

Trust, Asset Growth & Waqf Continuity

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ABSTRACT: *Background.* Trust is a major element in the sustainability of non-profit organizations such as waqf institutions. The purpose of this study is to explore what variables are influential in compiling the trust component of waqf institutions. *Method.* This research is qualitative research, where data is collected using in-depth interview techniques and questionnaire completion. The informants of the research were experts, practitioners and regulators who have knowledge and experience in waqf. The number of experts as informants was seven people. Data analysis was conducted using ANP method with super decision software version 2.10. *Results.* Trust variables are composed of three components, namely integrity, asset growth and transparency. Trust will affect waqif in giving waqf assets to be managed. Trust will also affect the continuity of wakif in channeling their assets to a trusted institution so that it will have asset growth. Transparency in financial reports and work programs, the integrity of a waqf institution and the growth of assets shows the credibility of a waqf institution that will compose the Trust component.

KEY WORD: Continuity, Sustainability, Trust, Waqf

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I. INTRODUCTION AND LITERATURE REVIEW

Trust in General

Trust is defined as a person's willingness to behave in a certain way because they believe in the integrity and honesty of their partners(1). In a business process, trust is an important element in sustainability and an important key in the world of marketing (2). Consumers who trust the service provider or goods provider will make repeated purchases / use of services. This is what underlies the concept of customers, namely parties who regularly use services / purchase goods back to their partners in a certain frequency and within a certain period of time.

Trust and Organization

In an organization, trust depends on aspects of integrity, ability, and motivation(3). A person will entrust resources to an institution if the institution has integrity, good ability and motivation. Trust is the most important thing in public involvement to support the activities or operational of the institution. This is what makes the sustainability of an organization, especially in non-profit institutions because in relation to public involvement in non-profit institutions, the public as endowers will give resources in the form of money / goods but do not get direct benefits from what is given. Therefore, this trust is important to ensure that the resources given have been managed and distributed properly. Institutions that have credibility, integrity and ability become one of the public's motivations to continue to support by handing over their resources so that the sustainability of the institution will be achieved. Trust is the main element in relationship quality, where it is influenced by the reliability, integrity, and durability of the trusted party(4).

Trust and Waqf

In a non-profit organization, in this case a waqf institution, there is an important component that makes up the trust variable. Especially in social and non-profit organizations or institutions that are based on religion. People will donate their assets to be managed and distributed because they have trust in the management and management(5). This trust will continue to grow, starting from the way funds are received, managed, asset growth, absence of fraud, distribution of benefits to information disclosure (transparency) and openness to suggestions and criticism. The more people have trust in an organization or institution, the greater the funds that can be raised from the community.

1.2 Research Objectives

This study aims to explore what components influence the preparation of trust variables.

1.3 Research Methodology and Data Analysis

Research Design

The research design was qualitative research, where information was collected through in-depth interviews and questionnaire completion with experts, practitioners, and regulator. The number of experts involved in this research is seven people. The research stages begin with hypothesis testing. The hypothesis that will be tested is a causal hypothesis, namely this hypothesis consists of statements about influences, relationships and correlations that have more than two variables.

Data Analysis

Data analysis using Analytic Network Processing. To get a composite priority ratio on an individual ratio scale, this will describe measurements that have a relative nature to the influence of all elements where all elements will interact with each other related to the control criteria(6). ANP is a mathematical theory, and researchers can treat feedback and dependence systematically, and can also combine factors that are real or intangible and intangible in decision making, ANP is categorized as a new approach that will provide a framework that has a general nature when treating these decisions and without producing assumptions about the independence of elements at the level above it to the level below it also has independence at the same level. The research variables in analyzing trust factors are integrity, openness or transparency and asset growth.

ANP is the result of the development of AHP (*analytic hierarchy process*), the levels in AHP have a tiered arrangement. The AHP network has several levels starting from the level of objectives, criteria, alternative fiber sub-criteria at each level have elements. However, the ANP network does not have a level or hierarchy, the level or level in ANP is known as a cluster where it can have criteria and alternatives or known as nodes.

1.4 Findings and Interpretation

In ANP research, *pair-wise comparisons* are made of various clusters and elements within clusters and between the various clusters and elements there are interdependencies and interactions to synthesize the results. The opinions of experts, practitioners and regulators are based on interviews and *questionnaires* designed in such a way as to facilitate their completion.

In ANP discourse to produce consensus, informants who have knowledge, skills and experience are prerequisites for the effective use of ANP itself. Then their opinions are synthesized using ANP. One of the distinctive features of ANP is the *influence* relationship between outer clusters and inner clusters, namely within a cluster between elements and *feedback*.

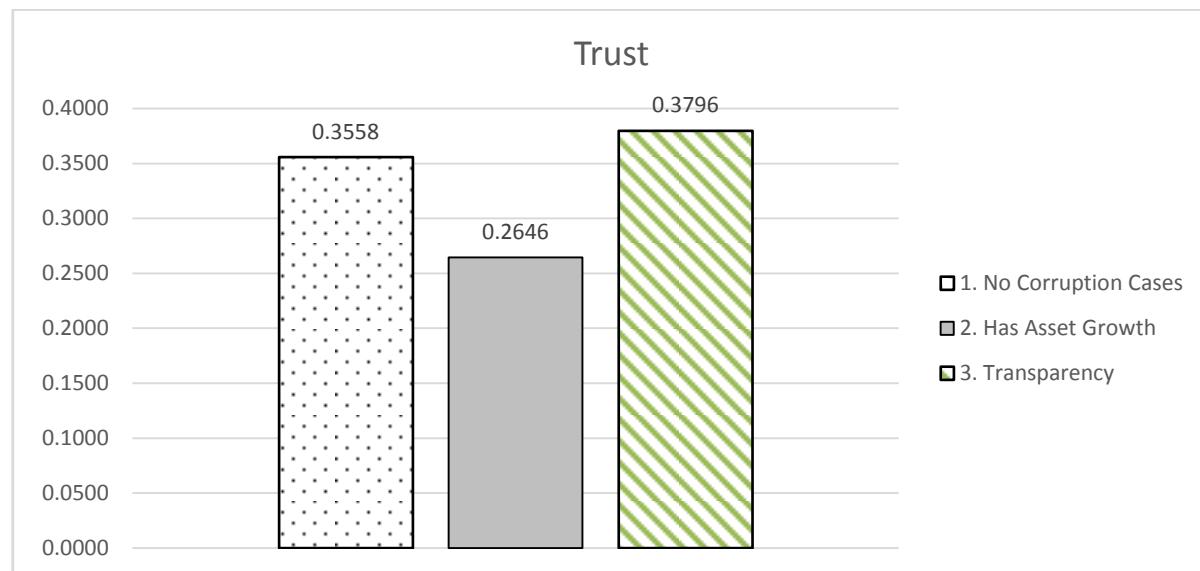


Figure 1. Results of Trust sub-criteria weights

In Figure 1, it can be seen that the result of this ranking is the *trust* cluster, which is composed of three components: transparency, absence of corruption cases, and asset growth. Trust is an important factor that will ensure the sustainability of waqf institutions, in line with the Prophet's Hadith "*The best of you are those for whom good is expected and who's bad is kept.*" (H.R. Tirmidzi). Openness of financial information (transparency) has the highest score, the second is the absence of corruption cases. Waqf institutions that have

been involved in corruption cases will reduce the level of public trust in general and waqf in particular. Asset growth is also a component of trust in the third rank. This growth in assets shows the seriousness of the waqf institution in receiving, managing, and developing assets.

The sub-criterion of rating waqf institutions is *trust* which consists of three indicators of *having no cases of corruption* or misappropriation, *having asset growth*, and *transparency*. The processing results show the order in the *trust* sub-criteria from the most important based on the average value is transparency (0.3796), *no cases of corruption* or the absence of corruption cases (0.3558), and asset growth (0.2646). Detailed scoring according to experts can be seen in Figure 2.

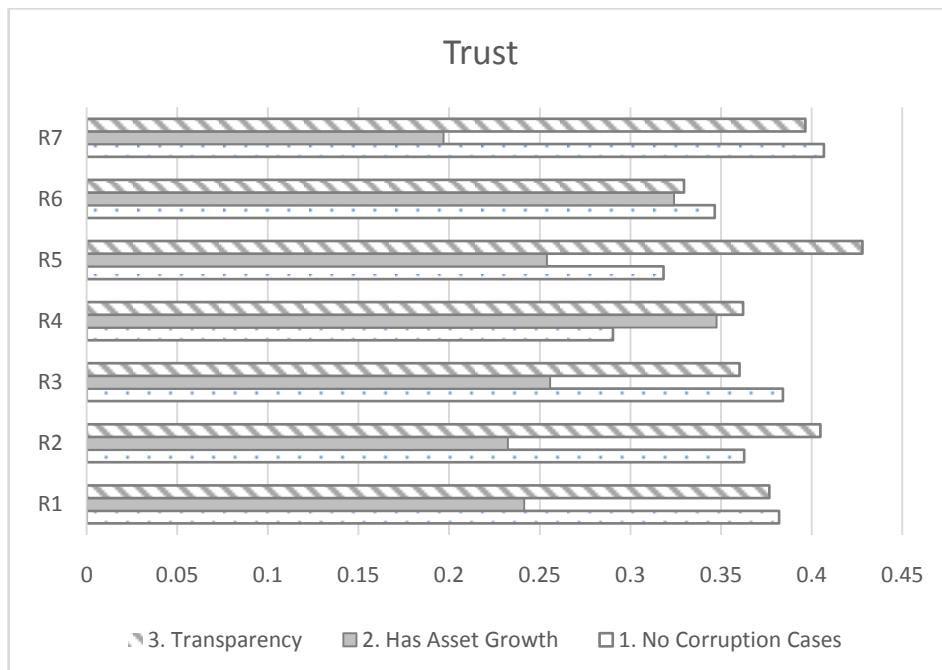


Figure 2. Weight of Trust Component Based on Informant

In Figure 2, it can be seen that transparency is the dominant factor given a high score by all informants with a minimum score of 0.38. The absence of corruption cases was given a score with a rank of 2 by 6 experts with a minimum score of 0.28. Variation is given to the asset growth component with a minimum score of 0.18.

The importance of the transparency aspect in increasing trust in the nazir is because the more transparent and accountable an institution is, the higher the level of public trust in the nazir, which in turn with the high trust in the nazir will foster public awareness, compliance, and motivation to distribute zakat(7). This is proven by research from Mutmainah (2015) that transparency has a positive and significant effect on the intention to pay zakat(8). On the other hand, transparency is also one of the good governances that should be implemented by zakat institutions to be able to carry out their functions properly(9).

Table 1. Matrix Table of Trust Component

Component	R1	R2	R3	R4	R5	R6	R7
Trust							
-No Corruption Cases	0.042448	0.04031	0.042676	0.032264	0.035351	0.038490	0.045188
-Having Asset Growth	0.026822	0.025829	0.028419	0.038614	0.028209	0.036008	0.021872
-Transparency	0.041842	0.044972	0.040016	0.040234	0.047550	0.036612	0.044052

Transparency in the management of waqf institutions is a factor that will reflect the professionalism of a trustworthy institution. The clarity of the flow from the source, where it will be channeled and financial information are things that will affect public confidence in entrusting their assets to waqf institutions. Furthermore, the integrity of an institution in maintaining consumer confidence by showing that there is no practice of misappropriation of funds as a form of public trust in a waqf institution. And the last is proof that the institution has efforts for sustainability and wider benefits. This will also affect the level of trust and motivation

of the public in giving their assets to the institution. This can be reflected in the growth of waqf institution assets.

The growth of waqf assets in terms of revenue indicates that the public trusts the institution. Asset growth as a result of asset development because waqf is productive also increases public trust because they consider the institution to be very professional in management and development so that it can provide benefits to those in need.

In research by Rahman (2015) and Ahmad &Rusdianto (2018), it is explained that trust has an important role in zakat management institutions(7,10). This is because high trust in waqf institutions will foster public awareness, compliance, and motivation to channel zakat(7). Then, related to risk management, it is explained in the research of Triyani et al (2017) that the implementation of risk management in zakat institutions will enable the achievement of organizational goals, and can minimize the occurrence of major risks(11). Furthermore, the implementation of risk management in zakat institutions can increase people's trust. Furthermore, in improving the quality of zakat management or other social funds, sharia audits have an important role because they aim to increase accountability(12,13).

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