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# OPTIMIZING ZISWAF POTENTIAL: STRATEGIES OF BANK SYARIAH INDONESIA IN PROMOTING SUSTAINABLE BUSINESS GROWTH

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***Keywords***
*Bank Syariah Indonesia, business growth, Ziswaf*

**ABSTRACT**
This research aims to determine the provincial priorities for the development of the mosque-based ZISWAF ecosystem by Bank Syariah Indonesia (BSI). This study employs a descriptive qualitative approach, focusing on texts, expressions, and behaviors of resource persons to explore the potential of mosques and the potential for economic and financial empowerment of the people. The study uses a structured interview method to identify key areas on the islands of Java and Sumatra, specifically highlighting East Java, West Java, Jakarta, Aceh, and South Java, as well as additional regions like East Kalimantan, South Sulawesi, and Bali. The results of the study also show that there are differences, advantages, and disadvantages of UPZ and MPZ both in terms of legality, institutional, work patterns, operations, sustainability, and fund distribution flows. There are four clusters of challenges faced by Bank BSI in efforts to develop the mosque and mosque ecosystem in Indonesia, namely, the human resources of amil and nazhir mosques, worshippers and residents around mosques (government regulations and budgets), and the legality of mosque LPZs (local government budgets). The study also shows that there is a significant difference in the quality of mosque management based on dimensions, variables, and indicators on the existing mosque index. It is hoped that the use of this instrument can make it easier for Bank FSI to develop a mosque and its ecosystem for the progress and welfare of people and the nation.

## INTRODUCTION

Indonesia, with the largest Muslim population in the world, has around 87.2% of the total population or around 229 million people who embrace Islam. The high number of Muslim populations has great potential in raising *Zakat*, infaq, alms, and *Waqf* (ZISWAF) funds. This potential is illustrated by mapping carried out by BAZNAS in 2020, which shows that the potential for *Zakat* reaches Rp 327.6 trillion and the potential for *Waqf* is Rp 180 trillion (Badan Amil Zakat Nasional, 2020b; Badan Wakaf Indonesia, 2020). However, the realization of ZIS collection in 2020 only reached Rp 12.43 trillion (around 3.79%) of its potential (Badan Amil Zakat Nasional, 2020b), while the amount of ZIS funds that did not go through *Zakat* management organizations (OPZ) or that were not recorded reached Rp 61.26 trillion (18.70%) (Badan Amil Zakat Nasional & CIBEST, 2020). The total ZIS funds spent by the community, both through OPZ and non-OPZ, reached Rp 73.69 trillion or around 22.49% of the existing potential. The realization of money *Waqf* collection in 2020 amounted to IDR 800 billion, or 0.44% of its

total potential, consisting of project-based physical assets worth IDR 600 billion and LKS-PWU-based endowment funds of IDR 200 billion (Komite Nasional Ekonomi dan Keuangan Syariah, 2021).

The large Muslim population in Indonesia also has implications for the number of mosques that function as centers of worship, economic, and social activities (As-Salafiyah et al., 2021; Halim & Hosen, 2021; Hasanain & Muslimatusshalihah, 2021; Permani, 2011; Rarasati & Priyadi, 2024). The management of mosques now involves many stakeholders, such as youth communities, business units, education, social, and worshippers (Aneesh et al., 2024; Cholil, 2016; Jaya, 2022; Risky et al., 2024; Wahab et al., 2021). Based on data from the Ministry of Religious Affairs, in 2022 there are around 289,693 mosques in Indonesia (Kementerian Agama RI, 2022).

Despite the potential of ZISWAF and large mosques, the national collection is still far from its potential target. Many Indonesians distribute ZIS funds directly to recipients or through non-OPZ institutions, so that the number of collections nationally is not fully recorded (Badan Amil Zakat Nasional, 2020a). Based on the "National Survey on the Collection of ZIS for Non-OPZ Community Participation", the amount of ZIS funds collected by the community on a non-intangible basis in 2020 reached Rp 61.26 trillion, with details of Rp 30.50 trillion from *Zakat* and Rp 30.75 trillion from infaq alms (BAZNAS, 2020). Based on the region, the 3 regions with the largest number of ZIS collections are Jakarta (20.39%), East Java (12.32%), and West Java (12.28%).

The management of PT Bank Syariah Indonesia, Tbk. (BSI) initiated an Islamic ecosystem project that focuses on the development of the ZISWAF ecosystem and mosques. BSI has also collaborated with the Indonesian Mosque Council (DMI) to optimize the potential of the mosque ecosystem. In the first year, BSI managed to record a net profit of IDR 3.03 trillion, up 38.42% compared to the previous year (Bank Syariah Indonesia, 2022).

This research aims to determine the provincial priorities for the development of the mosque-based ZISWAF ecosystem by BSI. Based on the results of the study, the priority areas are on the island of Java and the island of Sumatra, with the priority provinces on the island of Java, namely East Java, West Java, and Jakarta, as well as Aceh and South Sumatra on the island of Sumatra. In addition, East Kalimantan, South Sulawesi, and Bali are also included in the priority areas outside the two islands. This research contributes to the strategic planning and development of the mosque-based ZISWAF (*Zakat*, Infaq, Shadaqah, and *Waqf*) ecosystem by providing a clear identification of provincial priorities for implementation by BSI (Badan *Zakat* Nasional). By pinpointing key areas on the islands of Java and Sumatra, specifically highlighting East Java, West Java, Jakarta, Aceh, and South Sumatra, as well as additional regions like East Kalimantan, South Sulawesi, and Bali, the study offers valuable insights for targeted resource allocation and program development. This prioritization can enhance the effectiveness of ZISWAF initiatives, fostering greater community engagement and improving socio-economic outcomes in these regions.

## METHODS

This study employs a descriptive qualitative approach, focusing on texts, expressions, and behaviors of resource persons to explore the potential of the ZISWAF ecosystem and mosques. The primary objective is to formulate a strategy for Bank Syariah Indonesia to achieve sustainable business growth.

Data collection involves structured interviews addressing various aspects of ZISWAF potential and mosque ecosystems, including policies and implementation practices, to understand provincial priorities in the development of ZISWAF in Indonesia. The interviews also gather insights on ZISWAF regulations and perspectives from donors and mosque managers.

To ensure accurate and reliable data, subjects are selected based on their relevance and ability to provide valuable information, involving policymakers, mosque managers, and LAZIS institutions. Data authenticity is maintained through observation, interviews, and documentation. Collected data is analyzed descriptively, presented in words and visualizations rather than numbers, with detailed descriptions of interview transcripts, field notes, and other documents to clarify the findings. The study incorporates source triangulation to validate data by comparing interview results from various sources with observation data.

## RESULTS

### "Ziswaf" Regulation in Indonesia

Regulation is an important aspect in the development of *Zakat* and *Waqf* in Indonesia. Indonesia already has the *Zakat* Management Law No. 23 of 2011 and the *Waqf* Law No. 41 of 2004. In addition, there are supporting regulations, such as *Zakat* management standards, such as *Zakat* Core Principle Beik (2015) and *Waqf* Core Principles (WCP). Likewise with various supporting institutions, such as the *Zakat* Management Association (*Zakat* Forum) and other similar organizations. The overall movement of community change in terms of ecosystem and regulation will certainly affect the ZISWAF ecosystem in Indonesia.

The mechanism of the formation flow and requirements of LAZ, UPZ/MPZ, and nazhir *Waqf* have been regulated in related regulations and regulations, including in Law Number 23 of 2011 concerning *Zakat* Management; Government Regulation Number 14 of 2014 concerning the Implementation of Law Number 23 of 2011 concerning *Zakat* Management; Decree of the Minister of Religion of the Republic of Indonesia Number 333 of 2015 concerning Guidelines for the Granting of Permits for the Establishment of Amil *Zakat* Institutions; BAZNAS Regulation Number 2 of 2016 concerning the Establishment and Work Procedures of *Zakat* Collection Units; Decree of the Chairman of BAZNAS Number 25 of 2018 concerning Guidelines for the Management of *Zakat* Collection Units; BAZNAS Regulation Number 3 of 2019 concerning Procedures for Applying for Recommendations for Permits for the Establishment and Opening of Representatives of Amil *Zakat* Institutions; and Government Regulation of the Republic of Indonesia Number 42 of 2006 concerning the Implementation of Law Number 41 of 2004 concerning *Waqf*

Based on the results of the research, the practice of establishing and implementing LAZ, UPZ/MPZ, and nazhir *Waqf* still faces several obstacles ranging from the administrative and requirements, budget, and Human Resources (HR). In addition, the results of the study also show that there are differences, advantages, and disadvantages of UPZ and MPZ both in terms of legality, institutional, work patterns, operations, sustainability, and fund distribution flows.

The existence of regulations provides legal force for the implementation of LAZ, UPZ/MPZ, and nazhir *Waqf*. This is expected to provide clear guidelines and guidelines for institutions that want to become LAZ, UPZ/MPZ, and nazhir *Waqf* to support the ZISWAF ecosystem. As for the advantages, disadvantages, and obstacles in the implementation of LAZ, UPZ/MPZ, and nazhir *Waqf* that have been identified, it can be considered for institutions such as foundations, including mosques, to choose which domain to prioritize. Similarly, this can be a consideration for stakeholders such as Sharia Financial Institutions, especially Islamic banking, to synergize with these institutions.

### Mapping the Economic and Financial Potential of Non-Ziswaf Ziswaf Ecosystem

Based on data from the Indonesian Ministry of Religion (Kemenag), it is known that as many as 292,378 mosques are spread throughout Indonesia. Seeing this potential, several figures and institutions voiced support for mosque economic empowerment efforts. The Chairman of the Indonesian Mosque Council, Jusuf Kalla, in the Workshop and National Working Meeting of the Indonesian Campus Mosque Association (AMKI) on December 14-15, 2019 conveyed the importance of the people's economic empowerment movement through mosques. It is hoped that mosques, in addition to being a means of worship and learning of aqidah, can also help the economic problems of the community or the people. The same statement was also conveyed by the Governor of East Java, Khofifah Indar Parawansa, who hoped that the Indonesian Mosque Council (DMI) through mosque youth and adolescents, especially for the East Java region, could increase its role in empowering the economy and community welfare through accelerating digital transformation.

Another party is the Indonesian Islamic Youth Economic Forum (ISYEF) which also supports mosque economic empowerment efforts by creating programs, such as ISYEF Point at the Cut Meutia Mosque, ISYEF Preneur and ISYEF Farm at the Al-Mujahidin Mosque in Gunung Kidul, Yogyakarta. On March 25, 2021, the Ministry of Cooperatives and SMEs (KemenkopUKM) together with the Istiqlal Mosque Management Agency (BPMI) participated in the empowerment of the welfare of MSMEs with the concept of mosque-based economic empowerment of the people by signing an MoU, which will utilize 12 hectares of the Istiqlal Mosque courtyard as a center for people's economic empowerment.

The potential for economic and financial development of mosques can be seen from the distribution based on the number, typology and damage to mosques throughout Indonesia. The Islamic

Guidance of the Ministry of Religion of the Republic of Indonesia has formulated the typology of mosques into eight, namely 1) State Mosque, which is the center of religious activities at the Provincial Government level; 2) National Mosque, becoming the center of religious activities at the Provincial Government level; 3) the Grand Mosque, which is the center of religious activities at the provincial level; 4) The Great Mosque, which is the center of socio-religious activities of the Government and the Muslim community in the Regency/City area; 5) The Great Mosque, which is the center of socio-religious activities in the sub-district area; 6) Jami' Mosque, which is the center of socio-religious activities of the community in residential areas/villages/sub-districts; 7) Historic Mosque, located in the Royal Heritage Area/Wali Pempeng Islam / has great value in the history of the nation's struggle; and 8) Mosques in public places: located in public areas to facilitate the community in carrying out worship.

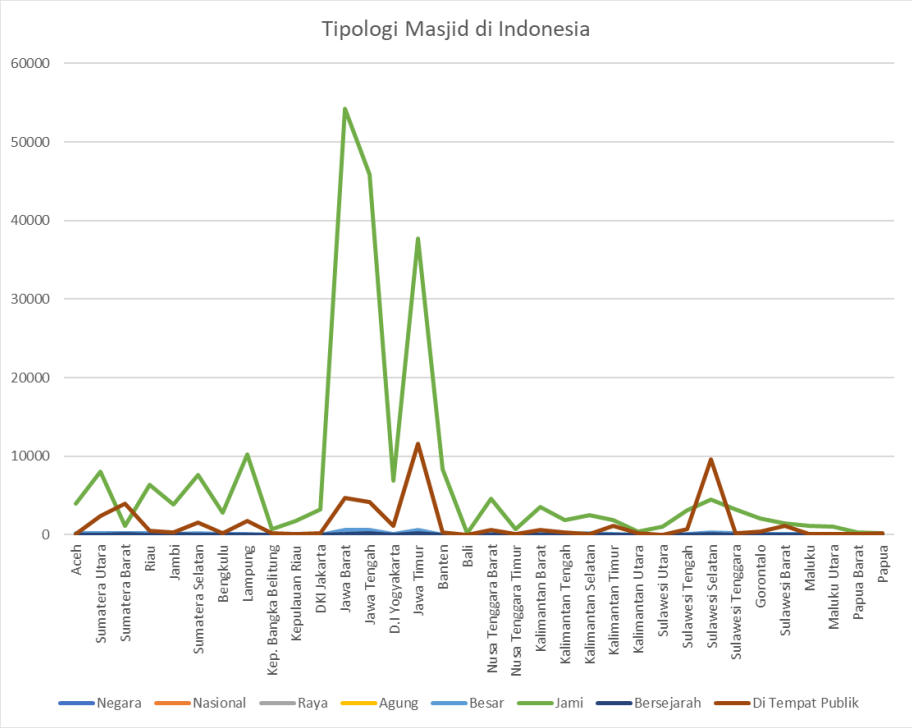


**Figure 1.** Typology of Mosques in Indonesia

Based on data from the Ministry of Religion of the Republic of Indonesia, of the 292,378 mosques in Indonesia, the highest number of mosques are in the West Java, Central Java, and East Java regions with the number of 59,636, 50,897, and 50,224 mosques, respectively. Meanwhile, based on its typology, the number of Jami' Mosques ranks first, followed by the number of mosques in public places with 237,006 and 48,873 mosques, respectively. Based on the level of damage, the majority of mosques in Indonesia are in good condition with a percentage of 97% or 283,148 out of 292,327 mosques.

Data from the Indonesian Ministry of Religion shows that the mosques with the most good conditions are in West Java, Central Java, East Java, South Sulawesi, Lampung and North Sumatra with a total of more than 10,000 mosques. From the data, it was found that the number of mosques in poor condition was 6,335 mosques, 1,966 mosques were lightly damaged, and 878 mosques were severely damaged.

When viewed from the level of damage, mosques that are included in the category of poor quality, lightly damaged and severely damaged are only 3%, while the other 97% are mosques in good condition. With the potential of mosques in Indonesia, which are dominated by decent and good mosques, the Jami' mosque can be an effective opportunity for economic and financial empowerment of mosques because of its potential number which reaches 81% of the total mosques in Indonesia and its strategic location and can reach the community in every village.

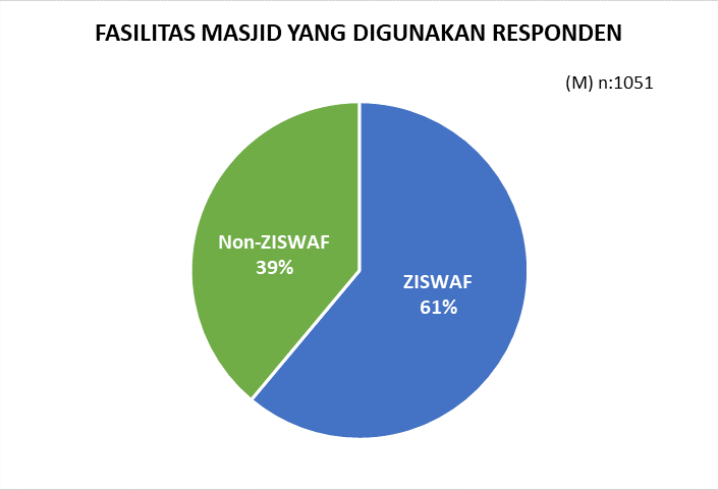


**Figure 2.** Mosque Facilities Used by Respondents

Based on primary data processing, mosque facilities or services that are widely used by worshippers are ZISWAF services (*Zakat*, Infaq, Alms and *Waqf*) as many as 61% or 641 respondent worshippers from a total sample of 1051. Meanwhile, non-ZISWAF services in mosques were used by 39% or 409 respondent worshippers. These non-ZISWAF services include: (1) cooperatives; (2) qurbani services; (3) smart behavior; (4) canteens/culinary/stalls; (5) health services; (6) rental of buildings and equipment; and (7) Minimart.

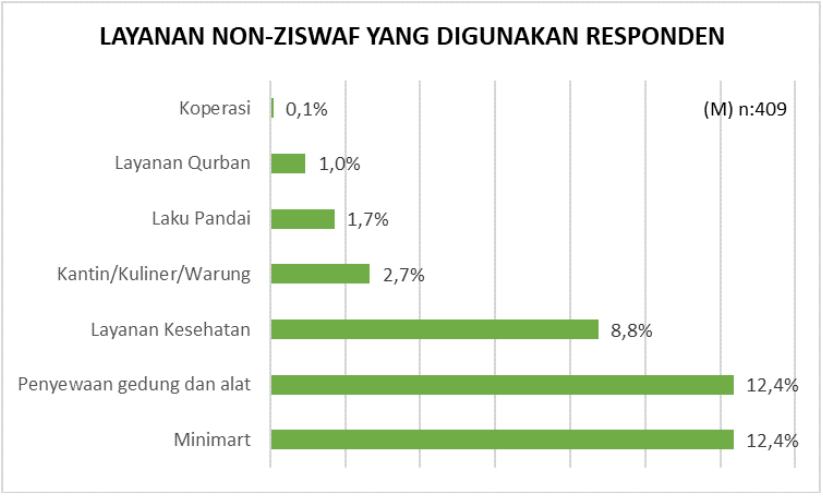


**Figure 3.** Non-ZISWAF Services Used by Respondents

From the graph above, it can be seen that worshippers use a lot of non-ZISWAF services, minimarkets and equipment rentals and buildings in mosques with a percentage of 12.4%. Meanwhile, the use of health services is 8.8%, canteens/culinary/stalls 2.7%, laku pintarai 1.7%, qurban services 1%, and mosque cooperatives 0.1%.

**Insight of Ziswaf Ecosystem and Mosque Donor Respondent**

The majority of respondents are 17-25 years old, female, single, last high school education/equivalent, and spend less than Rp 7 million per month. The majority of respondents' jobs are students, employees/employees, and entrepreneurs. Students are not only in strata 1 but also include strata 2 and 3 students, so the income range also varies in this student category.

Husband jobs for housewife respondents are 73% dominated by employees and entrepreneurs, the rest are spread out 1-8% who serve as executive employees, echelons, civil servants, middle up management, special professions such as doctors, lawyers or lecturers, retirees, honorariums, soldiers, and laborers.

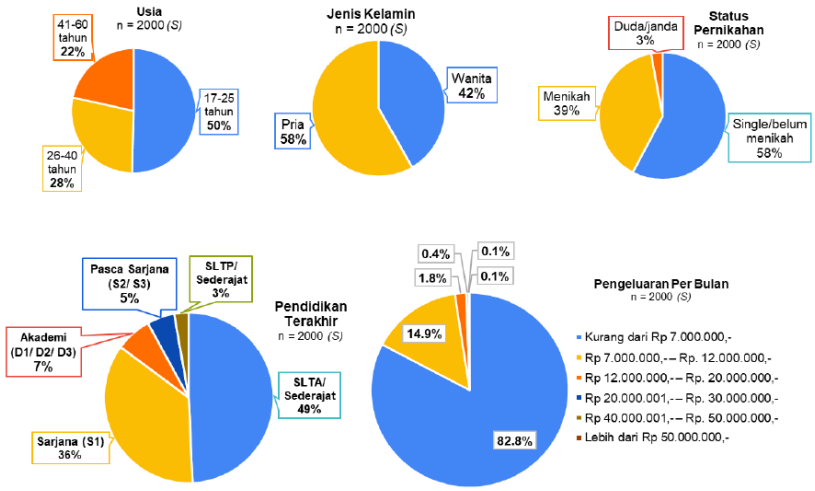


**Figure 4.** Respondents Demography

## Customer Behaviour

### *How to Distribute Zakat Based on Gender*

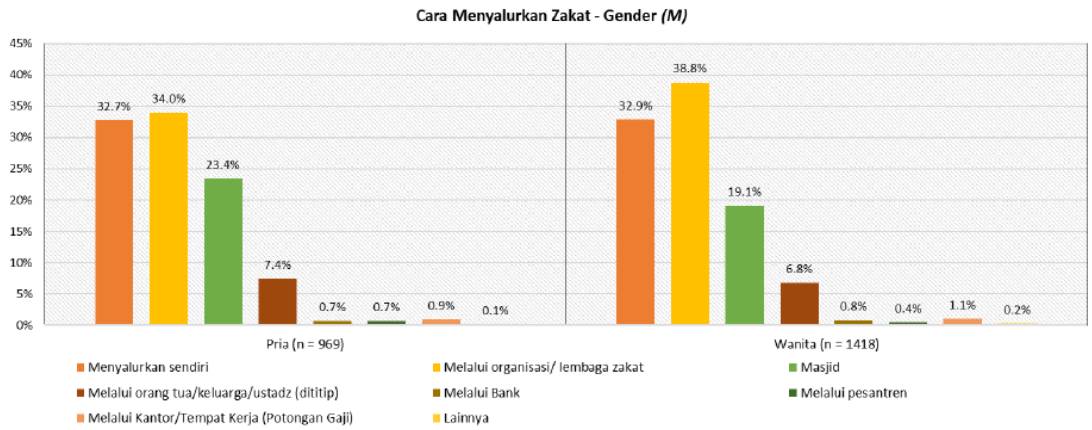


**Figure 5.** How to Distribute *Zakat* Based on Gender

Men and women do not differ significantly in the way *Zakat* is distributed. However, women tend to be higher in distributing *Zakat* through official *Zakat* organizations/institutions. BSI can take advantage of communities that are usually attended by women to attract *Zakat* funds, such as arisan communities, ta'lim council recitations, and other similar ones.

### *How to Distribute Zakat Based on Age*

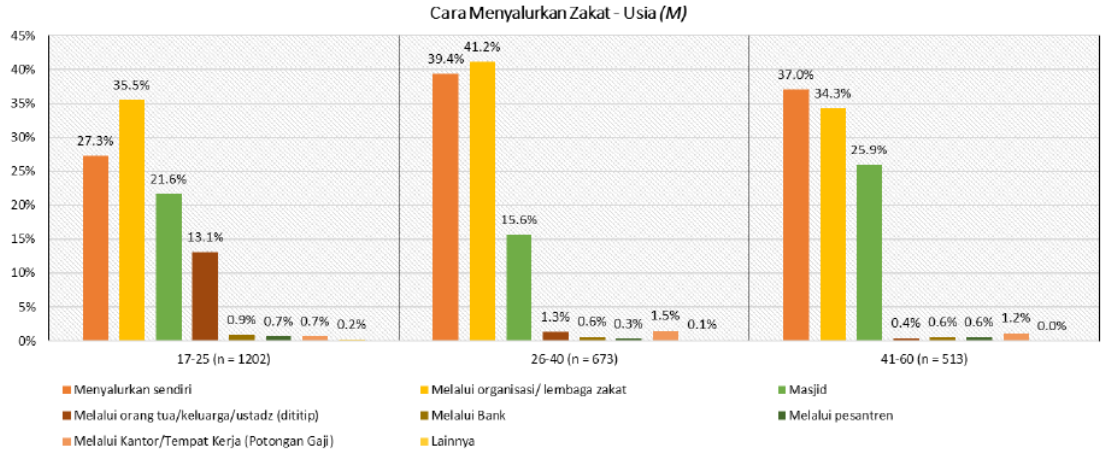


**Figure 6.** How to Distribute *Zakat* Based on Age

The older you are, the higher the preference for distributing *Zakat* directly. Meanwhile, the generation that distributes the most *Zakat* through *Zakat* organizations/institutions is generation Y or millennials. This can happen because currently the millennial generation is at the peak of the productive age, limited time and *tech savvy*, so the tendency of this generation to distribute *Zakat* is through media that are easily accessible in terms of place, time and services. Only official organizations that control these three things to seize the opportunity for generation Y to distribute *Zakat* through them.

### *How to Distribute Zakat Based on Education*

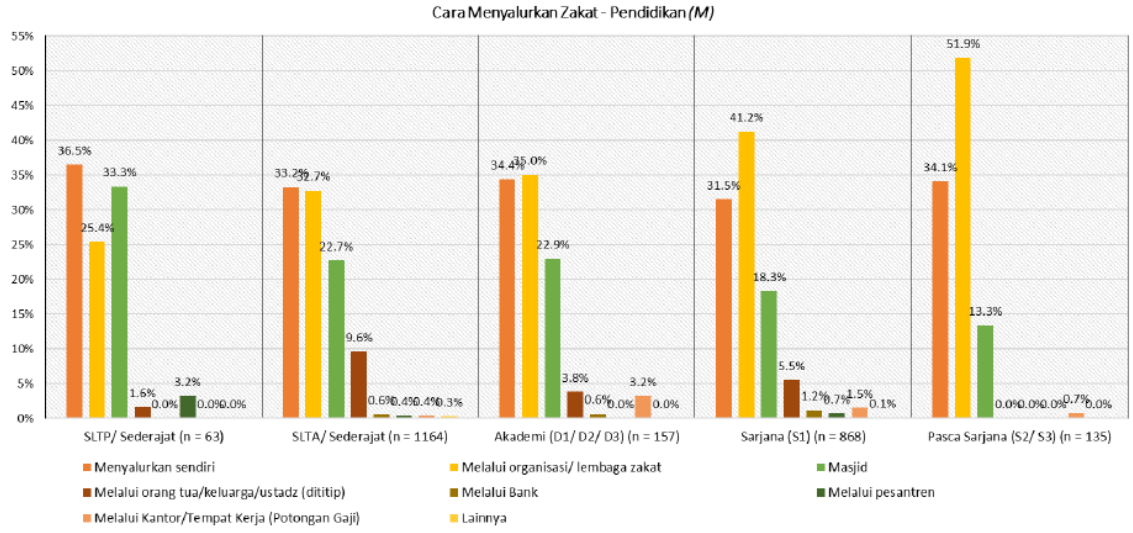


**Figure 7.** How to Distribute *Zakat* Based on Education

The higher the level of education, the greater the preference for distributing *Zakat* through the *Zakat* Management Institution.

***How to Distribute Zakat Based on Expenditure***

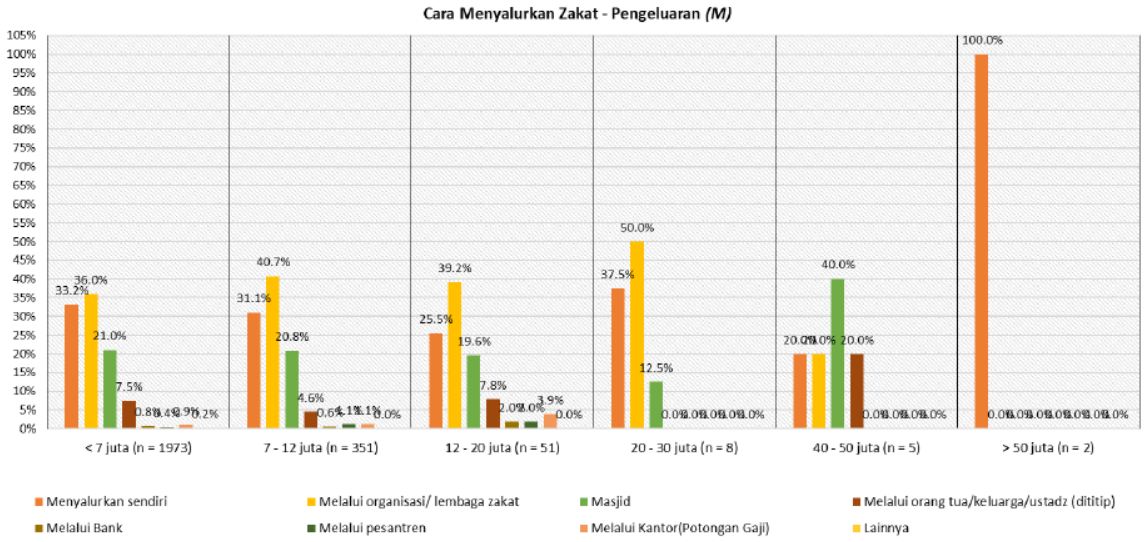


**Figure 8.** How to Distribute *Zakat* Based on Expenditure

Spending preferences below IDR 30 million distribute *Zakat* through LPZ, income IDR 40 - 50 million through mosques, above IDR 50 million self-channeling. For respondents with an income of less than 7 million (which is the majority of the distribution via official institutions) can be targeted to distribute infak or cash *Waqf*, considering *the* nisab threshold around that number. Meanwhile, the distribution of *Zakat* can be targeted to respondents with incomes above that figure.

**Opportunities and Challenges**

There are at least 5 opportunity clusters that Bank BSI is working on for the development of the mosque-based ZISWAF ecosystem in Indonesia.

1) Sources of Mosque Funds In addition to ZISWAF, such as CSR, the APBD can be managed jointly between mosque administrators and Bank BSI.
2) ZISWAF's great potential. The momentum of Ramadan, which is the harvest month for *Zakat* collection, must be optimized with various promotions.
3) Collaboration with the Government, campuses, Ustadz/Kiai and the media.
4) Bank BSI needs to strengthen collaboration with LPZ in managing idle cash. LPZ is willing to give more amil rights to banks if banks can provide more facilities.
5) Bank BSI can study the potential of Blockchain technology to increase public trust in ZISWAF managers.

And there are at least four clusters of challenges faced by Bank BSI in efforts to develop the mosque-based ZISWAF ecosystem, namely the human resources of amil and nazhir mosques, worshippers and residents around mosques, government regulations and budgets, and the legality of mosque LPZs.

**BSI Strategic Priorities**

First, accelerating the legalization of mosque-based UPZ/MPZ. Bank BSI can play a role in simplifying the requirements for opening a UPZ/MPZ account, this is because there are several cases of mosque administrators who have difficulty opening accounts at Islamic banks so that efforts to form UPZ/MPZ are hampered. In this case, Bank BSI has a greater opportunity to raise ZISWAF funds, because UPZ assisted by Bank BSI will certainly open an account at Bank BSI, so that the funds collected by UPZ/MPZ will go to Bank BSI.

Second, the optimization of strategic *Waqf* land. Many *Waqf* land assets are strategic but have not been used productively/abandoned. Bank BSI can partner with official and professional local nazhir to jointly develop *Waqf* land so that it is productive and profitable for both parties, as well as provide benefits to mauquf 'alaihi.

Third, assisting LPZ in improving the quality of services to muzakki. Bank BSI needs to further strengthen cooperation with LPZ and nazhir to make it easier for them to provide the best service for muzakki/mauquf 'alaihi. For example, amil *Zakat* cannot find out who the donor is giving alms by using QRIS, even though this data/information about donors is very important for LPZ/nazhir for further promotional purposes or to prevent things that violate the law.

Fourth, investment in the ZISWAF system with blockchain technology. This is crucial because muzakki who distribute *Zakat* directly to mustahik have doubts about LPZ where they are generally not too sure that the *Zakat* distributed really reaches the right mustahik. In this case, blockchain technology that allows donors to trace the flow of their own funds can be a solution in providing peace of mind to the muzakki that the *Zakat*/infaq funds distributed really reach the right target. In this case, Bank BSI can collaborate with BSI Maslahat. The use of blockchain technology in the management of ZISWAF is still rare in Indonesia. In this case, Bank BSI and BSI Maslahat can be the pioneers.

Fifth, intervene in mosque development based on the value of the BSI-CIBEST Mosque Index, the ZISWAF BSI-CIBEST Economic Index, and the BSI-CIBEST Mosque Quadrant. These indices have been compiled by the CIBEST research team with the aim of making it easier for Bank BSI to choose the best mosque that can be collaborated with in the development of the mosque-based ZISWAF ecosystem in Indonesia. An explanation of this is described in the BSI-CIBEST Mosque Index section.

**BSI-CIBEST Mosque Index: BSI-CIBEST Ziswaf Economic Index and BSI-CIBEST Mosque Quadrant**

The BSI-CIBEST Mosque Index and the BSI-CIBEST economic index are used as measuring tools to assist BSI in facilitating evaluation and assessment of interventions in a mosque. The BSI-CIBEST Mosque Index is compiled using the Multistage Weighted Index approach, meaning that each component that forms the index can be measured its index value separately, both dimensions, variables and indicators. The BSI-CIBEST Mosque Index has components consisting of dimensions, variables, and indicators.

The process of compiling this index is carried out in three stages as can be seen in figure 9.


**Figure 9.** Stages of Index Preparation

The three stages are: (i) Desk study; (ii) Expert judgement; and (iii) formulation of the BSI-CIBEST Mosque Index and the ZISWAF BSI-CIBEST Economic Index. The first stage is related to the necessary literature review, which is the basis for determining the components in the index. Then the second stage is the researcher's justification related to the weighting of each component in the index. In the BSI-CIBEST Mosque Index, there are three index components that are weighted, namely dimensions, variables and indicators. Meanwhile, in the ZISWAF BSI-CIBEST Economic Index, there are only variable components that are weighted.

Furthermore, the third stage is the preparation of the index formula. In the BSI-CIBEST Mosque Index, the index calculation process begins with the calculation of the indicator component, which is multiplied by the weight to then obtain the results on the variable component. This variable is multiplied by its weight, and will result in an index value on the dimension. Finally, the dimension index is multiplied by its weight, and the overall index value will be produced. So, the index value of the indicator is calculated first, where the condition of the indicator is determined by the actual value on the Likert scale which determines the actual condition of the indicator.

The index calculation process uses the following formula:

$$Indicator\ Index\ Score = \frac{Actual\ score - minimum\ score}{Maximum\ score - minimum\ score}$$

For example, if the Likert score on an indicator is 3, then the index value of that indicator is equal to 0.50. Meanwhile, in the ZISWAF BSI-CIBEST Economic Index, the index calculation is carried out by multiplying the actual value of the variable by its weight so that the overall index value is obtained. After

obtaining the two index values, it will be determined to choose a strategy that can be taken in order to strengthen the ZISWAF ecosystem of this mosque.

**BSI-CIBEST Mosque Index**

The BSI-CIBEST Mosque Index Formula is as follows:

*BSI-CIBEST Mosque Index = (0.30 x Mosque Congregation Dimensions) + (0.10 x DKM Dimensions) + (0.25 x Location Dimensions) + (0.15 x Legality Dimensions) + (0.20 x Mosque Infrastructure Dimensions)*

In detail, Table 2 below explains the weighting of each component that forms the BSI-CIBEST Mosque Index.

**Table 2.** Dimensions, Variables, Indicators, and Weights of the BSI-CIBEST Mosque Index

| Dimension | Weight | Variable | Weight | Indicator | Weight |
|---|---|---|---|---|---|
| Mosque Jam'ah | 0.30 | Demography | 0.10 | Age | 0.50 |
| | | | | Education | 0.50 |
| | | Income Level | 0.35 | Amount of Income | 0.20 |
| | | ZISWAF Literacy | 0.25 | ZISWAF Literacy Index | 0.30 |
| | | | 0.30 | Waqf Literacy Index | |
| | | Number of pilgrims | 0.30 | Number of Pilgrims | 0.50 |
| DKM | 0.10 | Competence of human resources managers | 0.60 | Frequency of training per year | 0.40 |
| | | | | Proportion of DKM human resources who participated in the training | 0.60 |
| | | Full-time HR availability | 0.40 | Number of human resources to manage DKM's daily activities | 1.00 |
| Location | 0.25 | Strategic location | 0.40 | Distance to city centre | 0.25 |
| | | | | Distance to housing | 0.25 |
| | | | | Distance to business centers/public facilities | 0.50 |
| | | Accessibility | 0.25 | Transportation availability | 0.50 |
| | | | | Parking availability | 0.50 |
| | | | | Vehicle access | 0.50 |
| | | Economic conditions around the mosque | 0.35 | There are shops/stalls | 0.40 |
| | | | | There are tourist attractions | 0.60 |
| Legality | 0.15 | Legal status of amil and nazhir | 1.00 | Status of amil institution | 0.50 |
| | | | | Status of the nazhir institution | 0.50 |
| | | Comfort of prayer rooms | 0.20 | Cleanliness of prayer rooms | 0.50 |
| | | | | Availability of air conditioning equipment | 0.20 |
| Mosque infrastructure | 0.20 | Ablution and MCK facilities | 0.20 | Cleanliness of ablution and toilet facilities | 0.60 |
| | | | | Ablution facilities and women's toilets | 0.40 |
| | | Availability of DKM secretariat | 0.10 | Availability of DKM secretariat | 1.00 |
| | | Availability of mosque business infrastructure | 0.50 | Shop/canteen ownership | 0.40 |
| | | | | Healthcare ownership | 0.20 |
| | | | | Other business ownership | 0.40 |

***Dimension of Mosque Congregation***

The dimensions of mosque worshippers have the largest weight compared to other dimensions, which is 0.30. The dimensions of mosque worshippers consist of 4 variables, namely demographics (weight 0.10), income level (weight 0.35), ZISWAF literacy (weight 0.25), and the number of worshippers (weight 0.30). In the demographic variable, there are 2 indicators, namely age (weight 0.50) and education (weight 0.50). The principle is that the greater the proportion of productive age worshippers who go to the mosque, the more potential the mosque has. Similarly with education, the higher the proportion of higher education from mosque worshippers, the greater the potential of the mosque. In the variable income level, the indicator is the amount of income (weight 1.00). The greater the income of mosque worshippers, the greater the potential of the mosque. In the ZISWAF literacy variable, there are 2 indicators, namely the *Zakat* literacy index (weight 0.50) and the *Waqf* literacy index (weight 0.50). The better the literacy of ZISWAF mosque worshippers, the greater the potential of the mosque to be used as a target of BSI intervention. In the variable number of worshippers, the indicator is the number of worshippers of the mosque itself (weight 0.10) where the measure is the proportion of the number of worshippers who are obliged to pray. If the proportion of obligatory prayer congregations compared to Friday prayers is larger, then the mosque has more potential.

***DKM Dimensions***

The DKM dimension has a weight of 0.10. The DKM dimension consists of 2 variables, namely the competence of human resources managers (weight 0.60) and the availability of full-time human resources (weight 0.40). In the variable of the competence of the manager's human resources, there are 2 indicators, namely the frequency of training per year (weight 0.40) and the proportion of DKM human resources who participate in training (weight 0.60). The higher the frequency of training and the higher the proportion of DKM human resources who participated in the training, it shows that the better the management of DKM in the mosque. Then in the variable of the availability of full-time human resources, the indicator is the number of human resources managing DKM's daily activities (weight 1.00).

***Location Dimensions***

The location dimension has a weight of 0.25. The location dimension has 3 variables, namely strategic location (weight 0.40), accessibility (weight 0.25), and economic conditions around the mosque (weight 0.35). In the strategic location variable, there are 3 indicators, namely the distance to the city center (weight 0.25), the distance to the housing center (weight 0.25), and the distance to the business center/public facilities (weight 0.50). The closer the mosque location is to the city center, housing, and business centers/public facilities, the greater the potential of the mosque. In the accessibility variable, there are also 3 indicators, namely the ease of reaching the location (weight 0.30), the availability of parking facilities (weight 0.20), and vehicle access (weight 0.50). The easier it is to reach the mosque location, the better the accessibility of the mosque. Then mosques that have parking facilities also have greater potential. Likewise with vehicle access, if the mosque can only be passed by foot or two-wheeled vehicles, it will certainly be more challenging to intervene compared to mosques that can be passed by four-wheeled vehicles or more. In the variable of economic conditions around the mosque, there are 2 indicators, namely there are shops/stalls (weight 0.50) and there are tourist attractions (weight 0.50). Mosques with surrounding economic conditions with many shops/stalls and even tourist attractions have greater potential to be developed.

***Legality Dimension***

The legality dimension has a weight of 0.15. The legality dimension consists of 1 variable, namely the legal status of amil and nazhir (weight 1.00). If the mosque already has a clear legal status both as amil and nazhir, then the opportunity for collaboration for BSI is even greater because it will alleviate legal obstacles and minimize legal risks and reputational risks.

***Mosque Infrastructure Dimensions***

The dimension of mosque infrastructure has 0.20. The dimensions of mosque infrastructure consist of 4 variables, namely the comfort of prayer rooms (weight 0.20), ablution and toilet facilities (weight 0.20), the availability of the DKM secretariat (weight 0.10), and the availability of mosque business infrastructure (weight 0.50). In the variable of prayer room comfort, there are 2 indicators, namely the cleanliness of the prayer room (weight 0.80) and the availability of room cooling equipment

(weight 0.20). The cleaner the prayer room, the higher *the awareness* of the mosque worshippers. In the variables of ablution and toilet facilities, there are 2 indicators, namely the cleanliness of ablution and toilet facilities (weight 0.60) and ablution facilities and women's toilet facilities (weight 0.40). There are still many mosques that do have ablution facilities and women's toilets but are still open, making it uncomfortable, especially for female worshippers. In the variable of the availability of the DKM secretariat, the indicator is the availability of the DKM secretariat itself in the mosque. If the mosque has a DKM secretariat, the opportunity for the mosque to have DKM activities that can run well becomes greater (*well organized*). Then in the variable of the availability of mosque business infrastructure, there are 3 indicators, namely shop/canteen ownership (weight 0.40), health service ownership (weight 0.20), and other business ownership (weight 0.40). The more mosque business infrastructure, the greater the potential for the mosque to be developed and the easier BSI's intervention will be.

**Table 1.** Example of the Implementation of the BSI-CIBEST Mosque Index

| Scenario | Bintaro Jaya Grand Mosque | Nuruzzaman Mosque UNAIR | Great Mosque of Batul Makmur |
|---|---|---|---|
| 1 | 0.76 | 0.44 | 0.63 |
| 2 | 0.97 | 0.78 | 0.89 |

Figure 10 shows an example of the application of the BSI-CIBEST mosque index in several specific mosques. This index is made into 2 scenarios because there is some data that is not yet known or data does not exist. Scenario 1 is a scenario where unavailable data is given a minimum value while scenario 2 is a scenario where unavailable data is given the maximum value. If the value of the BSI-CIBEST mosque index is closer to 1, then it will be easier for BSI to intervene, and vice versa, the closer to 0, the greater the challenge for BSI to intervene.

**ZISWAF ECONOMIC DIMENSION INDEX BSI-CIBEST**


**Figure 10.** Index Economics OF ZISWAF BSI-CIBEST

As previously explained, the process of compiling the ZISWAF BSI-CIBEST Economic Index uses a slightly different approach from the BSI-CIBEST Mosque Index, especially in terms of the components that form the index. The components of the ZISWAF BSI-CIBEST Economic Index consist of 3 variables, namely the National *Zakat* Index (weight 0.35), the National *Waqf* Index (weight 0.35), and the GDP per capita of districts/cities (weight 0.30). The higher the value of IZN and IWN in a mosque area, the greater the economic potential of the mosque area. Then the greater the proportion of GDP per capita of a district/city in a mosque area compared to the average national GDP per capita, the greater the economic potential of the mosque area. The use of the variable GDP per capita of a district/city is to measure the level of economy and purchasing power of people in the district/city where a mosque is located.

In general, the formula of the ZISWAF BSI-CIBEST Economic Index is as follows:

*ZISWAF BSI-CIBEST Economic Index = (0.35 x National Zakat Index) + (0.35 x National Waqf Index) + (0.30 x GDP per Regency/City Capita)*

It should be noted that the value of the National *Zakat* Index is the value published by the National Amil *Zakat* Agency, and this IZN is usually available at the provincial level. Meanwhile, the value of the National *Waqf* Index is a value published by the Indonesian *Waqf* Board and available at the provincial level. The GDP value per capita of districts/cities can be obtained from BPS and official data from the district/city government.

**BSI-CIBEST Mosque Quadrant**

After the two index values above are known, the BSI-CIBEST Mosque Quadrant is then compiled. This quadrant combines the two indices, where the BSI-CIBEST Mosque Index is placed on the horizontal axis and the ZISWAF BSI-CIBEST Economic Index is placed on the vertical axis. There will be 4 quadrants as seen in figure 12 below.

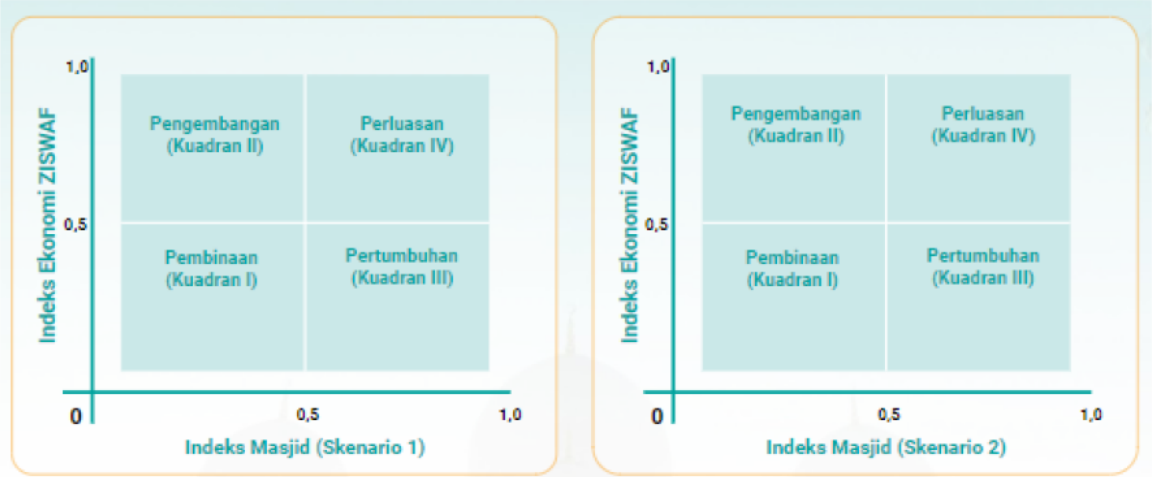


**Figure 11.** BSI-CIBEST Mosque Quadrant

Quadrant I is a quadrant where both index values are at a low value, which is below 0.50 as a threshold for distinguishing between high and low values. If a mosque is in this quadrant, then the choice of strategy used is a coaching strategy. This means that BSI needs to make efforts to strengthen the management of mosques and also strengthen coordination with *Zakat*, *Waqf* and local government authorities to improve the quality of *Zakat* and *Waqf* management as well as the economy in the region.

Quadrant II is a quadrant where the value of the BSI-CIBEST Mosque Index is in the low value category, but the ZISWAF BSI-CIBEST Economic Index is in the high value category. In this quadrant, the choice of strategy is development strategy. This means that BSI needs to focus on efforts to strengthen the quality of mosque management based on dimensions, variables and indicators on the existing mosque index.

Quadrant III is a quadrant where the value of the BSI-CIBEST Mosque Index is in the high category while the value of the ZISWAF BSI-CIBEST Economic Index is in the low category. The choice of strategy taken is the growth strategy. This means that BSI needs to accelerate the management of mosques so that the ZISWAF ecosystem in the mosque can increase. It is hoped that the acceleration process will have an impact on strengthening ZISWAF's economy in the region. It is also necessary to strengthen coordination with *Zakat* and *Waqf* authorities and local governments. The goal is that there will be improvements in the management of *Zakat*, *Waqf* and the economy in the region. The mosque that BSI intervened in is expected to be a model that can be replicated in other mosques in the district/city.

Quadrant IV is a quadrant where both index values, both the BSI-CIBEST Mosque Index and the ZISWAF BSI-CIBEST Economic Index, are in the high category. The choice of strategy that BSI can take is an expansion strategy. BSI can intervene optimally through the expansion of the economic potential that can be utilized and developed in the region, including increasing the level of mosque management at a better level. Strengthening coordination with *Zakat*, *Waqf* authorities and local governments still needs to be strengthened.

Based on the four quadrants above, the choice of strategies that are BSI's priorities are quadrant IV and quadrant III. This is because of the availability of infrastructure and initial conditions that support the operation of Islamic banking institutions in the mosque. However, with the commitment to da'wah and efforts to improve the condition of the people, the choice of strategies in quadrant II and quadrant I can also be carried out by BSI with the note that it needs to be supported by better planning and greater allocation of BSI's internal resources.

**Results of the BSI-CIBEST Mosque Quadrant Calculation**


**Fiigure 12.** Results of Processing the BSI-CIBEST Mosque Index and the ZISWAF BSI-CIBEST Economic Index

In this section, there are 123 mosques whose data can be processed. Because at the time of the field survey there was data that was not yet available, so in this study two scenarios were developed. The first scenario is to use the minimum value on the index components for which the data is not yet available, while in the second scenario, the maximum value is used for the index components for which the data is not yet available.

In scenario 1, for quadrant I there are 50 mosques, quadrant II there are 39 mosques, quadrant III there are 24 mosques, and quadrant IV there are 10 mosques. Meanwhile, in scenario 2, for quadrant I there are 0 mosques, quadrant II there are 1 mosques, quadrant III there are 73 mosques, and quadrant IV there are 49 mosques. The main priority for BSI intervention is proposed in mosques that are in quadrant IV and quadrant III. However, it is possible for BSI to intervene in mosques in quadrant II and quadrant I, noting that mosques in these quadrants have greater challenges than mosques in quadrants IV and quadrant III.

## CONCLUSION

This study analyzes various aspects of the ZISWAF and mosque ecosystem, including priority mapping, ecosystem mapping, regulations, and insights from worshippers and mosque administrators, while identifying opportunities and challenges for development. A key contribution is the introduction of the BSI-CIBEST Mosque Index and related tools, which Bank BSI can utilize to enhance the mosque-based ZISWAF ecosystem for community welfare. Future research could focus on longitudinal impact assessments, comparative studies across regions, gathering stakeholder perspectives, integrating technology, analyzing policy impacts, investigating community-led initiatives, and employing cross-disciplinary approaches to further enrich understanding and effectiveness in developing the ZISWAF ecosystem.

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