



Digital-based management services for co-creation value in waqf land asset management

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ABSTRACT

This study aims to develop a key performance index (KPI) to guide waqf management by *Badan Waqf Indonesia* (BWI) representatives in the Sleman and Bantul Regencies. Data were gathered through interviews and documentation with key, main, and supporting informants using a qualitative research approach. The study reveals that *Daerah Istimewa Yogyakarta* (DIY) Province has 11,265 waqf locations covering 417.35 hectares. Sleman Regency has the most waqf locations (3,516) covering 119.41 hectares followed by Bantul Regency with 3,017 locations over 93.69 hectares. However, the use of this land remains focused on non-economic purposes. The research offers practical implications by developing a KPI for BWI representatives which can enhance the productivity and professionalism of waqf asset management. This could lead to a better utilization of waqf assets for economic purposes contributing to community development in DIY. The paper fills a gap in the literature by proposing a KPI framework for waqf management and offers insights for policymakers, practitioners, and researchers. Its qualitative approach provides a detailed view of the current waqf management state and suggests improvements for greater economic impact.

Contribution/Originality: This study contributes by uniquely examining contextual challenges in waqf management in Sleman and Bantul Regencies, such as governance gaps and underutilized digital systems (e.g., SIWAK) which have been overlooked in previous literature. This study offers a holistic framework that integrates governance, professionalism, and digital transformation, advancing theoretical understanding and practical strategies to improve waqf management.

1. INTRODUCTION

Waqf is a voluntary Islamic contribution recommended by the Prophet Muhammad (PBUH) at the beginning of the Islamic era (Allah Pitchay, Mohd Thas Thaker, Mydin, Azhar, & Abdul Latiff, 2018). According to Azganin, Kassim, and Sa'ad (2021) waqf is an ongoing charitable act established to serve various types of humanitarian purposes such as community development, education, assistance to the disabled and the poor as well as financing orphanages. According to the Prophet Muhammad (PBUH), "When a person dies, only three deeds remain for him: passing on alms, useful knowledge, and praying of children for him." It should be noted that waqf is a form of sustainable alms (Abdul Shukor et al., 2019).

In the Islamic context, waqf is defined as holding an asset and limiting its consumption to frequently take the proceeds for the benefit of the beneficiary (Nour Aldeen, Ratih, & Sari Pertiwi, 2022). Historically, waqf has played a central role in providing services to meet community needs, especially the intellectual advancement of society (Kader, 2021). Meanwhile, technically, waqf can be interpreted as holding mal (wealth, in this case in the form of an asset) and preventing its consumption to reap the proceeds repeatedly for the benefit of righteous and philanthropic purposes during that period of time (Mohd Thas Thaker, Amin, Mohd Thas Thaker, Khaliq, & Allah Pitchay, 2021). On the other hand, waqf as a social and development financing institution due to high levels of poverty and weak government, most Muslim-majority countries lag behind in education spending and service health (Shaikh, Ismail, & Mohd Shafiai, 2017). The importance of waqf in history as a means of socio-economic development is well known but in several Islamic countries, waqf institutions are not very prominent and receive little appreciation. For centuries, Muslims have used waqf institutions to carry out various development programs (Muhammad, 2010).

The following four pillars involved in waqf are as follows: wakif (the person who created the waqf), mawquf (property or capital), mauquf 'alaih (recipients of benefits are family members), descendants or the poor and the community and Sighah/ijab (offering) and qabul (acceptance) waqf (Abdul Shukor et al., 2019; Yaacob, Petra, Sumardi, & Nahar, 2015). Immovable and movable waqf are two types of waqf based on the nature of things they sneered. Immovable waqf includes buildings, land, wells, gardens, etc., while movable waqf includes money, precious metals, securities, and so on. The majority of waqf is land (immovable property), where the permanence and security of "sustainable charitable" actions, which is the essence of waqf can be immediately realized (Abdul Shukor et al., 2019). The ministry of religious affairs records that the area of waqf land in Indonesia is 52,180.09 hectares. Of the total land area, waqf land is divided into certified waqf land covering an area of 19,690.44 hectares and uncertified land covering an area of 32,489.65 hectares. Furthermore, research by Nizar (2017) found that Indonesia is the country with the largest waqf wealth in the world, especially in terms of land with an area of approximately 440,512.89 hectares (Nizar, 2017). However, according to data obtained by the Indonesian Ministry of Religious Affairs, waqf land management in Indonesia still lacks focus on economic empowerment because most of the waqf land is still used for direct (consumptive) waqf. The use of waqf land is still dominated by mosques (43.51%), prayer rooms (27.90%), cemeteries (4.35%), schools (10.77%), Islamic boarding schools (4.10%), and other social activities (9.37%) (Siwak.kemenag.go.id, 2023).

The potential for waqf land in DIY reaches 11,265 locations with an area of 417.35 hectares based on data from the Ministry of Religious Affairs Waqf Information System (SIWAK). In Sleman Regency, the number of locations reached 3,516 with an area of 119.41 hectares while in Bantul Regency the number of locations reached 3,017 with an area of 93.69 hectares (Siwak.kemenag.go.id, 2023). These two districts have the largest area and number of eternal land locations compared to other districts in DIY. However, the potential of this endowment has not been utilized optimally. One important step to improve community welfare through the use of waqf assets is through strategic breakthroughs carried out by Badan Waqf Indonesia (BWI) (bwi.go.id, 2023).

Provincial representative BWIs and regency BWIs were formed by BWI to support the implementation of BWI's duties and functions. BWI regency representatives are responsible for implementing BWI policies and duties at the district/city level as well as developing endowment fund managers in managing and developing endowment fund assets. BWI representatives in the districts of Sleman and Bantul have not optimally empowered and managed waqf land assets productively. Their current activities are limited to land certification and coaching waqf land asset managers. Therefore, there is no work program for empowering waqf land assets that could have an impact on welfare. Moreover, the potential of waqf land assets has not been utilized optimally for productive purposes.

In national zakat management, key performance indicators (KPI) have been formulated and implemented by the National Amil Zakat Agency (BAZNAS). A clear KPI formulation is also needed to optimize endowment fund management. Therefore, this research is important to develop KPIs in the endowment domain to improve the

quality of life of Indonesian people and society in line with My Cita (nine priorities). The development of the two KPIs in this research is intended as a guideline for endowment fund management carried out by the BWI representatives of Sleman and Bantul regencies. Through the commitment, synergy, and cooperation of all stakeholders in the waqf sector, social disparities can be reduced, and grassroots economic development can be enhanced.

2. LITERATURE REVIEW

2.1. Productive Management of Waqf Land

Priyadi, Achiria, Imron, and Zandi (2023) and Priyadi and Achiria (2022) emphasize the significant potential of waqf land for the economic welfare of communities if managed productively. Although their findings highlight promising opportunities such as empowering MSMEs through innovative agricultural methods, these studies lack an in-depth exploration of the scalability and sustainability of these models. For example, the simulations conducted in Bantul focused on a specific context (fish farming and hydroponics) without discussing how these initiatives can be adapted to other areas with different socio-economic or ecological conditions. This raises questions about the generalizability of their conclusions and the long-term impacts of their proposed strategies.

2.2. The Role of Professional Trustee (Nazhir)

The waqf trustee is a person or legal entity who holds the mandate to maintain and manage waqf assets in accordance with the form and purpose of the waqf (bwi.go.id, 2019). Meanwhile, according to Law Number 41 of 2004, Article 1 paragraph (4) concerning waqf, the trustee is a party who receives waqf assets from the waqif to be managed and developed in accordance with its designation. Djalil and Anwar (2022) underline the importance of professional and competent nazhir in improving productive waqf management. This study does not critically address potential challenges such as resource constraints, resistance to change or the readiness of the Indonesian Waqf Board to adopt such a system while the proposal to implement KPIs and standard evaluations is commendable. Furthermore, their reliance on a single model for performance assessment may overlook regional or institutional differences, which may require a specific approach for effectiveness.

The introduction of sukuk waqf by Ilmiah (2019) is an innovative step towards optimizing waqf assets. However, this study mainly focuses on the structural and technical aspects of sukuk waqf issuance, neglecting a critical examination of potential risks such as market volatility, regulatory barriers or challenges in attracting sufficient investor interest. Furthermore, reliance on multiple stakeholders (e.g., BWI, special purpose vehicle (SPV), and developer) may lead to coordination challenges that are not adequately addressed in the analysis.

2.3. Islamic Financing and Empowerment of MSMEs

The findings of Qoyum and Fauziyyah (2019) on halal MSMEs and the adoption of Islamic financing highlight factors such as cost-benefit and halal awareness. However, the concept of “blessing” that identified an important factor in driving Islamic financing is not sufficiently grounded in empirical analysis. Additional study is necessary to fully understand this concept's practical consequences for financial decision-making and policy formulation, regardless of its cultural and religious resonance. Furthermore, their study might not accurately reflect the range of experiences and difficulties that MSMEs in the region faced because it only included 58 MSMEs in its sample.

2.4. Structural Challenges in Waqf Management

Fitri and Wilantoro (2018) identified critical issues in waqf management such as low managerial capacity of nazhir and lack of government support. Although the use of the analytic network process (ANP) effectively prioritizes these challenges, the study does not propose actionable and evidence-based solutions to address these

systemic issues. For example, although coaching and mentoring nazhir are highlighted as a solution, the mechanisms for implementing these programs, securing funding, and measuring their impact are not detailed.

Allah Pitchay et al. (2018) proposed a hybrid cooperative waqf model as an innovative financing solution for unused waqf land in Malaysia. This study does not critically examine the viability or practicality of this approach in real-world situations despite the novelty of the idea of coordinating cash waqf suppliers and waqf institutions. Issues such as governance, stakeholder alignment, and adaptability of this model to different socio-economic contexts remain unexplored.

3. METHODOLOGY

This research uses qualitative research with a descriptive approach. Qualitative research aims to obtain in-depth information regarding the selected research problem with informants playing an essential role. Qualitative research is a method that describes or depicts the condition of research subjects or objects such as individuals, institutions, communities, etc., in the form of written or spoken words from people and behavior that can be observed to obtain actual data from informants. Denzin and Lincoln (2005) state that qualitative research is a data collection technique that interprets phenomena that occur in a natural setting where the researcher acts as a key instrument. Data sampling is carried out purposively and through snowball sampling. Data collection techniques involve triangulation (combination). Data analysis is inductive-qualitative and qualitative research results are emphasized rather than generalizations. According to Miles and Huberman (1992), this research employs a three-step data analysis process: data reduction, data display, and conclusion drawing/verification. Data display is used as a set of organized information that facilitates the drawing of conclusions and decision-making. Conclusion drawing is a cohesive activity that is verified throughout the research process. Conclusions are not drawn solely during data collection. They require verification to ensure their validity and reliability.

3.1. Types and Sources of Data

The data used in this research is in the form of words or information, diagrams and images, not numerical data. In processing qualitative data, there is no addition of data so it tends towards generalization. The data sources in this research are primary and secondary data. Secondary data was obtained from public data provided by <https://siwak.kemenag.go.id/> and authorized institutions. Meanwhile, primary data was obtained directly from the research location. Primary data is needed and collected to answer questions related to the research theme regarding the key performance index developed for waqf at each BWI Representative Office in Sleman and Bantul Regencies. Key performance indices are presented in Appendix 1. This research was carried out from March 31, 2023 to January 31, 2024.

3.2. Informants

Informants in this research are needed as selected research subjects to provide information related to phenomena or problems that exist in the research object. In qualitative research, there are three types of informants: key informants, main informants, and supporting informants.

This research chose key informants, namely the head of the BWI Representative Office in the Sleman and Bantul regencies. The role of the head of BWI Representative includes guiding nazhirs in managing and developing waqf assets and issuing proof of registration of waqf land with an area of less than 1,000 square meters. The main informant was the head of the BWI Division for Bantul and Sleman Regency. Supporting informants include nazhir, wakif, and community members who have knowledge about waqf. Some qualitative research even requires only one primary informant if the issues raised are truly unique to that individual. Determining the number of informants in qualitative research is explained in the following chart:

3.3. Data Collection and Analysis Methods

Data collection methods are techniques used in research and can vary. This research used three data collection methods: observation, interviews, and documentation at the BWI Representative Offices in Sleman and Bantul Regency. The data analysis method used in this research is a qualitative approach with descriptive data analysis techniques. According to Yusuf (2014) qualitative descriptive analysis involves collecting data through interviews, observations and documentation that can be described orally to conclude.

In qualitative research, testing the validity of the data is a crucial factor because without testing the validity of the data obtained from the research object, the research results will be difficult to account for. Data validity testing is carried out to verify whether the research carried out complies with the principles of scientific research and to test the data obtained. Helaluddin and Wijaya (2019) stated that triangulation is an examination by reviewing data. Rechecking can be done before or after data analysis. Triangulation was carried out to increase the level of confidence and accuracy of the data. Triangulation can be carried out with the following three strategies, namely source triangulation, method triangulation, and time triangulation.

4. RESULTS AND DISCUSSION

Nazhir's professionalism can support the management and utilization of productive waqf in Indonesia through measurable performance and competence. The results of the key performance index (KPI) obtained from the performance of BWI representatives and nazhir in waqf management will be used for periodic evaluation. This will enable nazhirs to work more productively and professionally, thereby increasing the growth of productive waqf. This study develops the balanced scorecard model of Djalil and Anwar (2022) by incorporating regional-specific considerations in the implementation of KPIs, such as addressing the lack of standard nazhir appointment criteria in Sleman and Bantul. Furthermore, Ilmiah (2019) emphasizes the financial potential of sukuk waqf. This study highlights the need for a comprehensive administrative framework to ensure effective asset utilization.

4.1. Legality Aspect

The nazhirs at the BWI Bantul and Sleman representative offices have obtained the establishment decree, nazhir appointment decree, and chairman appointment decree. However, until now, not all nazhir have a decree on the appointment of the Sharia Supervisory Board and Management Supervisory Board. According to the BWI Sleman representative, nazhirs must be registered with BWI and have their forum; regular meetings are held twice a year. The Decree of Establishment in the Muhammadiyah nazhir environment in Bantul is under the authority of the minister while in Sleman the certificate is held by the chairman. According to the nazhir in Bantul, Nahdlatul Ulama (NU) administrators and nazhir are automatically included in the decree, and this decree is renewed every five years at BWI Bantul. The NU nazhir is an association similar to a foundation, of which the chairman is nazhirnya who is the same person. Meanwhile, for waqf data, there are approximately 1349 waqf assets managed by Muhammadiyah nazhir which can be accessed by officials in each branch through the Muhammadiyah Asset Management Information System. According to nazhir in Sleman, almost 95% of NU Sleman's waqf assets were allocated for the construction of mosques.

Regarding the decree on the appointment of nazhirs in both Bantul and Sleman, all of them are registered with BWI. In Sleman, his appointment was directly under the PBNU organization. The structural appointment decree is available in each branch, especially in Bantul where several branches were merged for efficiency so that the total was reduced from 20 branches to 17 districts. Similarly, with Muhammadiyah in Sleman, the appointment decree is issued directly by the branch head and regulates all aspects. However, at NU Sleman, it was inaugurated nazhirs only at the district level. The decree on the appointment of *Devan Pengawas Syariah* (DPS) in the nazhir sector in Bantul is complete and follows central guidelines. However, in Sleman, there is no decree on the appointment of DPS in the nazhir sector at all.

4.2. Aspects of HR Professionalism

In this case, nazhir in Sleman and Bantul have regularly attended training organized by the Minister and BWI, where the topics raised are related to waqf law. This aims to ensure that knowledge about legal entities is not only individual but also institutional. Currently, the Muhammadiyah institution is more proactive in legalizing nazhir. In Sleman, the nazhirs have also complied with the regulations set by the minister. They have coordinated with the district through program appointments and presentations. The waqf pledge deed official has its structure with 17 Offices of Religious Affairs or *Kantor Urusan Agama* (KUA) in Bantul, each led by a head who is assisted by 4 staff, including one PNS religious instructor and 17 non-PNS religious instructors. Another problem is changes in the recording of the area of waqf land (before the issuance of the certificate). BWI representatives in Sleman and Bantul have also taken action and responsibility for issues such as the waqf land dispute for toll roads. BWI has carried out provincial duties such as appointments, but if these duties cannot be fulfilled then they are delegated to other members (not from the same organization but still from ministry staff).

Nazhirs in Bantul more often fulfill their obligations by attending training organized by the ministry of religious affairs which is usually held four times a year with a focus on waqf procedures and the National Land Agency or *Badan Pertanahan Nasional* (BPN). Participants include BWI, the chairman of the KUA, Muhammadiyah Legal Entity, and regional nazhir. Nazhirs in Bantul rarely receive training organized by BWI and most training is conducted by the ministry of religious affairs with a focus on BPN (although implementation has not yet been implemented). In Sleman, productive waqf training is routinely carried out by BWI and the ministry of religious affairs. Additionally, direct communication with the district regarding issues, projections, and more is maintained. Implementation of BWI policies and tasks at the district level in Bantul includes, among other things, the transfer of nazhir. However, this is usually related to asset management, not appointment because BWI and nazhir only have a coordination relationship. Nazhir in Bantul often coordinates with the ministry of religious affairs and ministers BPN, especially regarding data input in SIWAK. Direct guidance from BWI regarding the management and development of waqf assets in Bantul is still lacking; only initiatives such as accelerating the issuance of waqf land certificates are provided.

Nazhir in Bantul also collaborated between waqf and land institution or *Lembaga Wakaf dan Pertanahan* (LWP) NU, BWI, *Lembaga Wakaf dan Pertanahan* and BPN. The nazhirs in Bantul do not act or take responsibility on behalf of BWI, either internally or externally. Replacement or the dismissal of nazhirs of waqf land of less than 100 m² has been carried out from individuals to legal entities, periodically every 5 years but there are no criteria for appointing nazhirs. They can only be appointed from competent LWP NU members. The area of waqf land in Bantul varies, usually around 400/500m² depending on its use, for example, mosques, rice fields, etc. The use includes profit sharing, with profits of around 800 thousand. Therefore, the designation of waqf land usually does not change from its original designation as educational and legal problems have been resolved. In Sleman, waqf land is usually designated for educational facilities although this is not specifically stated. However, the collateral is only for places of worship and Islamic boarding schools, so waqf land can be made productive. In Bantul, it is usually allocated to mosques, schools, Islamic boarding schools, missionary buildings and cemeteries. In Bantul land, exchanges have been carried out such as the village treasury land used for vocational schools; then the land was exchanged for other waqf land. Therefore, professional and productive management of a company's organizational structure will enable the company to operate longer (Sulaiman, Hasan, Mohd Noor, Ismail, & Noordin, 2019), this is in line with the principle of eternal waqf (Md Zabri & Mohammed, 2018).

4.3. Management Aspects

Organizational management has a diversity of logic where logic cannot impose all demands on the accuracy of the goals and methods to be achieved. Therefore, with the logical perspective of organizational management, it should provide a strong analytical framework for the relationship between strategic preferences and macro

institutions in a social system (Testa, Atawna, Baldi, & Cincotti, 2022). The organizational structure of nazhirs in the Bantul region already exists with two people usually responsible for waqf affairs at the sub-district level (MWC) in LWP NU, including a clear vision and mission focusing primarily on social and religious issues, not exclusively to nazhir. In Sleman, especially at the sub-district level, there is only the waqf and land agency which has a coordinator and members (with no appointed position such as chairman) but at the district level, the structure is complete. The organizational structure and vision and mission of the entire nazhir region in Sleman were handed down directly from above. Short- and long-term of Standard Operating Procedures (SOPs) and programs exist in every nazhir area in Bantul where short-term programs usually focus on increasing the database and legalizing waqf land while long-term programs aim to maximize waqf productivity. However, in Sleman, SOPs and short- and long-term programs have not been detailed in writing, and sometimes these programs depend on the discretion of the manager given this responsibility.

External financial support for Muhammadiyah nazhirs in the Bantul region usually comes from Muhammadiyah University of Yogyakarta (UMY) and Ahmad Dahlan University (UAD) in the form of development funds from Lazismu. On the other hand, NU nazhir usually receive support from the ministry religious affairs. In Sleman, external support at the sub-district level is not yet available and only comes from funds allocated for guidance from the National Amil Zakat Agency. Meanwhile, in terms of supervision, Bantul supervision comes from the Muhammadiyah management itself while in NU, supervision comes directly from the district and provincial levels with a report being made for each addition. In Sleman, supervision of Muhammadiyah nazhir comes directly from their reporting while for NU, there is no intensive supervision standard guidelines from BWI.

4.4. Administrative Aspects

The phenomenon of inefficient waqf administration in Muslim countries can be caused by a lack of accountability of nazhirs (Ihsan & Hameed Hj. Mohamed Ibrahim, 2011). Greater emphasis should be placed on developing human resources for effective waqf management as well as contextualizing sharia regulations to achieve efficiency in institutional administration (Abdullah, 2018). The majority of waqf land in the BWI Bantul area has been certified, although some are still in the certification process. However, in the BWI Sleman area, there are still some waqf lands from NU that have not been certified, some of which are located in people's welfare. Waqf in the Sleman area must be dispute-free with the minimum requirement of a dispute-free endorsement letter issued by the local village office which is also confirmed by a photocopy issued by the religious affairs office (KUA). Both the Sleman and Bantul waqf managers have a waqf deed issued by the head of the KUA which contains a complete explanation of the location and purpose. All waqf managers in the BWI Bantul area have data regarding the area, location and use of waqf land. There is no fee for processing certification in the BWI Sleman area but measurement costs and other things are usually borne by the funder or taken from the mosque's treasury.

Waqf land assets in the BWI Muhammadiyah Bantul area are usually used for mosques and education while in Sleman, there is still a vacancy of up to 5% because some of the land has not been completed. In other Muhammadiyah areas, there are regular weekly study groups. Waqf registration is carried out through community leaders or legal entities in the area which is then handed over to the chairman of the local mosque council (PCM), then to the KUA and finally to the National Land Agency (BPN). Most waqf are familiar with BWI and their management is entrusted to BWI with transparency regarding reports that must be in accordance with the waqf pledge. In the 1970s, there was a promise to establish a maternity clinic to be converted into a primary clinic managed by Aisyiyah.

4.5. IT and System Aspects

BWI representatives in Sleman Regency have implemented SIWAK and the e-waqf system which is in the process and will be used in the future. The IT infrastructure at the BWI representative is available and well configured. However, not all waqf services and waqf data centers at BWI representatives are fully operational. Currently WhatsApp is the only means of long-distance interaction because Zoom Meeting is no longer used.

Waqf managers in the Bantul region have utilized SIWAK effectively, by ensuring regular updates of the printed copies provided by waqf managers in the form of photocopies. Similarly, waqf managers in the Muhammadiyah sector have made good use of *Sistem Informasi Manajemen Aset Muhammadiyah* (SIMAM). NU waqf managers in Sleman and Bantul have also used SIWAK effectively. Each branch has IT personnel responsible for waqf management supported by direct training from BWI. Waqf services managed by waqf managers can be accessed at the BWI head office. Currently, Zoom meetings are rarely used for friendship or coordination purposes because face-to-face meetings are considered more consultative.

4.6. Collection Aspects

Currently, at the BWI Bantul representative office, not all of the accumulated waqf land assets are significant. Meanwhile, waqf managers at the BWI Sleman representative office do not yet have access to all national databases, individual and institutional waqfs. Waqf land assets in the Bantul region also show an increasing trend annually.

4.7. Development Aspects

In economic development, the use of Islamic crowdfunding platforms in collaboration with the waqf model can maximize social and economic welfare (Thottoli, 2022). At BWI Sleman representatives, not all endowment fund managers have a development strategy but each manager has their empowerment strategy. Muhammadiyah waqf managers in the Bantul region have a development strategy. Each branch usually uses a project-based approach such as collecting donations from pilgrims for certain projects such as purchasing a car where each member contributes Rp. 500,000.

Similarly, NU endowment fund managers have a strategy of conducting direct outreach to the community through regular religious gatherings. Its development focus includes areas such as agriculture, and its empowerment efforts target mosques, cemeteries, prayer rooms and Islamic boarding schools. The strategy for developing and empowering waqf managers in the Sleman area is similar, namely by focusing on raising waqf funds at gatherings at mosques. Therefore, waqf must be seen as an organized socio-economic development institution governed by the principles of Islamic law, jurisprudence and economics (Lamido & Haneef, 2021).

4.8. Distribution Aspects

The distribution of waqf has no limits; it is inversely proportional to the distribution of zakat, sadaqah and grant where the allocation of waqf funds is to improve the welfare of all mankind both Muslims and non-Muslims and can even be extended to environmental conservation and animal protection (Sulaiman et al., 2019). In the BWI Sleman representative office, not all endowment fund managers have a productive endowment fund ratio, and they even lack information regarding the range of beneficiaries. However, the community feels the welfare impact of these endowment funds.

In contrast, in the Bantul region, the beneficiary groups are widely spread and everyone benefits from the endowment funds. However, the use of waqf among NU circles in Bantul is not very prominent because the waqf is in the form of agricultural land, each of which is designated for mosques. Therefore, determining recipients of aid depends on the community around the mosque and fields. This is different from the situation in Sleman where the level of community satisfaction reflects the impact.

4.9. Accountability Aspect

According to Osman and Agyemang (2020) the religious ethos and values of each staff are needed to ensure the benefits of accountability and better waqf management. As a philanthropic act, in Islam good waqf management can be a solution to poverty alleviation (Sukmana, Ratnasari, & Widiastuti, 2022). Besides, the effectiveness of waqf management increases public perception and awareness of waqf (Abdu, Lamido, & Jibir, 2023). Waqf institutions are entities with charitable purposes where the concept of accountability is the most important thing in the context of the continuity of waqf institutions regardless of the form of establishment (Nahar & Yaacob, 2011).

The endowment fund managers at BWI Sleman have managed endowment fund assets according to their objectives and functions. Transparent reporting in a charity environment effectively increases public trust while facilitating strategic evaluation of stakeholders on which to base their decisions to support charitable institutions or vice versa (Nahar & Yaacob, 2011; Yaacob et al., 2015). They have also reported the implementation of their duties to the Central BWI. However, there is no obligation to make an Annual Work Plan and Budget (AWPB) with BWI representatives. Endowment fund managers also do not have specific financial reports. There are no reports from district BWI representatives to central BWI. Coordination meetings (Rakornas) only take place at representative-level endowment fund management forums.

In both BWI Sleman and Bantul representatives, endowment fund managers have managed endowment fund assets according to their objectives and functions usually carrying out audits. Muhammadiyah endowment fund managers at BWI Bantul have short-, medium- and long- term activity plans (STRAIGHT). However, the NU endowment fund manager does not have AWPB. Instead, they provide interim reports, usually financial reports to the head of the KUA.

On the other hand, endowment fund managers at the BWI Sleman representative office do not have AWPB at all. Sometimes, there is only a brief report regarding the existing problem. The national coordination meeting (RAKORNAS) with BWI is only attended by NU endowment fund managers, both BWI Sleman and Bantul representatives, and is held regularly every month. RAKORNAS managing Muhammadiyah waqf only takes place at BWI Bantul representatives together with the Ministry of Religious Affairs. The endowment fund manager at the BWI Sleman representative has reported to the district and central BWI but there is no financial report yet. Considering the charitable environment such as waqf which operates within the parameters of trust and integrity, accountability compliance by waqf managers is not an option (Yaacob et al., 2015).

5. DISCUSSION

These findings are in line with previous studies that underscore the important role of professionalism in waqf management (Djalil & Anwar, 2022; Fitri & Wilantoro, 2018). However, this study highlights unique contextual challenges in Sleman and Bantul Regencies, such as the lack of a Sharia Supervisory Board and limited inter-organizational coordination which have not been thoroughly examined in previous literature. Furthermore, previous research (Priyadi et al., 2023) focused on the economic potential of waqf assets. This study identifies operational and governance gaps that hinder the achievement of these outcomes.

The study's qualitative insights into the adoption of digital systems (e.g., SIWAK) further contribute to the literature by demonstrating their potential to improve administrative efficiency. However, the underutilization of these systems in Sleman underscores the need for targeted interventions to bridge the digital divide in waqf management.

Theoretical Contributions: This study addresses gaps in the literature by providing a nuanced understanding of the socio-administrative dynamics in waqf management. Unlike previous studies that mostly focused on the economic potential of waqf assets (Ilmiah, 2019) this study integrates governance, professionalism, and digital transformation into the discussion which offers a holistic framework for future research.

Implications for Practice: For practitioners, these findings emphasize the importance of standardizing nazhirs training programs and implementing KPIs to improve accountability and performance. Proactive use of digital platforms, such as SIWAK should be prioritized to streamline administrative processes and ensure data reliability.

6. CONCLUSION

This study highlights the role of nazhir in managing and utilizing productive waqf in Indonesia with a focus on aspects of professionalism, legality, human resources, management, administration, IT and systems, collection, development, distribution and accountability. The findings show that although the majority of nazhirs in Bantul and Sleman have an establishment decree, a nazhir appointment decree, and a chairman appointment decree, not all of them have a DPS and DPS appointment decree. Most of the waqf land in the BWI Bantul area has been certified and some are still in the certification process. However, in the BWI Sleman area, there are still some waqf lands from NU that have not been certified, some of which are located in people's welfare.

Furthermore, this research shows that waqf managers in Bantul have utilized SIWAK and SIMAM effectively, ensuring regular updates of printed copies provided by waqf managers in the form of photocopies. Similarly, waqf managers in the Muhammadiyah and NU sectors in Sleman and Bantul have also utilized SIWAK effectively. However, the e-waqf system in the BWI Sleman area is still in process and will be used in the future. In terms of development, Muhammadiyah waqf managers in the Bantul region have a development strategy, while each branch usually uses a project-based approach. NU endowment fund managers have a strategy of conducting direct outreach to the community through regular religious gatherings.

In addition, although not all endowment fund managers in Sleman have a productive endowment ratio, the community feels the welfare impact of these endowment funds. In contrast, in the Bantul region, the beneficiary groups are widely spread and everyone benefits from the endowment funds. However, the use of waqf among NU circles in Bantul is not very prominent, especially because the waqf is in the form of agricultural land, each of which is designated for mosques. This is different from the situation in Sleman where the level of community satisfaction reflects the impact.

In terms of accountability, it appears that although the majority of nazhirs have managed waqf assets according to their function, there is still room for improvement in terms of reporting to the BWI head office. The monthly coordination meeting has been well scheduled but there is no report on nazhirs financial status to BWI. This study calls for a more structured approach to waqf management and suggests that increasing the professionalism and competence of nazhir is critical for the sustainable growth of productive waqf in Indonesia. Utilizing the key performance index (KPI) results of the performance and competence of nazhir in waqf management for periodic evaluation can increase their productivity and professionalism, thus ensuring the sustainable growth of productive waqf in Indonesia.

While previous studies, such as Priyadi et al. (2023) have emphasized the theoretical potential of productive waqf land management, this study provides a practical framework for implementation through KPIs, which addresses gaps in operational guidelines. In addition, this study critiques the limitations of regional adaptation in the model proposed by Allah Pitchay et al. (2018) which offers a hybrid approach tailored to the socio-economic context of Sleman and Bantul.

Actionable recommendations from the results of this study include establishing a standardized national KPI framework for all nazhirs tailored to regional needs. In addition, requiring annual reporting and audits for all waqf land management, with sanctions for non-compliance to ensure accountability.

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Appendix

Appendix 1. Key performance index (KPI) at BWI Sleman and Bantul representative office.

No.	Key performance index
I	Legality aspects
1.1	Decree on establishment of institution
1.2	Decree on the appointment of Nazir
1.3	Registered with BWI as Nazhir
1.4	Decree on appointment of chairman
1.5	Decree on the appointment of the sharia supervisory board
1.6	Decree on the appointment of the management supervisory board
II	Aspects of HR professionalism
2.1	Nazhir has fulfilled his obligation to participate in coaching organized by the minister and BWI
2.2	Implementing BWI policies and tasks at the district/City level
2.3	Coordinate with the ministry of religion office and related institutions in carrying out tasks
2.4	Guiding nazhir in managing and developing waqf assets
2.5	Act and be responsible for and on behalf of the BWI Regency/City representative, both internally and externally
2.6	Dismissing and/or replacing the nazhir of waqf land with an area of less than 1,000 square meters
2.7	Issuing proof of registration of nazhir waqf land with an area of less than 1,000 square meters
2.8	Conduct a survey of waqf land with an area of less than 1,000 square meters that is proposed to be changed or exchanged and report the results to BWI.
2.9	Carry out other tasks assigned by the BWI provincial representative
III	Management aspects
3.1	Have an organizational structure
3.2	Have a vision
3.3	Have a mission
3.4	Have SOP
3.5	Have short term program (5 years)
3.6	Have a medium-term program (10 years)
3.7	Have a long-term program (15 years)
3.8	Have external financial support
3.9	Have supervisory support
IV	Administrative aspects
4.1	Have a certificate of ownership
4.2	Have a letter from the KUA and sub-district that the land is not in dispute
4.3	Have a valid Waqf Pledge Deed that has been recognized by BWI
4.4	Area of waqf land
4.5	Location of waqf land
4.6	The purpose of waqf land
4.7	The appointed Nazir
V	IT and system aspects
5.1	BWI representatives who have made good use of SIWAK
5.2	IT infrastructure for BWI representatives in waqf management
5.3	Wakif services that can be accessed by BWI center
5.4	Have a waqf data center at the BWI representative office
5.5	Have remote interaction facilities (Zoom meeting)
5.6	Has implemented remote interaction facilities (Zoom meeting)
VI	Collection aspects
6.1	The amount of waqf land assets collected nationally has increased significantly
6.2	National database of individual waqf
6.3	National database of legal entity waqf

No.	Key performance index
VII	Development aspects
7.1	Strategies used for development
7.2	Strategies used for empowerment
VIII	Distribution aspects
8.1	Productive waqf ratio
8.2	Beneficiary reach
8.3	Impact on community welfare
IX	Accountability aspect
9.1	Has carried out the administration of waqf assets in accordance with their objectives and functions
9.2	Has reported on the implementation of tasks to BWI
9.3	BWI Representative RKAT
9.4	Nazhir financial report
9.5	Report of BWI regency representative to BWI
9.6	National coordination meeting (Rakornas) of BWI representatives

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