



# FUNDRAISING STRATEGY IN INCREASING ZIS FUND ACCEPTANCE AT AMIL INSTITUTIONS (LAZWASHAL)

## Erlangga Hakim Manurung<sup>1</sup>, Siti Aisyah<sup>2</sup>

<sup>1,2</sup>Universitas Islam Negeri Sumatera Utara

# ARTICLE INFO

#### Article history:

Received September 29, 2022 Revised Oktober 1, 2022 Accepted February 01, 2023 Available February , 2023

#### Kevwords:

Fundraising, Infaq, LAZWASHAL



This is an open access article under the CC BY-SA license

Copyright © 2022 by Author. Published by Universitas Pendidikan Ganesha.

#### ABSTRACT

Basically related to the explanation that the concept of fundraising is very important to efforts to improve the management of the fund ZIS (Zakat,Infaq, and Sodagoh) as well As the management of the fund wagof. Not only itusaja the process of Fundraising can also be defined as the process of collecting funds or fund raising. Which in this case can be used to finance the program operations of an institution that ultimately aims to achieve the mission and vision of the institution. In this case it is necessary needed a strategy or direction of an approach in the process of raising funds inorder to obtain the maximum results possible. Fundraising is related to the ability of individuals, organizations, and institutions of law where for invites and used effects other people, which can cause awareness of the sera sense of concern that exist in each. Can also be used to manage the fund waqof on the concept of fundraising this. There are several strategies fundraising that need to be considered, among others : analyzing opportunities, strategize fundraising, plan a program of collecting, organizing, implementing, controlling the efforts of the collection of zakat. Things like this berpengruh great on the course of zakat in every Institution including LAZWASHAL

#### 1. INTRODUCTION

Fundraising or fundraising is an important and main activity in a zakat, infag and alms management institution. Because a zakat management organization in its activities is always related to funds. Fundraising is not synonymous with money alone, its scope is broader and deeper. Because the influence of fundraising is very large for the existence of a zakat management institution. Because zakat, infaq and alms funds can improve people's welfare to alleviate poverty and narrow the gap between the poor and the rich. The encouragement of Islamic teachings that are so strong for believers to give zakat, infaq and charity shows that Islamic teachings encourage people to be able to work and try so that they have wealth that fulfills the needs of themselves and their families, as well as vying to become muzakki. The fundraising strategy is the starting point in determining organizational needs, all of which can be done to increase activities to meet growing needs. Fundraising activities greatly determine the success of an organization or institution. Fundraising plays an important role for social institutions or organizations in an effort to support the running of the program in the operational wheel activities that have been outlined. One of the problems of the people is poverty and economic backwardness. At least the problems of low income levels, low participation and ability to compete in the management of national economic resources, high unemployment rates, limited ability to access sources of information and industrial technology, high inequality of prosperity and welfare, and so on. The problems of this ummah are neatly wrapped and hidden behind the face of poverty.

Based on the Law of the Republic of Indonesia Number 23 of 2011 concerning the management of zakat, it states that paying zakat is an obligation for Muslims who are able to comply with Islamic law. Zakat is a religious institution that aims to improve justice and social welfare. In order to increase its usability and effectiveness, zakat must be managed institutionally in accordance with Islamic law. The basic substance of fundraising can also be summarized into two things, namely the fundraising method and the program being implemented. The explanation regarding the program itself is an empowerment activity which is distributed to the community either in the form of financial donors or other activities that are more useful. While the fundraising method itself is a fundraising from the community carried out by an institution. This activity is very important in the effort to run a program as well as the operational

system of an institution from public funds. This fundraising process will greatly affect the progress of a social institution. If at the time the funds that have been collected from the community have begun to decrease or run out, it can be ascertained that an institution is in a bad condition (deteriorated condition).

In the process of raising funds, there are various ways to attract public trust, including the first is the process of raising funds from available sources, both individuals, companies, or from the government. In this fundraising activity, an institution can implement a strategy, namely, in the form of sending letters, social media donations, holding an event, membership, and making donations. The second is by creating a new source of funds, in this case the efforts being made are by building business and economic units which are capable of generating an income for an institution (earned income). While the third, namely, capitalizing on non-financial resources, by implementing a donation fundraising strategy in any form (in kind) and building a volunteer program.

### 2. LITERATURE REVIEW

According to the language, fundraising means raising funds or raising funds, while according to the term, fundraising is an effort or process of activity in order to collect funds (zakat) and other resources from the community, both individuals, groups, organizations that will be channeled and utilized for mustahik. It was also explained, fundraising is the process of influencing the community, both individuals and individuals or community representatives and institutions to channel funds to an organization. Fundraising can also be interpreted as an activity in order to raise funds from the community and other resources from the community (both individuals, groups, organizations, companies or the government) which will be used to finance programs and operational activities of the organization so as to achieve its goals. Fundraising in this sense has a broader scope than the previous understanding, this fundraising only collects funds, but can also be used in kind for institutional purposes. Based on the Law of the Republic of Indonesia number 23 of 2011 concerning the management of zakat, it states that paying zakat is an obligation for Muslims who are able to comply with Islamic law. Zakat is a religious institution that aims to improve justice and social welfare; that in order to increase the usability and effectiveness, zakat must be managed institutionally in accordance with Islamic law.

#### **Fundraising Method**

In carrying out fundraising activities, many methods and techniques can be used. What is meant by method here is a typical form of activity carried out by an organization in order to raise funds from the public. This method can basically be divided into two types, namely direct (direct fundraising) and indirect (indirect).

# **Direct Fundraising Method (Direct Fundraising)**

What is meant by this method is a method that uses techniques or methods that involve the direct participation of muzakki. Namely forms of fundraising where the process of interaction and accommodation power for muzakki's responses can be immediately (directly) carried out. With this method, if a muzakki has a desire to make a donation after getting a promotion from an institutional fundraiser, then they can do it easily and all the information needed to make a donation is available. Examples of these methods are: Direct Mail, Direct Advertising, Telefundraising and live presentations.

### **Indirect Fundraising Method (indirect fundraising)**

This method is a method that uses techniques or methods that do not involve the direct participation of muzakki. That is forms of fundraising where it is not carried out by providing direct accommodation power to the instant muzakki's response. This method, for example, is carried out using a promotional method that leads to the formation of a strong institutional image, without being directed at donation transactions at that time. Examples of this method are: advertorials, image compaign and organizing events, through intermediaries, establishing relationships, through references, and mediation of figures, etc. In general, an institution performs both of these fundraising methods (directly or indirectly). Because both have their own advantages and goals. The direct fundraising method is needed because without a direct method, muzakki will find it difficult to donate funds. Meanwhile, if all forms of fundraising are carried out directly, it will appear to be stiff, limited the permeability of the prospective muzakki's environment and has the potential to create saturation. Both methods can be used flexibly and all institutions must be good at combining the two methods.

In terms of Fundraising Goals for an Organization, Especially for Zakat:

a. Fundraising process, which means the process of collecting funds or money, but what is meant here is not solely for money but for funds in a broad scope, including one of which is an item or service that has material value. Even though here the process of collecting funds plays an important role, because

in a zakat organization if there is no money/funds collected then the organization will not be able to run well. Because the operational part itself also needs a fund. So in this case a zakat organization if it cannot raise money in the Fundraising process, it can be said that the organization has failed.

- b. Fundraising itself also aims to increase the number of muzzaki and donors who want to join in. Can form and improve the image of an institution both directly and indirectly, the point here is that if the response from the community is very positive regarding OPZ matters, it will increasingly attract donors and muzakki parties while vice versa if the level of response to OPZ is not good, of course it can affect the sustainability of OPZ, and there is no donors or muzakki who join in.
- c. The Fundraising Movement itself also has the goal of satisfying donors and muzakki, in this goal it is the highest goal where muzakki and donors continue to provide assistance to OPZ and maintain loyalty between muzakki and donors (Abidah, 2016).

## In terms of Fundraising Principles

As we know today, Fundraising is a necessity because it is seen as very important in its alignment with the poor. The principles of Fundraising are:

- a. The principle of Fundraising is that you have to ask, meaning that an organization or institution will ask members of the public if they don't make a donation, what kind of reason is that. Because the donor will usually give a donation when asked, even without expecting a reward. However, there are also donors who are generous in giving donations to the community without needing to be asked and their intention is only to get praise or get an award from other people.
- b. The principle of Fundraising is establishing a relationship with other people, meaning that the more we get acquainted or have networks with many parties, it is also likely that many members of the community or donors will want to join in donating funds. In that case an institution becomes bigger.
- c. The principle of Fundraising means selling, meaning the fundraising process which consists of 2 stages, which are: first by showing potential donors that there is an important need that can be offered by an institution through the institution's activities. The second stage is that an institution is willing to do something meaningful to serve the community and can show the community that support from the community can provide better results.
- d. The last principle of Fundraising, namely saying thank you, saying thank you is very important as an award given to donors who volunteer to join in giving or distributing donations. That way donors can feel more valued (Abidah, 2016).

## In terms of Fundraising Elements

We can see the Fundraising elements, namely:

- a. A needs analysis, in this case containing conformity with sharia principles, accountability, reporting, benefits for the welfare of the people, a good quality service system, as well as establishing friendly relations and good communication.
- b. There is a need for donor/muzakki segmentation, which is a method of how we view donors and muzakki creatively, both from an individual, organizational or legal entity perspective. This alternative means that there is a need for segmentation in order to identify and take advantage of various opportunities that arise in society.
- c. Identity of the donor and muzakki profile, this is very necessary in order to know the identity of the prospective donor or muzakki. A profile of a donor or muzakki can be in the form of a biodata or CV, while for prospective donors or muzakki, either from an organization or legal institution, it can be in the form of a company profile of the institution.
- d. There is a product, a product is something that can

Which is offered to meet the needs or desires of muzakki. The product itself is not only in the form of goods but also in the form of services. Meanwhile, related to zakat institution products, it is a service product that can facilitate donors and muzakki in fulfilling their zakat obligations (Abidah, 2016).

In terms of strategy where to prepare fundraising sources. There are several steps that must be considered in the preparation process for raising funds, including:

- a. Can plan a long-term program (strategic plan)
- b. Long-term budget planning for strategic plans
- c. Setting the priority scale of a program
- d. Can build a scenario for the process of fundraising institutions,
- e. There is a Fundraising goal
- f. Well-implemented Fundraising Strategy,
- g. Identify sources of funds

- h. Create a work team and work plan
- i. Carry out a monitoring of work results, and
- j. Evaluate a future work plan.

The hope of the Amil Zakat institution itself is that from year to year there will be an increase in the collection process and ZIS (Zakat, Infaq, and Sodaqoh).

#### 3. METHODS

Descriptive research is research that describes and describes the current state of the research object as it is based on facts. This research is an attempt to reveal a problem or situation or event as it is so that it is only a disclosure of facts.

#### 4. RESULTS AND DISCUSSIONS

Laz Washal himself is committed to developing the Sharia Economy by maximizing the potential of zakat, infaq, shadaqoh and humanity which focuses on empowering Mustahik to become Muzzaki in improving people's welfare as a form of productive zakat management. Apart from focusing on productive zakat, Laz Washal himself has a commitment to improving existing educational facilities in the community, the many schools that are sheltered by Al - Washliyah is proof that true education is an important point to pay attention to in channeling zakat funds collected at Amil Institutions. Zakat Washliyah Charity (Washal), with efforts to improve all educational facilities.

# Fundraising Strategy to Improve ZIS Fund Management (Zakat, Infaq, Alms)

Previously Fundraising was an activity in raising funds for individuals, organizations and legal entities. Not only that, the Fundraising process can also be interpreted as a process of collecting funds or raising funds. Where in this case it can be used to finance the operational activities of an institution which ultimately aims to achieve the mission and vision of an institution. In this case it is necessary to need a strategy or direction of an approach in the process of raising funds in order to get the maximum possible results. As for what is meant by the strategy itself is a plan that is comprehensive in order to achieve a better organization.

Not only achievement, but also as a defense for the sustainability of an organization that is carrying out an activity or activities in its environment. The Fundraising Strategy itself can also be applied in an effort to improve the management of ZIS funds (Zakat, Infaq, and Alms). The existence of collecting zakat funds (Fundraising) is used as one of the big themes in a zakat charity organization. Regarding setting up the zakat collection system, it is done simply without the need for special knowledge. So in this case fundraising can be interpreted as a process of fundraising activities or raising zakat, infaq, and sadaqah funds as well as other resources from community members both individually, groups, organizations and companies where what will be channeled and utilized is impossible. In Fundraising activities there are 5 main activities including the process of raising funds, collecting donors, building the image of the institution and providing satisfaction to donors. Basically the birth of an amil zakat institution should be able to be a good hope for mustahiq, and also be able to alleviate a problem of poverty or unemployment. But all hopes for alleviating poverty or unemployment will not be achieved if from the side of Lembaha Amil Zakat there is no orientation in terms of utilizing available zakat funds. As we already know, the biggest economic problem can be seen from the problem of poverty. Where the problem is closely related to economic factors where the level of income (income) or the level of individual and community consumption becomes a form of benchmark in the life of the surrounding community. There are many views that point to the fact that poverty rates can be found in urban areas where the urbanization rate is high and is the result from the economic crisis of recent years. That way, problems like this should get more attention, especially to the regional or central government to find solutions so that the welfare of the population can be fulfilled as best as possible (Oktafia, 2017).

A zakat management institution in the process of collecting ZIS funds is carried out by taking zakat funds either directly or indirectly. As for the ways in which this is done, namely by placing advertisements in the mass media, opening counters for receiving zakat, conducting house-to-house visits, correspondence and many other things that we must do. So it can be predicted that the process of collecting a zakat, infaq and sodaqoh today many use the concept of Fundraising where there is a management process in it. Given that the zakat fundraising process is fundamental to the management of zakat funds, both infaq and sodaqoh. The concept of Fundraising is a very important activity for an institution or a social organization as an effort to support the existence of an ongoing program and an ongoing operational program to achieve certain goals and objectives. Thus the role of Fundraising is very important as a supporting factor for institutions in financing a program and the operational activities of an institution. Fundraising also relates to the ability of individuals, organizations and legal institutions to

invite and influence other people which can create awareness and a sense of concern within each one. In cases like this, an institution should need to develop a Fundraising ethics that refers to the mission of an institution. Fundraising process itself is not synonymous with money alone because its scope is so broad and deep that its influence is very meaningful for the existence of an institution.

#### 5. CONCLUSION

The concept of fundraising has a very important influence on efforts to improve the management of ZIS funds (Zakat, Infaq, and Sodaqoh) as well as the management of waqof funds. Not only that, the Fundraising process can also be interpreted as a process of collecting funds or raising funds. Where in this case it can be used to finance the operational activities of an institution which ultimately aims to achieve the mission and vision of an institution. In this case it is necessary to need a strategy or direction of an approach in the process of raising funds in order to get the maximum possible results. Fundraising also relates to the ability of individuals, organizations and legal institutions to invite and influence other people which can create awareness and a sense of concern within each one.

# 6. REFERENCES

Abidah, A. (2016). Analisis Strategi Fundraising Terhadap Peningkatan Pengelolaan ZIS Pada Lembaga Amil Zakat Kabupaten Ponorogo. STAIN Ponorogo, Vol 10 No.1.

Huda, M. (2010). Model Manajemen Fundraising Wakaf. STAIN Ponorogo, Vol. XIII, No.1, 31–38.

Oktafia, R. (2017). Percepatan Pertumbuhan Usaha Mikro, Kecil dan Menengah ( UMKM ) Melalui Perkuatan Lembaga Keuangan Mikro Syariah (LKMS ) di Jawa Timur, (110), 85–92.

Ascarya. (2005). Analytic Network Process (ANP): Pendekatan Baru Studi Kualitatif. Jakarta: Center for Central Banking Education and Studies, Bank Indonesia.

BAZNAS. (2017). Statistik Zakat Nasional (2nd ed.). Jakarta: BAZNAS.