Evaluating The Performance of Nazhir Muhammadiyah Central Java in Advancing Sustainable Development Goals

Fadiyah Nur Azizah Syafitri[1)]
Yuli Utami[2)*]

[1)2)] *Universitas Muhammadiyah Yogyakarta*

[2)*] *yuliutami@umy.ac.id (Correspond Author)*
fadiyah.nas@gmail.com

Abstract: This study aims to analyze the performance of Nazhir within the context of Muhammadiyah Central Java. The research uses a quantitative approach employing multiple linear regression methods, involving 64 Nazhir respondents who have been certified. The independent variables examined include Education, Crowdfunding, Investment, Distribution, and Supervision/Compliance, with the dependent variable being Nazhir Performance. The results indicate that the Distribution and Supervision/Compliance variables have a significant impact on Nazhir Performance, while the Education, Crowdfunding, and Investment variables do not show a significant effect. An R-square value of 32% suggests that the model explains 32% of the variance in the independent variables, while 68% is explained by other factors not investigated in this study. The analysis found that the lack of improvement in the respondents' answers caused the Education, Crowdfunding, and Investment variables to have a negative impact. Distribution adheres to the Articles of Association and Bylaws of Muhammadiyah, with all assemblies, autonomous organizations, and institutions collectively developing waqf and being recognized as waqf beneficiaries, and Supervision/Compliance is a constant and given component.

Keywords: Certification, Nazhir Performance, Waqf, Muhammadiyah, Multiple Linear Regression

INTRODUCTION

Waqf is one of the important instruments in social and economic development for a country, especially in countries with a majority Muslim population. Waqf has great potential to improve people's welfare, especially in Indonesia. As the country with the largest Muslim population in the world, Indonesia certainly has the capability to encourage the development of waqf. The benefits of waqf can be felt by many, especially those in need, such as the poor, orphans, and others, thereby providing welfare to the people in a sustainable manner.

In 2023, the waqf sector in Indonesia experienced remarkable growth. Waqf land in Indonesia covers 440.5 thousand locations, with a total area of 57.2 thousand hectares, according to the *Sistem Informasi Wakaf* (SIWAK) by the Ministry of Religious Affairs (Kemenag, 2022). Additionally, the waqf sector in Indonesia, particularly cash waqf, is projected to reach around 180 trillion rupiah annually. Meanwhile, the acquisition of cash waqf increased from 855 billion rupiah in 2018-2021 to 1.4 trillion rupiah, according to records from *Badan Wakaf Indonesia* (BWI, 2022, p. 6). This indicates that the waqf sector in Indonesia has enormous potential and continues to grow, which offers hope for improving the welfare of the people through the effective and efficient utilization of waqf assets.

In Indonesia, there is a specific regulation governing waqf management, which is outlined in Law No. 41 of 2004 concerning Waqf. This law is administered by the Indonesian Waqf Agency (BWI) and the Waqf Management Agency (BPW) at the local level (Peraturan Pemerintah RI, 2004). In managing waqf, there is a Nazhir who is responsible for the implementation and maintenance of waqf assets. The role of the Nazhir is crucial for maintaining the sustainability and utilization of waqf. They are responsible for protecting waqf assets and ensuring that waqf can have a positive impact on society.

Although waqf has developed well in Indonesia, it still faces several challenges in its management, such as a lack of transparency and public understanding. Therefore, it is necessary to find solutions to address these problems to improve waqf performance. One solution to enhance waqf performance is to optimize the performance of Nazhir.

Optimal performance of the Nazhir can influence every aspect of waqf management, and the results obtained. In terms of waqf collection, the Nazhir plays an important role in encouraging and facilitating the process. By providing appropriate information and knowledge, the Nazhir can educate the public about the importance of waqf and how to participate, thereby increasing the amount of collected waqf. Regarding management, a competent and professional Nazhir ensures that waqf assets are utilized and managed in the most effective and efficient manner. Additionally, the Nazhir's ability to plan and implement management strategies ensures that waqf assets are used according to the objectives specified by the waqif. The performance of the Nazhir also impacts distribution. A skilled Nazhir ensures that waqf benefits are distributed fairly and equitably. After distribution, the Nazhir can assess community needs and ensure that the distribution

aligns with those needs. Therefore, optimal Nazhir performance significantly enhances effectiveness and efficiency in collection, management, and distribution, thereby contributing to the achievement of waqf's goal to provide maximum benefits to the community.

According to Dharma (2010, p. 78), Indicators used to measure employee performance are based on four aspects: understanding knowledge, skill, staffing, and behavior. While according to Noordin *et al.* (2017, p. 927), measurement models for evaluating Nazhir performance include inputs, outputs, and results. Inputs refer to the resources used in managing waqf, outputs are the goods or services produced from waqf, and results are the long-term impacts of outputs on the external environment in terms of benefits to stakeholders. Hamidiyah *et al.* (2022, p. 32), determined that performance indicators include waqf collection as input, waqf asset management as output, and benefit distribution as outcome.

Nazhir Wakaf Muhammadiyah has several key responsibilities, including safeguarding and maintaining waqf assets, developing and optimizing them for maximum societal benefit, ensuring transparency in their management, and regularly reporting on asset development to stakeholders. Muhammadiyah has also initiated various efforts to modernize its waqf management practices, such as integrating digital tools to improve transparency and the inventory of waqf assets. Additionally, the organization is exploring modern investment models like sukuk (Islamic bonds) and waqf stocks to enhance the financial sustainability of waqf properties.

Central Java is one of the provinces in Indonesia where the majority of the population adheres to Islam. According t o records from the Directorate General of Population and Civil Registration (*Dukcapil*) of the Ministry of Home Affairs, the Muslim population in Central Java totals 36,77 million people, or 97,26 percent of its total population of approximately 37,78 million as of August 2022 (Karo, 2022, p. 1). This demographic provides a significant opportunity for the community to utilize waqf as an instrument for improving the economy and common welfare in Central Java.

Based on this data, it can be concluded that Central Java has significant potential for waqf development, both in terms of the number of locations and the area of waqf land, in supporting economic development and community welfare. With increasing awareness, professional management, optimal utilization, and support from the government, waqf can continue to grow and provide significant benefits to the people of Central Java. Based on the description provided above, the researcher is interested in conducting a study titled "The Analysis of Nazhir Performance: A Case Study of Nazhir Muhammadiyah Central Java" with the aim of analyzing the effect of five variables—Education, Crowdfunding, Investment, Distribution, and Supervision/Compliance—on the performance of Nazhir Muhammadiyah in Central Java.

RESEARCH METHODOLOGY

The object of this research is Central Java Province, chosen for its relevance to the study's goals. The subject of the research is Nazhir Muhammadiyah in Central Java. The study focuses on two types of variables: the dependent variable, which is the performance of Nazhir, and five independent variables—education, crowdfunding, investment, distribution, and supervision and compliance. This research uses a quantitative method, collecting primary data through a survey by distributing questionnaires. The sample was selected using purposive sampling, meaning respondents were chosen based on specific criteria: they had to be Nazhir Muhammadiyah in Central Java who had participated in certification. The questionnaire was distributed via a WhatsApp group with 85 members, and 64 individuals met the criteria. This ensured that only qualified participants were included, making the data relevant to the research goals. The data collection technique used is a survey, with questionnaires focusing on the performance of Nazhir based on individual and group experiences. The Likert scale, with three points (1: strongly disagree, 2: agree, 3: strongly agree), was used to measure responses. The three-point scale was chosen to obtain clearer, more definite responses while simplifying the data analysis without losing the core insights from respondents.

RESULT

Classical Assumption Test

a. Normality Test

The normality test is used to determine whether the data is normally distributed. The normality test was carried out before analysing statistics for hypothesis testing in this study. If the significance value > 0.05 then the data is declared normal. The following are the results of the normality test in table 1.

The table above is the result of the data normality test by the Kolmogorov-Smirnov test. The Kolmogorov-Smirnov test can be analyzed from the asymp. Sig. (2-tailed) values in the table. If the value of asymp. Sig. (2-tailed) > 0,05, it can be said that the data used is normally distributed. The table result above shows the value of asymp. Sig. (2-tailed) is 0.200 > 0.05. Then the data can be declared to be normally distributed.

TABLE 1. Kolmogorov-Smirnov Test Results

		Unstandardized Residuals
N		64
Normal Parameters [a,b]	Means	0,000
	Std. Deviation	1,844
Most Extreme Differences	absolute	0.088
	Positive	0.047
	Negative	-0.088
Test Statistics		0.088
Asymp. Sig. (2-tailed)		0.200

Source: Primary data processed by researchers, (2024)

b. Multicollinearity Test

Multicollinearity test is conducted to determine the presence of high correlation between independent variables in the regression model. If there is no high correlation between the independent variables, the regression model is said to be good. The following are the results of the data multicollinearity test in this study:

TABLE 2. Multicollinearity Test Result

Variable	Tolerance	VIF	Information
Education	0,511	1,957	Passes Multicollinearity Test
Crowdfunding	0,277	3,616	Passes Multicollinearity Test
Investment	0,213	4,691	Passes Multicollinearity Test
Distribution	0,306	3,264	Passes Multicollinearity Test
Supervision & Compliance	0,453	2,209	Passes Multicollinearity Test

Source: Primary data processed by researchers, (2024)

From the table above, the tolerance value of the education variable is 0,511, the crowdfunding variable is 0,277, the investment variable is 0,213, the distribution variable is 0,306, and the supervision variable is 0,453. The tolerance value for each variable shows a value > 0,100, so there is no indication of serious multicollinearity. While the VIF value of the education variable is 1,957, the crowdfunding variable is 3,616, the investment variable is 4,691, the distribution variable is 3,264, and the supervision variable is 2,209. From the VIF value on each variable, it shows the VIF value < 10, so it can be indicated that there is no significant multicollinearity problem.

c. Heteroscedasticity Test

The heteroscedasticity test is conducted to determine whether or not there is an inequality of variance from one residual to another observation in a regression model.

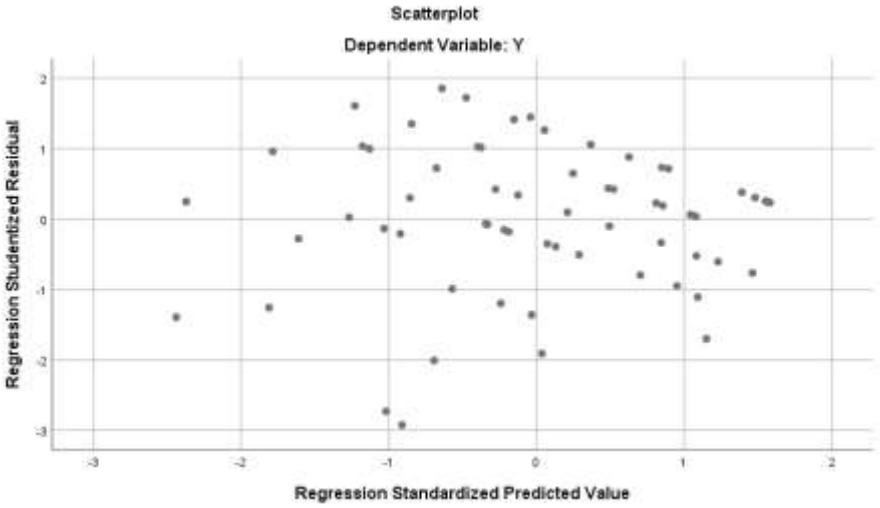

FIGURE 1. Heteroscedasticity Test Result

The graph below is the result of heteroscedasticity test, shows that the points on the graph do not form a clear pattern. The dots on the graph spread randomly and are scattered around the zero axis. So, the data shows no heteroscedasticity, or the assumption of homoscedasticity is fulfilled.Source: Primary data processed by researchers, (2024)

Hypothesis Test and Data Analysis

1. Multiple Linear Regression Test

Multiple linear regression test is a statistical analysis technique used to understand the relationship between one dependent variable and two or more independent variables. The results of multiple linear regression analysis can be seen in table below:

TABLE 3. Multiple Linear Regression Result

Variable	Coefficient	Probability Value (Sig.)	Information
Education	-0,097	0,187	Negative and not significant
Crowdfunding	-0,003	0,973	Negative and not significant
Investment	-0,030	0,755	Negative and not significant
Distribution	0,172	0,030	Positive and Significant
Supervision and Compliance	0,148	0,022	Positive and Significant

Source: Primary data processed by researchers, (2024)

Based on the table above, the equation formula of multiple linear regression is obtained in this research:

$$Y = (-0{,}097X_1) + (-0{,}003X_2) + (-0{,}030X_3) + 0{,}172X_4 + 0{,}148X_5 + e$$

Where:
Y = Dependent Variable
X_1 = Education
X_2 = Crowdfunding
X_3 = Investment
X_4 = Distribution
X_5 = Supervision and Compliance
e = residual (error)

Based on the table above, the conclusion is obtained on the coefficient value of each independent variable on the dependent variable as follows:

a. The coefficient value of the education variable is negative -0.097, it means that if the education variable increases, the performance variable will decrease, and vice versa.
b. The coefficient value of the crowdfunding variable is negative by -0,003, meaning that if the crowdfunding variable increases, the performance variable will decrease, and vice versa.
c. The coefficient value of the investment variable is negative by -0,030, meaning that if the investment variable increases, the performance variable will decrease, and vice versa.
d. The coefficient value of the distribution variable is positive by 0.172, meaning that if the distribution variable increases, the performance variable will also increase, and vice versa.
e. The coefficient value of the supervision and compliance variable is positive by 0,148, meaning that if the supervision and compliance variable increases, the performance variable will also increase, and vice versa.

2. F-Statistical Test (Simultaneous Test)

The F test is used to determine whether the independent variables simultaneously have a significant effect on the dependent variable. The following are the results of the F test in this study:

TABLE 4. F-Test Result

F-Value	P-Value (Sig.)
5,490	0,000

Source: Primary data processed by researchers, (2024)

Based on the table above, F value is 5,490 indicates that the regression model as a whole has sufficient power to predict the dependent variable based on the independent variables. Then, based on the p-value obtained, which is 0,000 < 0,05, it shows that the regression model is statistically significant, or it can be concluded that the independent variables together significantly affect the dependent variable.

3. T-Statistical Test (Partial Test)

The t test is used to show how the effect of one independent variable in partially explaining the variation in the dependent variable. The t test results can be seen in table 5.5 below:

TABLE 5. T-Test Result

Variable	Coefficient	t-statistic	Probability Value (Sig.)	Information
Education	-0,097	-1,335	0,187	Not Significant
Crowdfunding	-0,003	-0,034	0,973	Not Significant
Investment	-0,030	-0,314	0,755	Not Significant
Distribution	0,172	2,227	0,030	Significant
Supervision and Compliance	0,148	2,350	0,022	Significant

Source: Primary data processed by researchers, (2024)

Based on table 5.5 above, the t test results are explained for each independent variable on the dependent variable as follows:

a. The significant value of education variable is 0,187 > 0,05. It can be concluded that education variables have no significant effect on the performance variable.
b. The significant value of crowdfunding variable is 0,973 > 0,05. It can be concluded that crowdfunding variable has no significant effect on the performance variable.
c. The significant value of investment variable is 0,755 > 0,05. It can be concluded that investment variable has no significant effect on the performance variable.
d. The Significant value of distribution variable is 0,030 < 0,05. It can be concluded that distribution variable has a significant effect on the performance variable.
e. The significant value of supervision and compliance variable is 0,022 > 0,05. It can be concluded that education variable has no significant effect on the performance variable.

Based on the results of the T test above, it can be concluded on the table below:

TABLE 6. Conclusion of The T-test Results

No	Hypothesis	Information
1.	Education has a negative and not significant effect on Nazhir performance	Hypothesis rejected
2.	Crowdfunding has a negative and not significant effect on Nazhir performance	Hypothesis rejected
3.	Investment has a negative and not significant effect on Nazhir performance	Hypothesis rejected
4.	Dsitribution has a positive and significant effect on Nazhir performance	Hypothesis accepted
5.	Supervision and Compliance has a positive and significant effect on Nazhir performance	Hypothesis accepted

Source: Primary data processed by researchers, (2024)

4. Coefficient of Determination Test (R^2)

The determinant coefficient is used to measure the contribution of an independent variable to a dependent variable. If the value is close to 1, then the regression model can explain the large variation of the dependent Variable. Whereas, if the value is close to 0, then the model of regression is little or not even able to explain the variation. Here are the results of the determination test in table 5.7 below:

TABLE 7. R^2 Test Result

R-squared	Adjusted R-squared
0,321	0,263

Source: Primary data processed by researchers, (2024)

Based on the table above it shows that an R-square value of 32% suggests that the model explains 32% of the variance in the independent variables, while 68% is explained by other factors not investigated in this study.

DISCUSSION

A. The effect of Education on performance of Nazhir Muhammadiyah in Central Java

In this study, the education variable is measured to determine in what extent the Nazhirs have the knowledge needed to manage waqf properly. This knowledge includes legal aspects, waqf management, fund management strategies, etc. Based on the results of multiple linear regression analysis in this study, the education variable has a negative and insignificant effect on Nazhir performance. The coefficient value on the regression results of the education variable is -0,097 with a probability value of 0,187. Based on the research results, the not significant effect is likely due to the majority of respondents providing neutral answers (a score of 2 on a 1-3 scale). This suggests that the respondents have knowledge about waqf and understand the education provided, but they remain uncertain or lack confidence in the implementation, which has not yet been fully realized in their institutions. The questionnaires that were answered with neutral options (agree) are believed to indicate a low standard of knowledge, especially when the questions posed by the researcher are very simple and standard.

Additionally, the age range of respondents, which falls between 35-65 years, may also be a contributing factor to why education does not significantly influence performance. Generally, this age group is expected to have established experience and habits in waqf management. However, in this case, the education provided may not have a significant impact due to resistance to change or because they feel that the knowledge they already possess is sufficient. This relationship shows that an increase in Nazhir knowledge is not always directly proportional to an increase in their performance in waqf management.

In addition, there is a lack of effective application of the knowledge possessed by the Nazhir in the practice of waqf management. For example, Nazhir already has sufficient knowledge on how to manage waqf optimally, but there are external factors such as lack of time, workload, or administrative constraints that prevent them from applying it. Nazhir in Muhammadiyah works as a voluntary Nazhir. Therefore, the responsibility to broaden their knowledge and literacy in optimizing waqf is uninsurable. It can be interpreted that the structural, systematic, and massive improvement of education at the Nazhir management level, such as through waqf optimization education campaigns, is not necessarily in line with the direct improvement of Nazhir performance. Although various educational programs have been implemented, such as training and certified Nazhir program, capacity building for administrators, as well as orderly legalization procedures, it is possible that Nazhir administrators still face challenges in applying the educational outcomes to their daily waqf management practices.

Knowledge has an influence on a person's performance, but it must also be supported by practical knowledge, as described in the competency theory developed by David McClelland (in Tehuayo & Labusab, 2016, p. 1669) that academic potential tests, which at that time were often used to measure a person's performance, had no significant correlation with a person's actual performance in their job. McClelland indicated that competencies, such as skills and practical knowledge are more important and accurate in predicting one's performance. In other words, knowledge must be implemented properly in order to improve performance.

This is also supported by Polanyi's theory of implicit (including tacit) and explicit knowledge (in Griseri, 2002, p. 4) that explicit knowledge is not effective enough in improving performance if it is not supported by tacit knowledge that comes from direct experience. That's explicit knowledge-everything is written down and we can follow or tell it step by step. Meanwhile, tacit knowledge requires extensive experimentation and experience to develop until it produces more satisfactory results than relying solely on written knowledge. In the case of Nazhirs, if they only have explicit knowledge without sufficient practical experience, then the effect on performance could be negative or insignificant. This emphasizes the importance of ensuring that a sustained and innovative educational movement is able to drive significant changes in operational and managerial practices in the field.

B. The effect of Crowdfunding on performance of Nazhir Muhammadiyah in Central Java

Based on the results of regression analysis in this study, the crowdfunding variable has a negative and insignificant effect on the performance variable. The coefficient value of the crowdfunding variable is negative and smaller than the coefficient value of other variables, which is -0,003 with a probability value of 0,973. This indicates that although crowdfunding has significant potential, there are still challenges in its implementation that negatively affect the performance of Nazhir. This is further supported by the responses from participants, who predominantly selected scores of 1 (strongly disagree) and 2 (agree) rather than 3 (strongly agree).

Crowdfunding is expected to be a solution to increase mobility and participation in waqf collection, as well as providing platforms such as *JariyahMU* to expand the reach and ease the process of waqf management. However, this study shows that an increase in crowdfunding variables is not positively correlated with an increase in Nazhir

performance. This is due to crowdfunding efforts that are currently not well optimized, such as reviving waqf assets that are still neglected. There is still less integration of system applications that can support legalization, inventory, and optimization of waqf assets that can support Nazhir performance to be more effective. In addition, although crowdfunding platforms are provided to mobilize the entire community to contribute, the potential of crowdfunding including temporary and permanent cash waqf services, as well as benefit and professional waqf, is still not fully realized by Muhammadiyah Nazhirs in Central Java.

According to the crowdfunding theory proposed by Schwienbacher and Larralde (in Shalihah *et al.*, 2022, p. 1) states that it is a method to fund new ventures, which can be in exchange for products or services. This theory outlines crowdfunding as an alternative financing model that can help increase public participation in supporting social and charitable projects. In the context of waqf, crowdfunding can be a way to raise waqf funds more widely and quickly, as well as diversify the resources owned by the Nazhir. However, the data proven that the variety of crowdfunding innovation has not be the main purpose in their performances.

C. The effect of Investment on performance of Nazhir Muhammadiyah in Central Java

The results of the investment in this study also has a negative and insignificant effect on Nazhir performance. The coefficient value of the investment variable is negative -0,030 with a probability value of 0,755. This may suggest that although investment is considered beneficial, the implementation or other factors not covered in the research model could affect the outcomes.

In the context of the investment variable, this variable is one of the factors that can be used as a strategy to increase cash waqf profits and finance the development of waqf assets. This is because the application of investment models, such as stock/bond waqf, sukuk waqf, and other modern investment models to boost the amount of cash waqf, has not yet been fully implemented by the waqf institutions managed by Muhammadiyah Nazhir in Central Java.
Most Nazhirs expressed a doubt for readiness to contribute to managing and implementing projects planned by the waqf institution. The implementation of plans, such as roadmaps in planning projects that are ready to be implemented and offered to investors, is a strategic step. However, in fact, this lack of preparedness is believed by researchers to be due to the fact that this Nazhir institution is part of a religious social organization, where the risk of losses could also impact the organization. Moreover, they work in the organization as volunteers, which cannot guarantee that losses will not occur.

In Markowitz theory (in Portofolio, 1959, p. 1) states that investors will always choose a high rate of return with the lowest risk. This theory relates to how Nazhir can optimize waqf funds through the right investment strategy. A good investment is expected to increase the income from waqf funds and support the optimal performance of the Nazhir. However, this has not been implemented by many Muhammadiyah Central Java Nazhirs, as evidenced by the weak effect of investment on Nazhir performance in the results of this study. Also, in utility theory is based on individual preferences. Each person exhibits different preferences, which seem to be inherently part of them.

In the context of investment, the theory of utility explains how investors make decisions with the aim of maximizing their satisfaction or benefit from their investments, considering the uncertainty of potential outcomes. Investors often face risks, and this theory assumes that they choose investments that provide the maximum utility, which may mean opting for lower-risk options if they are risk-averse. Utility functions are used to measure the satisfaction derived from different investment outcomes, and investors will select the investment that offers the highest expected utility. This helps to explain investment decisions such as portfolio diversification and the evaluation of risk and return, as well as taking into account individual risk preferences.

D. The effect of Distribution on performance of Nazhir Muhammadiyah in Central Java

Based on the results of regression analysis in this study, the distribution variable has a positive and significant effect on Nazhir performance. The coefficient value of the distribution variable is positive at 0,172 with a probability value of 0,030. This means that if the distribution variable increases, the performance variable is also predicted to increase, and vice versa. This indicates that the effort and effectiveness in distribution have a direct impact on improving the performance of Nazhir. Although the coefficient value is only 0,17, this variable has shown that distribution within the organization has been carried out effectively. This may be due to respondents not fully understanding the researcher's questions, resulting in answers that are not aligned with the questions. In fact, it is common knowledge that the *Mawquf 'alayh* (beneficiary) of waqf donated by the *Waqif* (donor) to *Nazhir Muhammadiyah* is usually directly allocated to Muhammadiyah organizations, institutions, and charitable endeavors (*amal usaha Muhammadiyah*). Subsequently, these beneficiaries will manage the waqf in activities or programs that generate new benefits, which will then be received by the next or other *Mawquf 'alayh*.

In the context of Muhammadiyah waqf, increasing the quantity and quality of managed waqf distribution can increase the benefits for *mawquf 'alayh,* in accordance with the waqif's waqf pledge. Optimal performance in distribution also has the potential to expand the scope of waqf benefits to the public, such as the creation of new jobs, business opportunities, and other positive effects of waqf development. Therefore, professional and trustworthy performance in distribution will have a direct impact on improving the quality and quantity of benefits received by *mawquf 'alayh.* According to the theory of distribution justice by John Rawls (in Taufik, 2013, p. 48) justice is a measure that must be administered to achieve a balance between private and public interests. This theory emphasizes the importance of fair distribution to ensure that the benefits of waqf can be felt by those in need. In the context of Nazhir performance, targeted distribution is one of the factors that determine effectiveness in waqf management. In other words, the principle of fair distribution in waqf management is an important foundation for the success of the Nazhir in achieving the social objectives of waqf.

E. The effect of Supervision and Compliance on performance of Nazhir Muhammadiyah in Central Java

Based on the results of regression analysis in this study, supervision and compliance variables have a positive and significant influence on Nazhir performance. The coefficient value of the supervision and compliance variable is positive at 0,148 with a probability value of 0,022. This means that if the supervision and compliance variables increase, the performance variable is also predicted to increase. Conversely, if the variables of supervision and compliance decrease, the performance variable is also predicted to decrease.

This shows that supervision and compliance play a crucial role in ensuring that all waqf activities and governance run in accordance with the theological spirit of Al-Ma'un and Al-Asr. Nazhirs must also ensure that there are no violations of the Qur'an, Hadith, and various regulations and fatwas applicable to waqf institutions, so that the values of good governance can be realized through characters that are *siddiq, amanah, tabligh, fatonah,* and sincerity.
Supervision/Compliance is a constant and given component. The fatwa used as a legal reference for uniform waqf management under the Muhammadiyah organization is the fatwa established at the 32nd Muktamar in Purwokerto, Banyumas, in July 1953, concerning waqf. This fatwa serves as the foundational guideline, in addition to the Waqf Law established by the state.

In addition, supervision and compliance are efforts to ensure that all Nazhir and mutawalli members receive Nazhir certification training, and that education and invasion are aligned with the mission of Dakwah and Tajdid Muhammadiyah. Therefore, supervision and compliance are measured to ensure that Muhammadiyah waqf management remains on the right track and in accordance with the values and goals of the association.

Effective supervision and compliance can affect the performance of an employee. This can be explained by the agency theory put forward by Eisenhart (in Ningsih, 2018, p. 174) that effective supervision is necessary to ensure that all procedures and regulations are followed and properly implemented in waqf management. This theory emphasizes the importance of accountability and control in ensuring that waqf resources are used optimally and transparently. In the context of Nazhir performance, supervision plays a role in ensuring that their performance is in line with the standards set by the waqf institution.

CONCLUSION

The results of the analysis that has been carried out by researchers are intended to answer questions from the formulation of the problem that has been stated in chapter one, so the answers to the research questions and also the conclusions of the research on 'The Analysis of Nazhir Performance: Case Study of Nazhir Muhammadiyah Central Java', as follows:

1. The education variable has a negative and insignificant effect on Nazhir performance. Although educational variables play an important role in optimizing Nazhir performance, in this study, the educational variable still requires consideration to make Nazhir performance optimal. This effect is likely due to the majority of respondents providing neutral answers (a score of 2 on a 1-3 scale). Factors influencing the education variable negatively include a lack of confidence in implementation, the belief that the knowledge they already possess is sufficient, the voluntary nature of Nazhir roles in Muhammadiyah, the lack of responsibility to broaden their knowledge and literacy in optimizing waqf, and the fact that significant improvements in education at the Nazhir management level, such as through waqf optimization education campaigns, do not necessarily lead to direct improvements in Nazhir performance.
2. The crowdfunding variable has a negative and not significant effect on Nazhir performance. This is further supported by the responses from participants, who predominantly selected scores of 1 (strongly disagree) and 2 (agree) rather than 3 (strongly agree). While crowdfunding variables can be a solution in improving waqf optimization, several factors have negatively influenced this variable. These factors include the provision of platforms such as JariyahMU, which are currently not well optimized, efforts to revive waqf assets that are still neglected, and the lack of integration of system applications that can support legalization, inventory, and optimization. Additionally, while crowdfunding

platforms are provided, they are still not fully realized by Muhammadiyah Nazhirs in Central Java, and the variety of crowdfunding innovations has not yet become a primary focus in their performance.

3. The investment variable also has a negative and insignificant effect on Nazhir performance. It poses a challenge for Muhammadiyah Nazhir in Central Java. This negative effect is largely due to the incomplete implementation of investment models, such as stock/bond waqf, sukuk waqf, and other modern approaches aimed at increasing cash waqf. Many Nazhirs have expressed uncertainty about their ability to manage and execute these planned projects. As the Nazhir institution is part of a religious social organization, any potential losses could adversely affect the organization. Additionally, as volunteers, Nazhirs cannot guarantee that losses will not occur, making it crucial to thoroughly explain investment decisions, including portfolio diversification, risk and return evaluation, and consideration of individual risk preferences.
4. The distribution variable has a positive and significant impact on nazhir performance, indicating that as distribution is managed more effectively, nazhir performance will become more optimal. This influence is due to the fact that distribution has been well implemented in waqf institutions in Central Java. However, the coefficient value shows only 0.17, which may be due to respondents not fully understanding the research questions. In Muhammadiyah organizations, it is known that *Mawquf 'alayh* (beneficiaries) of waqf donated by *Waqif* (donors) to Muhammadiyah Nazhir are usually directly allocated to Muhammadiyah organizations, institutions, and charitable ventures. Consequently, these beneficiaries, in turn, manage the waqf in activities or programs that can generate new benefits, which are then passed on to the next *Mawquf 'alayh*.
5. Supervision and compliance variables have a positive and significant effect on nazhir performance. This indicates that as supervision and compliance increase, nazhir performance will become more optimal. This positive effect is due to the fact that supervision and compliance are constant and crucial components in waqf management. Each institution uses fatwas as legal references for uniform waqf management within the Muhammadiyah organization, as established at the 32nd Muktamar in Purwokerto, Banyumas, in July 1953. In addition, each waqf institution has facilitated Nazhir members to attend training such as certification.
6. Based on the results obtained, the F-test value was found to be 0,000 <0,05. This indicates that simultaneously the independent variables, namely education, crowdfunding, investment, distribution, supervision and compliance have a significant influence on the dependent variable, namely Nazhir performance. In addition, the coefficient of determination (R2) is 0,321 which means that the independent variables, namely education, crowdfunding, investment, distribution, supervision and compliance can explain the dependent variable, namely Nazhir performance by 32% and the remaining 68% is explained by other variables outside of the regression model in this study. In other words, there are other factors outside the five independent variables that also affect Nazhir performance but are not measured in this study. According to Chin (1998) in (Al-Marsomi & Al-Zwainy, 2023, p. 123) the value of the coefficient of determination (R2) is 0,67 (substantial), 0,33 (moderate), 0,19 (weak). Based on the r square value in this study, it shows that the regression model used has a moderate ability to explain variations in Nazhir performance based on independent variables, namely education, crowdfunding, investment, distribution, and supervision and compliance.

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