Management (TQM) is a concept that requires commitment and active involvement from all parties within an organization or institution to consistently meet customer satisfaction. TQM integrates all management functions, departments, and individuals within an organization, creating a holistic philosophy based on quality, teamwork, productivity, and customer satisfaction. Below is an explanation of how TQM is implemented at BWA Yogyakarta:

1. **Obsessed with Quality:** This means that BWA Yogyakarta places a high priority on the quality of service provided to its donors and waqf contributors. Every nazir (manager) at BWA Yogyakarta is expected to offer the best service to both current and potential waqf contributors, whether they visit the office or contact the organization through social media. Services may include inquiries about waqf programs, waqf information, and even pick-up services for waqf donations. The goal of these services is to earn the trust of the community and facilitate the successful implementation of waqf programs. BWA also utilizes digital fundraising as a modern and practical method for collecting waqf, allowing donors to contribute without leaving their homes. From interviews with Mr. Abah Narko and Mr. Edy, it is clear that BWA Yogyakarta has effectively applied

the TQM indicator of quality obsession, continuously improving its services to gain more waqf contributions from the community.

2. **Long-Term Commitment:** A key indicator of TQM is long-term commitment, especially toward employees. Currently, BWA Yogyakarta offers one-year contracts to its nazir, which are renewed based on performance. While this approach ensures that only those who perform well continue, it does not provide long-term job security for nazir, which could affect continuity and the organization's long-term goals.
3. **Teamwork:** Effective teamwork is crucial within any organization, as it strengthens internal cohesion and fosters a collaborative work environment. At BWA Yogyakarta, teamwork is prioritized during social outreach efforts and other organizational activities. Nazir at BWA Yogyakarta share tasks and work closely together, creating a solid team environment. This cooperative spirit, built on trust and a shared goal, is a key element in the successful implementation of TQM at BWA Yogyakarta.
4. **Training and Education:** A fundamental component of TQM is the provision of education and training to employees. BWA Yogyakarta supports this by offering training to prospective volunteers as part of the selection process. The training continues even after volunteers become nazir, with ongoing development in institutional knowledge and how to carry out their responsibilities effectively. Mentorship is provided to new nazir to help them adapt to fieldwork and ensure they understand the tasks at hand. This approach aligns with TQM's focus on continuous professional development to enhance skills and knowledge.
5. **Employee Involvement and Empowerment:** Employee involvement and empowerment are vital for successful TQM implementation. At BWA Yogyakarta, nazir are actively engaged in all stages of fundraising, project site assessments, and program distribution. Nazir have a say in decision-making, contributing valuable insights to ensure the success of the waqf programs. While the branch head holds ultimate decision-making authority, nazir are empowered to influence and contribute to the organization's goals. Though there are areas for improvement, BWA Yogyakarta continues to empower its nazir, enhancing their skills and capabilities in managing waqf assets.

Reflecting on the professionalism demonstrated by BWA Yogyakarta in managing waqf, it is clear that TQM plays a crucial role in ensuring the efficient management of waqf funds. TQM serves as a quality control mechanism, where the well-being, knowledge, and empowerment of nazir are essential for the organization's growth. Interviews with nazir and waqf donors reveal that BWA Yogyakarta offers high-quality services, which foster continued trust and contributions from waqf donors. Furthermore, the organization's long-term commitment to helping communities is evident in its work since its establishment in 2005. However, there is room for improvement in extending long-term contracts to nazir to ensure continuity and better alignment with the organization's long-term goals.

Teamwork, training, and education are also integral to BWA's operations. Nazir work collaboratively to handle waqf management tasks and actively contribute to weekly evaluations and decision-making processes. BWA's commitment to providing training for its nazir enhances their skills, ensuring they are well-prepared for their roles. Overall, BWA

Yogyakarta's application of TQM has led to more efficient management of waqf, improved services to waqf contributors, and empowered staff, all of which contribute to the success of its mission.

Conclusion

The development of the waqf paradigm in society marks an important momentum in the effort to transform waqf management from traditional to professional practices, aiming to enhance the function and usefulness of waqf. However, many institutions or Nazir have not yet implemented professional management of waqf funds. The implementation of TQM at BWA Yogyakarta has been carried out effectively, as evidenced by the fulfillment of four out of five TQM indicators. However, there is one indicator that has not been fully implemented: the long-term commitment of Nazir. BWA Yogyakarta currently applies an annual contract system for Nazir without a specified service period, meaning that Nazir can continue to be part of the institution even after reaching the age of 60. This absence of a long-term commitment leads to frequent staff turnover, which may affect the consistency and sustainability of waqf management. Despite this, the overall implementation of TQM at BWA Yogyakarta has been successful in meeting most of the TQM indicators, with the exception of the long-term commitment indicator.

References

- Abdul Latif, Meichio Lesmana, Rusyda Afifah Ahmad, A. J. (2022). Student Contributions in Waqf Are Reviewed Through Factors of Religiosity, Knowledge, and Financial Attitudes. *FINANSIA: Jurnal Akuntansi Dan Perbankan Syariah*, 5(2).
- Arie Rachmat Soenjoto, Susilo, A., & Afif, M. (2018). Pengaruh model rekrutment karyawan badan wakaf pada kinerja pengelolaan aset umat (Studi kasus Badan Wakaf Indonesia). *Al Tijarah*, 4(2), 26.
- Arizqiya Nurfattah, R. B. (2023). Optimizing waqf management for social impact. *Islamic Business and Management Journal*, 6(2).
- Bunjamin. (2019). *Total Quality Management Konsep dan Implementasi Dalam Pendidikan yang Diperkaya Dengan Perspektif Islam*. Depok: Rajawali Press.
- Indra Sholeh Husni. (2022). *Profesionalitas Nazir Dalam Mengelola Wakaf Perspektif Total Quality Management Pada Badan Wakaf Al-Qur'an Daerah Istimewa Yogyakarta*. Universitas Islam Indonesia.
- Ismanto, K. (2009). *Manajemen Syariah: Implementasi TQM Dalam Lembaga Keuangan Syari'ah*. Yogyakarta: Pustaka Pelajar.
- Jaih Mubarak. (2008). *Wakaf Produktif*. Bandung: Simbiosis Rekatama Media.
- Jawad Mughniyah dan Muhammad. (1996). *Fiqh Lima Mazhab: Edisi Lengkap*. Jakarta: PT. Lentera Basritama.
- Kriyantono, R. (2008). *Teknik Praktis Riset Komunikasi*. Jakarta: Kencana Prenada Media Group.
- Lutfi, M. (2013). Manajemen Wakaf. In *Manajemen Wakaf: Upaya Progresif dan Inovatif bagi*

- Kesejahteraan Umat* (pp. 88–89). Makassar: Alaudin University Press.
- Miftahul Huda, Indra Sholeh Husni, Nisa Fatikhah Merdekasari, Ahmad Suminto, N. D. H. (2023). Management and Development of Productive Waqf In The Hospital Publicly Health Centre (PKU) Aisiyyah Boyolali City. *Annual International Conference on Islamic and Science Integration (AICCII)*, 1(1).
- Muhammad Abid Abdullah Al-Kabisi. (2004). *Hukum Wakaf: Kajian Kontemporer Pertama dan Terlengkap Tentang Fungsi dan Pengelolaan Wakaf serta Penyelesaian Atas Sengketa Wakaf*. Jakarta: IMAN Press.
- Muhammad Daud Ali. (1988). *Sistem Ekonomi Islam Zakat dan Wakaf*. Jakarta: UI-Press.
- Muhammad Yunus. (1973). *Kamus Arab Indonesia*. Jakarta: Yayasan Penyelenggara Penterjemah / Pentafsir Al-Qur'an.
- Rozalinda. (2015). *Manajemen Wakaf Produktif*. Jakarta: PT RajaGrafindo Persada.
- Sholahuddin, Muhammad., Hakim, L. (2008). *Lembaga Ekonomi Dan Keuangan Syariah Kontemporer*. Surakarta: Universitas Muhammadiyah Surakarta.
- Soritua Ahmad Ramdani Harahap, Nusa Dewa Harsoyo, Ahmad Iqbal, S. S. (2023). THE ROLE OF HUMAN RESOURCE MANAGEMENT IN IMPROVING EMPLOYEE PERFORMANCE AN ISLAMIC PERSPECTIVE. *Proceeding of Annual Conference on Islamic Economy and Law*, 2(2).
- Sugiyono. (2017). *Metode Penelitian kuantitatif, Kualitatif, dan R&D*. Bandung: ALFABETA.
- Syafrizal Helmi Situmorang dan Muslich Lutfi. (2014). *Analisis Data untuk Riset Manajemen dan Bisnis*. Medan: USU Press.
- Tjiptono, Fandy., Diana, A. (2019). *TQM Total Quality Management (Edisi Revisi)*. Yogyakarta: Andi Offset.