

Optimizing Strategy For Land-Based Waqf Development In Indonesia

Mutiara¹, Irfan Syauqi Beik², Aslam Mei Nur Widigdo³

Abstract. *Indonesia waqf's potential is considered huge. Even though there is an imbalance in utilizing land-based waqf in Indonesia. Most of it is served to religious-based activity rather than productive action. The research aims to formulate an optimizing strategy for land-based waqf development in Indonesia. The priority consideration factor affecting nadhir also be inspected as a strategy formulation basis. ANP (Analytic Network Process) method is equipped in this research. The result shows that management capability is the priority aspect to nadhir's decision in utilizing land-based waqf. Lack of competency becomes the most highlighted problem in that aspect. Fortification towards the regulation is the optimizing strategy in the development of land-based waqf in Indonesia.*

Keywords: *Strategy, Optimizing, Land-Based Waqf, Productive Waqf, Institutional Nadzhir*

Abstrak. *Potensi wakaf di Indonesia sangat besar. Meskipun demikian, terdapat ketimpangan terkait penggunaan tanah wakaf di Indonesia. Sebagian besar tanah wakaf diperuntukan bagi kegiatan yang berbasis ritual keagamaan, dibandingkan dengan kegiatan yang bersifat produktif. Penelitian ini bertujuan pada pembentukan strategi yang optimal dalam pengembangan tanah wakaf di Indonesia. Faktor prioritas pertimbangan yang mempengaruhi nazhir institusi dalam pengelolaan tanah wakaf juga dicari tahu sebagai dasar pembentukan strategi. Metode yang digunakan dalam penelitian ini adalah Analytic Network Process (ANP). Hasil dari penelitian ini menunjukkan bahwa yang menjadi prioritas keputusan nazhir dalam pengelolaan tanah wakaf adalah aspek manajemen pengelolaan. Masalah pada aspek manajemen pengelolaan yang menjadi prioritas utama adalah kurangnya kompetensi SDM dengan alternatif solusi peningkatan kompetensi SDM. Penyesuaian dan penyempurnaan regulasi terkait pengelolaan tanah wakaf menjadi strategi yang dinilai paling optimal untuk pengembangan tanah wakaf di Indonesia.*

Kata kunci: *Strategi, Optimalisasi, Tanah wakaf, Wakaf Produktif, Nazhir Institusi*

¹Correspondent Author

^{1,3}School of Business, IPB University

²Departement of Islamic Economics, IPB University and Member of BWI Board of Commissioner

E-mail: ¹mutiara.salam1@gmail.com, ²qibeiktop@gmail.com, ³aslam.mw@gmail.com

Introduction

Waqf is a multi-dimensional form of worship in Islam. Not only directly pleasing Allah, more social aspects' objectives can be done through waqf. In Islamic history, waqf implementation can be seen through societal empowerment such as economy, education, and healthcare (Rianto, 2010). According to Al Bajuri (2002), waqf can be defined as an act of holding certain assets which is allowed to be taken over and utilized in present time or the future while those values are still preserved. Waqf asset's utilization is meant to be fit with sharia's terms and conditions. This is conducted in order to get closure with The Creator through social welfare in Muslim society. Law of the Republic of Indonesia Number 41 of 2004 concerning Waqf stated that waqf is a lawful act from the waqif to separate or submit some of his/her assets in order to be used for a lifetime or in certain time limits accordant to his/her will in worship or social welfare purpose which is in line with Islamic law. Prohibition in an idle asset is the main philosophy in waqf deed. According to Nasution et al. (2010), the more benefit received by society through waqf asset, the more reward will be granted from The Creator to the waqif.

According to Nasution et al. (2010), waqf has been known and conducted by The Muslim Society since this religion existed in Indonesia. The waqf asset has been varied from the land, gold, until the company stock (sukuk). Law of the Republic of Indonesia Number 41 of 2004 concerning Waqf classified immovable and movable object, including money and other movable assets, as a permitted waqf asset. There are requirements in making a waqf asset based on Islamic Fiqh point of view. Those requirements are waqf assets should be a materialistic and concrete thing, it can be owned and takeover by people, it is a legitimate and beneficial goods in Islamic point of view, its value and appearance cannot be perished, and it has a purpose while becoming a waqf assets (Al Bajuri, 2002). There is no spesific explanation in The Quran and Sunnah about which object is allowed to be waqf asset. Regardless, the flexibility of Islamic Fiqh can provide an instruction to whom intending to do waqf deed (Djunaidi and Al Asyhar, 2010).

Although there are variations in waqf assets, converting land to be waqf assets is still the popular thing in Muslim Society. Since the old times, land is not only used just for personal purpose to Muslim society (Nafis, 2014). Land also can be converted into something which gives benefit to the society, such as though waqf deed. Until now, a lot of contribution for social welfare such as Mosque and Islamic School has been given by land-based waqf. Setiawan (2019) said that potential that belong to land-based waqf is estimated up to Rp. 2000 trillion a year within 420.000 acres area in Indonesia. Even the potential is prospective,

but the actual realization is only Rp 400 billion. Compared to the other nations, Indonesia's land-based waqf utilization is so far left behind. In fact, Indonesia is considered to be the largest muslim population country in the world but only utilized its land-based waqf up to 2% from the total available. Singapore's land-based waqf utilization rate is up to 98%, although Muslim's population is minor in this country (Karim, 2007).

Directorate of Waqf Empowerment, Ministry of Religion Republic of Indonesia explains that in 2021, land-based waqf is spread in 399.072 different places in Indonesia. The other thing explained is actual land-based waqf area in Indonesia is around 53.341,94 acres. From the existing assets, only 239.664 location with area 20.249,87 acres wide are officially certified (Kemenag 2021). On the other side, Ministry of Religion Republic of Indonesia shows that most of the assets is used as Muslim prayer-based site such as mosque (72,48%). The rest is utilized to be a normal school, boarding school, and the other social-based purpose. This trends is influenced by the society's literacy rate which is considered that the land-based waqf utilization is only allowed to religious purpose only (Nasution et al. 2010). In fact, Kementerian Agama doesn't show the land-based waqf utilization for economical purpose spesifically. According to Nasution et al., (2010), if land-based waqf could be utilized in economical purpose properly, the outcome would be valuable for Muslim well-being.

Land plays an important role in Indonesia society. As an agricultural country, the utilization of land could not be separated from its daily activity (Fakhruddin, 2018). The main purpose of the land utilization for the society is to achieve its welfare. The examples of land utilization in Indonesia are building houses, schools, funeral, prayer, and farming sites. Besides that, land can also be benefited as an asset in doing business. Badranaya (2011) stated that land is an absolute inelastic commodity. That means the demand will not be decreased even though the price will be going up. From the accounting perspectives, depreciation concept doesn't apply to the land. One of the technical reason is the comparison between the benefit and the scarcity of the land. Therefore, according to Weygandt et al. (2011), land is not a depreciated asset.

Even in Islamic economy concept, land is considered to be the main capital for economic activity. Islamic economy is the concept who elaborate ownership and utilization aspect in a comprehensive way. One of its idea is an idle land ownership is strictly prohibited. Badranaya (2011) said that social welfare idea will only be achieved when the land ownership comes along with its obligation to utilize it economically. Land is a highly appreciated asset in Indonesia. As a commodity, its

price will always be increased annually. In 2019 land's price index increased up to 107% at the third quartal (*Property Market Outlook*, 2020). Simultaneously, there is a decrease trend in land's index supply down to 20%.

Supported by its scarcity, utilizing the land as an investment tool has become another trend in the society. This caused an obstacle for the people who wants to make a living through business. As a businessman, owning land as a part of the asset is highly necessary. The land is required as a medium to channel every aspect of a business's activity. Although an online marketplace is provided as a breakthrough in business, it doesn't change the land's priority to a businessman. The difficulty of owning land leaves businessman no choice but to rent it. For example, in 2018, Gama Tower has 60% occupied, and most of them are local businesses (Puspa, 2018). This circumstance makes the company has to spend a rent expense annually in order to maintain its business location. These facts show a gap between land's high requirement and land-based waqf's potential to fulfill it.

That is an opportunity which can be used by institutional nazhir to develop land-based waqf management for economy purpose. That idea could answer society's problem towards land. Besides, that idea could be the solution to institutional nazhir to manage its land-based waqf asset better. Therefore, this research aims to achieve the institutional nazhir's priority factor on its decision to manage its land-based waqf in Indonesia. The other objective is to formulate a proper optimizing strategy to develop more land-based waqf in an economic purpose.

Literature Review

Strategy is a comprehensive measure between art and scientific analysis which is used to reach a long-term organization's objective (David, 2013). There are two main aspects required in a strategy selection that fits with organization's interest. The first thing is an agreement from every stakeholder involved towards the choice taken. The next thing is suitable decision taken with available resources reserved. According to Schermerhorn (2010), one of the benefit in strategy making is to ensure that every resources available can take a role in organization's decision.

Optimizing choice in economy's perspective is a highest marginal benefit option which can be taken at the resource available's constrain (Mankiw et al., 2008). Sucipto et al. (2017) said that optimizing choices could make the effective measure done in a most efficient way to the organization. According to Schermerhorn (2010), optimizing decision is a best solution resulted from a rational way of thinking which consider every aspect related. There are two requirements to do so. first is a fully and

complete information the decision maker had. Second is a well-structured decision making process. Should that requirements are not fulfilled, then the choice taken will only become a subjective one (satisficing decision).

Nazhir is a certain person which is delegated by waqif to manage waqf asset. According to the explanation in UU No. 41 Tahun 2004 Tentang Wakaf. Menurut UU No. 41 Tahun 2004 Tentang Wakaf, there are three categories of nazhir. First is nazhir in person. Second is nazhir in group or organization. Last is nazhir in legitimate group or organization stated by the government. Institutional nazhir which is discussed in this research is included to the third type.

Previous Studies

Rusydia (2018) shows that transparency, accountability, and innovative aspect are in the waqif's consideration on choosing the proper waqf institution. Besides, the other explanation given is the most waqf type chosen by waqif is the educational purpose. On the other side, economic purpose becomes the least consideration to the waqif. This shows the waqif's mindset is still a pure social orientation. Another finding from Satyawati et al. (2018) shows that regulation given by the government is the main aspect of the strategy chosen by nazhir on managing the land-based waqf. Another explanation about nazhir is lack of explanation to society and traditional mindset about managing waqf become weaknesses in managing land-based waqf in economical purpose.

Waqf empowering strategy designed by Amuda and Embi (2013) is integration between OKI Countries in charity, waqf, and public payment aspect. They believe that those aspects could be a profitable instrument to Muslim society. This strategy is implemented in six stages. The first stage is form an Islamic charity institution and public funding. The second is farming potential optimization possessed by each OKI countries. The third step is investing Islamic charity and public funding fund. The fourth step is building a micro-banking institution using the social fund. Fifth step is make a education sector a special prioritize. The final step is empower Small-Medium Enterprise (SME) by providing funding, marketing, and management aspects.

Another example of implemented empowering waqf strategy is restructuring institutions, potential mapping, and build a forum for nazhir. A restructuring strategy is suggested by Ismail et al. (2015) in order to manage and develop land-based waqf in Malaysia. This suggestion is given based on the land-based waqf management research in Malaysia. The findings are administration problem,

insufficiency in competent staff available, and abuse of power in managing waqf by the nazhir itself. The mapping strategy is promoted by Fattach (2015). This idea aims to fortify any proposal about project feasibility, open collaboration, qualified human resource, a modern and professional management system, and a proper controlling system. Forming strategy is given by Yusuf (2017). This advice is implemented as a socialize channel about waqf on economic purpose, waqf regulation, and nazhir training. Similar to the previous strategy explained, This advice is made by the findings of society literacy's rate about waqf on economic purpose, nazhir's professionalism, and government's attention to waqf institution.

Methods

Research Data

There is no term related to deciding the number of the respondent in the ANP method. However, there is a condition in choosing the respondent. The expertise level respondent possess required in the selection step (Rusydziana and Devi, 2013). Seven experts from different categories are chosen as respondents in this research. These respondents are representative of waqf regulator, waqf institution, scholar, entrepreneur, and land regulator.

ANP Method

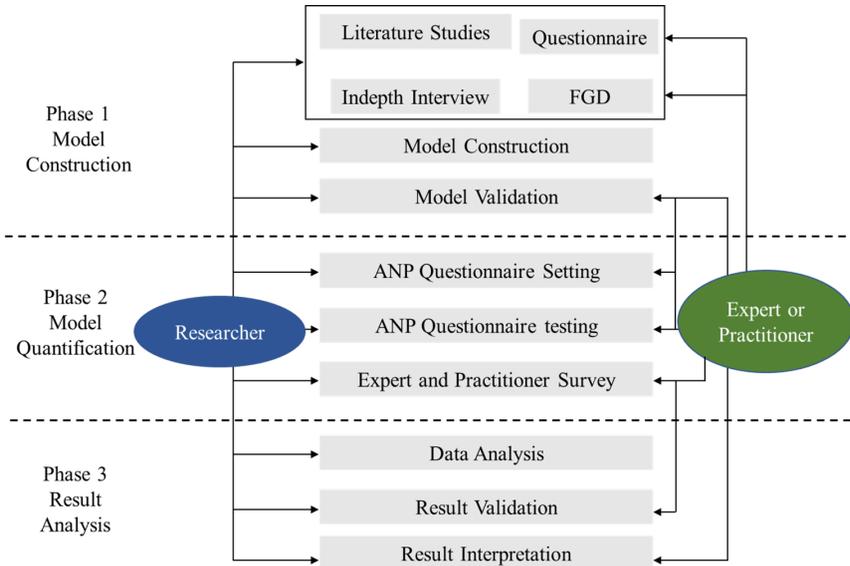
ANP (*Analytic Network Process*) is selected as an analytical tool in this research. Thomas L Saaty develops this method. This tool is a development from *Analytic Hierarchy Process* (AHP) method. Ascarya (2005) stated that ANP is a theory about relative measurement used for derives composite priority ratio from the individual ratio scale. These measurements are influenced by the interaction between elements related to control criteria. According to him, ANP is a decision-making approach without using any assumptions.

Research Procedure

The research procedure is done based on ANP principal method. There are three major phases in ANP principal method (Ascarya, 2005). The first is decomposition phase. The purpose of this phase is to set a complex problem into a cluster, sub cluster, and more detailed network. The second is comparison phase. This phase aim to set complex problem into a cluster, sub-cluster, and more complex network. The third phase is the hierarchy or sythesize phase. This phase is done by multiplying local priority's score from each element in a cluster with

global priority from the main element. Should this procedure be done, then the global priority score to the lowest element will be provided.

Figure 1. ANP Research Process



Source: Ascarya (2005)

Quantification Model

Data analysis is done by comparing each criterion or element involved (*Pairwise Comparison*). Comparison is done base on the value given by each respondent in the questionnaire which has been validated by the ANP method expert and waqf practitioner.

Super Decision software is employed to complete a comparison phase in this research. The next step after the Pairwise Comparison outcome is produced is to conduct a Geometric Mean calculation. This step is done by transferring the Pairwise Comparison results to the *Microsoft Excel* software. Calculating Rater Agreement is conducted after the geometric mean result is appeared. Rater Agreement is a measurement to figure respondent’s matching rate towards issues given in one cluster (R1-Rn). *Kendall’s Coefficient of Concordance* ($W; 0 < W < 1$). $W=1$ is chosen as analytic tools to exhibit a perfect match in the Rater Agreement step (Ascarya, 2012).

Table 1. ANP Priority Scale

Rating Scale	Numeric Scale
Most Relevant	9
	8
Relevant	7
	6
Quite Relevant	5
	4
Less Relevant	3
	2
Irrelevant	1

Source: Ascarya (2021)

This is the formula equipped to get the value of W .

$$U = (T_1 + T_2 + \dots + T_p) / p$$

$$S = (T_1 - U)^2 + (T_2 - U)^2 + \dots + (T_p - U)^2$$

$$\text{MaxS} = (n - U)^2 + (2n - U)^2 + \dots + (pn - U)^2$$

$$W = S / \text{MaxS}$$

Information:

U = total ranking mean

S = Sum of deviation square

P = node amount

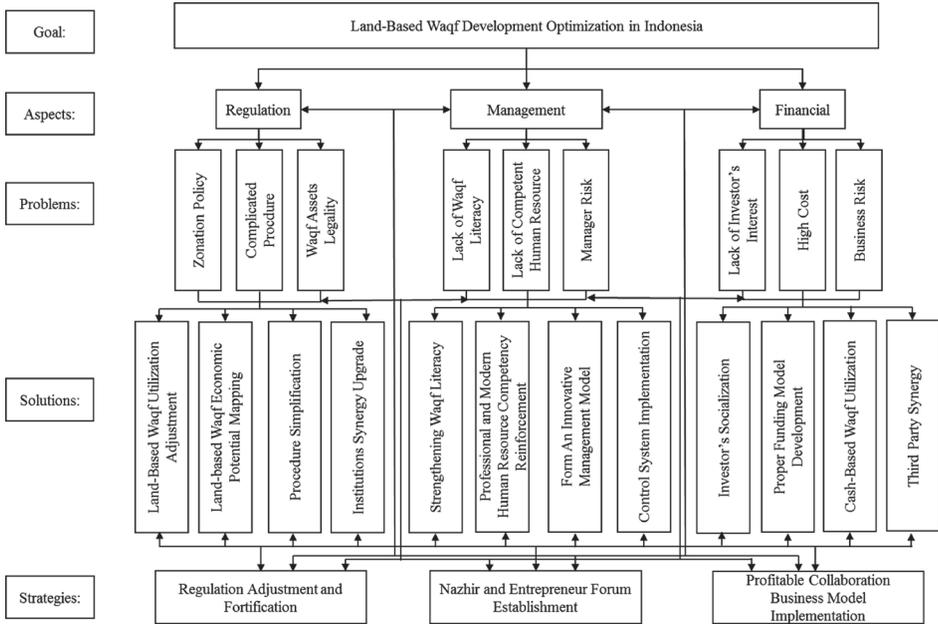
n = responden amount

There are guidances in interpreting the result. If $W=1$ or near it, then it means there is an agreement in a consensus between respondents. On the contrary, if $W=0$, then there is a disagreement between them towards a certain issue. A score between them can be viewed as an agreement, although that is not a strong conclusion. This guidance can be used in the interpretation process. can be used in interpretation process.

ANP Research Model

Problem is identified in three aspects. First is regulation aspect. Second is management aspect. Third is financial aspect to land-based waqf empowerment. Specific problems with its alternative solutions will be explained in each aspect.

Figure 2. Research Model



Regulation Aspect

Regulation is a set of terms towards waqf deed activity in Indonesia (BWI, 2019). These are problems that occurred in this aspect.

- a. **Zonation Policy.** The government creates zonation policy to classify areas into several categories. Those are social, commercial, housing, and green zone (BWI, 2019).
- b. **Complicated procedure.** A long and involute process becomes a problem often occurred in an adjustment or functional shift for land-based waqf in Indonesia (BWI, 2019).
- c. **Waqf asset's legality.** Land-based waqf is officially allowed to be utilized if the legal procedure with the government is done, whether it is in the purpose or the status aspect (Sofyan, 2016).

These are four solutions available responding to those regulation problems explained.

- a. **Land-based waqf utilization adjustment.** Land-based waqf utilization needs to be adjusted with its potential. Calibration with zonation policy given by the local government is required to do this adjustment (BWI, 2019).
- b. **Land-based waqf economic potential mapping.** Economic potential mapping towards land-based waqf needs to be done in order to create a better business proposal (Fattach, 2015).
- c. **Procedure simplification.** A simpler procedure needs to be provided in order to facilitate nazhir or waqif more in their waqf deed (BWI, 2019).
- d. **Institutions synergy upgrade.** Institutional synergy related to waqf management needs to be intensified. This is required to boost the land-base waqf productivity (Amuda and Embi, 2013).

Management Aspect

Management aspect can be defined as human resource's performance in dealing with waqf (Fattach, 2015). These are three problems highlighted in this aspect.

- a. **Lack of waqf literacy.** Indonesia's waqf literacy is considered below expectation. There are many nazhir which don't have a proper understanding related to waqf the have been delegated. Besides, indications suggest that even society or waif doesn't know waqf activity properly (Hasan, 2011).
- b. **Lack of competent human resources.** Most of nazhir is not delegated based on the proper competency. Emotional and subjective judgement play a bigger role (Hasan, 2011; Yusuf, 2017; Sari, 2006; Ramadhan, 2020).
- c. **Manager risk.** As a waqf manager, nazhir is inherited with a certain risk. One of the risks is the law risk towards the asset itself. Waqf assets are prohibited from being guaranteed, confiscated, given, traded, passed down, or switched. Waqf the asset's value also needs to be preserved at any cost. Should those conditions are not fulfilled, nazhir will face juristical consequences (Law No. 41/2004 section 40).

These are four solutions available responding to those management problems explained.

- a. **Strengthening waqf literacy.** An upgrading attempt is required in order to open nazhir's insight about waqf. Not only nazhir, but to waqif and society in general as well (Hasan, 2011; Yusuf, 2017; Sari, 2006).

- b. Professional and modern human resource competency reinforcement.** This program is essential to nazhir to boost productivity in waqf asset, especially the land-based ones. This project would be impossible to be accomplished without an expert, professional, and visionary staff involved (Hasan, 2011; Adams, 2011; Utsman, 2011; Fattach, 2015; Sari, 2006).
- c. Form an innovative management model.** An innovative management model is essential in land-based waqf development. This would help nazhir adapt to the change occurred (Fattach, 2015; Amuda and Embi, 2013; Yuli, 2015; Sari, 2006).
- d. Control system implementation.** An intense control system is needed to ensure every staff involved would proceed with its duty as it should be. This will mitigate business risk towards waqf assets (Hasan, 2011; Fattach, 2015).

Financial Aspect

The essential term toward waqf asset's financing activity is it has to be in line with Islamic law. Regardless, a proper funding is still required in order to ensure the project works (Fattach, 2015; Sujono, 2018). These are three majors problems related to financial aspect in managing land-based waqf project.

- a. Lack of investor's interest.** It takes a solemn cost in managing waqf assets, especially the land-based one. In addition, the investor's role in this project is still considered insignificant. Society's paradigm plays an important role in this one. They assume that waqf assets should be altered in religious and ritual purposes only. Besides, the value-preservation term in waqf asset halts them to do something more than that (Ramadhan, 2020).
- b. High cost.** Is a list to be considered before managing and developing land-based waqf assets for economic purposes. Examples of those considerations are building construction, operational cost, and technology utilization (Hasanah, 2012; Ismail et al., 2015).
- c. Business risk.** As a business, there will always be a risk inherited. This risk related to proper management and business model issues. According to Gumanti (2011), those issues are affected by two factors. Those factors are business internal (strength-weakness) and external factors (opportunity-threat).

These are four solutions available responding to those management problems explained.

- a. **Investor's socialization.** Investor's interest in the waqf program could be gained by making a socialization attempt more. This program aims to convince investors that waqf asset could be the alternative to their current activity (Indriati, 2017; Fattach, 2015; Yusuf, 2017).
- b. **Proper funding model development.** As an Islamic asset, a funding program which complies with sharia law is a requirement. An innovative Islamic funding model could offer something more to the investors (Furqon, 2014; Sujono, 2014; Kholid, 2011).
- c. **Cash-based waqf utilization.** Cash-based waqf assets could be prepared as a funding channel solution to the waqf institution in developing a land-based waqf program for economic purpose (Syafiq, 2017).
- d. **Third-party synergy.** Another party collaboration such as bank or non-bank institution would make a difference in managing land-based waqf asset in economic purposes (Siregar, 2011; Fitriyah, 2019).

Strategy

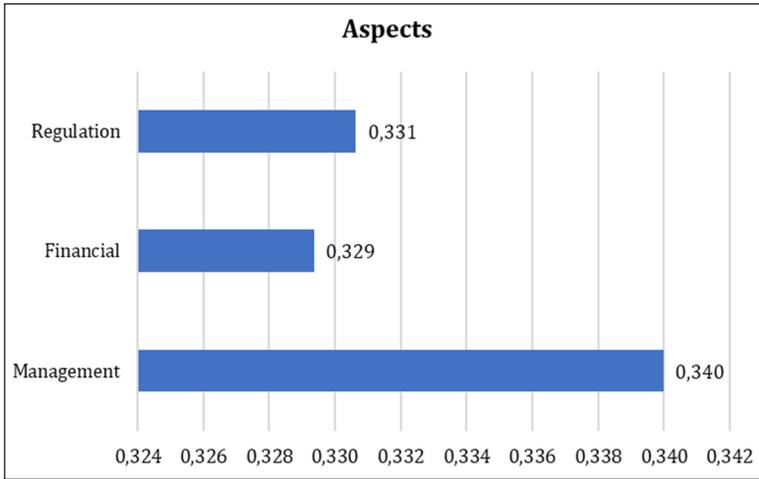
- a. **Regulation adjustment and fortification.** A suitable regulation based on stakeholders needs is essential in facilitating waqf asset development to the nazhir (Sari, 2006; Yusuf, 2017; Indriati, 2017).
- b. **Nazhir and entrepreneur forum establishment.** Creating a forum between nazhir and entrepreneur will facilitate more interactions between them. Each party needs fulfillment is expected from this facilitated interactions (Yusuf, 2017). An innovative Islamic contract can be resulted from this kind of interaction between parties involved in the project.
- c. **Profitable collaboration business model implementation.** A profit-sharing based Islamic contract implementation is considered to be more suitable for manager and investor in land-based waqf development (Furqon, 2014; Sujono, 2014; Kholid, 2011).

Results and Discussions

ANP analysis is conducted based on survey data from selected respondents to this research. Comparison phase is done by doing pairwise comparison using *software superdecision* and *excel*. Nazhir's priority factor in land-based waqf

development is needed to be discovered. The purpose of this discovery is to channel every resource available in achieving the goal through strategy implementation (Schermerhorn 2010). Here is the comparison phase result in every part of research model structure stated in the decomposition phase.

Figure 3. Aspect's Priority



Source: Processed Data (2021)

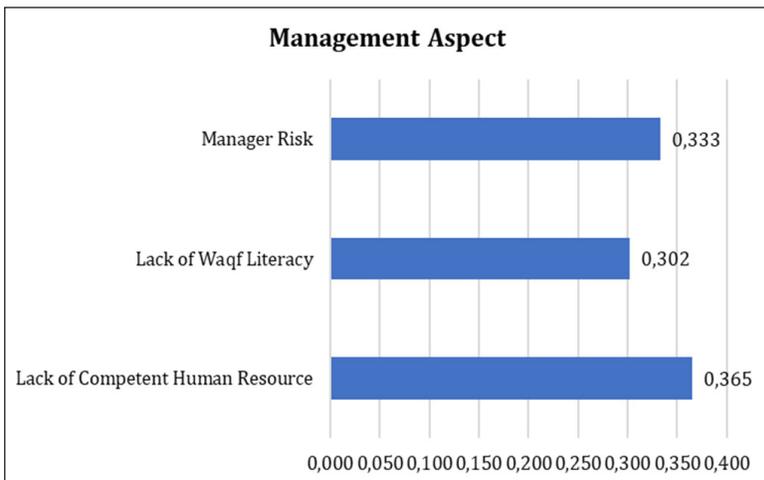
There are three aspects in this cluster. Those are regulation, management, and financial aspects. Research outcome shows that management aspect becomes the top priority in managing land-based waqf problem in Indonesia. Rater Agreement's score in this cluster is 0,046. This shows that consensus between respondents is not strongly agreed towards respective conclusion. Although the difference between aspects is significant, there are varieties in respondents perspectives about the answer. This finding supports Fattach (2015) statement, which said that professional management is the most affected factor in waqf assets's project.

In general, Muslim society is expected a professional nazhir in waqf asset management (Rusydia 2018). Nazhir is needed to be trusted and held full responsibility towards certain assets delegated, whether it is nazhir in person and organization. The management aspect plays a big role in this issue. According to Rusydia (2018), two factors affected society's decision to choose their waqf institution and its nazhir. First factor is transparency and accountability in management and financial report aspect. Second consideration is the institution's capability of creating an innovative idea in waqf development. The society's interest

to do waqf deed and delegate it to certain institution will be gained if those two things can be demonstrated and implemented by nazhir.

There are three problems in the management aspect. Those problems are lack of waqf literacy, lack of competent human resources, and manager risk. According to the results, lack of competent human resources is the most highlighted problem in the respective aspect. The differences between problem are not significant to each other. The rate agreement's result also supports this condition. Rater agreement's score in this cluster is 0,210. This means the perspective's variety is higher than in the previous discussion. The same interpretation applied in this case shows an agreement consensus, although it is not a strong conclusion. Hasan (2011) stated that waqf asset manager or nazhir is delegated based on subjective assessment, not in professional manners such as experience and expertise factor. This sequence leads to lack of creativity and innovative thinking situation which halts waqf asset's productivity. Therefore, the institution's objective is unlikely to thrive. Yusuf (2017) also stated that that nazhir's weak professionalism has occurred from that factor. That statement goes in line with this research's findings.

Figure 4. Management's Aspect Priority

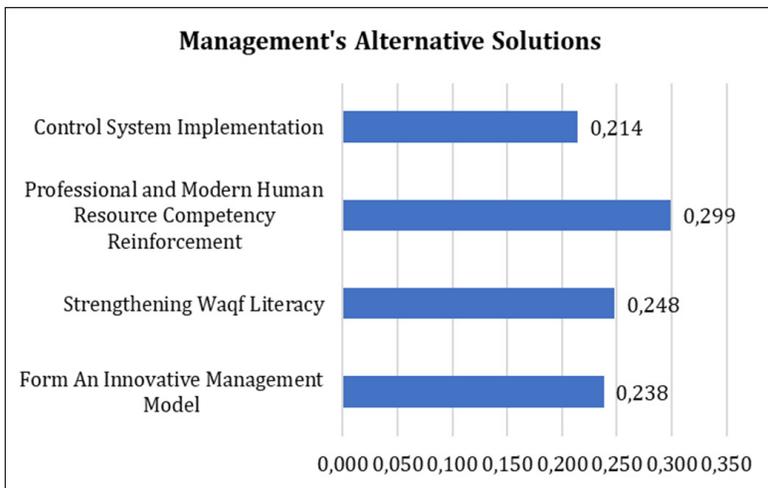


Source: Processed Data (2021)

There are four alternatives offered to this cluster. First is an implementation in a control system. Second is to reinforce nazhir's waqf literacy in general. A reinforcement solution is not only suggested on the literacy part but this is also advised to the nazhir's competency as a third suggested solution. The final solution

offered is to develop an innovative management model sited is suited for nazhir and other party involved in waqf asset project. Result shows that reinforcement towards nazhir's competency becomes the most suggested solution. Rater agreement's score in this cluster is 0,282. Fattach (2015) supported this result, which said that upgrade attempt towards human resource's capability is essential in developing waqf asset through investing. Adams (2011) stated that there are five basic skills that nazhir must possess. Those are the ability to gain access to the waqif, invest waqf asset correctly, understand waqf administration, distribute waqf asset's income, and own credibility among society. All these skillsets are done in order to gain negotiation power to nazhir as the asset manager. This can be done by nazhir certification program.

Figure 5. Management Solution's Priority



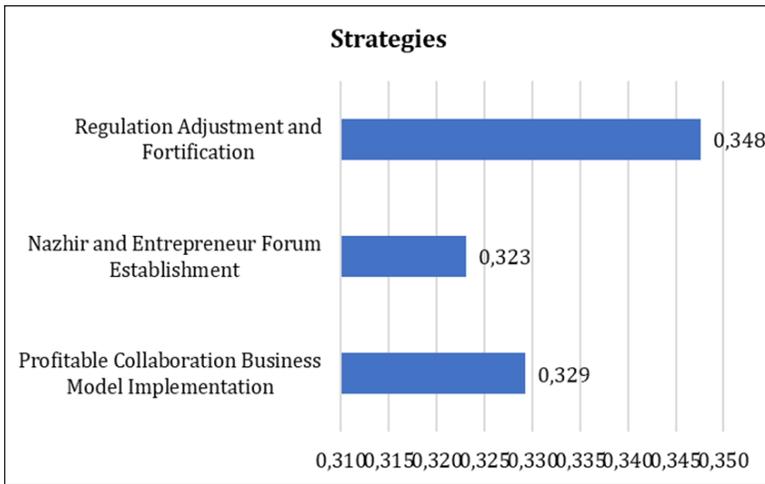
Source: Processed Data (2021)

There are three strategies offered to this circumstances. First strategy suggested is regulation adjustment and fortification. Second strategy is forum establishment between nazhir and entrepreneur, whether it is a nazhir in person or organization. Third strategy is implementation in collabirative profit-sharing business model between nazhir and the third party. According to the result given, strategy concluded by respondent's consensus is regulation adjustment and fortification. rater agreement's score in this cluster is 0,27. The difference level between this chosen strategy and the others are strongly significant. This shows that despite of the different perspective between each respondents, they all agree

that this is the optimizing conclusion among all. Although the other strategy is important as well, respondent’s insight suggest that it will be concluded itself after the regulation is fixed.

According to respondent’s opinion, the current regulation restricts all the parties involved from doing what is should be done to manage the waqf asset project. Therefore, all the third party’s initiative should be channeled well in the project, whether by the government or the official waqf institution itself. Such comprehensive breakthrough needed to be concluded related to this issue. Otherwise, waqf asset would not be viewed as an interesting opportunity anymore by the entrepreneur or the investor due to its difficulties. Regulation’s modification can only be done by government or or the official institution’s privileged. Therefore, this strategy is suitable to be done by the government or official institution related.

Figure 6. Strategy’s Priority



Source: Processed Data (2021)

The existing waqf regulation needs to be modified. A combination between institution’s complicated procedure with government’s zonation policy becomes a main obstacle in land-based waqf management (BWI, 2019). Regulation’s relaxation through adjustment and fortification will facilitate every party involved more in optimizing land-waqf development. Land-based waqf development’s model so far is restricted to certain options such as tenancy contract (*ijarah*) because of the existing regulation’s application. One of the regulations needs to be modified is the one who stated that there is no separation in dealing between the waqf’s land area

and the facilitation build on it. According to Satyawan et al. (2018), regulations affecting waqf activity is the nazhir's main strength to develop its assets into the productive orientation. Through a proper regulation, an appropriate management and development strategy towards waqf asset can be defined and implemented well. An implemented regulation is not only a key to make a better land-based waqf development, but also could be a way to reinforce society's waqf literacy.

Several innovations could be implemented to land-based waqf development through adjustment and fortification regulation strategy. There are many applicable implementations regarding to this suggestion. One of the implementations that can be done is publishing land-utilization rights certificate (SHGB/Sertifikat Hak Guna atas Bangunan) on land-based waqf assets. This implementation aim to separates regulation between land-based waqf asset and the building on it. A land-based waqf development through profit-sharing or a more flexible business model is expected from this innovation. Besides, this strategy is urged to be implemented in order to strengthen nazhir's negotiation power. Due to nazhir's flaws, many third parties have to be involved in the waqf asset's development. This could be a bargaining position threatening to nazhir as an official delegated manager towards the asset. Therefore, an improvement to make nazhir more powerful in front of the other parties, including the investor, is essential to be conducted. This strategy could be the chance for nazhir, especially the official organization delegated by the government, to make those necessary improvements.

Conclusions

Based on the facts given, it can be concluded that nazhir's major consideration factor in managing land-based waqf is the management aspect. The most highlighted problem in management aspect is human resource's competency. Alternate solution's top priority towards management aspect is developing human resource's competency. According to the analysis result, regulation adjustment and fortification strategy optimise land-based waqf development in Indonesia.

As an official regulator, the strategy implementation needs to be done by Badan Wakaf Indonesia in order to reach its goal of making a land-based waqf more productive. On the other side, study about waqif and investor towards waqf economic purpose project need to be conducted. The purpose of this suggestion is to enhanced institutional nazhir's skillset in managing productive-oriented waqf. With this preparation, a proper development through competent nazhir can be conducted.

References

- Badan Wakaf Indonesia. (2013). *Himpunan Peraturan Perundang-Undangan Tentang Wakaf di Indonesia*. Jakarta (ID): BWI.
- Badan Wakaf Indonesia. (2019). *Ringkasan Eksekutif Zonasi Tanah Wakaf di DKI Jakarta*. Jakarta (ID): BWI.
- Adams, W. (2011). *Signifikansi Peran dan Fungsi Nazhir Menurut Hukum Islam dan UU No. 41 Tahun 2004*. Al Awqaf Jurnal Wakaf dan Ekonomi Islam. 4 (4): 37-48.
- Al Arif, M.N.R. (2010). *Wakaf Uang dan Dampaknya Terhadap Perekonomian*. Jurnal Dialog Balitbang kemenag RI. Penelitian dan Kajian Keagamaan Dialog. (7): 14-23.
- Al Bajuri, I. (2002). *Hasyiyah Al Bajuri 'Ala Syarh Al Alamah Ibn Qasim Al Ghazi 'Ala Matn Syaikh Abi Syuja' Fii Madzhab Imam As Syafi'i*. Beirut: Dar Ehia Al Thourath Al Arabi.
- Amuda, Y.J. & Embi, N.A.C. (2013). *Alleviation of Poverty Among OIC Countries Through Sadaqat, Cash Waqf and Public Funding*. Journal of Trades, Economics, and Finance. 4(6): 403-408.
- Ascarya, A. (2005). *Analytic Network Process (ANP), Pendekatan Baru Studi Kualitatif*. Jakarta (ID): Universitas Trisakti.
- Ascarya, A. (2012). *Analytic Network Peocess (ANP): Pendekatan Baru Dalam Penelitian Kualitatif*. Jakarta (ID): Pusat Pendidikan dan Studi Kebansentralan BI.
- Badranaya, D. (2011). *Pemanfaatan Lahan Terlantar Dalam Tinjauan Undang-Undang Pokok Agraria dan Ekonomi Islam*. Jurnal Al Iqtishod. 3(2): 227-234.
- David, F.R. (2013). *Strategic Management: Concepts and Cases*. Edisi 14. Essex: Pearson Education.
- Djunaidi, A. & Al Asyhar, T. (2010). *Menuju Era Wakaf Produktif*. Depok: Mumtaz Publishing.
- Fakruddin, M. (2018). *Pemetaan Tanah Wakaf di Kabupaten Karawang*. Jurnal Multikultural dan Multireligius. 17(1): 158-175.
- Fattach, A. (2015). *Wakaf Dalam Hukum Islam (Studi Naratif Wakaf Produktif dan Pengembangannya Melalui Investasi)*. [tesis]. Surabaya: UIN Sunan Ampel.
- Fitriyah. (2019). *Fundrising: Crowdfunding Waqf Model (CWM) to Increase Waqf Funds Based Internet Platform*. Istismar Jurnal Ekonomi Syariah. 1(1): 25-36.
- Furqon, A. (2014). *Model-Model Pembiayaan Wakaf Tanah Produktif*. Jurnal Ekonomica. 5(1): 1-20.

- Gumanti, T.A. (2011). *Manajemen Investasi: Konsep, Teori, dan Aplikasi*. Jakarta: Mitra Wacana Media.
- Hasan, T. (2011). *Pemberdayaan Nazhir*. Al Awqaf Jurnal Wakaf dan Ekonomi Islam. 4(4): 1-14.
- Hasanah, U. (2012). *Urgensi Pengawasan dalam Pengelolaan Wakaf Produktif*. Al Ahkam Jurnal Pemikiran Hukum Islam. 22(1): 61-79.
- Indriati, D.S. (2017). *Urgensi Wakaf Produktif dalam Pembangunan Ekonomi Masyarakat*. Al Syir'ah Jurnal Ilmiah. 15(2): 94-114.
- Ismail, C.Z., et.al. (2015). *Administration and Management of Waqf Land in Malaysia: Issues and Solutions*. Journal of Social Sciences. 6(4): 613-620.
- Karim, S.A. (2007). *Contemporary Waqf Administration and Development in Singapore: Challenge and Prospects*. Paper Presented at The International Waqf Conference 6-7 March. Fullerton Hotel, Singapore.
- Kementerian Agama Republik Indonesia. (2021). *Data Penggunaan Tanah Wakaf di Indonesia*. [Available at <http://siwak.kemenag.go.id/>.]
- Kementerian Agama Republik Indonesia. (2021). *Data Penggunaan Tanah Wakaf Bersertifikat*. [Available at <http://siwak.kemenag.go.id/>.]
- Kholid, H. (2011). *Wakaf Uang dalam Perspektif Hukum dan Ekonomi Islam*. Al Awqaf Jurnal Wakaf dan Ekonomi Islam. 4(4): 99-112.
- Mankiw, N.G., et.al. (2008). *Principles of Economics*. Singapore: Cengage Learning Asia Pte Ltd.
- Nafis, C. (2014). *Wakaf Dari Masa ke Masa*. Jakarta: Mitra Abadi Press.
- Nasution, M.E., et.al. (2010). *Pengenalan Eksklusif Ekonomi Islam*. Jakarta: Kencana Prenada Media Group.
- Property Market Outlook. (2020). *Property Market Index Indonesia Q3 2019*. [Available at <https://www.rumah.com/insights/rumah-com-property-market-outlook-2020-534>].
- Puspa, A.W. (2018). *Ruang Perkantoran: Penyewa Gama Tower Bertambah*. [Available at <https://surabaya.bisnis.com/read/20180623/447/808646/ruangperkantoran-penyewa-gama-tower-bertambah->].
- Ramadhan, T. (2020). *Pengelolaan Wakaf Produktif Dalam Mewujudkan Kesejahteraan Masyarakat di Kota Banda Aceh*. [tesis]. Jakarta: Institut Ilmu Quran.
- Rusydiana, A.S. (2018). *Kriteria Pemilihan Lembaga Wakaf di Indonesia: Pendekatan Multicriteria Decision Making*. Jurnal Equilibrium Ekonomi Syariah. 6(2): 185-205.

- Rusydiana, A.S., & Devi, A. (2013). *Challenges in Developing Baitul Maal Wat Tamwil (BMT) in Indonesia Using Analytic Network Process (ANP)*. *Journal Business and Management Quarterly Review*. 4(2): 51-62.
- Rusydiana, A.S., et.al. (2019). *Manakah Prioritas Sektor Pengembangan Wakaf di Indonesia?*. *Jurnal Lembaga Keuangan dan Perbankan*. 4(1): 7-18.
- Sari, D.K. (2006). *Tinjauan Perwakafan Tanah Meurut Undang-Undang No. 41 Tahun 2004 Tentang Wakaf di Kabupaten Semarang*. [tesis]. Semarang: Universitas Diponegoro.
- Satyawan, D., et.al. (2018). *Analisis Strategi Pengelolaan Wakaf Produktif di Indonesia*. *Jurnal Komunikasi Bisnis dan Manajemen*. 5(20): 49-64.
- Schermerhorn, J.R. (2010). *Introduction to Management*. New Jersey: John Wiley & Sons, Inc.
- Setiawan, S.R.D. (2019). *Potensi Besar Wakaf Produktif Belum Tersosialisasi Dengan Baik*. [Available at <https://money.kompas.com/read/2019/09/27/201410426/potensi-besar-wakaf-produktif-belum-tersosialisasi-dengan-baik>].
- Siregar, M. (2011). *Peranan Perbankan Syariah dalam Implementasi Wakaf Uang*. *Al Awqaf Jurnal Wakaf dan Ekonomi Islam*. 4(4): 49-59.
- Sofyan, S. (2016). *Kontribusi Tanah Wakaf Produktif Sebagai Sumber Ekonomi Umat di Kecamatan Tellu Siattinge Kabupaten Bone*. [tesis]. Makassar: UIN Alauddin.
- Sucipto, et.al. (2017). *Desain Database untuk Optimalisasi Sistem Prediksi Transaksi Penjualan*. *JUPI Jurnal Ilmiah Penelitian dan Pembelajaran Informatika*. 2(2): 88-93.
- Sujono, U. (2018). *Pengelolaan Aset Wakaf Secara Produktif Berbasis Bisnis Ditinjau Dari Hukum Islam (Studi di Dompét Dhuafa)*. [tesis]. Banten: UIN Sultan Maulana Hasanuddin.
- Syafiq, A. (2017). *Pemanfaatan Dana Wakaf Tunai untuk Pembiayaan Pembangunan Infrastruktur*. *Ziswaf Jurnal Zakat dan Wakaf*. 4(1): 25-40.
- Utsman, H. (2011). *Peran Nazhir dalam Mengelola Wakaf Uang*. *Al Awqaf Jurnal Wakaf dan Ekonomi Islam*. 4(4): 15-22.
- Weygandt, J.J., et.al. (2011). *Financial Accounting: IFRS Edition*. Hoboken: John Wiley & Sons, Inc.
- Yusuf, H. (2017). *Pengelolaan dan Pemanfaatan Wakaf Produktif Dalam Pemberdayaan Ekonomi Masyarakat Pada Pesantren Al Mubarak Kecamatan Sibulue Kabupaten Bone*. [tesis]. Makassar: UIN Alauddin.