

THE MANAGEMENT OF ISLAMIC PHILANTHROPIC INSTITUTIONS USING A TOTAL QUALITY MANAGEMENT APPROACH: A CASE IN MAGELANG

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Article History: Received December 03, 2022; Revised January 27, 2022; Accepted March 04, 2022

Abstract: *This article aimed to find out the forms of management of Islamic philanthropic institutions using a total quality management approach in order to improve the quality of institutional services to underprivileged communities, which was the main goal of establishing Islamic philanthropic institutions. Then, the main focus was to review a book entitled “Model Tata Kelola Lembaga Filantropi Islam: Total Quality Management Approach” written by Nurodin Usman, Agus Miswanto, and Subur in 2021. This book raised a theme of discussion regarding the management of philanthropic institutions in Magelang using a total quality management approach as the main objective of writing this article. Therefore, a study unit of analysis was selected to explore the important findings presented in the book's narrative. Furthermore, several reviews from previous books were added, which had almost the same discussion on the management of Islamic philanthropic institutions. The results of this article contained a discussion about the principles in carrying out every management of Islamic philanthropic institutions using a total quality management approach in the case study in Magelang, which was described in the book, especially regarding the advantages and disadvantages of each principle carried out and how to follow up.*

Keywords: *Islamic Philanthropic Institutions, Total Quality Management, and Magelang.*

INTRODUCTION

A book related to the management of Islamic philanthropic institutions attempted to be reviewed in this research review is entitled *Model Tata Kelola Lembaga Filantropi Islam: Total Quality Management Approach*, published by Tunas Gemilang Press, Yogyakarta in 2021, and written by three academics from Muhammadiyah University of Magelang, in the field of Islamic Studies and Sharia Economic Law (Muamalah), namely Nurodin Usman, Agus Miswanto, and Subur. This book is the result of field research into Islamic philanthropic institutions in the Regency and City of Magelang, Central Java, while 12 philanthropic institutions have been identified that carry out their management in an Islamic manner, including Badan Amil Zakat Nasional (BAZNAS) of Magelang City, Badan Wakaf Indonesia (BWI), Baitul Maal Hidayatullah, Dompot Dhuafa, Lembaga Amil Zakat

(LAZ) Yatim Mandiri, Lembaga Amil Zakat Dana Kemanusiaan Dhu'afa (LAZ DKD), Lembaga Amil Zakat, Infaq, dan Shodaqoh (LAZIS) of Central Java, Lembaga Amil Zakat, Infaq, dan Shodaqoh Muhammadiyah (LAZISMU), Lembaga Amil Zakat, Infaq, dan Shodaqoh Nahdlatul Ulama (LAZISNU) NU-CARE, Pos Keadilan Peduli Ummat (PKPU) of Central Java, Tabung Wakaf Dhompot Dhuafa, and Yayasan Kesejahteraan Islam (YKI) of Magelang City (Usman et al., 2021).

The 176-page book discusses the big theme of the governance of Islamic philanthropic institutions, which is based on the theory of Total Quality Management (TQM). This aims to analyze the performance of Islamic philanthropic institutions in order to comply with applicable quality standards so that they become accountable and trusted institutions by the community or stakeholders. The choice of Magelang as a research area is due to the easy access for the authors to make observations of various Islamic philanthropic institutions around the campus where they work, Muhammadiyah Magelang University. Moreover, there is enthusiasm to develop the Islamic philanthropic institutions mentioned above, given their great contribution to Muslims, especially the residents of Magelang (Usman et al., 2021).

The author understands the importance of fostering a spirit of giving to people in need in order to realize social justice or benefit the general public, as defined in Chapter 2 of Islamic philanthropy. Furthermore, the author divides this book into three main discussions. First, a brief profile of Islamic philanthropic institutions in Magelang is discussed in Chapter 3. Second, TQM as quality management is discussed in Chapter 4. Third, the TQM model for Islamic philanthropy is discussed in Chapter 5. Meanwhile, Chapter 1 contains an introduction, and Chapter 6 is a conclusion or closing.

METHODOLOGY

This article was written using a unit analysis study, which began by outlining all the contents contained in the book as the main reference source entitled *Model Tata Kelola Lembaga Filantropi Islam: Total Quality Management Approach* in 2021 to find out how the forms of management of Islamic philanthropic institutions, especially in Magelang. Then, it was related to the Total Quality Management (TQM) principles as the main focus of the book's research. Furthermore, in the last part of the discussion, other sources were added in the form of previously written books on the management of Islamic philanthropic institutions in other regions as a comparison, one of which is a book entitled *Masyarakat Kota Semarang dan Filantropi Islam* written by Aris Puji Purwatiningsih in the same year. Several other important books were also reviewed regarding the discussion of regulations governing the management of every Islamic philanthropic activity, such as zakat, infaq, and alms, and the main objectives of these activities.

RESULTS AND DISCUSSION

This book review research begins with the presentation of the first part of the discussion in the book, namely in Chapter 3. The author describes the

findings as a brief profile of each Islamic philanthropic institution in the Regency and City of Magelang, totaling 12 institutions. This includes the history of the institution, vision and mission institutions, as well as services or work programs of institutions. Each institution has its own way of promoting Islamic philanthropic movements, for example, LAZ DKD through the zakat campaign service to introduce zakat to the community and its benefits for those in need (Usman et al., 2021).

Furthermore, *Baitul Maal Hidayatullah* has a superior philanthropic program specifically for empowerment in the field of education, such as teacher competency improvement training, school management, and scholarships for outstanding students. While LAZISMU is more complex, it divides its philanthropic program into five pillars, namely education, health, da'wah, economics, and social-humanity. In addition, philanthropic institutions are engaged in organizing empowerment programs to improve welfare for the dhuafa, namely *Dompot Dhuafa* and *Tabung Wakaf*, which are formed to manage waqf assets productively be able to provide benefits and greater value for society (Usman et al., 2021).

In Chapter 4, the author explains Total Quality Management (TQM) as the theory and approach used in writing the book. It begins with an explanation of management as a process or framework that involves the guidance and direction of a group of people toward organizational goals. This theory has four main functions, namely planning, organizing, actuating, and controlling, commonly abbreviated as POAC. In its development, management has assisted TQM in efforts to improve quality, which also has four principles as a knife of analysis, including customer satisfaction, respect for everyone, fact-based management, and continuous improvement (Usman et al., 2021).

As for the explanation, customer satisfaction is determined by five indicators, namely product quality, service quality, emotional factors, price and cost, and ease of obtaining goods. Then, in a good quality organization, it is determined by the attitude of members who respect each other. This is because every individual involved in it is a valuable asset, so the strengths of each of them must be optimally utilized. In addition, fact-based management is still needed to determine priorities and the variability of organizational work and requires a systematic and continuous process (Usman et al., 2021).

In Chapter 5, the author discusses the implications of the Total Quality Management (TQM) theory for Islamic philanthropic institutions in Magelang, starting from the explanation of the four TQM principles previously mentioned as indicators of the progress of Islamic philanthropic institutions, then describing the TQM model in Islamic philanthropic institutions. Institutions managed through the TQM approach are predicted to produce output as expected, so Islamic philanthropic institutions that become quality institutions must apply TQM principles to all process lines, namely from upstream to downstream, and are comprehensive in every line (Usman et al., 2021).

Furthermore, the formulation of a governance model for Islamic philanthropic institutions using a TQM approach is positioned as a system

that oversees all activities in Islamic philanthropic institutions. In this research book, the authors have conducted a series of quality management trials at the LAZ DKD institution in Magelang City through the following seven stages: 1) The trial of internal stakeholder commitment to LAZ DKD, 2) The respondents' visions and dreams about the future of LAZ DKD, 3) The questionnaire on the implementation of TQM principles at LAZ DKD, 4) Test the principle of customer satisfaction through Service Excellence Training, 5) Test the principle of respect for everyone and data-based management through the five pillars of management of Islamic philanthropic institutions, 6) Test the principle of continuous improvement through assistance in preparing work programs, and 7) The trial development of one of LAZ DKD's flagship programs in the form of the *Rumah Gemilang Indonesia* Program (Usman et al., 2021).

Through this book, the author understands the importance of implementing a good management model for Islamic philanthropic institutions, which has a noble role as part of humanitarian practices and solidarity with all human beings (Usman et al., 2021). This book also complements previous studies discussing the meaning and patterns of development of Islamic philanthropic institutions, such as those carried out by (Maftuhin, 2017; Makhrus, 2018); and (Kasdi, 2020), regarding the verses of the al-Qur'an and Hadith as the basis for adopting Islamic law and the rules that apply in society. In addition, it explains the position of Islamic philanthropy as part of alternative da'wah that has a high value in improving the welfare of the people (Murodi, 2021).

Meanwhile, (Muhajir & Nawawi, 2020) examined more specific efforts to optimize Islamic philanthropy specifically for waqf in order to empower the people's economy, then regarding regulations governing the management of zakat in Indonesia (Akbar et al., 2021). This considers that zakat worship is directly related to fellow human beings and provides social security to disadvantaged groups. Other charitable actions are carried out voluntarily, called infaq or alms, by giving something that aims to please God's fellow creatures (Latief & Mutaqin, 2015).

Based on the author's explanation at the beginning, social justice philanthropy is interpreted as a movement that is empowering and has a long-term impact. In addition, it aims to answer social problems by offering sustainable programs that operate in a comprehensive (thorough) manner and are able to change people's way of thinking to improve their standard of living so that they become prosperous (Usman et al., 2021). In line with the ideas from (Latief, 2017a), which develop various economic businesses that are truly selective, planned, and sustainable by focusing attention on the development of the people's economy, as well as fostering an entrepreneurial spirit to encourage capability and competitiveness as a community empowerment movement. This can be realized if supported by good fund management and development activities from philanthropic institutions formulated in this book.

Especially in historical records after the fall of the New Order regime in 1998, it has encouraged the rapid development of Islamic philanthropic institutions and created laws that regulate all matters relating to the practice

and management of Islamic philanthropy, including the Zakat Management Law No. 38 of 1999 and the Waqf Law Number 41 of 2004 (Fauzia, 2016).

However, of the many Islamic philanthropic institutions in Indonesia today, only a few large-scale Islamic philanthropic institutions are considered capable of formulating a vision well and implementing their programs more explicitly. This is because most of the newly established institutions are just replicas of the existing ones. Therefore, it takes seriousness from every philanthropic institution to make it unique, both in terms of the institution's character and the forms of the programs it proclaims (Latief, 2017b).

In practice, Islamic philanthropy receives support from community organizations, such as Nahdlatul Ulama (NU) and Muhammadiyah, the largest mass organizations whose followers are spread throughout Indonesia. These organizations succeeded in establishing and helping to manage Islamic philanthropic institutions, namely NU-CARE LAZISNU and LAZISMU centrally (national), regional (provincial), and regional (city/regency), especially in Magelang (Usman et al., 2021). This completes the discussion (Purwatiningsih, 2021) about the two mass organizations in Semarang City, which also instills the vision and mission of realizing community activities that are empowering to build better community life.

The use of the Total Quality Management (TQM) theory and approach in managing Islamic philanthropic institutions is the development of a new form of philanthropy called social justice philanthropy. The research results (Maftuhin, 2020) explain the main goals of philanthropy to make social changes and create a just order for everyone. In addition, in the current era of technological advancement, (Abidin et al., 2020) argue that every philanthropic institution, especially *amil zakat* institutions, has the opportunity to reach a wider community by preparing human resources (HR) who are able to master technology and digital support facilities, such as the use of mass media. In line with (Fauzia & Garadian, 2020), who put forward their ideas regarding the use of social media, such as Youtube and Instagram, in the form of creative content to break generosity and create philanthropic millennials in the style of their time.

CONCLUSION

The principles of Total Quality Management (TQM) are successfully implemented by the writing team in preparing the book. In the case study of Islamic philanthropic institutions in Magelang, *muzakki* (givers) and *mustahik* (recipients) state that they have a high level of satisfaction. This can be proven by the lack of complaints and the absence of donors who have left philanthropic institutions due to the bad behavior of the managers. Then, everyone involved in it has synergized with each other between leaders and staff in preparing work programs, decision-making, and good cooperation to develop a philanthropic institution.

However, as the focus of the book review, each institution still needs to develop positive programs to implement fact-based management principles. This is due to the lack of access to creative ideas from experts expected to impact the institution's development significantly. Meanwhile, regarding the principle of

continuous improvement, the institutions studied have completed evaluations after each philanthropic program.

As the main point of the author of the book on the management of Islamic philanthropy, the author tries to eliminate problems that often occur in Islamic philanthropic institutions, such as the attitude of managers who underestimate the meaning of zakat and infaq, ignore management principles, lacks creativity and lacks monitoring or evaluation. This research is packaged with a TQM approach as the author attempts to improve the quality of service for Islamic philanthropic institutions, not only in Magelang but other regions throughout Indonesia.

ACKNOWLEDGMENTS

The author would like to thank Prof. Amelia Fauzia, Ph.D., and Dr. Sudarnoto Abdul Hakim, M.A., as a lecturer for the Islamic Philanthropy Studies course, semester 2, Master program in Islamic History and Culture, Syarif Hidayatullah State Islamic University Jakarta, academic year 2021/2022. This article is originally written to fulfill the Final Semester Exam assignment for the course, then develops into an article in the form of a research review of this book. In addition, the author would also like to thank the book service staff at the Main Library, and Arts and Humanities Faculty Library, Syarif Hidayatullah State Islamic University Jakarta, who have been pleased to assist the administration and borrowing the book literature needed to compile this article.

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