CURRENT ADVANCED RESEARCH ON SHARIA FINANCE AND ECONOMIC WORLDWIDE (CASHFLOW)

ANALYSIS OF THE PERFORMANCE OF THE NATIONAL AMIL ZAKAT INSTITUTION BAITUL MAAL HIDAYATULLAH USING THE BALANCED SCORECARD METHOD

Tri Winarno[1*], Imam Muhtadi[2], Daman Sudarman[3]
[1-3]Universitas Muhammadiyah Jakarta
E-mail: [1)] mastri1985@gmail.com, [2)] imam.muhtadin@umj.ac.id, [3)] daman.sudarman@umj.ac.id

Abstract

The management of zakat in Indonesia has experienced significant growth, particularly in terms of reporting that aligns with both sharia and government regulations. The National Amil Zakat Institution Baitul Maal Hidayatullah (BMH) plays an important role in the distribution of zakat funds, contributing to social welfare. However, the challenge in measuring the performance of non-profit organizations often centers on financial aspects, making a more comprehensive approach necessary. This study aims to analyze the performance of BMH in managing Zakat, Infaq, and Sadaqah (ZIS) funds using the Balanced Scorecard method, which enables evaluation from multiple perspectives, including financial, operational, and service. The research methodology used is a qualitative approach, collecting primary data through interviews with BMH management leaders and direct observation of zakat management practices. Secondary data were also obtained from BMH's internal documents and reports. The analysis was conducted using the Balanced Scorecard framework to assess the institution's overall performance. The results show that BMH has demonstrated good performance in managing ZIS, with positive scores in various evaluated perspectives. However, some areas need improvement, such as strengthening social legitimacy and improving program management. This study recommends strategic steps to enhance the effectiveness and efficiency of zakat management, and to reinforce BMH's position as a trusted amil institution in society.

Keywords: *Balanced Scorecard Method, National Amil Zakat Institution, Performance*

1. INTRODUCTION

The management of zakat has continued to develop, especially in fulfilling the reporting obligations set by sharia and government regulations. This demonstrates that the management of *zakat*, *infaq*, and *Sadaqah* (ZIS) funds by amil zakat institutions is truly accountable. All processes, from recording, fundraising, to management, are meticulously documented in complete records.

Based on data from the Central Statistics Agency (BPS) cited in the Book of Design for ZIS Fundraising and Distribution Targets by the Puskaz Team of the National Amil Zakat Agency (BAZNAS, 2024), the extreme poverty rate in Indonesia as of March 2023 was recorded at 2.04%. To address this issue, the government issued Presidential Instruction No. 4 of 2022, setting a target to reduce extreme poverty to 0% by 2024, six years ahead of the Sustainable Development Goals (SDGs) target.

According to Farah et al. (2019), Islam emphasizes the importance of economic justice and equality, one of which is through the redistribution mechanism known as zakat. Zakat is highly significant in Islam, as it is mentioned in several verses of the Qur'an and is considered as important as prayer in terms of religious obligation. Therefore, every Muslim is obligated to pay zakat as part of charitable contributions that must be given to those in need.

Meanwhile, Al-Qaradhawi et al. (2005) explains that etymologically, the word "*zakat*" comes from the Arabic word "*zaka*," which means clean, grow, increase, develop, blessing, and praise. In sharia terms, zakat refers to a certain portion of wealth that is distributed or given according to certain conditions to people or institutions entitled to receive it. Yusuf Qardhawi also emphasizes that zakat is a certain amount of wealth mandated by Allah SWT to be handed over to those who are eligible, as further explained by Sulaiman (2010).

The Baznas Report (2016) noted that zakat systems have begun to re-emerge in several Muslim-majority countries. Some of these countries have developed good zakat management guidelines and regulations. However, the overall development of zakat systems is still in its early stages. To encourage the advancement of zakat systems, progress in financial markets can be utilized. Good governance, a strong legal foundation, and good management are some of the most important aspects that can be learned from zakat systems. International collaboration in the form of working groups is considered necessary to explore the potential development of zakat in the future. These working groups will establish principles for effective and efficient zakat management, including legal foundations, governance, risk management, financial integrity, and more.

Indonesia, as a country with a Muslim-majority population, has a huge zakat potential. However, data shows that zakat fundraising is still far from its potential. Zakat collection in 2020 amounted to IDR 12.5 trillion, or about 3.9% of the 2020 zakat potential of IDR 327.6 trillion. In addition, the ZIS collected by Zakat Management Organizations (OPZ) is lower than the amount paid through amil or other institutions not officially included in OPZ.

According to data released by BAZNAS (2024), total national ZIS collection in 2022 reached more than IDR 22.4 trillion, while in the first semester of 2023, ZIS collection reached more than IDR 14.7 trillion. This data indicates that public awareness of paying ZIS through BAZNAS/LAZ continues to increase year by year. Based on Baznas analysis in 2020, this trend provides a positive indication that zakat institutions in Indonesia are successfully maximizing their role in managing and distributing zakat. The growth of Zakat, *Infaq*, *Sadaqah*, and Other Religious Social Funds (DSKL) from 2002 to 2022 shows a positive trend. Collection in 2022 reached IDR 22 trillion, which represents a significant increase of IDR 11,881.81 billion or a growth of 84.16 percent compared to 2021. This growth is supported by the development of information systems and digitalization that make it easier for people to pay ZIS, strengthening zakat's role in the national economy and expanding its impact on social welfare in Indonesia.

Hakim et al. (2022) stated that the growth of zakat institutions has shown significant progress year after year, although there are some challenges and shortcomings that need to be addressed in the future. The rapid development of zakat potential and the increasing public awareness of paying zakat to BAZNAS and LAZ certainly presents its own challenges for zakat management organizations, which need to continuously improve service quality and become professional amil to maintain *muzaki's* trust in LAZ. The increasing number of LAZ being established to facilitate zakat distribution by *muzaki* creates competition for amil to improve their capabilities and gain public trust.

According to Mahmudi (2015), performance management in Zakat Management Organizations should be complemented with a performance measurement system based on the development of various performance indicators. These performance indicators not only include financial aspects but also non-financial indicators. The main characteristics

of these performance indicators include simplicity and ease of understanding, the ability to be measured, and quantifiable in the form of ratios, percentages, or other figures. Additionally, these performance indicators should be linked to performance standards or targets, focus on customer service, quality, and efficiency, and be evaluated periodically to ensure their relevance and effectiveness.

One of the challenges faced by non-profit organizations in performance measurement is the focus often being limited to financial or fundraising aspects. This is a challenge for non-profit organizations, including zakat management institutions, to develop tools to measure organizational performance. Traditional performance measurement approaches have weaknesses, such as short-term orientation and inability to measure intangible assets or intellectual capital.

One method that can be used to assess the performance of Zakat Management Organizations (OPZ) is the Indonesia Zakat & Development Report (IZDR) method. This method was developed by the Indonesian Magnificence of Zakat (IMZ), a non-profit organization engaged in empowerment, organizational management, training, consulting, and advocacy research in zakat, poverty, and empowerment since 2011.

IZDR performance assessment includes five main components: (1) sharia compliance, legality, and institutional performance; (2) management performance; (3) financial performance; (4) program management performance; and (5) social legitimacy performance. The division of evaluation into these five more detailed components is an advantage of the IZDR method compared to other performance measurement methods, as it provides a more comprehensive evaluation of OPZ performance.

In addition to the IZDR method, the Balanced Scorecard method can also assess institutional performance from both financial and non-financial aspects based on the company's vision and mission. The Balanced Scorecard measurement includes four perspectives: financial, customer, internal business, and learning and growth. In this case, the integration of zakat programs and business models has the characteristic of going concern.

According to Khoiruddin et al. (2023), the Balanced Scorecard is a comprehensive performance measurement method that allows performance evaluation from various perspectives, helping in informed decision-making, facilitating efficient resource allocation, increasing transparency, fostering a culture of continuous improvement, and providing better insights into challenges and opportunities in the work environment. The Balanced Scorecard concept introduced by Robert S. Kaplan and David P. Norton (2001) is expected to address weaknesses in performance measurement that focus solely on financial aspects. In this concept, non-financial information is used as a performance measurement tool in addition to financial company information, emphasizing not only short-term goal achievement but also measuring the causes of change within the company.

Furthermore, according to Silalahi (2023), the other objectives of the Balanced Scorecard are to assess whether the company's vision and mission have been achieved, measure the company's competitive advantage, provide strategic guidance in business operations, serve as a key performance indicator tool, and assist in company learning and analysis. The Balanced Scorecard is also intended to support long-term growth and improvement by focusing on various perspectives, such as financial, customer, internal business processes, and learning and growth.

Based on the explanation above, the objectives of this research are to understand and examine the strategies for collecting Zakat, *Infaq*, and *Sadaqah* (ZIS) at Baitul Maal

Hidayatullah, analyze Baitul Maal Hidayatullah's (BMH) performance in managing ZIS funds, and assess Baitul Maal Hidayatullah's (BMH) performance using the Balanced Scorecard Method.

2. RESEARCH METHODS

In this research, the researcher employs a qualitative research paradigm within the constructivism framework. The study is based on the researcher's perspective. This approach was chosen because zakat institutions such as Baitul Maal Hidayatullah play a crucial role in society, particularly in the distribution of zakat funds, which directly affects social welfare. The use of the Balanced Scorecard method is considered relevant because it provides a holistic understanding of the performance of zakat institutions, encompassing financial, operational, service, and development aspects. The basic assumption in using the Balanced Scorecard is that the performance of zakat institutions cannot only be measured financially, but also through various dimensions that influence the effectiveness and efficiency of zakat management. The Balanced Scorecard allows for the integration of both financial and non-financial indicators within a single evaluation framework.

This research uses a qualitative approach focusing on the performance analysis of the zakat institution, Baitul Maal Hidayatullah (BMH). A qualitative approach was chosen due to its alignment with the constructivist paradigm, which emphasizes a deep understanding of the meanings and social constructions of the phenomena being studied. The researcher uses interview results from informants regarding the research topic as primary data. This primary data is utilized to obtain the actual data needed in the study. Interviews with the leadership of the zakat management institution were conducted as an effective method for gaining a deep understanding of operational practices, challenges faced, and improvement efforts made. This aligns with the research focus on understanding the implementation of zakat programs at BMH. Additionally, direct observation was conducted as an effective way to gain a comprehensive understanding of the day-to-day practices in the zakat institution. This observation allowed the researcher to directly witness the zakat management processes at BMH.

Secondary data sources include books, journals, articles, and other references directly related to the research topic. However, the primary data source used in this research is actual data. Data sources in this study include documents and internal reports from BMH. Internal documents such as financial reports and program activity reports are important sources of data in analyzing organizational performance. These data provide a clear picture of the financial health and effectiveness of the programs run by the BMH zakat institution.

The researcher conducted data analysis based on the Balanced Scorecard method. The Balanced Scorecard measures balance between one perspective and another. The assessment is based on the benchmark for each perspective. The performance of all aspects of the organization is evaluated as "good." Balance criteria are used to measure how well the planned targets are balanced across all perspectives and serve as a guide for scoring each perspective of the Balanced Scorecard. A score of 1 or "good" is given to metrics that show improvement year after year. A score of 0 or "satisfactory" is given to metrics that show changes but do not significantly improve or decrease performance.

Meanwhile, a score of -1 is given to metrics that decline year after year, resulting in a drop in the organization's performance.

3. RESULTS AND DISCUSSION

3.1. Implementation of the Balanced Scorecard in Measuring BMH Performance

3.1.1. Financial Perspective of Baitul Maal Hidayatullah (BMH)

In terms of the collection of Zakat, *Infaq, Sadaqah*, Waqaf, and Hibah (ZISWH), the financial perspective uses the following formula:

Table 1. Realization of ZIS Fundraising by Baitul Maal Hidayatullah (BMH) 2020-2023

Year	ZIS Fundraising Amount
2019	212.040.289.087
2020	238.887.518.748
2021	270.515.802.460
2022	275.472.307.286
2023	291.116.120.030

Source: BMH Annual Report 2023

The purpose of this measurement is to identify whether there have been changes in the growth trend or decline in the collection of Zakat, Infaq, Sadaqah, Waqaf, and Hibah (ZISWH) by the National Zakat Institution Baitul Maal Hidayatullah (BMH). The main objective is to understand whether BMH has experienced an increase or decrease in the total funds collected during the previous period.

Table 2. ZIS Fundraising Growth Ratio for Baitul Maal Hidayatullah 2020-2023

Year	ZIS Fundraising Amount	(%)
2019	212.040.289.087	
2020	238.887.518.748	12.65%
2021	270.515.802.460	13.24%
2022	275.472.307.286	1.83%
2023	291.116.120.030	5.68%

Source: Processed data, 2023

From the revenue growth calculation year over year, it can be concluded that revenue growth from 2019 to 2020 was around 12.65%, from 2020 to 2021 around 13.24%, from 2021 to 2022 around 1.83%, and from 2022 to 2023 around 5.68%. Overall, positive revenue growth each year indicates good performance. However, to classify how good this performance is, contextual factors such as established growth targets, market conditions, and other economic factors must be considered.

Generally, revenue growth of 12.65% and 13.24% can be considered very good, as these figures represent significant increases from the previous year. However, lower growth rates like 1.83% and 5.68% may be considered fair but are not as optimal as the higher growth achieved in previous years.

3.1.2. Customer or *Muzakki* Perspective

a) Customer/*Muzakki* Retention

To assess the performance of Baitul Maal Hidayatullah (BMH) from the customer or *muzakki* perspective, we can use customer retention indicators. Customer retention measures how well BMH retains and extends its relationship with its *muzakki* or donors over time. The customer retention indicator uses the following formula:

Table 3. Number of Muzakki at Baitul Maal Hidayatullah 2019-2023

Year	Number (People)	Retention Rate
2019	82.447	
2020	90.849	10.18%
2021	148.023	62,93%
2022	156.125	5,47%
2023	171.737	10,00%

Source: BMH Annual Report 2023 (Processed Data)

From the data provided, the retention rate in 2021 reached 62.93%, a very high figure. This indicates that BMH successfully retained most of its *muzakki* from the previous year. However, retention rates in 2020 and 2023 were around 10%, still relatively good, while the retention rate in 2022 was only 5.47%, which tends to be lower. Overall, BMH's *muzakki* retention rate can be considered good to very good, especially with the exceptionally high retention rate in 2021.

To evaluate BMH's performance from the *muzakki* perspective, we can also use customer or *muzakki* acquisition indicators. Customer acquisition measures the effectiveness of attracting and gaining new *muzakki* within a given period.

In this context, "New *Muzakki*" refers to the number of *muzakki* who have newly joined BMH in a given period, while "Initial *Muzakki*" refers to the number of *muzakki* at the beginning of the period. This indicator helps assess how effective BMH is in attracting and expanding its *muzakki* base over time. The higher the customer acquisition percentage, the better BMH's performance in attracting new *muzakki* to join the institution.

Table 4. Total Number of Muzakki and New Muzakki at Baitul Maal Hidayatullah 2020-2023

Year	Total Muzakki	New Muzakki
2019	82.447	9.952
2020	90.849	8.402
2021	148.023	57.174
2022	156.125	8.102
2023	171.737	15.612

Source: National Zakat Institution's Marketing Management

Table 5. Muzakki Acquisition at Baitul Maal Hidayatullah 2019-2023

Year	Total Muzakki	New Muzakki	Acquisition
2019	82.447	9.952	12.06%
2020	90.849	8.402	9.25%
2021	148.023	57.174	38.59%
2022	156.125	8.102	5,19%
2023	171.737	15.612	9,09%

Source: National Zakat Institution's Marketing Management

From the results of the customer or muzakki acquisition calculations from 2019 to 2023, we can see a growth pattern in the number of new muzakki joining BMH. In 2019, BMH successfully attracted 9,952 new muzakki. However, there was a slight decline in 2020 with 8,402 new muzakki, although BMH still maintained a good acquisition rate. The year 2021 marked a peak in growth with a significant surge in acquisitions, where BMH added 57,174 new muzakki. This may have been due to successful marketing strategies or special programs that attracted the public's attention. Although 2022 saw a decline in new muzakki to 8,102, BMH still managed to retain its existing customer base. In 2023, there was an increase again in the number of acquisitions, with 15,612 new muzakki joining BMH.

Thus, BMH's performance in muzakki acquisition from year to year can be considered good to very good, particularly with the significant surge in 2021. However, efforts to maintain or improve acquisition rates in the coming years remain essential to ensure consistent and sustainable growth in BMH's customer base. Evaluating and refining marketing strategies, as well as service delivery, could be steps needed to achieve these goals.

3.1.3. Performance of Baitul Maal Hidayatullah (BMH) from the Customer Satisfaction Perspective

Customer satisfaction measures how pleased customers are with the products, services, or experiences they receive from an organization. It reflects the extent to which customer expectations and needs are met by the services or products provided. Customer satisfaction is typically measured through surveys, assessments, or direct feedback from customers. A high level of satisfaction is often considered an indicator of good quality and a positive relationship between the organization and its customers.

Table 6. Results of Customer Satisfaction Survey on BMH Services 2020-2023

Year	Likert Scale	Description
2020	79	B
2021	85	A
2022	83	A
2023	86	A

Source: BMH Service Team

In the customer satisfaction questionnaire, I used a Likert scale with the following descriptions:

- 'A' = Score between 81 and 100
- 'B' = Score between 61 and 80
- 'C' = Score between 41 and 60
- 'D' = Score between 10 and 40

Analysis of customer satisfaction scores from 2019 to 2023 shows a consistent upward trend over time. From 2019 to 2020, there was a significant increase in the satisfaction score, indicating a substantial improvement in the services provided by the institution. In 2021, the score reached its highest peak, demonstrating that efforts to enhance service quality continued and possibly met or exceeded customer expectations. Although there was a slight decrease in 2022, the institution remained within the high satisfaction category.

This indicates an effective response to customer feedback or the implementation of necessary improvements to maintain or enhance service quality. In 2023, there was a further increase in the score, reinforcing the institution's commitment to continuously improving customer experience and satisfaction. Despite minor fluctuations in the score from year to year, the overall trend shows a positive and consistent improvement in the quality of services provided by the institution.

3.1.4. Performance of Baitul Maal Hidayatullah (BMH) from the Internal Business Process Perspective

a) Number of Complaints Handling

Handling complaints can be measured by evaluating the impact of service quality on customer satisfaction at Baitul Maal Hidayatullah (BMH).

Table 7. Questionnaire on the Impact of Service Quality on Muzakki Satisfaction at Baitul Maal Hidayatullah (BMH) 2019-2023

Year	Likert Scale Score	Description
2019	-	-
2020	79	B
2021	85	A
2022	87	A
2023	90	A

Source: BMH Service Data 2023

The table shows the Likert scale scores and their corresponding descriptions for each year from 2019 to 2023. The Likert scale is used to measure muzakki satisfaction with the service quality provided by BMH.

In the Likert scale measurement, the descriptions for each score are as follows:

- 'A' = Score between 81 and 100, indicating high satisfaction.
- 'B' = Score between 61 and 80, indicating moderate satisfaction.
- 'C' = Score between 41 and 60, indicating low satisfaction.
- 'D' = Score between 10 and 40, indicating very low satisfaction.

From the table, it can be observed that all scores from 2020 to 2023 fall into the 'A' category, indicating that *muzakki* experienced high levels of satisfaction with the service quality provided by BMH during this period. This suggests that BMH has consistently

delivered satisfactory service and met *muzakki* expectations over several consecutive years.

The analysis of the table shows that from 2019 to 2023, *muzakki* satisfaction scores with BMH services have always been in the 'A' category, reflecting high satisfaction levels. This indicates that *muzakki* have felt satisfied and impressed with the service quality provided by BMH over the five-year period. The presence of all scores in this category signifies that there was no year in which *muzakki* satisfaction decreased or did not meet their expectations of BMH services.

The continuity of high scores reflects consistency in the service provided by BMH year after year. This indicates that BMH has not only maintained high service standards but has also continued to enhance or uphold those standards over time. The fact that all scores fall into the 'A' category also reflects that BMH consistently meets or even exceeds *muzakki* expectations with its services. This could result from ongoing efforts to improve service quality, respond to *muzakki* feedback, and commit to providing a satisfying experience for *muzakki*.

Overall, these results demonstrate that BMH has successfully built a strong relationship with *muzakki* and has managed to maintain high satisfaction levels over several consecutive years. This is important as *muzakki* satisfaction not only fosters loyalty but can also help enhance the organization's reputation and positive image in the community.

3.1.5. Performance of Baitul Maal Hidayatullah (BMH) from the Learning and Growth Perspective

a) Employee Capability

To evaluate the effectiveness of Baitul Maal Hidayatullah (BMH) in achieving learning and growth objectives, an indicator for measuring employee capability is used. One method to assess this is through the following formula:

Employee Capability = (Number of Trainings / Number of Employees) x 100%

This formula compares the number of trainings attended by employees to the total number of employees at BMH. A higher employee capability value indicates better performance in enhancing the skills and abilities of employees, positively impacting the overall organizational goals.

Table 8. Employee Capability Data of Baitul Maal Hidayatullah (BMH) 2019-2023

Description	2019	2020	2021	2022	2023
Number of Trainings (Events)	17	26	34	42	46
Number of Employees (People)	519	552	598	559	624

Table 9. Increase in Employee Capability at Baitul Maal Hidayatullah (BMH) 2019-2023

Description	2019	2020	2021	2022	2023
Number of Trainings (Events)	17	26	34	42	46
Number of Employees (People)	519	552	598	559	624
Percentage (%)	3,27	4,71	5,68	7,52	7,37

Source: BMH HR Team 2024

From the calculation of employee capability at Baitul Maal Hidayatullah (BMH) from 2019 to 2023, we can make a comprehensive analysis. The trend of increasing employee capability year by year indicates that the training programs provided by BMH have had a positive impact on enhancing the skills and competencies of employees over time. Starting from 3.27% in 2019, employee capability increased to 7.37% in 2023.

The number of training activities conducted each year tends to increase, showing BMH's commitment to providing education and training to its employees to enhance their capabilities. Although employee capability has increased year by year, there are fluctuations in the number of employees/year. This can affect the comparison between the number of training activities and the number of employees when measuring employee capability.

Further analysis can be conducted by considering other factors that might affect employee capability, such as the quality of the training provided, the level of employee participation in training, and the implementation and application of the skills acquired from training in the daily work environment.

b) Employee Commitment Increase

In an effort to evaluate the performance of Baitul Maal Hidayatullah (BMH), one of the methods used is to measure the increase in employee or amil commitment. For this purpose, employee retention is used as an indicator, expressed as a percentage.

Employee retention is calculated by comparing the number of employees in a given year with the number of employees in the previous year. This calculation provides an overview of the proportion of employees or amil who remain or continue to work at BMH from one period to the next. A higher retention rate reflects stronger employee commitment to BMH, which can indicate satisfaction, loyalty, and workforce stability.

Table 10. Data on Number of Employees at Baitul Maal Hidayatullah (BMH) from 2019-2023

Year	Number of Employees
2020	552
2021	598
2022	559
2023	624

Table 11. Increase in Employee Commitment at Baitul Maal Hidayatullah from 2019-2023

Year	Number of Employees	Employee Retention
2020	552	106,36%
2021	598	108,33%
2022	559	93,48%
2023	624	111,36

From the employee retention data at Baitul Maal Hidayatullah (BMH) from 2019 to 2023, it can be observed that there is fluctuation in retention rates year by year. In 2020 and 2023, the retention rates exceeded 100%, indicating good growth and stability in the workforce. This can be interpreted as a sign that more employees or amil stayed or were recruited than those who left the organization.

However, in 2021 and 2022, the retention rate dropped below 100%, showing changes in workforce dynamics and possibly challenges in retaining employees or amil. This decrease could be caused by several factors, such as changes in internal policies, external conditions affecting the labor market, or changing organizational needs.

Further analysis can be done to understand the reasons for the changes in retention rates and to identify strategies to retain and enhance employee or amil commitment. This may involve employee satisfaction surveys, career development program evaluations, and more comprehensive strategic human resource planning. By doing so, BMH can strengthen workforce stability and build an employee-oriented organizational culture.

c) Employee Productivity

Table 12. Increase in Productivity of Amil at Baitul Maal Hidayatullah (BMH) from 2019-2023

Year	Amil Productivity
2019	408.555.470
2020	432.767.244
2021	452.367.563
2022	492.794.825
2023	466.532.244

Source: Human Resources Division, BMH 2024

From the data on amil productivity at Baitul Maal Hidayatullah (BMH) from 2019 to 2023, a significant increase in productivity year by year is evident. This indicates the efficiency and effectiveness of amil performance in collecting zakat, infaq, and shadaqah. The trend of increasing productivity can be interpreted as a success indicator of BMH's fundraising strategy. Contributing factors may include increased public awareness about the importance of zakat, growing trust in BMH as a reliable zakat management institution, and BMH's active efforts to enhance the efficiency and effectiveness of its fundraising and distribution processes.

Although there is a slight decrease in productivity in 2023, this could be a point of evaluation for BMH to identify the underlying factors and take necessary corrective actions to maintain or improve productivity in the future. Overall, the increase in amil productivity from 2019 to 2023 reflects BMH's commitment to improving performance and delivering a positive impact on the community benefiting from the zakat programs organized by the institution.

3.2. Performance Evaluation of Baitul Maal Hidayatullah (BMH) Headquarters Based on the Balanced Scorecard

3.2.1. Evaluation from the Financial Perspective or Fund Growth

Fund growth is a vital indicator for the sustainability and progress of an amil institution like BMH. The data presented shows that the revenue of Baitul Maal Hidayatullah (BMH) has experienced significant growth from 2019 to 2023. In specific years, such as 2020 and 2021, BMH recorded a notable surge in fund collection, indicating the effectiveness of its fundraising strategies. Although there was a decline in growth in 2022, BMH managed to achieve positive growth in the following year. Despite being fluctuating, the consistent growth over this period demonstrates that BMH is

capable of managing and expanding its fund sources effectively, which is crucial for the sustainability of its social and humanitarian programs.

Fund growth for BMH reflects the financial health and operational effectiveness of the institution. The recorded data shows an encouraging growth trend from 2019 to 2023. Significant revenue surges in 2020 and 2021, in particular, highlight the success of BMH's fundraising strategies. This increase may be attributed to various factors such as effective marketing campaigns, innovative approaches to engaging potential donors, or successful efforts in raising public awareness about the importance of zakat.

Although there was a decline in growth in 2022, BMH managed to overcome these challenges and achieved positive growth again in 2023. This indicates the institution's resilience and ability to adapt to market changes or other external factors. Despite fluctuations, the consistent growth over the period underscores BMH's expertise in managing resources and allocating funds efficiently, providing a solid foundation for the continuity of its social and humanitarian programs.

3.2.2. Performance of Baitul Maal Hidayatullah (BMH) from the Customer or Muzakki Perspective

From the customer or muzakki perspective, BMH's performance can be evaluated through two main indicators: customer retention and new customer acquisition. A high retention rate, as seen in 2021, indicates that BMH has successfully maintained relationships with muzakki from year to year. On the other hand, a positive acquisition rate, especially in 2021, shows that BMH has been able to attract interest and trust from the public to join as new muzakki. Although there are fluctuations in annual performance, the overall trend indicates that BMH has been successful in maintaining close relationships with its customers while continuously attracting new ones, reflecting strong trust and satisfaction among its muzakki.

In analyzing BMH's performance from the customer or muzakki perspective, two main aspects can be identified: customer retention and new customer acquisition. Customer retention measures how well BMH maintains relationships with muzakki from year to year, while new customer acquisition assesses the institution's ability to attract new muzakki.

First, a high retention rate, such as in 2021, reflects BMH's success in fostering muzakki loyalty. This may be due to high-quality service, established trust, or beneficial programs for the community. Despite fluctuations in retention rates from year to year, the overall trend shows BMH's commitment to maintaining strong relationships with existing muzakki.

Second, the positive acquisition rate in 2021 signifies BMH's ability to attract public interest to become new muzakki. This may be influenced by effective marketing strategies, special programs, or the institution's good reputation. Despite fluctuations, the long-term trend shows that BMH has been successful in maintaining close relationships with its customers while continuing to attract new ones.

Overall, BMH's performance from the customer or muzakki perspective indicates a strong commitment to customer satisfaction and trust. By maintaining high service standards and continually innovating to attract new customers, BMH can strengthen its position as a leading and trusted amil institution.

Customer or muzakki satisfaction is not only a crucial aspect in assessing the performance of an amil institution but also a key benchmark for success in fulfilling

BMH's social and humanitarian goals. An in-depth analysis of muzakki satisfaction scores from 2019 to 2023 illustrates a compelling narrative. During this period, BMH has consistently improved muzakki satisfaction levels, reflecting a strong commitment to providing excellent service and meeting customer expectations.

Increasing satisfaction levels year by year provide concrete evidence that BMH is continuously striving to understand and accommodate muzakki needs and expectations. Effective responses to muzakki feedback have been crucial in improving and enhancing service quality. BMH has also successfully built strong relationships with muzakki, not only as a zakat service provider but also as a partner in assisting those in need.

More than just numbers, the increase in muzakki satisfaction over the years reflects BMH's commitment to delivering a satisfying and meaningful experience for muzakki. This emphasizes that BMH not only focuses on transactional aspects but also prioritizes long-term relationships with muzakki. By maintaining high satisfaction levels, BMH can strengthen muzakki loyalty, build a positive image in the community, and, in turn, enhance effectiveness in achieving its zakat mission and goals. As an institution dedicated to social benefit, muzakki satisfaction is both a goal and a success indicator in delivering a positive impact to the wider community.

3.2.3. Performance of Baitul Maal Hidayatullah (BMH) from the Internal Business Process Perspective

A comprehensive analysis of Baitul Maal Hidayatullah (BMH) performance from the internal business process perspective highlights BMH's achievements in maintaining muzakki satisfaction, as well as the managerial and strategic implications of these results. First, the level of muzakki satisfaction provides a clear picture of customer responses to the services provided by BMH. Consistently high scores from 2019 to 2023 indicate that BMH has been successful in meeting the expectations and needs of muzakki over this five-year period. This consistency reflects BMH's commitment to providing quality service and continuously improving their service standards over time.

A comprehensive analysis emphasizes the importance of customer satisfaction in zakat business, such as at BMH. As a zakat amil institution, BMH is responsible for managing zakat funds provided by the community. High satisfaction levels among muzakki reflect public trust in BMH's ability to manage zakat funds effectively and provide maximum benefit to the deserving recipients. High satisfaction also positively impacts the institution's reputation and image in the community. BMH's success in maintaining muzakki satisfaction over several years can be seen as evidence of successful business and operational strategies. This creates a conducive environment for BMH's growth and sustainability as a trusted and respected institution in its community.

From a managerial perspective, these results indicate the need for BMH to continue upholding strategies and practices that have proven successful in meeting muzakki expectations. Additionally, BMH should also focus on ongoing monitoring and continuous improvement to maintain customer satisfaction and enhance service quality. Overall, the results show that BMH has succeeded in building strong relationships with muzakki and maintaining high satisfaction levels over several consecutive years. This not only fosters trust and loyalty from muzakki but also helps enhance the institution's reputation in the community, providing a solid foundation for BMH's growth and sustainability in the future.

3.2.4. Performance of Baitul Maal Hidayatullah (BMH) from the Learning and Growth Perspective

Several aspects of Baitul Maal Hidayatullah (BMH) performance from the perspective of learning, growth, and productivity can be explained, particularly in terms of employee capability enhancement. From the data presented, it is evident that BMH has shown significant improvement in employee capability from 2019 to 2023. This upward trend, from 3.27% in 2019 to 7.37% in 2023, indicates the effectiveness of the training programs provided by BMH in enhancing employee skills and competencies. Other factors contributing to this improvement include the increasing number of training sessions held each year, reflecting BMH's commitment to providing education and training to its employees.

Second, the aspect of increasing employee or amil commitment is explained by the fluctuation in employee/amil retention rates, with rates exceeding 100% in 2020 and 2023, indicating good workforce growth and stability. However, the decline in retention rates in 2021 and 2022 suggests changes in workforce dynamics and possible challenges in retaining employees/amil. Further analysis is needed to understand the causes of these changes in retention rates and to identify appropriate strategies for retaining and enhancing employee/amil commitment.

Third, regarding amil productivity, the data shows a significant increase in productivity from 2019 to 2022, reflecting efficiency and effectiveness in collecting zakat, infaq, and shadaqah. Although there was a slight decrease in 2023, further evaluation is needed to identify the causes. Increased amil productivity reflects BMH's commitment to improving performance and providing positive impacts for the beneficiaries of its zakat programs.

Overall, this analysis shows that BMH has taken positive steps in enhancing performance and its positive impact on beneficiaries. However, challenges in maintaining employee/amil commitment and productivity need further attention to achieve the organization's long-term goals.

Table 13. Performance of the National Amil Zakat Institution Baitul Maal Hidayatullah (BMH) Using the Balanced Scorecard Method for 2019-2023

Perspective	Criteria	Score
Financial	Revenue Growth	1
Customer/Muzakki	Customer/Muzakki Retention	0
	Customer/Muzakki Acquisition	0
	Customer/Muzakki Satisfaction	1
Internal Business Process	Complaint Handling	1
Learning and Growth	Employee/Amil Training	1
	Employee/Amil Commitment	1
	Amil Productivity	1
Total		6

In Table 13, a score of 1 indicates "good", a score of 0 indicates "adequate", and a score of -1 indicates "less good". Based on this assessment, the overall performance of the National Amil Zakat Institution Baitul Maal Hidayatullah (BMH) in the Balanced Scorecard is good, with a total score of 6.

Table 13 presents an evaluation of the performance of the National Amil Zakat Institution Baitul Maal Hidayatullah (BMH) using the Balanced Scorecard (BSC) method for the period 2019-2023. A comprehensive analysis from the financial, customer/muzakki, internal business process, and learning and growth perspectives provides a deeper insight into the achievements and areas needing improvement.

a) Financial Perspective

Revenue Growth (Score 1): BMH achieved good revenue growth, indicating the success of its fundraising strategies in increasing its ZIS (zakat, infaq, and sadaqah) collection during the surveyed period.

b) Customer/Muzakki Perspective

- Customer/Muzakki Retention (Score 0) and Customer/Muzakki Acquisition (Score 0): Although BMH was able to retain and acquire new customers, the given scores suggest there is room for improvement. This indicates the need for more focus on customer retention and acquisition strategies.
- Customer/Muzakki Satisfaction (Score 1): This score indicates that BMH has been able to maintain and enhance customer/muzakki satisfaction, likely by providing more personalized, responsive, and needs-oriented services.

c) Internal Business Process Perspective

Complaint Handling (Score 1): BMH received a good rating for handling complaints, showing its ability to address issues effectively. This is crucial for maintaining customer trust and satisfaction

d) Learning and Growth Perspective

- Employee/Amil Training (Score 1) and Employee/Amil Commitment (Score 1): BMH scored well in these aspects, indicating a proper focus on employee development and their commitment to the institution's vision and mission.
- Amil Productivity (Score 1): The high score indicates that BMH has successfully improved amil productivity, which is essential for enhancing efficiency in collecting and distributing zakat.

With a total score of 6 across all assessment aspects, BMH demonstrates good overall performance in the BSC. However, there are areas where BMH can further improve, particularly in enhancing customer/muzakki satisfaction and strengthening retention and acquisition strategies. Improvements in these areas will help BMH achieve more optimal performance and strengthen its position as a reliable and trusted amil institution.

3.3. Factors Hindering and Solutions for Performance Development of BMH Central

From the evaluation of BMH Central's performance based on the Balanced Scorecard, several hindering factors and solutions for performance development can be identified:

3.3.1. Hindering Factors

a) Revenue Growth Fluctuations

Although BMH's revenue growth shows an overall positive trend, annual fluctuations, such as those occurring in 2022, can be a hindrance. These fluctuations may be due to external factors such as unstable market conditions or regulatory changes affecting donor behavior.

b) Fluctuating Customer Retention Rates

Despite a high customer retention rate in 2021, fluctuations in retention rates year-over-year can be a hindrance. This may be due to policy changes or services that are unsatisfactory for some customers.

c) Inconsistent Customer Acquisition Rates

Although there was an increase in new customer acquisition in 2021, the success of acquiring new customers has also experienced fluctuations year-over-year. Factors such as changing market trends or ineffective marketing strategies may hinder consistent customer acquisition.

d) Challenges in Improving Customer Satisfaction

Despite improvements in customer satisfaction year over year, challenges in maintaining high satisfaction levels and continually improving service quality can be a hindrance. Constantly changing customer demands and increasing market competition may pose challenges in achieving this goal.

3.3.2. Solutions for Development

a) Diversify Fundraising Sources

To address revenue growth fluctuations, BMH Central could consider diversifying fundraising sources. In addition to relying on zakat, they could explore other options such as specific Infaq donations or strategic partnerships to create a more stable fundraising base.

b) Improve Service Quality

To maintain and enhance customer retention rates and overall customer satisfaction, BMH Central needs to focus on improving service quality. This can be achieved through employee training, better use of technology to improve operational efficiency, and quicker responses to customer feedback.

c) Innovate Marketing Strategies

To consistently improve new customer acquisition, BMH Central can innovate its marketing strategies. This could include leveraging digital technology, more targeted marketing campaigns, or partnerships with influencers or other organizations to reach a broader audience.

d) Use Data for Decision-Making

BMH Central can enhance its operational effectiveness by using data for better decision-making. Customer data analysis can provide valuable insights into preferences and behaviors, which can be used to tailor strategies and services to meet customer needs.

4. CONCLUSION

The performance evaluation of the National Amil Zakat Institution Baitul Maal Hidayatullah (BMH) using the Balanced Scorecard (BSC) for the period 2019-2023 provides insight into the organization's achievements and potential areas for improvement. It can be concluded that BMH has demonstrated overall good performance, with successful areas such as revenue growth and amil productivity. However, there are aspects requiring further attention, especially concerning customer/muzakki satisfaction and retention and acquisition strategies.

The strengths found in revenue growth and amil productivity show that BMH has a strong foundation for continued development. However, challenges lie in strengthening customer relationships, ensuring their satisfaction, and expanding the customer base with more effective strategies. Improvements in these areas will not only enhance BMH's financial performance but also reinforce its position as a trusted and influential amil institution in the community. By addressing these findings, strategic steps can be formulated to support BMH's long-term goals.

While the Balanced Scorecard evaluation provides valuable insights, it is important to acknowledge its limitations. One limitation may be subjectivity in assessing certain criteria, which can affect overall results. Additionally, data limitations could be a barrier, as more in-depth analysis might be constrained by limited information availability. External factors such as government policy changes or economic conditions may also impact BMH's performance, but they are difficult to predict or control.

BMH could further focus on inclusive and sustainable customer development strategies. This might involve enhancing service quality, utilizing technology to improve accessibility, and initiatives to better understand customer needs and desires. Investing in employee/amil development is a crucial step in strengthening the quality of services provided by BMH. Regular training and employee development programs can enhance skills, knowledge, and motivation, which in turn will positively impact customer satisfaction. BMH might consider a comprehensive review of its internal processes to improve operational efficiency and effectiveness. Identifying and implementing best practices in operational management can help BMH reduce costs, streamline processes, and improve service quality. Collaborating with external parties, such as other amil zakat institutions or sharia financial institutions, can help BMH expand its reach and improve service accessibility. Such partnerships may also open doors for knowledge and resource exchange that benefits both parties. By implementing these suggestions, BMH can enhance its performance, strengthen its position as a reliable and trusted amil institution, and more effectively achieve its goals in serving the community.

REFERENCES

Al-Qaradhawi, Y., Narulita, S., & Fauzan, F. (2005). *Spektrum zakat dalam membangun ekonomi kerakyatan*. Zikrul Hakim.

Baznas, P. T. B. (2016). *Prinsip-Prinsip Pokok untuk Penyelenggaraan dan Pengawasan Zakat yang Efektif*. BAZNAS RI.

Farah, J. M. S., Shafiai, M., & Ismail, A. G. B. (2019). Compliance behaviour on Zakat donation: A qualitative approach. *IOP Conference Series: Materials Science and Engineering*, *572*(1), 12040.

Hakim, L. N., Huda, N., & Setianingrum, A. (2022). Accreditation Model Zakat Management Organization (ZMO) In Indonesia. *AZKA International Journal of Zakat & Social Finance*, 124–142.

Khoiruddin, M., Wijayanto, A., & Wijaya, A. P. (2023). The Balanced Scorecard Assessment For Public University Management. *EPRA International Journal of Environmental Economics, Commerce and Educational Management. Https://Doi. Org/10.36713/Epra14569*.

Mahmudi, R. (2015). Manajemen Kinerja Sektor Publik Edisi Kedua. *Yogyakarta: UPP STIM YKPN*.

Nasional, D. K. dan P. Z. D. (2024). *Outlook Zakat Indonesia*.

Silalahi, E. E. (2023). The Balanced Scorecard Model for Strategic Business Management. *International Journal of Current Science Researchand Review*, *6*, 3014–3019.

Sulaiman, R. (2010). *Hukum Fiqih Islam*. Sinar Baru Algensindo Bandung.

Copyrights

Copyright for this article is retained by the author(s), with first publication rights granted to the journal.

This is an open-access article distributed under the terms and conditions of the Creative Commons Attribution license (http://creativecommons.org/licenses/by/4.0/).