

## Practical Models of Waqf Fundraising: Study on The Waqf-Based Pesantrens in Indonesia

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### **Abstract**

This paper aims to explain waqf fundraising and its communication strategies among the waqf institutions of pesantrens in Indonesia. The study focuses on the application of innovative waqf fundraising and communication strategies in three waqf-based pesantrens, namely Pondok Darussalam Gontor, Darunnajah, and Tazakka. To achieve the objectives, the study applies a qualitative research approach in which primary data are obtained through semi-structured interviews with three waqf institutions of the pesantrens in Indonesia, while the secondary data are collected through observations and document reviews. Both data provide important and useful insights into understanding the waqf fundraising and communication approaches in these waqf institutions. In addition, thematic analysis is utilised in this study to analyse the application of the waqf fundraising models that contribute significantly to the development of waqf in the sampled pesantrens. The results of the study suggest that different types of waqf institutions apply different waqf fundraising methods. Darussalam Gontor and Darunnajah waqf institutions have a similar propensity for using traditional waqf fundraising approaches in which mobilisation and collection of waqf utilise retail and partnership fundraising techniques. While, Tazakka waqf institution applies both modern (market-oriented) and traditional waqf fundraising methods, in which retail, partnership, and crowd (jama'i) fundraising techniques are used for mobilisation of their waqf. In relation to communication strategies, these three waqf institutions utilise the same methods, that is, individual and community-oriented communications for linking their waqf programmes and activities. These methods of communication are set up to build and manage stronger relationships with key waqifs. Finally, the study found that these waqf institutions have implemented simple communication approaches and utilised an effective fundraising method in creating and maintaining individual and institutional contributions.

**Keywords:** Waqf fundraising, communication strategies, pesantren, waqf institution.

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## **Introduction**

There is a general agreement among researchers that non-profit and non-governmental organisations need resources to achieve organisational goals and realise their missions as well as to proceed and improve their activities (Cacija, 2013). Andreasen and Kotler (2008) highlight that the fundamental resources needed for non-profit organisations are financial and human resources. Financial resources include revenues from sales of products and services, whereas human resources consist of employees and volunteers. In other words, it can be said that the success in raising funds and managing human resources are crucial to the performance of non-profit organisations.

Since *waqf* institutions share some similar characteristics with non-profit organisations, fundraising is an important component of the running of these institutions. Functioning, applicable, and effective fundraising methods are required to secure the preferred human and financial resources (Shulthoni, et. al., 2018). Although *waqf* in some categories (small *waqf*) is widespread around the Muslim world, organised fundraising and *waqf* on a huge scale is still mostly an extraordinary phenomenon for the Muslim community. Lindahl and Conley (2002) find that “little study focuses on fundraising for religious institutions, although it is a fact that this category regularly attracts a huge amount of charitable funding each year” (p.91). Furthermore, it is needed to identify the models of fundraising expansively in the *waqf* institution to enhance its development. This is because of the significance of *waqf* as one of the most important non-profit organisations that exist in the Islamic legacy.

The importance of *waqf* in the history of Islamic society and civilisation is unquestionable. It is clear that *waqf* is not devoted to individual satisfaction but rather for the poor and needy, travellers, fighters for the sake of Allah, and only the yields of *waqf* can be distributed to beneficiaries. Several interpretations have been discussed on the description of *waqf* by different schools of thought. It can be said that most of them have accepted that *waqf* is a philanthropic instrument that has the distinct feature of having an income fluidity to provide for the beneficiaries.

In modern times, there is a concern that many *waqf* institutions have stagnated and are not performing their designated social functions (Stibbard et. al., 2012). Mohammad (2008) discovers that poor information systems and lack of financial resources are the major constraints in developing *waqf* assets. Undeniably, the *waqf* institutions are forced to compete directly or indirectly for *waqif*, volunteers, *nazirs*, and for the time and resources of supporters (Siswantoro & Dewi, 2007). Therefore, *nazirs* have to innovate fundraising by creating new methods to generate additional and various sources of income. In other words, they have to run innovative strategies in generating funds and organising *waqf* resources.

Presently, 303 *waqf* institutions have gained approvals from the *Waqf* Board of Indonesia (BWI) to operate *waqf* along with 26 Islamic financial and banking institutions as the intermediaries (*Lembaga Keuangan Syari'ah Penerima Wakaf Uang*) of the cash *waqf* ([www.bwi.go.id](http://www.bwi.go.id) accessed on the 1<sup>st</sup> August 2022). In addition, according to the Blueprint of *Indonesia Islamic Economic Masterplan 2019-2024* (2019), there are 66% of the individual *nazirs*, 18% of the organisational *nazirs*, and 16% of the *nazirs* from legal entities. Among these *nazirs*, only 16% of the *nazirs* work full time, while most of them 84% work part-time. Furthermore, the data of the *waqf* land in the country is recorded as more than 500,000 hectares (BWI, 2020). Undeniably, only a small portion of the land is utilised in the form of *masjids*, cemeteries, and schools. At the same time, the potential number of the cash *waqf* reaches up to IDR188 trillion (USD12.5 billion) (BWI, 2020). Nevertheless, the realisation of the cash *waqf* is only IDR185 billion (USD12.3 million) that was accumulated from around 250 registered *nazirs* (BWI, 2020). It is not ideal management and organisation for developing *waqf*. The data is shown that many *waqf* institutions are incapable to endure the operation of their *waqf* management. In this case, these data suggest that *waqf* (assets) management, as well as the cash *waqf*, must be more effective. It is generally accepted that the effectiveness of *waqf* management is depending much on the *waqf* fundraising as well as human resources.

As a subject matter, fundraising and its related concerns have not gained much attention in *waqf* literature. According to

Mahamood and Asmak (2015), the lack of published empirical research on the subject of *waqf* fundraising is possible because the theme of *waqf* is neglected and merely involved a few academics, students, and researchers. It is known that fundraising is an important part of the functioning of any non-profit organisation, using the right and effective fundraising methods and techniques is necessary to guarantee that the needed financial support is achieved and sustained.

Sargeant (2001) perceives that there are two methods to raise funds or generate revenue: firstly, the 'transactional approach', which focuses on the instant financial needs of an organisation without assigning in the developing strategic plan. Secondly, the 'strategic approach' is based on the organisational long-term strategy which should benefit from the combination of multiple fundraising schemes and activities. In addition, Holloway (2001) describes that fundraising can be categorised into three methods: (1) raising moveable and immovable resources from the society; (2) creating a base of revenues from the existing assets by investment and innovation; and (3) utilising non-monetary resources such as volunteers, equipment, and positive images of the institutions to achieve the resources. In short, this paper adopts Holloway's classification of fundraising.

In the context of Indonesia, there is a need to study the success of fundraising models in the *awqaf* institutions of the *waqf*-based educational institutions. According to Johan, Yusof, and Omar (2016), Indonesia is one of the countries that persuasively involved in *waqf* education. Pondok Modern Darussalam Gontor, for instance, is a prominent institution in this form of *waqf*. It is a historical fact that the *waqf* organisation of Darussalam Gontor has successfully magnified the *waqf* development to many *pesantrens* in the country including Darunnajah and Tazakka. However, in many Muslim countries, the significant role of *waqf* in the development of education is still limited and not optimal (Munawar & Mufraini, 2021). The data reveals that the utilisation of *waqf* in Indonesia as much as 75% of *waqf* assets were used for the building of *masjids/mushalla*, 14% for education, 5% for cemeteries, and 6% for other functions. Mostly, the use of *waqf* assets is focused on the less

productive sector (Indonesia Islamic Economic Masterplan 2019-2024).

It is an important factor when considering the fundraising strategies to guarantee financial and social impact sustainability of the *waqf*. Therefore, it can be thought that fundraising in *waqf* institutions covers all efforts to provide financial and non-financial resources in an attempt to integrate them into social innovative activities. However, these initiatives require a general model for the development of *waqf* fundraising. With this perspective in mind, the main purpose of this paper is to investigate the implementation of the *waqf* fundraising and communication strategies that could be efficient at mobilising *waqf* in the three *waqf*-based *pesantrens* in Indonesia.

### **Methods**

The case study approach is used to describe the multifaceted phenomenon in the *waqf* institutions of the three *waqf*-based *pesantrens*. To achieve the objectives, the study applies a qualitative research approach in which primary data are obtained through semi-structured interviews with three *waqf* institutions of the *pesantrens* in Indonesia. The results of the study are analysed employing thematic analysis. The primary data are obtained through semi-structured interviews, while the secondary data are collected through observations and document reviews. Both data provide important and useful insights in understanding the *waqf* fundraising in these *pesantrens*. In addition, content and thematic analysis are utilised in this study to scrutinise the application of the *waqf* fundraising models that contribute significantly to the development of *waqf* in the sampled *pesantrens*.

### **Results and Discussion**

The successful *waqf* fundraising of the *waqf* institutions, like that of any non-profit organisation, relies on the effective and efficient use of its resources. The successful operations use all actual (real) as well as potential resources to direct and realise their projected missions. According to Iman and Muhammad (2014), to manage *waqf* properly the *waqf* institutions require at least three of the most fundamental resources, namely *nazir*, cash, and property or assets.

It is known that the sources of contributions of non-profits as well as *waqf* institutions come from the individual, corporation/institution, government, and other fundraising derived from commercial and social enterprises (Froelich, 1999). Due to a lack of a single well-off benefactor, community contributions are the solution to attract more endowment in the *pesantrons*. It means that successful *waqf* fundraising is based on the effort to attain the objectives. Many efforts have been undertaken by the *waqf* institutions of the three *waqf*-based *pesantrons* to promote *awqaf* through spreading brochures, booklets, workshops, conferences, religious gatherings, and riding on a publicity campaign for its other products such as *zakat*, *infaq*, and *sadaqah*. Nevertheless, the differences in the *waqf* fundraising strategies implemented by the three different *waqf* institutions that support the optimisation of the potential for *waqf* mobilisation in Indonesia need to be explored. Therefore, this part of the study will elaborate on the implementation of *waqf* fundraising in the three *waqf*-based *pesantrons* in the country, which depends on their strategies, communication, information, relationship, and organisation.

The answers to Question 1 on the implemented *waqf* fundraising in the three *waqf*-based *pesantrons* are presented in Table 1.

Table 1. Results for Question 1 (Implemented Fundraising Models)

<b>Interview Question</b>	How do the <i>waqf</i> institutions of the <i>pesantrons</i> implement the <i>waqf</i> fundraising models that could be efficient at mobilising <i>awqaf</i> ?
<b>Focused Coding</b>	<b>Subthemes/Remarks</b>
1	Retail fundraising technique
2	Partnership fundraising technique
3	Crowd ( <i>jama'i</i> ) fundraising technique
<b>Concluding theme</b>	The <i>waqf</i> institutions of the <i>pesantrons</i> implement various models of <i>waqf</i> fundraising. The models consist of retail, partnership, and crowd fundraising techniques

There are essential aspects of the *waqf* fundraising activities (i.e., types of *waqif*, *waqf* fundraising programmes, methods of collections, and techniques of communications) and characteristics of the *waqf* (e.g. forms, number, amount, temporary, permanent, and proportions of *waqf*) that are investigated to gain an understanding of the models used for mobilising *waqf* in the *waqf* institutions of the three *waqf*-based *pasantrens*. These aspects, according to Kasri and Putri (2018), are similar to the fundraising activities and characteristics of the *zakat* institutions. It is observed that *waqf* fundraising cannot be viewed merely as a request for cash, based on the endowment intentions, but rather as the exchange of values, which meets the *waqif* needs. In this respect, the investigation results in a common understanding that there are three *waqf* fundraising schemes employed by the three *waqf* institutions, namely retail, partnership, and crowd fundraising techniques in their campaigns (Table 1). These techniques are correlated with several types of *waqif*, i.e., individuals, groups of individuals, institutions, corporations, and governments. The practices of each model are explained in Tables 2 to 11.

#### *Retail Fundraising Technique*

The retail fundraising technique in the cash *waqf* (moveable *waqf*) has several distinctive characteristics explained in Table 2.

Table 2. Focused Coding Number 1 for the Fundraising Methods

<b>Subtheme</b>	<b>Retail fundraising approach</b>
<b>Interview with</b>	<b>Remarks</b>
1. R5, R11, R7	Focus on the general individual (public) <i>wāqif</i>
2. R4, R12, R8	Focus on segmented individual <i>wāqif</i> , especially those affiliated with the three <i>waqf</i> -based <i>pasantrens</i>
3. R3, R9, R13	Relies on regular <i>waqf</i> fundraising programmes

The *waqf* institutions begin by focusing on collecting cash *waqf* from the public. Because of the lack of a single wealthy *wāqif*, public donations are a solution to attract more endowments. Non-profit organisations such as *waqf* institutions depend on those who control resources, and different types of institutions typically have distinctive resources. In this regard, the Tazakka *waqf* institution has focused on the effort of maximising the potential cash *waqf* from the



public. This form of *waqf* is easy, does not require large amounts of capital, and therefore, allows for developing *waqf* participation among the public. Thus, its *waqf* institution implements these strategies in generating cash *waqf* from the Muslim *ummah*. Table 3 shows that the total amount of the cash *waqf* collection of Tazakka has increased consistently from year to year.

Table 3. Cash *Waqf* Collection of Tazakka 2013-2017

No.	Year	Amount
1.	2013	IDR2,197,822,004 (RM627,947.15)
2.	2014	IDR2,287,390,800 (RM653,540.23)
3.	2015	IDR5,676,809,500 (RM1,621,945.58)
4.	2016	IDR2,544,459,900 (RM726,988.54)
5.	2017	IDR2,859,459,792 (RM816,988.51)

Source: Annual Report of Tazakka *Waqf* Institution (2013-2017).

Table 3 shows the collection of cash *waqf* in Tazakka for five years in billions of rupiahs. There was one main period for the collection of cash *waqf*. The collection was consistently above 2 billion rupiahs per year, rising sharply to a peak of 5.6 billion rupiahs in 2015. However, in the following year, the cash *waqf* collection declined drastically, reaching an annual low of 2.5 billion rupiahs in 2016. In 2017, there was a gradual increase. It increased from 2.5 billion rupiahs in 2016 to 2.8 billion rupiahs in 2017. It is believed that the offered programme of the *waqf* fundraising can create stability in the cash *waqf* collection. At that time, however, the Tazakka *waqf* institution had focused more on expanding the *waqf* lands which can be seen in Chart 1.

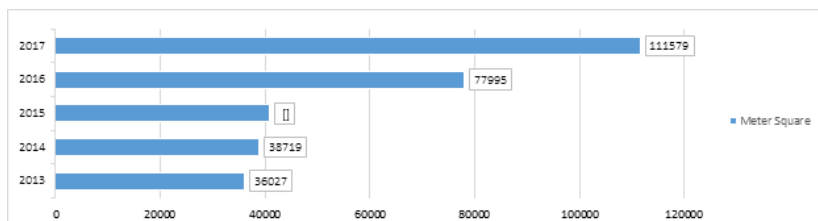


Chart 1. The *Waqf* Land of Pondok Tazakka in Meter Square from 2013 to 2017

Source: Annual *Waqf* Report of Tazakka, 2017

On the other hand, the *waqf* institutions of Darunnajah and



Gontor do not pay much attention to the cash *waqf* from the public. They acknowledge that the public is not the central attention of the (cash) *waqf* fundraising. As an alternative, they are concerned with promoting *waqf* lands and properties to the public. As a result, their *waqf* lands increased significantly from year to year. The growth of this type of *waqf* can be seen in Charts 2 and 3.

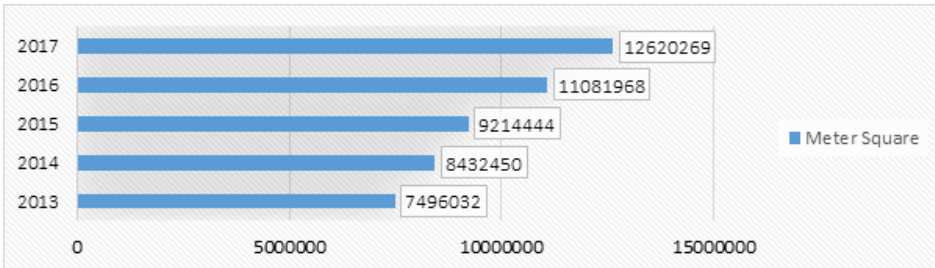


Chart 2. The *Waqf* Land of Pondok Gontor in Meter Square from 2013 to 2017

Source: Wardun, 2017

Chart 2 illustrates the development of *waqf* land of Pondok Gontor from 2013 to 2017. According to the data, the *waqf* land has increased significantly, so in 2017 it has reached 12,620,269 meters squared. It is projected that the *waqf* land will continue to grow between 9-15% per year based on the preferences of recent years. When comparing the five years, there has been a significant increase from 2015 to 2016. This enlargement will become a challenge and opportunity for those members of *waqf* institutions to maintain positive trends.

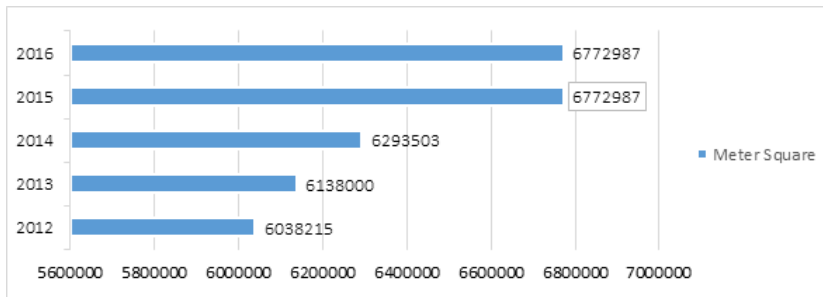


Chart 3. The *Waqf* Land of Darunnajah in Metre Square from 2012 to 2016

Source: Bulletin Darunnajah, 2017

Chart 3 demonstrates the development of the *waqf* land of Pondok Darunnajah from 2012 to 2016. The *waqf* land of Pondok Darunnajah has improved considerably such that in 2016 it has reached 677.2 hectares. The reports state that these *waqf* lands mostly come from the founders' family of Pondok Darunnajah. It indicates that the public might contribute financial and non-financial support to the *waqf* institutions of these *pesantrens*, but their development would not be owing to the donation of the public. It is related to their belief that they have to rely on their resources without having to be dependent on others for assistance (Hamid Zarkasyi, 2015).

#### *Partnership Fundraising Technique*

The *waqf* institutions of the three *waqf*-based *pesantrens* depend on revenues from groups of individual *waqifs*, especially those who are affiliated with the *pesantrens* such as *santri*, guardians of *santri*, teachers, volunteers, professionals, business executives, lawyers, medics, pilgrimage brotherhood, and groups of religious congregations. In this respect, the *waqf* institutions of Pondok Gontor and Darunnajah depend their cash *waqf* considerably on the internal community *waqif*, especially from the (new) students. It is estimated, that in Pondok Gontor, the total cash *waqf* reached IDR35 billion (RM10,000,000.00) which was contributed by around 23,700 students who contributed to amounts of the endowment to the *pesantren* in 2017 (Wardun, 2017). This is equal to nearly 40% of its total cash *waqf* for the *pesantren*. Whereas Darunnajah received its cash *waqf* annually about IDR20 billion (RM8,571,428.60) donated by 9,000 students (Bulletin Darunnajah, 2017).

According to the leaders of Pondok Gontor and Darunnajah, raising cash *waqf* from the internal community of the *pesantren* is an effective way to boost *waqf* development in the educational institution. The idea of utilising cash *waqf* as a source of the *waqf* development comes from the awareness of those leaders to fulfill their financial needs without asking other Muslim communities. It is believed that the objective of raising cash *waqf* is to regenerate and strengthen the economic and social status of the community. Thus, every student of Pondok Gontor, Darunnajah, and Tazakka should contribute cash *waqf* to the *pesantrens* that could inspire more people to participate. With the amount raised, the capital is used to develop social and profitable businesses. Subsequently, the revenues gained from these productive *awqaf* will be redistributed to the

social, educational, and economic activities of the *pesantrens*. This is one method of raising funds through the educational community. Thus, the *waqf* institutions of the *pesantrens* ensure a competent team (teachers and professionals) to manage the funds that have been collected in the scheduled programmes.

On the contrary, Tazakka as a new *waqf* institution is able to capitalise on the cash *waqf* with around IDR5.6 billion (RM1,621,945.58) per annum which is largely contributed by the Muslim *ummah* (Ahsanta, 2015). It is reported that the contributions of the *santris* to the Tazakka *waqf* institution reached nearly 10% of the total amount of its cash *waqf* in 2015. It means that the *waqf* institution of Tazakka depends for its revenues on the internal *waqif* (such as from the students, teachers, volunteers, leaders of the *pesantren*, and *nazirs*) and the external *waqif* such as from groups of individuals and employees of their partners of several corporations and institutions. However, it is documented that the initial revenues of *waqf* fundraising (moveable *waqf*) are not only monetary, but also non-monetary such as copyrights, services, professions, and volunteerism. 43 contributors devoted their properties to *waqf manafi' al-a'yan* and no less than 123 persons of various professions declared themselves in providing *waqf manai' al-abdan* for Tazakka (*Waqf Annual Report of Tazakka*, 2015). In relation to the issue, the reports state that around 3200 and 600 persons dedicated themselves to giving *waqf manafi' al-abdan* to Pondok Gontor and Darunnajah respectively (Wardun, 2017; and Bulletin Darunnajah, 2017).

Table 4 describes the main characteristics of the partnership fundraising techniques. The first aspect is associated with the partnership between the *waqf* institution and the government or other private institutions/organisations. In this respect, all the *pesantren waqf* institutions are reasonably successful in making partnerships with the government, corporations, and private institutions. However, it is reported that these *waqf* institutions gained more benefits from doing a partnership with the private organisation than with the government. In 2017, for example, Tazakka was able to capitalise its cash *waqf* about IDR IDR2,533,332,130 (RM723,809.18) from the relationship with communities and private organisations (*Waqf Annual Report*, 2017). Furthermore, in the last two years, the *waqf* institution of Gontor had received 19 *waqf* vehicles (16 cars and 3 motorcycles) from corporations as the result of

their partnership. The values of these vehicles were estimated up to IDR8,000,000,000 (RM2,285,714). At the same time, the *waqf* institution of Gontor was able to capitalise on cash *waqf* from the government with the value of IDR500,000,000 (RM 142,857) (Wardun, 2017).

Table 4. Focused Coding Number 2 for the Fundraising Methods

Subtheme	Partnership fundraising approach
<b>Interview with</b>	<b>Remarks</b>
1 R1, R7, R12	Forming a partnership with government institutions
2 R2, R8, R13	Forming a partnership with corporations and communities
3 R3, R7, R14	Forming a partnership with collective waqf which depends on special waqf fundraising programmes

Another factor correlated with the *waqf* fundraising techniques is the use of particular *waqf* fundraising programmes/events that are frequently organised under the partnership model. For example, *waqf* gatherings (annual report meeting between *nazir*, *waqif*, and beneficiaries) are executed in conjunction with the ceremonial *zakat* distributions in Ramadhan where employees (personnel) of partner organisations are participating actively in the programme. Furthermore, the reunion of *hajj* pilgrimage participants, which is organised under the guidance of *kiais*, *nazirs*, and *zakat* management, is intended to strengthen relationships and mobilise *zakat* and *waqf* from those people. Those agendas, therefore, are organised at least once a year at Pondok Tazakka.

<i>Pesantren</i>	Tuition Fee in IDR (Monthly)	Number of Students	Total Tuition Fees (Per annum)
Gontor	640,000 (RM185.00)	23,700	182,016,000,000 (RM52,004,571)
Darunnajah	1,200,000 (RM345.00)	9,000	129,600,000,000 (RM37,028,571)
Tazakka	850,000 (RM245.00)	550	5,610,000,000 (RM1,602,857)

Table 5. Tuition Fee of the Three *Waqf*-based *Pesantrens*

Source: [www.gontor.ac.id](http://www.gontor.ac.id); [www.darunnajah.com](http://www.darunnajah.com); [www.tazakka.or.id](http://www.tazakka.or.id).

From those explanations, it can be inferred that a *waqf* institution's relationship with its *waqifs*, individually and collectively, is the essence of its *waqf* fundraising efforts. Those relationships supply vitality to everything the *waqf* institution does to raise (cash) *waqf*. It is found that unproductive benefactor relationships produce ineffective *waqf* fundraising outcomes.

*Crowd Fundraising Technique*

The *waqf* institutions focus on collecting cash *waqf* from collective *waqif*, through generous relationships with entities, communities, associations, and organisations. The main objective of a collective *waqf* is to realise a *waqf* programme with small contributions from individuals who believe in the *waqf* institutions of the *pesantrens* such as soliciting cash *waqf* for purchasing an ambulance and establishing commercial enterprises. It can be undertaken through traditional (direct collection) and modern (online platform) crowd fundraising approaches that allow the *nazir* of the *waqf* institutions to set up a public solicitation for contributing *waqf*.

Table 6. Focused Coding Number 3 for the Fundraising Methods

Subtheme	Crowd (jama'i) fundraising approach
<b>Interview with</b>	<b>Remarks</b>
1. R7, R8, R9	Focus on relational individual/communal waqifs by creating waqf events/programmes and providing offline (collection) services.
2 R7, R8, R9	Focus on general individual/communal waqifs by providing online platform (collection) services.
3. R7, R13, R6	Employ several methods of collection, using the Banking Services, Electronic Data Capture (EDC), Auto Debit, Tabung Waqf, Picking up, and Direct Traditional Payment.

This solicitation promotes details such as the nature of the *waqf* programmes, the amount of cash *waqf*, and the *waqf* fundraising goals. Thus, the pooled cash *awqaf* are grouped into a leader of the community or organisation that is controlled by the *nazir* of the *waqf* institutions. The purposes here are devoted not only providing funds for these institutions but also enlarging the growth of the *waqif* participation. It gives an opportunity for the *nazir* to raise hundreds of thousands of coins from any person with cash to donate.

The practise of this method can be found in Tazakka's *waqf* institution as well as in Gontor and Darunnajah. There are individual groups of employees of companies that have an agreement on the collaborative partnership with the three *waqf*-based *pesantrens*. The reports say that there are employees of more than ten companies (PT. Gaido, Kospin Jasa, PT. Anneeva, PT. Gilbatama, etc.) who contribute collectively to the *waqf* institution of Tazakka (*Waqf* Annual Report of Tazakka, 2015). At the same time, at Gontor and Darunnajah, the contribution of collective *waqf* regularly comes from the final year students (Wardun, 2017; Bulletin Darunnajah, 2017).

On the subject of *waqf* programmes, however, these three *waqf* institutions rely on regular *waqf* fundraising programmes through which loyal *waqifs* are continually informed to contribute regularly to *waqf* and other Islamic philanthropies. Regular information and communication are provided to attract individual *waqif*. Additionally, these *waqf* institutions facilitate payment processing by offering several methods of payment. It is the massive changes of technological advancement that give a major impact, particularly on the *waqf* fundraising. The traditional and modern techniques of the *waqf* collection are utilised in a complementary way to attract more benefactors. In other words, the *waqifs* are provided with many facilities to complete the *waqf* pleasantly. Thereby, the method of developing *waqf* collection through a high-tech payment gateway or cash system is essentially a product of partnership *waqf* fundraising between the *waqf* institution and the corporations/institutions/governments. There are strategies of (cash) *waqf* payments operated in the three *waqf*-based *pesantrens* such as, pick up service, offline and online banking, electronic data capture (EDC), auto-debit, fintech (apps), and cash (traditional) payment in the offices.

In addition, Auto Debit and EDC services, for example, involved bank authorisation. These facilities are typically utilised for individual and collective *waqif* (employee) of banks, business entities, and various institutions. Notably, understanding payment processing is a significant phase towards generating *waqf* fundraising as successful as possible. Hence, these three *waqf* institutions provide bank accounts that accounts allow these *waqf* institutions to accept online endowments through credit or debit cards. The account is set up under an agreement between these *waqf* institutions and the bank. Regarding the issue, the *waqf*

institution of Tazakka provides 12 different bank accounts. While the *waqf* institution of Gontor and Darunnajah arrange for around five bank accounts. It is intended to make it easier for the *waqif* to deliver their cash *waqf*. Table 7 displays the *waqf* collection methods of three *waqf* institutions of the *pesantrens*.

Table 7. The Methods of *Waqf* Collection

<b>Methods of Waqf Collection</b>			
<b>Direct pay- ment</b>	<b>Implemented by</b>	<b>Indirect pay- ment</b>	<b>Implemented by</b>
Cash payment through picking up services	Tazakka	Transfer via App/fintech (smartphone)	Tazakka
Cash payment at office counter services	Tazakka, Gontor, Darunnajah	Transfer through a bank (ATM, Internet, and mobile banking)	Gontor, Darunnajah, Tazakka
Cash payment through 'Tabung' Waqf	Tazakka	Regular direct-debit payment (from payroll and bank deposit)	Tazakka
Auto debit payment	Tazakka	Electronic Data Capture (EDC)	Tazakka

*Source:* data elaborated by the authors

### *Information and Communication Approaches*

Another leading factor in *waqf* fundraising is communication. It is a fundamental and multifaceted part of a *waqf* institution's publicising efforts. It is an approach used by the *waqf* institutions to achieve their targeted *waqif* through various forms of communication. According to Kasri and Putri (2018), it is an important aspect of the *waqf* fundraising because of its contribution to connecting *waqif* with *nazirs* of the *waqf* institutions and the beneficiaries. In this respect, there are two central communication methods utilised by the three *waqf*-based *pesantrens*, namely community, and individual-oriented communications. These methods are deeply influenced by the intention of the message and the target (benefactors) of the communication, as shown in Table 8.



Table 8. Results for Question 2 (Applied Methods of Communication)

<b>Interview Question</b>	How do these <i>waqf</i> institutions inform and communicate the <i>waqf</i> fundraising programmes? What methods of communication are employed in these three <i>waqf</i> institutions?
<b>Focused Coding</b>	Subtheme/Remarks
<b>1</b>	Person-to-person/Individual oriented communication approach
<b>2</b>	Group / Community - oriented communication approach
<b>Concluding Theme</b>	Different <i>waqf</i> institutions have implemented similar approaches in their communications

Table 9 demonstrates a model of individual-oriented communication in the three-*waqf* institutions. In this regard, individual communication is the strategy used by the *waqf* institutions to attract prospective *waqif* and maintain loyalty through various media of communication. It should be remembered that successful *waqf* fundraising does not depend merely on the media of communication, but on cultivating and enhancing relationships. Individual communication through offline and online media can provide efficient opportunities to enhance relationships and expand benefactor satisfaction which could be valuable to raise more cash *waqf*. Therefore, the content of the message has to be formulated for a specific individual/group of targets *waqif* that can ensure the *waqf* institutions understand the needs and characteristics of the target audiences.

Table 9. Focused Coding Number 1 for the Applied Models of Communication

<b>Subtheme</b>	<b>Individual oriented communication approach</b>
<b>Interview with</b>	<b>Remarks</b>
1 R3, R7, R 12	Communication is frequently related to product knowledge of <i>waqf</i> and fundraising activities
2 R5, R9, R13	Targeted at general individual <i>wāqif</i>
3 R2, R8, R12	Utilise medium of communication through offline and online media, which have broader outreach and audience

Three categories of individual *waqif* are major contributors to the three-*waqf* institutions. Firstly, small-amount benefactors who contribute small cash *waqf* and might donate once a year (irregularly). Secondly, medium-amount benefactors who donate a moderate amount of cash *waqf* and give at least annually (regularly). Thirdly, large-amount benefactors who contribute large amounts of cash *waqf* at least annually or give very large endowment, possibly only once (irregularly and regularly). In brief, all these categories of benefactors exist in the three-*waqf* institutions. They become significant factors for the sustainability of these *waqf* institutions due to their regular contributions.

The individual communication conducted in these three *waqf* institutions was frequently associated with product knowledge of voluntary giving such as *waqf*, *infaq*, *sadaqa*, and obligatory giving such as *zakat*. It is a fundamental effort to provide a clear understanding of these types of giving towards the potential *waqif*. *Waqf* is not only limited to immovable objects such as *waqf* lands and buildings. There are moveable objects such as cash *waqf*, books, horses, cars, motorcycles, and many other items. However, this (moveable) type of *waqf* has not gained popularity nowadays in Indonesian Muslim communities. Thus, individual communication is frequently used to inform about the *waqf* fundraising activities and other Islamic charities. It is devoted to maintaining the loyalty of the individual *waqifs*, who are the main contributors to these *waqf* institutions' revenues.

In this regard, the communication is usually through internal media such as newsletters of these *waqf*-based *pesantrens*, brochures, annual reports, weekly or monthly or annual meetings, speeches brought by the *kiais*, *nazirs*, and *waqf* management, website, and social media. It is also delivered through external media such as daily newspapers, weekly newspapers, magazines, local radio stations, and sporadically using local television stations. Additionally, internal and external media become important aspects of *waqf* fundraising campaigns that have broader outreach and audience, and consideration of both channels then should be utilised in any *waqf* fundraising communication strategy.

Table 10. Focused Coding Number 2 for the Applied Model of Communication

Subtheme	Community-oriented communication approach
Interview with 1 R3, R7, R12 2 R4, R8, R13 3 R5, R9, R14	Remarks Communication is frequently related to transparency and maintaining the waqif. Targeted to waqif in communities, especially those associated with the waqf institutions. Utilise moderately various forms of internal media for effective and efficient communication.

*Source:* data elaborated by the authors

Table 10 shows a community-oriented method of *waqf* fundraising communication. It is generally related to transparency and accountability practices to preserve the reciprocal trust and long-term relationships with specific entities or community-based *waqif*. The *waqf* institutions of the three *waqf*-based *pesantrons* demonstrate a culture of transparency and accountability. They use printed media to inform their *waqf* activities and financial reports. By employing those forms of media, the *waqf* institutions could reach the potential community-based *waqif*. Thus, the *nazirs* of these *waqf* institutions are regularly published the completed *waqf* programmes, although there is no requirement to do so. It is devoted to showing the commitment of these *waqf* institutions to the management and development of the *waqf* fund donated to these institutions. In this respect, they prefer to use internal media (i.e. Wardun of Pondok Gontor, Ahsanta of Pondok Tazakka, and Bulletin of Darunnajah) to report on their *waqf* fundraising, financial spending, and completed *waqf* projects. In addition, speeches brought by the *kiais*, *nazirs*, and *waqf* management of these *pesantrons* are also used for communicating their *waqf* fundraising and programmes. Hence, their internal media become means for updating their *waqf* activities as well as for presenting reports that continue to be published.

#### *Applied Fundraising Strategies in Three Waqf-based Pesantrons*

According to Sargeant (2001), the two fundraising approaches are traditional and market-oriented (modern) fundraising. Furthermore,

traditional fundraising methods typically implement passive practices in collecting (*waqf*) funds through short-term activities. It depends on charitable funding from external sources with minimum regard for retaining the regularity of revenue (Froelich, 1999). In this approach, as stated by Sargeant (2001), “the strategy is usually determined by the initial revenues that might be expected from each campaign, except possibly when a campaign has been designed to reach goals that are not monetary, such as awareness, participation, or education”.

While modern (market-oriented) fundraising methods are usually proposed to target individuals (potential and loyal *waqif*) to generate regular contributions through the employment of marketing strategies in the fundraising events (Weinstein, 2009; Kasri and Putri, 2018). The purpose of this fundraising strategy is to develop sporadic and irregular contributors into long-term regular relationship benefactors (Gardner, 2013). In other words, it is aimed to stimulate the benefactor’s devotion to an organisation. It is found that employing modern (market-oriented) fundraising has supported better fundraising performance (Dolnicar & Lazarevski, 2009). This approach includes collection and communication methods (Bennett & Sargeant, 2005).

Table 11 offers a summary of different fundraising strategies applied by the three *waqf*-based *pesantrens* in dealing with *waqf* assets and funds.

Table 11. Summary of Findings: Applied Fundraising Strategies in the Three *Waqf* Institutions

<b>Waqf Institution</b>	<b>Fundraising Structure</b>	<b>Collection Approach</b>	<b>Waqif/ Funding Resource</b>	<b>Frequency of Waqf</b>	<b>Type of Waqf</b>	<b>Information &amp; Communication</b>
Gontor	Traditional	Retail Partnership	Individual Corporation Government	Irregular	Moveable Immoveable	Individual Community
Tazakka	Traditional Modern	Retail Partnership Crowd	Individual Corporation Government	Regular Irregular	Moveable Immoveable	Individual Community
Darunnajah	Traditional	Retail Partnership	Individual Corporation Government	Irregular	Moveable Immovable	Individual Community

*Source:* data elaborated by the authors

Table 11 shows that the findings of the investigation suggest that different types of *waqf* institutions certainly apply different *waqf* fundraising methods. Gontor and Darunnajah *waqf* institutions have a similar propensity for using traditional *waqf* fundraising approaches in which mobilisation and collection of *waqf* utilise retail and partnership fundraising techniques. They are still focusing more on the *waqf* land and *waqf* properties, instead of giving considerable attention to the cash *waqf* from the public. The traditional *waqf* fundraising method is an effective and efficient way for their *waqf* institutions. In contrast, Tazakka *waqf* institution applies both modern (market-oriented) and traditional *waqf* fundraising methods, in which retail, partnership, and crowd (*jama'i*) fundraising techniques are used for mobilisation of their *waqf*. The combination of modern and traditional fundraising strategies had resulted in greater participation of individual and groups of individuals on *waqf* projects for the Tazakka *waqf* institution. In 2017, more than 730 individuals were actively involved in contributing to the endowment of Tazakka (*Waqf* Annual Report of Tazakka, 2017).

## **Conclusion**

It can be concluded that in the context of *waqf* collection techniques applied by the three-*waqf* institutions, these techniques are related to *waqif*, type of *waqf*, and frequency of *waqf*. In relation to *waqif*, three categories of *waqif* are commonly active in the three-*waqf* institutions, namely individuals, institutions/communities, and governments. It is revealed that individual and corporate *waqifs* donate generously regular and irregular *waqf* to these *waqf* institutions. The regular *waqf* from individual *waqifs* is achieved through an automatic debit from their savings or salaries. The practice of such regular *waqf* is evident in the Tazakka *waqf* institution as discussed previously. Furthermore, there is no regular *waqif* coming from the government institutions to the three-*waqf* institutions (Darussalam Gontor, Tazakka, and Darunnajah). In relation to types of *waqf*, the endowment of immoveable *waqfs* such as *waqf* land and *waqf* properties from *waqif* is donated irregularly, while the donation of movable *waqf* such as cash *waqf* is commonly contributed regularly, especially from *waqif* who have a good relationship with these *waqf* institutions. Thus, regular and irregular *awqaf* at the three-*waqf* institutions depends not only on the types of *waqf* but also on the kind of *waqifs*.

Furthermore, these three waqf institutions utilise the same methods of communication, that is, individual and community-oriented communications for linking their waqf programmes and activities. These methods of communication are set up to build and manage stronger relationships with key waqifs. It is a useful way of introducing waqf programmes to prospective waqifs and an instrument for communicating with the existing waqifs. In short, the study found that these waqf institutions have implemented simple communication approaches and utilised an effective fundraising method in creating and maintaining individual and institutional contributions.

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