

Analysis of Transparency Index Measurement of Amil Zakat Institutions in Indonesia

Analisis Pengukuran Indeks Transparansi Lembaga Amil Zakat di Indonesia

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Abstract

This study aims to measure the transparency index of zakat institutions in Indonesia. This study also shows the transparency index of OPZ (Organisation of Zakat Management) with the ZIS collection, which goes hand in hand. The analysis is conducted on 5 OPZs that are included in the category of national-level zakat institutions by digging up information on official websites and financial reports for 2019-2021. Quantitative descriptive research method using ITRANS OPZ through approximate calculation or simple additive weight (SAW) as a measuring tool. The results of this study also show the transparency index accompanied by the zakat collection for the last 3 years. The aim is to show the high OPZ transparency index and the increasing collection from year to year. OPZ can determine how much transparency has been provided and maintain, improve, and expand transparency openness. This is the basis for improving the institution's reputation to the public. OPZ can use information technology and online platforms to improve transparency. Transparent financial reports and online accessibility can facilitate muzakki access and increase trust.

Keywords: Transparency, Transparency Index, Fund Raised by Zakat Institutions.

Abstrak

Studi ini bertujuan untuk mengukur indeks transparansi lembaga zakat di Indonesia. Penelitian ini juga memperlihatkan indeks transparansi OPZ (Organisasi Pengelola Zakat) dengan pengumpulan ZIS yang beriringan. Analisis dilakukan terhadap 5 OPZ yang masuk dalam kategori lembaga zakat tingkat nasional dengan menggali informasi pada website resmi dan laporan keuangan tahun 2019-2021. Metode penelitian deskriptif kuantitatif dengan menggunakan ITRANS OPZ melalui perhitungan perkiraan atau simple additive Weight (SAW) sebagai alat ukur. Hasil penelitian ini juga memperlihatkan indeks transparansi yang diiringi dengan perhimpunan zakat selama 3 tahun terakhir, tujuannya untuk memperlihatkan indeks transparansi OPZ yang tinggi beriringan dengan perhimpunan yang meningkat dari tahun ke tahun. OPZ dapat mengetahui seberapa besar tingkat transparansi yang sudah diberikan, menjaga, meningkatkan dan memperluas keterbukaan transparansi, hal ini sebagai dasar peningkatan reputasi lembaga kepada publik. OPZ dapat menggunakan teknologi informasi dan platform online untuk meningkatkan transparansi. Penyediaan laporan keuangan secara terbuka dan aksesibilitas online dapat mempermudah akses muzaki dan meningkatkan kepercayaan.

Kata Kunci: Transparansi, Indeks Transparansi, Dana yang Dihimpun oleh Lembaga Zakat.

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I. INTRODUCTION

Zakat is one of the Islamic social instruments that has great importance for the economic development and social security of the country and for ensuring a fair distribution of income and wealth for the whole society (Mawardi et al., 2022; Widiastuti et al., 2021). Indonesia, the country with the largest Muslim population in the world in 2022, with 237,558,000 people (The Royal Islamic Strategic Studies Center, 2023), has excellent zakat potential (Badan Amil Zakat Nasional, 2020). This is also supported by many Amil Zakat institutions in Indonesia, namely 572 Amil Zakat institutions or OPZ (Badan Amil Zakat Nasional, 2022). Data from Pusat Kajian Strategis Badan Amil Zakat Nasional (2021) shows that the potential for zakat reached IDR 327.8 trillion in 2020. This potential includes Agricultural Zakat IDR 19.79 Trillion, Livestock Zakat IDR 9.51 Trillion, Money Zakat IDR 58.76 Trillion, Income and Service Zakat IDR 139.07 Trillion, and Corporate Zakat IDR 144.5 Trillion. On the other hand, the problem of zakat collection still needs to be more optimal. From the total potential of zakat collection until now, OPZ in Indonesia has only been able to collect 3.8% or IDR 12,429,246,447,469 (BAZNAS, 2022) (See Table 1).

The lack of zakat collection that is absorbed from the considerable zakat potential is due to the distrust of social institutions that makes muzakki's trust increasingly reduced in OPZ due to indications of misappropriation of funds that are not transparent (Ahmad & Rusdianto, 2018). Distrust is very influential in the association where muzakki are used to entrusting their funds (zakat) to OPZ because they become concerned that the deposited zakat funds do not reach the beneficiaries (Bin-Nashwan et al., 2023). As a result, many muzakki are reluctant to entrust their zakat funds to amil zakat institutions (Sawmar & Mohammed, 2021). Muzakki's distrust of OPZ allows donors who usually donate to stop giving zakat to the institution (Nayak & Hegde, 2023; Timur et al., 2023a).

Table 1. ZIS collection in every OPZ in 2020

No	Level of OPZ	Zakat Collection (IDR)	Percentage (%)
1	BAZNAS at the National Level	385.126.583.224	3,1
2	BAZNAS at the Province Level	489.538.808.289	3,9
3	BAZNAS at City Level	1.735.824.169.041	14,0
4	LAZ	4.077.297.116.443	32,8
5	OPZ in Training and some unreported Zakat Fitrah	5.741.459.770.472	46,2
	Total	12.429.246.447.469	100

Source: (BAZNAS, 2022)

Improving zakat governance is also a top priority in increasing Muzakki trust (Syed Yusuf et al., 2022; Wahyuni-TD et al., 2021). Transparency is the most important part of OPZ governance to rebuild Muzakki's trust in OPZ (Amilahaq & Ghoniyah, 2019; Nasri et al., 2019; Santoso et al., 2023). In zakat management, the transparency aspect is considered very important and crucial, considering that OPZ is an institution that manages ZIS from the general public, so managing it all requires excellent transparency practices that are easily accessible (Sawmar & Mohammed, 2021). Transparency practiced by OPZ can increase the trust of the wider community (donors and potential donors) (Owoyemi, 2020). One application of good governance that OPZ can carry out is reporting public resources (Firmansyah & Devi, 2017; Tahliani, 2018). All forms of management resulting from public entrusted funds must be managed transparently and accountably (Amilahaq & Ghoniyah, 2019; Sawmar & Mohammed, 2021). The report is carried out from the distribution of zakat funds, including all activities ranging from Planning, Actuating, Finance, and Accountability to controlling zakat funds managed by OPZ (Maulina, 2020). Thus, zakat funds are managed by OPZ in an orderly manner following applicable legal regulations, effectively and efficiently, so that they can be accounted for transparently and accountably (Nasim & Romdhon, 2014).

Previous research states that accountability and transparency of OPZ together have a significant effect on the level of trust and interest of muzakki in paying zakat (Amilahaq & Ghoniyah, 2019; Nasri et al., 2019; Santoso et al., 2023). Suppose muzakki have trusted an institution to entrust their zakat to be managed. In that case, they will continue to pay zakat to the OPZ, indirectly increasing the collection of zakat (Afandi et al., 2022; Alam et al., 2022). OPZ must strive always to maintain muzakki (donors) well so that muzakki loyalty can increase (Kuanova et al., 2021; Yuliafitri & Khoiriyah, 2016). Good corporate governance, especially transparency, is very important as a form of OPZ accountability to

muzakki from the entrusted zakat funds (Nurillah et al., 2021; Sawmar & Mohammed, 2021). As is known, zakat institutions in Indonesia are classified into several levels according to the extent of management and the amount of collection carried out, according to the BAZNAS PID, including the National, Regional, and Local (City District) scales to sub-districts and certain institutions such as UPZ (Unit Pengumpul Zakat) (BAZNAS, 2023). One directly affected is the Zakat management organization at the national level because distrust occurs in institutions at the national level (Fikhasari, 2022). Therefore, it is very important for OPZ at the national level to know how much transparency has been done by OPZ in managing public funds, considering that OPZ at the national level has a great responsibility to the broader muzakki (Mubtadi & Susilowati, 2018; Ratnasari et al., 2023; Timur et al., 2023b).

Some previous studies have been relevant to this research in several aspects. Hilmiah (2020) researched the level of transparency of the zakat institution at BAZNAS Banjarmasin. Meanwhile, Susilawati et al., (2020) researched the level of transparency of the zakat institution at BAZNAS in Banjar Regency. Both studies measure transparency but in a narrower scope. Susilawati et al., (2020) examine the effect of transparency on muzakki trust. This study only looks at transparency in general and does not show what level of transparency can impact muzakki trust. In addition, several other studies related to measuring the level of transparency of both profit and non-profit institutions (zakat institutions); for example, Williams (2015) in his research developed a model for measuring transparency using information disclosure quality, quantity, and infrastructure, Marth & Schipper (2008) conveyed that the approach to measuring transparency includes market analysis, perception, and accounting analysis, Fathoni & Fakhrudin (2021) analyzed transparency measurements by conducting interviews directly with employees at the companies studied. These three studies measure transparency only from the financial side and investigate interviews that allow manipulation or non-disclosure of information, so this violates the theory of transparency, which states that transparency is an open process where everyone can access information openly and publicly (Ahmad & Rusdianto, 2020). Therefore, the author has not found research that measures a complete and comprehensive transparency index and extracts data from published information disclosure. To determine the level of transparency of OPZ, precise measurements must be made to interpret the actual conditions and performance of the Zakat institution. Until now, the method of calculating the zakat transparency index in Indonesia has been fixated on calculating with financial and non-financial foundations only on institutional governance and without the whole (Ninglasari & Muhammad, 2021).

This study will measure the transparency index of zakat institutions in Indonesia, especially in institutions that are included in the national level OPZ category using the OPZ transparency index method (ITRANZ), and then see the difference in results sorted by measurement results (comparing the difference in measurement results from each OPZ). The ITRANZ method is a method issued by PUSKAS BAZNAS that is used to measure the level of OPZ transparency; it includes a comprehensive calculation of OPZ using three main focuses, namely financial transparency, management transparency, and program transparency as the most important dimensions in measuring the level of transparency (BAZNAS, 2019). In addition to measuring the level of transparency index, this study also shows the OPZ transparency index with ZIS collection that goes hand in hand. ZIS collection data is taken from each OPZ report published in the 2019-2021 financial statements or the last 3 years. This research was conducted at five national-level institutions: BAZNAS, Dompot Dhuafa, Rumah Zakat, LAZ Muhammadiyah, and Inisiatif Zakat Indonesia. Seeing the difference in index levels between the level of transparency in each OPZ provides more complete information to muzakki regarding decisions in making donation choices that are managed transparently. Furthermore, the study results can be developed into OPZ strategic policies to improve, maintain, and expand transparency and build trust in OPZ as a foundation for increasing the institution's reputation in the eyes of the public.

II. LITERATURE REVIEW

Transparency in Islam

Transparency is a principle where there is freedom for everyone to access information such as governance, including policies, formulation, and policy implementation to the output that will be achieved by a company (Ahmad & Rusdianto, 2020, 2018; Raeni et al., 2022). Ahmad & Rusdianto (2020) defined transparency as the state of an organization providing information to stakeholders clearly so that those interested can easily dig it up. The concept of transparency underlines the importance of clarity. Data

disclosure plays an important role in shaping the transparency and dependability of financial statements. William (2005) defines transparency in three simple approaches: reliability, timeliness, and relevance. The main purpose of transparency is openness and communication (Barth, 2013).

As a Muslim guide, the Koran explains how to implement transparency in government institutions. Transparency, accountability, fairness, and equity are the implementation values of the Quran. In the Qur'an, this value is in Surah Al-Baqarah verse 282, Al-Isra verse 35, and Al-Muthaffifin verses 1 to 5 (BAZNAS, 2019). Abojeib et al., (2023) explained that transparency is still a major problem in the openness of zakat management because many institutions still have not reported or disclosed the amount of zakat they manage. Therefore, transparency is very important for Zakat institutions as a trust-based institution; of course, this is the main guideline for building public trust in institutions.

Zakat Management Institutions (OPZ)

Law No. 23: 2011 regarding zakat governance is the main foundation that regulates zakat institutions. This regulation divides zakat institutions into two institutions: official institutions established following the laws and regulations, namely BAZ (Badan Amil Zakat), general and particular authorities, and LAZ (Lembaga Amil Zakat). BAZ is a zakat organization specifically established to handle zakat matters in Indonesia, while LAZ is an institution bolted by the community to assist BAZ in optimizing the collection or management of zakat. BAZ has a category of levels ranging from BAZNAS at the national level, BAZNAS at the provincial level, and BAZNAS at the district level to UPZ, included at the level below the district/city. Meanwhile, LAZ also has the same level categories as BAZ, but specifically, LAZ has special categories, including LAZ based on mosques, LAZ based on mass organizations (mass organizations) such as LAZIS Muhammadiyah, LAZ based on companies, and LAZ based on Zakat Collecting Organisations (OPZ) such as Rumah Zakat, Dompot Dhuafa, IZI and the like (Fadilah et al., 2017).

As a zakat manager, in carrying out its functions, it uses principles that follow Article 2 of Law No. 23 of 2011 concerning zakat management, namely: *First*, based on Islamic law; *second*, trustworthy, that is, the organization or agency must be trustworthy; *third*, advantages, able to provide benefits to beneficiaries; *fourth*, the obligation to distribute zakat must be carried out fairly; *fifth*, compliance with applicable laws; *sixth*, the purpose of managing zakat funds is to increase its collection, then channeled and utilized through beneficiaries; *seventh*, carried out accountably.

OPZ Transparency

The OPZ Transparency Index (ITRANZ) is a method issued by PUSKAS BAZNAS to determine the transparency of zakat institutions based on zakah fundamentals (BAZNAS, 2023). Transparency in this institution is undoubtedly very important, as it can affect the credibility and image of the institution. The ITRANS launched by BAZNAS can be used as a guideline to measure the level of transparency of zakat institutions through 3 very relevant dimensions. OPZ, academics, or researchers can use this index as a benchmark to assess transparency in zakat institutions. This transparency index is expected to provide information and benchmarks for zakat institutions in terms of providing services and managing zakat properly in the future. The ITRANZ component includes three aspects: Transparency in Finance, Transparency in Management, and Transparency in terms of Programmes. Each aspect consists of 9 variables and indicators that have their weight.

Financial transparency refers to the level of transparency of financial statements, which has a very important role (Fernando, 2018). Accounting standards, audit quality, and timely reporting determine disclosure in terms of transparency (BAZNAS, 2019). Management transparency discloses transparency related to good governance, including openness to profiling, strategic plans, Annual Budget Work Plan, information and documentation portals, and clear complaint channels for the public. At the same time, program transparency refers to a measure of the effectiveness of the implementation of real-time collection and delivery programs by zakat institutions. To find out the transparency index, of course, it must go through a calculation to determine the number or value of the OPZ transparency level, as for the formula, which is as follows:

ITRANZ Finance (I-TK01)

$$(01) = D_1^1 \times V_1^1 \times S + D_1^1 \times V_1^2 \times S \quad \text{Or,} \quad (01) = D_1^1 (V_1^1 \times S + V_1^2 \times S)$$

Then, next

$$\text{I-TK01} = \text{ITK1} + \text{ITK2} / 5 \quad \text{Or,} \quad \text{I-TK01} = (01) / 5 \dots\dots\dots (1)$$

Where,

$$\text{ITK1} = D_1^1 \times V_1^1 \times S$$

$$ITK2 = D_1^1 \times V_1^2 \times S$$

Explanation:

(I-TK 01) = Financial Transparency Dimension

D_1^1 = weight 0.35 required for Dimension 01

V_1^1 = weight 0.40 required for Variable 1 in Dimension 01

V_1^2 = weight 0.60 required for Variable 2 in Dimension 01

S = Likert scale value ranging from 1 to 5

ITRANZ Management (I-TM02)

$$(02) = D_2^2 (V_2^3 \times S + V_2^4 \times S + V_2^5 \times S + V_2^6 \times S)$$

Then,

$$I-TM02 = ITM3+ITM4+ITM5+ITM6 / 5 \quad \text{Or, } I-TM02 = (02) / 5 \dots\dots\dots (2)$$

Explanation:

(I-TM 02) = Management Transparency Dimension

D_2^2 = weight 0.30 required for Dimension 02

V_2^3 = weight 0.40 required for Variable 3 in Dimension 02

V_2^4 = weight 0.30 required for Variable 4 in Dimension 02

V_2^5 = weight 0.20 required for Variable 5 in Dimension 02

V_2^6 = weight 0.10 required for Variable 6 in Dimension 02

S = Likert scale value ranging from 1 to 5

ITRANZ Program (I-TP03)

$$(03) = D_3^3 (V_3^7 \times S + V_3^8 \times S + V_3^9 \times S)$$

Then

$$I-TP 03 = ITP 7 + ITP 8 + ITP 9 / 5 \quad \text{Or, } I-TP03 = (03) / 5 \dots\dots\dots (3)$$

Explanation:

(I-TP 03) = Program Transparency Dimension

D_3^3 = weight 0.35 required for Dimension 03

V_3^7 = weight 0.40 required for Variable 7 in Dimension 03

V_3^8 = weight 0.60 required for Variable 8 in Dimension 03

S = Likert scale value ranging from 1 to 5

After all dimensions are known, the last step is to determine the combined index of OPZ transparency from each dimension by combining or adding the sum of each transparency dimension. Then the formula is as follows:

$$\text{ITRANZ} = \text{I-TK 01} + \text{I-TM 02} + \text{I-TP 03} \dots\dots\dots (4)$$

After knowing the value of the OPZ transparency index, look at the category of the value generated from the calculation using the formula above. There are several categories to determine the level of the OPZ transparency index, namely as follows:

Table 2. Category of Transparency Index of Amil Zakat Institutions

No	Score	Category
1	0.00 – 0.25	Not Transparent
2	0.26 – 0.50	Less Transparent
3	0.51 - 0.75	Fairly Transparent
4	0.76 - 1.00	Transparent

Source: BAZNAS, 2019

The advantage of the ITRANZ method is that it can describe and measure the real condition of OPZ as a whole, especially from 3 different dimensions, whereas many previous studies only focused on the financial aspect (Ninglasari & Muhammad, 2021). This method describes 3 dimensions: financial, management, and program. The ITRANZ method is also very relevant to determine differences in the level of transparency between OPZ because the calculations carried out are based on 3 dimensions, each of which has a variable that is assessed, each dimension with a different value, of course, as a muzakki will be able to compare good OPZ from the financial aspect, management aspect or program. So, with this ITRANZ calculation, there is no need to use statistical tools to distinguish the level of transparency of each OPZ that has been calculated through ITRANS because it can be seen from the measured value of each dimension that has been calculated.

III. RESEARCH METHODS

This research uses a descriptive quantitative method with an approximate calculation model approach called simple additive weighting. The overall object population in this study includes zakat management organizations that fall within the scope of OPZ at the national level (i.e., based on PPID BAZNAS data, the total OPZ that fall into the category of institutions at the national level are 1 BAZNAS and 34 LAZ). The author uses a non-probability sampling technique through convenience sampling to determine the sampling. Convenience sampling is sampling taken from a portion of the population that is easily accessible and can produce information related to the current research problem (Uma, 2006). Therefore, the samples that best represent the entire population include BAZNAS Republik Indonesia, Dompot Dhuafa, Rumah Zakat Indonesia, LAZISMU, and Inisiatif Zakat Indonesia (IZI). The selection of these 5 institutions is based on the ease of access to the official website to analyze and explore the data. In addition, these 5 zakat institutions represent the type of OPZ classification, namely BAZNAS as a representative of BAZ, LAZ Muhammadiyah as a representative of mass-based LAZ, and Rumah Zakat, Dompot Dhuafa, and IZI are representatives of OPZ-based LAZ so that these 5 zakat institutions are sufficient to represent (generalize) all zakat institutions that fall into these categories at the national level. The data used is secondary data obtained from documents published by the institution through the official website, documentation listed in the mass media, and several supporting documents issued by zakat institutions, including history, vision, and mission, organizational structure obtained through the internet, applications, or related websites collected by documentation techniques. This data was taken in 2019-2021 or the last 3 years because, in 2022, many OPZs had not published their financial reports, so researchers could not access them. Data collection for 3 years is based on the representation of operational reporting and publication carried out by OPZ so that this time has represented the author's expectations in accordance with this research.

The analysis technique in this study uses the transparency index (ITRANS) with the Simple Additive Weighting (SAW) method, which is an analysis technique developed by PUSKAS BAZNAS in the form of multiple attribute retrieval, where the weight of each dimension is multiplied by the variable weight. The results are summed up (BAZNAS, 2019). The strength of this analysis focuses on the dimensions that are relevant for measuring the transparency index in OPZ, which includes the dimensions of financial transparency, management transparency, and program transparency; these dimensions are developed with several indicators and sub-indicators that are more in-depth to explore how high the level of transparency is in each OPZ. This study uses the four categories of transparency index developed by Puskas BAZNAS (See Table 2) and the elements of the transparency index of zakat management organizations (See Table 3).

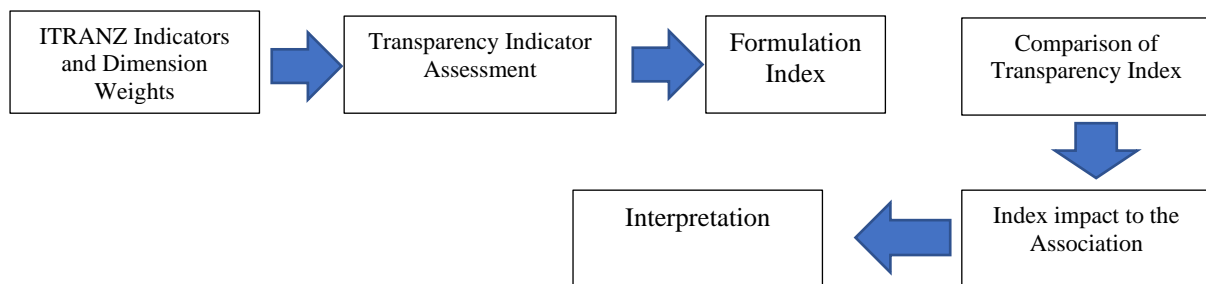
This research does not use statistical tools to solve problems or achieve objectives. This research only measures, differentiates, or ranks the value of the transparency index categorization from the highest to the lowest transparency of each OPZ through the results of the ITRANZ calculation (simple additive weighting method). In addition, the impact on the association is only conveyed to show the answer to the research conducted by Fikri & Najib (2021), Fatoni (2022) and Kasmaniar (2022), which states that transparency has a significant effect on zakat collection and muzakki trust so that researchers in this study only convey and show the high and low OPZ transparency index resulting from ITRANZ calculations in conjunction with ZIS collection as evidenced by financial statements. Therefore, this study does not compare or correlate but only measures the transparency index, then ranks and distinguishes which is higher based on the final value of the category and each dimension and only shows a high index with ZIS collection to answer the results of previous research.

Table 3 Elements of the Transparency Index of Amil Zakat Institutions

No	Dimensions	Operational Definition	Variables	Indicators
1	Financial Transparency (X1)	Financial disclosure related to transparency is determined by the recognition and measurement of financial transactions based on applicable accounting standards, timeliness of reporting, and the quality of audit systems related to disclosure and financial reporting.	Financial Report Publication (X1.1) Financial Report (X1.2)	Website Report Reporting published on time Independent Auditor Opinion
2	Management Transparency	Management transparency is related to the implementation of Zakat core	Governance (X2.1)	There are Standard Operating Procedures

(X2) 3 Programme Transparency (X3)	principles No. 5, 8, and 17 regarding Good Amil Governance and Disclosure Transparency. In addition, it refers to U No. 14 of 2008 concerning Public Information Disclosure. The core dimension describes a zakat institution's real collection and distribution performance. This is in accordance with ZCP No. 5, 9, and 10 related to reporting on real-time collection and distribution activities.	Company Profile (X2.2) Information and Documentation Portal (X2.3) Complaint Channels (X2.4) Real-time Activity (X3.1) Funding and Distribution Program Data (X3.3)	(SOPs) and ISO Standards Strategic Plans Annual Budget Plan Organizational structure: management profile, member profile, staffing system Availability of public information and documentation portal Complaint channel system in place Collection Activities (real-time) Channeling Activities (real-time) Funding data available Distribution data available
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Source: BAZNAS, 2019



Source: BAZNAS, 2019

Figure 1. Analysis Procedure

As the procedure in Figure 1, after the indicators have been created and determined to extract data with a predetermined weight on each dimension, a special form is prepared to extract data from each institution, including an assessment of transparency indicators. This assessment is carried out on a Likert scale from one to five, with each order of indicators according to each sub-dimension. After the assessment is complete, then enter the calculation of the formulation index to determine the level of OPZ transparency from each dimension, which includes the financial dimension (ITK-01), the management dimension (ITM-02), and the program dimension (ITP-03) using the ITRANZ formula listed in the literature review.

Furthermore, the transparency index value of each institution will be known and can be sorted from which OPZ has the highest transparency value to the lowest. After knowing the transparency index, the next step is to see the impact of the index value with ZIS collection taken from the OPZ financial statements for the last 3 years. This is to explain and prove that transparency affects the collection of zakat. This is done to ensure that the transparency value shows what the OPZ has done to date to build public trust. The hope is that the higher the level of transparency, the higher the Muzakki's trust in OPZ, and the higher the Zakat collection.

IV. RESULTS AND DISCUSSION

Result

Initially, this study assessed each dimension of the OPZ transparency index without conducting statistical processing data, including the financial, management, and program dimensions. Each dimension has a variable that becomes the basis or research guide formed by researchers to dig up information through the website of each OPZ studied; the aim is to dig up data through the website before entering the calculation/measurement stage. Each OPZ that has complete criteria or is not in accordance with these

guidelines will get a value from 1 to 5, ranging from not transparent to very transparent, according to the description. In this section, we will describe the results of the analysis of the assessment of the transparency of zakat management organizations found from publications made by OPZ through official websites in accordance with the OPZ transparency research guide before the calculation using ITRANZ carried out on several selected zakat institutions at the national level. The results are presented by forming a diagram of each dimension as follows.

a) Financial Transparency Index

In this variable, there are several indicators, namely the accuracy of publications made by OPZ, the publication of timely financial reports, and independent auditor opinions on reports that have been presented or published.

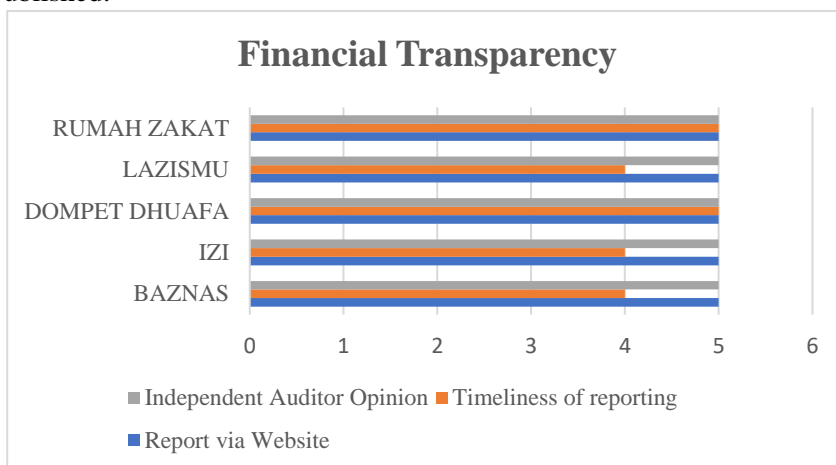


Figure 2 Financial Transparency

Figure 2 shows the conclusion of the results of the analysis of financial transparency or a combination of 3 indicators of the financial dimension. From the financial dimension, each zakat institution's transparency can be seen from 3 indicators, which include publication of financial statements, accuracy of report publication to independent auditor opinion. Dompot Dhuafa and Rumah Zakat show good performance in terms of financial transparency of the three indicators by getting perfect points of 5 or very strong. Meanwhile, the other 3 institutions, namely BAZNAS, IZI, and LAZISMU, are very strong (value 5 on a Likert scale) from 2 indicators, namely the publication of financial reports that are easily accessible and a good auditor's opinion from each published financial report. However, from the indicator of the accuracy of financial reports, it is less timely where the published report only updates the report from 1 year ago, namely the 2021 financial report published in 2022 (traced in August).

b) Management Transparency Index

Figure 3 shows the dimension (Management Transparency Index) 4; variables are focused on measuring or assessing the transparency of OPZ management.

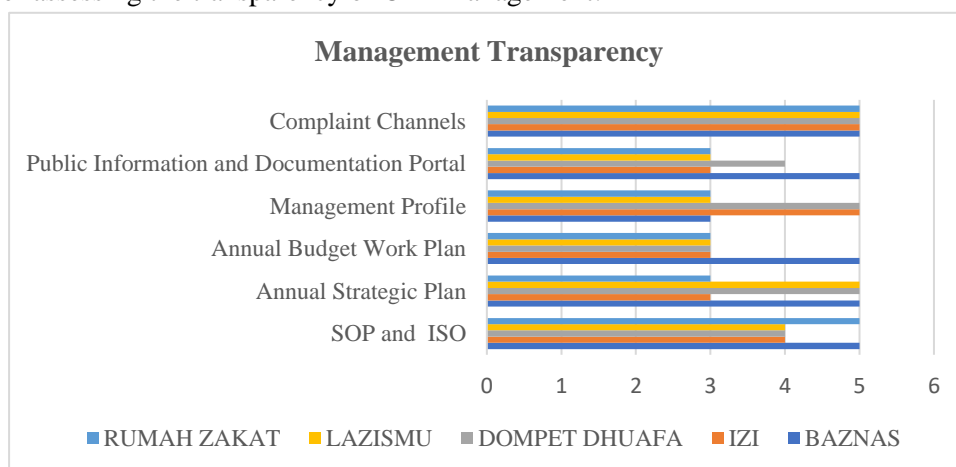


Figure 3 Management Transparency

Figure 3 shows the management dimension's overall findings, which includes 6 indicators in five zakat management organizations. It can be seen in the graph above that the complaint channel indicator dominates where all OPZs have a complaint channel that the public can access. Institutionally, BAZNAS has good transparency, especially in the management dimension, where of the six indicators above, five of them show a scale/value of 5, followed by Dompot Dhuafa, LAZISMU, IZI, and Rumah Zakat. This order is based on the number of transparent and published indicators.

c) Programme Transparency Index

Several variables support the assessment in the program dimension: the real-time activity variable (X3.1) and the distribution association data (X3.2). In the real-time activity variable, there are two indicators, namely association activities (real-time) and distribution activities (real-time), while in the distribution data variable and distribution association data, the indicators include OPZ association data and OPZ distribution data. Here is a more complete picture:

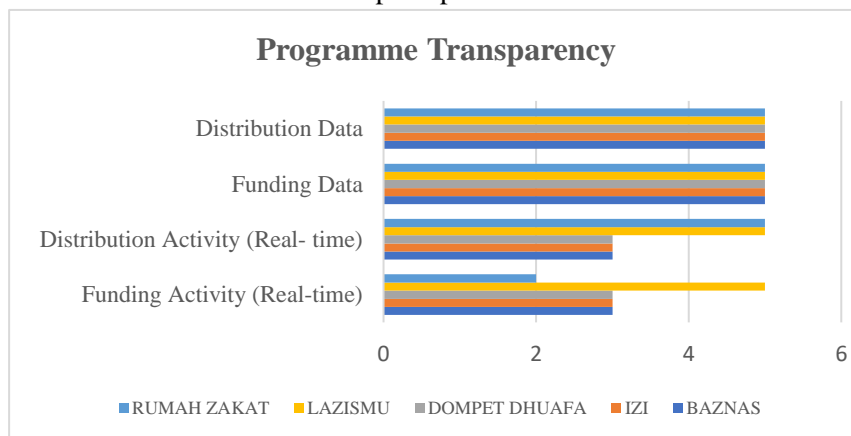


Figure 4 Programme Transparency

Figure 4 shows the conclusion of data from each indicator in the program dimension. When viewed based on the distribution of each indicator, it can be seen in the picture that LAZISMU dominates, which of the four indicators gets a score of 5 each. Furthermore, Rumah Zakat, although in the real-time association activity section, is still the lowest, namely attaching association data for 1 year/yearly, but in several indicators, it is very good, including in distribution. The next ones are Dompot Dhuafa, BAZNAS, and IZI.

After assessing or extracting transparency data on five zakat institutions using a Likert scale of 1-5, the weight of each variable was adjusted. The next step is to measure or calculate using the simple additive weighting method. The formula refers to ITRANZ; the measurement or calculation of the transparency index of zakat institutions is attached in attachment 1. Attachment 1 above shows the calculation of each zakat institution, starting from BAZNAS, Dompot Dhuafa, Rumah Zakat, LAZISMU, and IZI. ITK (01) shows the calculation of the financial transparency index, ITM (02) shows the calculation of the management transparency index, and ITP (03) shows the calculation of the program transparency index. Meanwhile, the OPZ transparency index is the combined result of the financial transparency index, the management transparency index, and the program transparency index. Then, the result of I-Tranz is an index value that can be seen at the institution's level or category of transparency.

Based on the calculation of the financial transparency index (I-TK01) in each OPZ above, which is calculated using the ITRANS formula. The Financial Transparency Index (I-TK01) measures the level of transparency of an organization in managing the financial aspects of OPZ. The results can be seen, namely: the value of the financial transparency index (I-TK01) of the Indonesian Zakat Initiative (IZI) is 0.329, the Financial Transparency Index (I-TK01) of LAZ Muhammadiyah is 0.329, the Financial Transparency Index (I-TK01) of Rumah Zakat is 0.35, the Financial Transparency Index (I-TK01) of Dompot Dhuafa is 0.35 and the Financial Transparency Index (I-TK01) of BAZNAS is 0.329. These results show that Rumah Zakat and Dompot Dhuafa have slightly higher I-TK01 values (0.35) than IZI, LAZ Muhammadiyah, and BAZNAS (0.329). This indicates that Rumah Zakat and Dompot Dhuafa have slightly better financial transparency than other Zakat institutions, especially in managing their Zakat funds.

Based on the above calculations regarding the management transparency index (I-TM02), it is known that the value of ITM 02, namely, IZI, is 0.236. IZI is one of the Zakat management institutions with a fairly good level of transparency, with a value of 0.236. This could indicate that IZI has open and

transparent management practices in managing its zakat funds. Transparency practices such as financial report publication, policy disclosure, and clear governance can support public trust. The value of I-TM02 for LAZ Muhammadiyah is 0.216. LAZ Muhammadiyah also has a reasonable level of management transparency, although slightly lower than IZI. In this context, it is important to understand the specific elements of management practices that may need to be improved to increase transparency. The I-TM02 value for Rumah Zakat is 0.20808. This value indicates that Rumah Zakat has a relatively low level of management transparency compared to the other institutions on this list. This could be a potential area for improvement in more open and transparent management practices. The I-TM02 value for Dompot Dhuafa is 0.252. Dompot Dhuafa has a fairly good level of management transparency, with a value of 0.252. This indicates that Dompot Dhuafa has management practices that support transparency in the zakat funds management. The I-TM02 value for BAZNAS is 0.264. BAZNAS also shows a good level of management transparency with a value of 0.264. This can be interpreted that BAZNAS has transparent management practices in managing their zakat funds.

Based on the results of the above calculations regarding the program transparency index (I-TP03), it is known that each OPZ, namely, IZI, is 0.294. IZI has an I-TP03 value of 0.294, indicating a reasonable level of transparency in implementing programs funded by Zakat funds. This can be interpreted as IZI tending to have practices that support openness and accountability in running their zakat programs. LAZ Muhammadiyah is 0.35. LAZ Muhammadiyah has an I-TP03 value of 0.35, indicating transparency in implementing zakat programs. This could indicate that LAZ Muhammadiyah has a more open practice in designing and managing their zakat programs. Rumah Zakat's ITP03 value is 0.308. Rumah Zakat has an I-TP03 value of 0.308, indicating reasonable transparency in implementing their Zakat programs. This suggests that Rumah Zakat may have some practices that support transparency in Zakat programs. The I-TP03 for Dompot Dhuafa is 0.294. Dompot Dhuafa has the same I-TP03 value as IZI, which is 0.294. This indicates that both have a similar level of transparency in implementing their zakat programs. I-TP03 for BAZNAS is 0.294. BAZNAS has the same I-TP03 value as IZI and Dompot Dhuafa, which is 0.294. This indicates that these three institutions have a similar level of transparency in their zakat programs.

Based on the calculation of the three dimensions of the financial transparency index, management transparency, and program transparency. It can be seen that the transparency index of each OPZ is BAZNAS (National Amil Zakat Agency), which categorizes it as an OPZ with a "Transparent" transparency index with an I-Tranz value of 0.887; this shows positive results in the context of managing zakat funds. Dompot Dhuafa gets a transparency index value of 0.896. This index categorizes Dompot Dhuafa as a Zakat Management Organisation (OPZ) with a "Transparent" transparency index. The Transparency Index value of 0.86608 was obtained by Rumah Zakat, which is a very good achievement in the context of Zakat fund management. This value categorizes Rumah Zakat as a Zakat Management Organisation (OPZ) with a "Transparent" transparency index. LAZISMU gets very good results in managing zakat funds with a transparency index of 0.895, categorizing LAZISMU as an OPZ with a "Transparent" index. In comparison, IZI gets a transparency index of 0.85892 and is equally categorized as an OPZ with a "Transparent" transparency index.

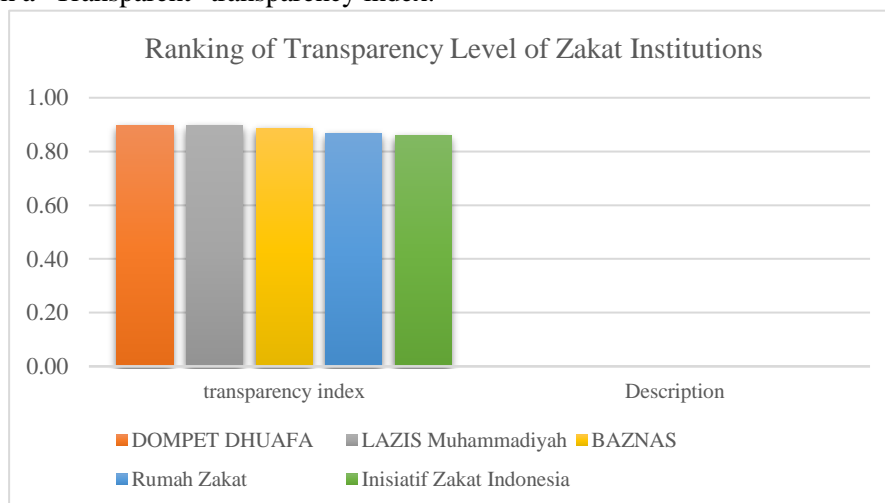


Figure 5. OPZ Transparency Index Level

Figure 5 shows the order of transparency levels of the 5 OPZs. Dompot Dhuafa shows the highest level of transparency with a score of 0.896. This means that Dompot Dhuafa has excellent practices in disclosing information about the management of zakat funds, both in the financial dimension, management, and the programs the institution runs. LAZIS Muhammadiyah also has a very high level of transparency, with the same score of 0.895. This shows that LAZIS Muhammadiyah has perfect transparency practices in zakat funds management. BAZNAS, or National Amil Zakat Agency, has the third highest level of transparency with a score of 0.887. This indicates that BAZNAS has a very high level of transparency in managing the institution's zakat funds. Rumah Zakat has a high level of transparency, with a score of 0.86608. Although slightly below Dompot Dhuafa, LAZIS Muhammadiyah, and BAZNAS, the score still indicates that Rumah Zakat has good transparency practices in the institution's operations. Inisiatif Zakat Indonesia (IZI) has a level of transparency below the other four OPZs, with a score of 0.85892. Even so, this score still shows that IZI has practices that support transparency in the management of zakat funds.

The data above shows that most of the OPZs in this study have a high level of transparency in managing their zakat funds. A high level of transparency is essential in building public trust and ensuring that zakat funds are used effectively to help those in need. The higher the level of transparency, the greater the public trust in zakat institutions. After obtaining the indexation value of each category from all OPZ, the next step is to compare or see the impact of the level of transparency carried out by each OPZ on Muzakki's trust in entrusting their zakat funds. The higher the muzakki's trust in an institution, the greater the levy obtained by an OPZ.

This study does not directly test the impact of the high and low value of the OPZ transparency level calculated on the impact of the association using statistical tools but only shows the high and low value of ITRANZ, which illustrates that the transparency provided by OPZ can provide trust to Muzakki. The usual transparency of OPZ in reporting to its donors will impact high trust (Amilahaq & Ghoniyah, 2019; Sawmar & Mohammed, 2021). There is a significant relationship between the level of OPZ transparency and Muzakki trust (Fikri & Najib, 2021; Fatoni, 2022). This section proves and shows concurrently from the results of previous studies that transparency has an effect on zakat collection and muzakki trust, which can be seen from the high collection of zakat from year to year, which is getting higher due to the transparency provided by each OPZ. This research only ranks and distinguishes each dimension and the final result of the transparency index (transparency index category based on its value) because the five OPZs may have implemented good transparency principles from previous years, but the level is unknown. Therefore, in this discussion, the researcher considers it important to display a table of OPZ transparency levels with zakat collection as a medium to see that each OPZ that has a high transparency index has previously applied good transparency principles (See Table 4).

Table 4. Transparency Level with Zakat Collection in the Last Three Years

Institutions	ITRANZ Value	Note	Zakat Collection (IDR)		
			2019	2020	2021
DD	0.896	Transparent	382.524.029.041	346.738.095.409	755.296.216.664
LAZISMU	0.895	Transparent	122.106.564.354	168.410.117.531	317.734.713.883
BAZNAS	0.887	Transparent	325.891.424.196	381.694.047.416	517.755.434.651
RZ	0.86608	Transparent	287.860.777.869	347.445.105.099	358.303.808.410
IZI	0.85892	Transparent	90.908.847.754	122.585.812.913	116.167.471.881

Source: BAZNAS, 2023 and Processed by Author

Based on Table 4, It is clear that transparency goes hand in hand with an increase in OPZ's zakat collection from year to year. This table has sorted the level of transparency from the lowest to the lowest. This table proves previous research that high and low levels of transparency impact Muzakki's trust. In Table 4, it can be seen that Dompot Dhuafa's collection is increasing year by year. Although in 2020, there was a slight decrease in the amount of zakat collection, it was more due to adjustments due to the conditions of the COVID-19 pandemic, so many donors kept their funds for savings and emergency funds. Likewise, in LAZ Muhammadiyah, the amount of zakat collection has increased yearly. A significant increase occurred in 2021, where the increase in zakat collection by LAZ Muhammadiyah doubled.

The same thing happened to BAZNAS, which also has an upward trend from year to year. The zakat collection carried out by Rumah Zakat is increasing yearly. However, it is not so significant, but this proves the positive trend of Rumah Zakat, where the increase in this collection is evidence of the increasing trust of muzakki in Rumah Zakat. The last is IZI, which tends to have an up-and-down trend overall. The upward

trend occurred in the 2019-2020 period, while the downward trend occurred in the 2021 period from 2020. However, the decline that occurred in that year was not too significant, so when viewed from the value of the decline, it was not too significant of a change. The decline report occurred during the COVID period, when some donors from IZI may still feel the impact of the COVID-19 pandemic.

Discussion

This study measures the transparency index of zakat institutions in Indonesia and then looks at the difference in results sorted by measurement results (comparing the difference in measurement results from each OPZ). This study also shows the transparency index of OPZ with the ZIS collection, which goes hand in hand. The analysis was carried out on 5 OPZs that were included in the category of national-level zakat institutions by digging up information on official websites and financial reports for 2019-2021. The calculation results using the I-TRANZ method obtained that the five OPZs have a transparency index in the "transparent" category. However, if this category is compared based on the difference in OPZ index values with sequential index values, the best transparency index starts from Dompot Dhuafa, LAZIMU, BAZNAS, Rumah Zakat, and the last is IZI. Dompot Dhuafa received the "transparent" category, with the highest transparency index reaching 0.896. This calculation is inseparable from the three dimensions that become the benchmark for calculating the OPZ transparency index: financial, management, and program. This comparison is based on the different transparency index values of each OPZ. On the financial dimension, the high transparency index score indicates that Dompot Dhuafa has achieved a high level of transparency in managing its financial aspects. This includes practices such as regular publication of financial reports, comprehensive disclosure of the use of zakat funds, and compliance with established financial transparency criteria (BAZNAS, 2019).

Regarding the management dimension, this result reflects that Dompot Dhuafa demonstrates open and accountable management practices. Riswanda et al., (2023) conveyed that openness in management is the most important element in maintaining public trust in non-profit organizations. This may include good governance, implementation of transparency policies in their operations, and effective communication with stakeholders (BAZNAS, 2019). On the program dimension, the high score indicates that Dompot Dhuafa demonstrates a high level of transparency in designing, managing, and reporting on zakat-funded programs. This involves full disclosure of the zakat programs they run, the impact of those programs, and how they engage with the community (BAZNAS, 2021).

LAZISMU is an institution that is very open and accountable in managing zakat funds. High transparency in managing zakat funds is an important factor in building public trust and ensuring that zakat funds are used to help needy beneficiaries (Hasrina et al., 2018). BAZNAS, or the National Amil Zakat Agency, has the third-highest transparency level, scoring 0.887. This indicates that BAZNAS practices high transparency in managing its zakat funds, especially excelling in managerial transparency. Rumah Zakat has a high level of transparency, with a score of 0.86608. Although slightly below Dompot Dhuafa, LAZIS Muhammadiyah, and BAZNAS, this score still demonstrates that Rumah Zakat has good operational transparency practices. Rumah Zakat excels in timely financial report publications, showing a strong commitment to financial transparency. IZI also demonstrates a commitment to transparent and accountable zakat fund management practices, which, in turn, can help beneficiaries achieve greater social impact through using zakat funds.

Overall, when viewed from the indexation of all OPZs calculated using ITRANZ, the results show that the transparency of Dompot Dhuafa, LAZISMU, BAZNAS, Rumah Zakat, and IZI is categorized as "transparent" OPZ. This means that the high level of transparency may positively impact the association in the OPZ so that the trust of muzakki will increase (S. B. Rahayu et al., 2019; Litriani et al., 2021). In addition, the high transparency of information and openness to governance carried out by each OPZ through digital channels (websites) has a real impact on public trust (Yuniasih et al., 2020). Transparency positively impacts Muzakki's trust in OPZ, so indirectly, high trust will make Muzakki easy and trusting to entrust their funds to OPZ. So, if it is positioned in tandem with the level of transparency, it is clear that high transparency goes hand in hand with an increase in the collection of zakat.

The trust of the Muzakki (zakat contributor) towards Zakat Management Organizations (OPZ) is established through various transparency efforts, instilling confidence and fostering active engagement. Lamuri (2016) active involvement of muzakki is one of the strategies made by amil, which aims to give the impression of trust so that muzakki feels recognized. Among these measures, alleviating doubts about Muzakki is a crucial initial step. When OPZ operates with a high level of transparency, they provide detailed information on the management and utilization of zakat funds, including clear financial report publications

and program details funded by zakat. The transparency level is not just about providing information but also evidence of OPZ's commitment to adhering to Islamic principles in managing zakat funds. This demonstrates a high level of compliance and accountability, affirming that OPZ is soliciting zakat and taking responsibility for its management. Transparency will create mutual trust between muzakki and OPZ (Maani, 2009).

Transparency also provides control and engagement to the muzaki in utilizing zakat (Andini & Asrori, 2020). By directly observing how their zakat is used and zakat programs are implemented, muzakki feels actively involved in this process. This gives them a sense of ownership and makes them feel that their contributions have a significant impact. Trust built through transparency is short-term and has a sustained impact (Maharani, 2014). OPZs that maintain high transparency can establish and sustain Muzakki's trust in the long run. With high trust, muzaki are likelier to contribute zakat in larger amounts regularly. Furthermore, high trust also motivates Muzakki to become more involved with OPZ. They may volunteer, become members of zakat associations, or provide additional financial support. This creates a positive cycle where high trust motivates increased participation, subsequently enhancing the social impact generated by OPZ.

A high level of transparency is essential in building public trust and ensuring that zakat funds are used effectively to help those in need. The higher the level of transparency, the greater the public trust in zakat institutions. A high level of transparency in the management of zakat funds by OPZ is key to building and maintaining Muzakki trust (Beik et al., 2021). This trust is important in increasing Muzakki's participation, supporting OPZ growth and compounding, and achieving a more significant social impact in helping those in need. Therefore, transparency should be a priority for any OPZ that wants to carry out its mission successfully (Rachman & Nur Salam, 2018).

V. CONCLUSION

The results showed that Dompot Dhuafa was the OPZ with the largest transparency index with an index of 0.896 in the "Transparent" category, then LAZ Muhammadiyah with an index of 0.895 in the "Transparent" category, BAZNAS received an index of 0.887 in the "Transparent" category, Rumah Zakat received an index value of 0.86608 in the "Transparent" category and IZI obtained an index value of 0.85892 in the "Transparent" category. This means that all OPZs studied have implemented transparency indicators and are all categorized as "Transparent" OPZs. The results of this study also show the transparency index accompanied by the zakat collection for the last 3 years, namely the 2019-2021 period. The aim is to show that the high OPZ transparency index goes hand in hand with the increasing collection from year to year. This is due to the OPZ's good transparency practices each year.

This research has consequences on OPZ policies in providing published information disclosure or transparency because of the important role of transparency in shaping the credibility of zakat institutions at the national level. The higher the level of transparency, the greater the public trust in zakat institutions. Therefore, OPZ has the opportunity to maintain and develop transparency practices that have been proven effective. This will help maintain public and muzakki trust and strengthen OPZ's position in the zakat sector. As a recommendation, OPZ should develop information technology and online platforms to improve, maintain, and expand transparency disclosure. Providing open financial reports and online accessibility can ease muzakki access and increase trust. Finally, a continuous monitoring and evaluation system should be established to maintain transparency and measure OPZ's transparency performance.

This research still has some limitations, especially in the use of OPZ data that falls under the category of national institutions. This is based on the completeness of the website owned by each OPZ, considering that this research was conducted by taking data from the official OPZ website. In addition, this research is still limited to rigid variables with predetermined weights. As a newly introduced method, ITRANZ is still limited to criteria leading to the OPZ that issued it. Therefore, in future research, it is suggested that research be conducted using OPZ data at the district/city and provincial levels, and the data can even be used to conduct research on OPZ at the international level. In addition, this method can also be mixed between ITRANZ through the Simple Additive Weighting (SAW) method with the Analytical Hierarchy Process (AHP) method to obtain more relevant criteria to be evaluated so that later criteria and weightings will be obtained through a more in-depth analytical process. This also allows for a more precise adjustment of the weights to the actual priorities of the decision maker.

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Attachment 1: Calculation of Transparency Index

This attachment is presented to display the measurement of the transparency index of zakat management organizations using the I-Tranz method through simple additive weighting calculation mode. The measurement begins with the financial transparency index (I-TK 01), Management Transparency Index (I-TM 02), and Program Transparency Index (I-TP 03). Each dimension includes measurements for each Zakat Management Organization (OPZ), including BAZNAS, Dompot Dhuafa, Rumah Zakat, LAZIS Muhammadiyah, and IZI (Indonesian Zakat Initiative). The measurements are as follows:

1) Transparansi Keuangan (I-TK01)

a) BAZNAS

Calculation:

$$\begin{aligned} \text{ITK (01)} &= D_1^1 (V_1^1 \times S + V_1^2 \times S) \\ \text{ITK (01)} &= 0,35 (0,40 \times 5 + 0,60 \times 4,5) \\ &= 0,35 (4,7) \\ &= \mathbf{1.645} \end{aligned}$$

$$\begin{aligned} \mathbf{I-TK01} &= (01) / 5 \\ &= \mathbf{1.645 / 5} \end{aligned}$$

$$\mathbf{I-TK01} = \mathbf{\underline{0.329}}$$

b) Dompot Dhuafa

Calculation:

$$\begin{aligned} \text{ITK (01)} &= D_1^1 (V_1^1 \times S + V_1^2 \times S) \\ \text{ITK (01)} &= 0,35 (0,40 \times 5 + 0,60 \times 5) \\ &= 0,35 (5) \\ &= \mathbf{1.75} \end{aligned}$$

$$\begin{aligned} \mathbf{I-TK01} &= (01) / 5 \\ &= \mathbf{1.75 / 5} \end{aligned}$$

$$\mathbf{I-TK01} = \mathbf{\underline{0.35}}$$

c) Rumah Zakat

Calculation:

$$\begin{aligned} \text{ITK (01)} &= D_1^1 (V_1^1 \times S + V_1^2 \times S) \\ \text{ITK (01)} &= 0,35 (0,40 \times 5 + 0,60 \times 5) \\ &= 0,35 (5) \\ &= \mathbf{1.75} \end{aligned}$$

$$\begin{aligned} \mathbf{I-TK01} &= (01) / 5 \\ &= \mathbf{1.75 / 5} \end{aligned}$$

$$\mathbf{I-TK01} = \mathbf{\underline{0.35}}$$

d) LAZ Muhammadiyah

Calculation:

$$\begin{aligned} \text{ITK (01)} &= D_1^1 (V_1^1 \times S + V_1^2 \times S) \\ \text{ITK (01)} &= 0,35 (0,40 \times 5 + 0,60 \times 4,5) \\ &= 0,35 (4,7) \\ &= \mathbf{1.645} \end{aligned}$$

$$\begin{aligned} \mathbf{I-TK01} &= (01) / 5 \\ &= \mathbf{1.645 / 5} \end{aligned}$$

$$\mathbf{I-TK01} = \mathbf{\underline{0.329}}$$

e) Inisiatif Zakat Indonesia

Calculation:

$$\begin{aligned} \text{ITK (01)} &= D_1^1 (V_1^1 \times S + V_1^2 \times S) \\ \text{ITK (01)} &= 0,35 (0,40 \times 5 + 0,60 \times 4,5) \\ &= 0,35 (4,7) \\ &= \mathbf{1.645} \end{aligned}$$

$$\begin{aligned} \mathbf{I-TK01} &= (01) / 5 \\ &= \mathbf{1.645 / 5} \end{aligned}$$

$$\mathbf{I-TK01} = \mathbf{\underline{0.329}}$$

2) Transparansi Menejemen (I-TM02)

a) BAZNAS

Calculation;

$$\begin{aligned} \text{I-TM02} &= D_2^2 (V_2^3 \times S + V_2^4 \times S + V_2^5 \times S + V_2^6 \times S) \\ \text{I-TM02} &= 0,30 ((0,40 \times 5) + (0,30 \times 3) + (0,20 \times 5) + (0,10 \times 5)) \\ &= 0,30 (4,4) \\ &= 1,32 \\ \mathbf{I-TM02} &= \mathbf{(02) / 5} \\ &= 1,32 / 5 \\ &= \mathbf{0,264} \end{aligned}$$

b) Dompot Dhuafa

Calculation;

$$\begin{aligned} \text{I-TM02} &= D_2^2 (V_2^3 \times S + V_2^4 \times S + V_2^5 \times S + V_2^6 \times S) \\ \text{I-TM02} &= 0,30 ((0,40 \times 4) + (0,30 \times 5) + (0,20 \times 3) + (0,10 \times 5)) \\ &= 0,30 (4,2) \\ &= 1,26 \\ \mathbf{I-TM02} &= \mathbf{(02) / 5} \\ &= 1,26 / 5 \\ &= \mathbf{0,252} \end{aligned}$$

c) Rumah Zakat

Calculation;

$$\begin{aligned} \text{I-TM02} &= D_2^2 (V_2^3 \times S + V_2^4 \times S + V_2^5 \times S + V_2^6 \times S) \\ \text{I-TM02} &= 0,30 (0,40 \times 3,67) + (0,30 \times 3) + (0,20 \times 3) + (0,10 \times 5) \\ &= 0,30 (3,468) \\ &= 1,0404 \\ \mathbf{I-TM02} &= \mathbf{(02) / 5} \\ &= 1,0404 / 5 \\ &= \mathbf{0,20808} \end{aligned}$$

d) LAZ Muhammadiyah

Calculation;

$$\begin{aligned} \text{I-TM02} &= D_2^2 (V_2^3 \times S + V_2^4 \times S + V_2^5 \times S + V_2^6 \times S) \\ \text{I-TM02} &= 0,30 ((0,40 \times 4) + (0,30 \times 3) + (0,20 \times 3) + (0,10 \times 5)) \\ &= 0,30 (3,6) \\ &= 1,08 \\ \mathbf{I-TM02} &= \mathbf{(02) / 5} \\ &= 1,08 / 5 \\ &= \mathbf{0,216} \end{aligned}$$

e) Inisiatif Zakat Indonesia (IZI)

Calculation;

$$\begin{aligned} \text{I-TM02} &= D_2^2 (V_2^3 \times S + V_2^4 \times S + V_2^5 \times S + V_2^6 \times S) \\ \text{I-TM02} &= 0,30 (0,40 \times 3,33) + (0,30 \times 5) + (0,20 \times 3) + (0,10 \times 5) \\ &= 0,30 (3,932) \\ &= 1,1796 \\ \mathbf{I-TM02} &= \mathbf{(02) / 5} \\ &= 1,1796 / 5 \\ &= \mathbf{0,23592} \end{aligned}$$

3) Transparansi Program (I-TP 03)

a) BAZNAS

Calculation;

$$\begin{aligned} \text{I-TP03} &= D_2^2 (V_2^7 \times S + V_2^8 \times S) \\ &= 0,35 (0,40 \times 3 + 0,60 \times 5) \\ &= 0,35 (4,2) \\ &= 1,47 \end{aligned}$$

$$\begin{aligned} \mathbf{I-TP03} &= \mathbf{(03) / 5} \\ &= \mathbf{1.47 / 5} \\ &= \mathbf{0.294} \end{aligned}$$

b) Dompot Dhuafa

Calculation;

$$\begin{aligned} \text{I-TP03} &= D_2^2 (V_2^7 \times S + V_2^8 \times S) \\ 03 &= 0,35 (0,40 \times 3 + 0,60 \times 5) \\ 03 &= 0,35 (4.2) \\ 03 &= 1.47 \end{aligned}$$

$$\begin{aligned} \mathbf{I-TP03} &= \mathbf{(03) / 5} \\ &= \mathbf{1.47 / 5} \\ &= \mathbf{0.294} \end{aligned}$$

c) Rumah Zakat

Calculation;

$$\begin{aligned} \text{I-TP03} &= D_2^2 (V_2^7 \times S + V_2^8 \times S) \\ &= 0,35 (0,40 \times 3,5 + 0,60 \times 5) \\ &= 0,35 (4.4) \\ &= 1.54 \end{aligned}$$

$$\begin{aligned} \mathbf{I-TP03} &= \mathbf{(03) / 5} \\ &= \mathbf{1.54 / 5} \\ &= \mathbf{0.308} \end{aligned}$$

d) LAZ Muhammadiyah

Calculation;

$$\begin{aligned} \text{I-TP03} &= D_2^2 (V_2^7 \times S + V_2^8 \times S) \\ &= 0,35 (0,40 \times 5 + 0,60 \times 5) \\ &= 0,35 (5) \\ &= 1.75 \end{aligned}$$

$$\begin{aligned} \mathbf{I-TP03} &= \mathbf{(03) / 5} \\ &= \mathbf{1.75 / 5} \\ &= \mathbf{0.35} \end{aligned}$$

e) Inisiatif Zakat Indonesia

Calculation;

$$\begin{aligned} \text{I-TP03} &= D_2^2 (V_2^7 \times S + V_2^8 \times S) \\ &= 0,35 (0,40 \times 3 + 0,60 \times 5) \\ &= 0,35 (4.2) \\ &= 1.47 \end{aligned}$$

$$\begin{aligned} \mathbf{I-TP03} &= \mathbf{(03) / 5} \\ &= \mathbf{1.47 / 5} \\ &= \mathbf{0.294} \end{aligned}$$

After measuring all transparency index values for each dimension, the next step is to determine the combined transparency index for each dimension to assess the level of transparency for each zakat institution.

1) BAZNAS

$$\begin{aligned} \text{Calculation Itran} &= \mathbf{(I-TK01) + (I-TM02) + (I-TP03)} \\ &= 0.329 + 0.264 + 0.294 \\ &= \mathbf{0.887} \dots\dots\dots \text{ Falls into the category of "Transparent"} \end{aligned}$$

2) Dompot Dhuafa

Calculation

$$\begin{aligned} \text{Itran} &= \mathbf{(I-TK01) + (I-TM02) + (I-TP03)} \\ &= 0.35 + 0.252 + 0.294 \\ &= \mathbf{0.896} \dots\dots\dots \text{ Falls into the category of "Transparent"} \end{aligned}$$

3) Rumah Zakat

Calculation

$$\begin{aligned} \text{Itranz} &= (\mathbf{I-TK01}) + (\mathbf{I-TM02}) + (\mathbf{I-TP03}) \\ &= 0.35 + 0.20808 + 0.308 \\ &= \mathbf{0.86608} \dots\dots\dots \text{Falls into the category of "Transparent"} \end{aligned}$$

4) LAZ Muhammadiyah

Calculation

$$\begin{aligned} \text{Itranz} &= (\mathbf{I-TK01}) + (\mathbf{I-TM02}) + (\mathbf{I-TP03}) \\ &= 0.329 + 0.216 + 0.35 \\ &= \mathbf{0.895} \dots\dots\dots \text{Falls into the category of "Transparent"} \end{aligned}$$

5) Inisiatif Zakat Indonesia (IZI)

Calculation;

$$\begin{aligned} \text{Itranz} &= (\mathbf{I-TK01}) + (\mathbf{I-TM02}) + (\mathbf{I-TP03}) \\ &= 0.329 + 0.23592 + 0.294 \\ &= \mathbf{0.85892} \dots\dots\dots \text{Falls into the category of "Transparent"} \end{aligned}$$