

# Digital-Based Nazhir Services for Co-Creation Value in Waqf Land Asset Management

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# **1** Digital-Based Nazhir Services for Co-Creation Value in Waqf Land Asset Management

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**Abstract** — In the management of waqf land assets, the implementation of digital-based Nazhir services offers the potential for co-creation value that benefits multiple stakeholders. By utilizing technology to streamline management processes and enhance stakeholder engagement, the true economic, social, and environmental potential of waqf lands can be unlocked, contributing to sustainable development and social empowerment. This conceptual paper aims to investigate the potential of digital-based Nazhir services for co-creation value in waqf land asset management in Bantul. Through a comprehensive literature review, we establish the significance of effective waqf land management, the potential of digital technology, and the importance of co-creation. The synthesis of these concepts offers a compelling framework to revolutionize the management of waqf lands, enabling their transformation into vibrant and sustainable assets. The proposed framework includes an online platform for showcasing waqf lands, streamlined management processes facilitated by digital technology. The initiation of co-creation through the active engagement of stakeholders, from local communities to investors, provides collective decision-making, and ultimately value generation.

**Keywords** — Waqf Land; Digital-Based Nazhir Services; Co-Creation; Stakeholder Engagement; Sustainable Development.

## **1. Introduction**

In the context of managing waqf land assets, there is a growing need to explore innovative approaches that can maximize their potential and create co-creation value among stakeholders. Waqf lands, which have been dedicated for religious purposes, hold immense value that can be harnessed to benefit the Muslim community and the broader society (Ari & Koc, 2021). This conceptual paper focuses on the implementation of digital-based Nazhir services, which not only revolutionize the management of waqf land assets but also foster co-creation among stakeholders. By utilizing technology to streamline processes and facilitate collaboration, the aim is to unlock the true potential of waqf lands, leading to sustainable development and social empowerment.

Furthermore, Digital-based Nazhir services for waqf land assets in Bantul offer a promising solution to streamline and enhance the management of these valuable assets. By leveraging digital technologies, such as mobile applications and online platforms, Nazhir can efficiently collect, record, and track information related to waqf land assets. This digital transformation in the management of waqf land assets in Bantul is crucial to improve efficiency and transparency. Furthermore, it enables better coordination and supervision by the BWI. The certification of Nazhir held by the Indonesia Waqf Agency ensures that

the quality of the Nazhir is more professional (Darus et al., 2017). The utilization of digital-based Nazhir services for waqf land assets in Bantul offers several advantages. Firstly, it enhances the productivity and profitability of waqf land assets.

By effectively managing and utilizing these assets, the community can benefit from social services, economic empowerment, and public infrastructure development. For instance, waqf land can be used to establish educational institutions, healthcare facilities, orphanages, and other social welfare programs that contribute to the overall development of the community. Additionally, the digitalization of Nazhir services for waqf land assets in Bantul can improve the management and utilization of these assets for community wellbeing (Phan et al., 2023).

## **2. Literature Review**

Indonesia as a country that has the largest Muslim population in the world really needs to develop its large waqf potential. This is because waqf has many virtues and is an instrument of goodness in Islam (Priyadi et al., 2023). Currently, technological innovation has influenced the phenomenon of digitalization in various fields, waqf field is also included in it. In addition, the role of representatives of BWI, the Government and other related parties is important to assist nazhir in producing waqf land assets. The absence of information technology-based applications

and the role of BWI representatives in providing information and earning waqf land assets are the main issues of this activity. Therefore, the team felt the need to transfer science and technology to the community. This community service activity is fruitful for the creation value of quality education, research and community service based on the integration of basic Islamic values and relevance to the latest environment, especially the program of strengthening the grand strategy of self-Islamization, internalization of organizational values, and integration of science and Islam (Darus et al., 2017; Lestari et al., 2023).

In addition, to understand the significance of digital-based Nazhir services for co-creation value in waqf land asset management, it is essential to delve into the existing body of literature. Several studies have explored various aspects related to waqf lands, digital technology, and co-creation, providing valuable insights, and setting the foundation for this conceptual paper (Kalimullina & Orlov, 2020).

### 2.1 Waqf Land Asset Management

The management of waqf lands has long been a subject of interest for researchers and practitioners alike. Scholars have highlighted the importance of effective management to ensure the preservation and optimal utilization of these assets. Traditional methods of waqf land management often face challenges such as lack of transparency, limited stakeholder involvement, and inefficient processes, highlighting the need for innovative approaches (Elnazer et al., 2021).

### 2.2 Digital Technology in Waqf Land Management

In recent years, digital technology has emerged as a powerful tool for transforming various industries, including waqf land management. Researchers have explored the potential benefits of digitizing waqf land management processes, such as improved transparency, streamlined transactions, and enhanced stakeholder engagement. Digital platforms and websites dedicated to waqf lands have been found to increase visibility, attract investment, and facilitate efficient utilization of these assets (Ari & Koc, 2021).

### 2.3 Co-Creation in Waqf Land Management

Co-creation, rooted in the concept of collaboration and collective action, has gained traction as an effective means of harnessing the potential of waqf lands. Scholars have emphasized the importance of involving multiple stakeholders, including the Nazhir, local communities, investors, and the wider public, in the decision-making and management processes. Co-creation not only allows for diverse perspectives but also fosters a sense of ownership

among stakeholders, leading to sustainable and community-driven development (Arshad et al., 2015).

### 2.4 Synergizing Digital-Based Nazhir Services and Co-Creation

The synergy between digital technology and co-creation presents a powerful framework for waqf land asset management. By leveraging digital-based Nazhir services, stakeholders can harness technology to enhance transparency, facilitate collaboration, and effectively manage waqf lands. This approach promotes co-creation by engaging stakeholders in decision-making processes, fostering trust, and ensuring the collective generation of value. The combination of digital technology and co-creation has the potential to unlock the true economic, social, and environmental potential of waqf lands, enabling their transformation into vibrant and sustainable assets (Hassan et al., 2021).

## 3. Method

The method uses in this study is with the digital services that increased understanding of productive waqf land assets within BWI Representatives Bantul Regency. And user participation in the Digital-Based Waqf Land Asset Information Service system by conducting training on the use of the application to provide step-by-step tutorials on application usage.

### 3.1 Service Equipment

The proposed program requires several supporting equipment, including Computers for application development, and application demos. And Application development application Based Web use XAMPP (PHP programming language) and PHPMyadmin (MySQL database).

### 3.2 Implementation

The stages of implementation of the Community Service Program as follows.

### 3.3 Information System Analysis Phase

This stage aims to explore information on what are the specific needs of users related to the system to be built. This stage will be carried out through a Focus Group Discussion (FGD) between the Team and BWI and Nazhir Representatives

### 3.4 Information System Application Development Stage

This stage aims to produce a Digital-based Nazhir Information Service System tailored to the needs of BWI

and Nazhir representatives according to the input obtained in the previous stage. This application is built based on a website. During the development process, input from BWI and Nazhir Representatives is needed so that the features contained in the system are in accordance with user needs.

### 3.5 Information Service System Implementation Phase Nazhir on Waqf Land Assets

This stage aims to implement a digital-based Nazhir Information Service System application. This implementation was carried out through training attended by BWI and Nazhir Representatives. This training is carried out through 2 stages. The first stage is to conduct training in system introduction and solicit input from BWI and Nazhir representatives regarding user interface suitability. After the system is deemed in accordance with user needs, the system completion process will be carried out so that it is ready to be implemented. The second stage is carried out to provide implementation preparation and train prospective users to be more skilled in using the application (Sukmana, 2020).

## 4. Discussion

Waqf is an instrument<sup>2</sup> goodness in Islam that is very influential in social life. Based on data from the Waqf Information System (SIWAK) of the Ministry of Religious Affairs states that there are around 3017 locations with an area of 93.69 hectares or equivalent to more than 30% of the total waqf land assets in Yogyakarta Province (Bouslama & Lahrichi, 2017; Priyadi et al., 2023). The Indonesian Waqf Board (BWI) in carrying out its duties and functions has formed BWI representatives at the provincial and district / city levels. However, at present, BWI representatives in Bantul Regency are still unable to empower and manage their waqf land assets optimally. Currently, BWI representatives only serve land certificates and nazhir guidance on waqf land assets. On the other hand, nazhir's need for services to productive waqf land assets is very much and needed. Therefore, digital-based nazhir services for BWI representatives in Bantul Regency need to be carried out. This program has specific objectives to: (i) Implement Digital-Based Waqf Land Asset Information Services at BWI Representative of Bantul Regency. (ii) Increase the role of BWI and Nazhir representatives in efforts to make waqf land assets more productive.

### 4.1 Waqf Land Issues

Based on data from the Waqf Information System (SIWAK) of the Ministry of Religious Affairs, the potential for land endowments in Yogyakarta Province reached 11,265 locations with an area of 417.35 hectares. In Sleman Regency there are 3,516 locations with an area of 119.41 hectares. While in Bantul Regency reached 3,017

locations with an area of 93.69 hectares. Both districts have the largest area and location of waqf land compared to other districts in Yogyakarta Province. However, the magnitude of the potential of these endowments has not been optimized properly. One of the economic improvements of the ummah through the utilization of waqf assets requires a strategic breakthrough from the Indonesian Waqf Board (BWI) (Elnazer et al., 2021; Lestari et al., 2023).

In addition, to support the implementation of its duties and functions, BWI establishes provincial BWI representatives for provincial level and district/city BWI representatives for second-level regions. Implementing BWI policies and tasks at the district / city level and fostering nazhir in managing and developing waqf property is part of the duties and authorities of the District / City BWI Representative. BWI representatives in Sleman and Bantul, Yogyakarta Province districts are currently empowering and managing waqf land assets that are not optimal and productive (Bouslama & Lahrichi, 2017; Kalimullina & Orlov, 2020). They only serve land certification and nazhir guidance on waqf land assets. Thus, there is no work program in empowering waqf land assets that have an impact on welfare. And the potential of waqf land assets has not been optimally utilized in a productive direction (BWI, 2023). Some of the reasons for choosing the BWI Representative of Bantul Regency as a pilot project for the Nazhir Service Information System application at the BWI Representative of Bantul Regency are as follows:

- BWI Bantul Regency is dedicated to the process of digitizing and implementing information and communication technology applications in various industries. The BWI apparatus of Bantul Regency is highly motivated to improve performance in BWI Regency through the use of ICT applications. To show their dedication to this goal, the community has asked the Abdimas team to design and operate the Nazhir Service Information System. On February 20, 2023, preliminary talks were held by the Village Team and Apparatus.
- BWI representatives in Bantul Regency are very receptive to the development of science and technology, especially information and communication technology (ICT). The drive and motivation they have is very high in continuing to improve their knowledge and abilities in the field of information and communication technology.
- The need for communication network infrastructure (Internet) in Bantul Regency has been fulfilled.

### 4.2 Leveraging Issues

To address the issues, the digital services program is executed. The program has specific objectives to:



- Building Service Information Systems Nazhir is based on a website for BWI and Nazhir Representatives that will be implemented in Bantul Regency. The system is built according to the needs of the user. This solution is to solve the problem of not having a system that can assist BWI representatives in the Nazhir service process to produce waqf land assets.
- Provide training to prospective users, namely BWI representatives and Nazhir.

#### 4.3 Program Benefits

The potential of waqf in the BWI Bantul Representative area has not been fully managed optimally in productive economic activities. Therefore, this community service activity is a strategic goal to explore the potential of waqf in Bantul and optimize the management of waqf assets for the community in Bantul Regency. In detail, community service activities will present the factual conditions of waqf related to patterns of utilization of waqf assets, presenting the ability of nadirs in managing waqf assets and in providing services to waqif managing waqf assets and the urgency of the availability of a nadir service system in receiving waqf from waqifs (Priyadi et al., 2021). The benefits that will be obtained by the community with this community service activity are as follows:

- Availability of information Use of waqf assets based on their use.
- Know capability information The nazhir that existed all along.
- Know the service nazhir against the waqif that existed so far.
- Availability of service system nazhir in receiving waqf from the waqif.

#### 4.4 Digital Based Prototype



Fig.1: Main menu

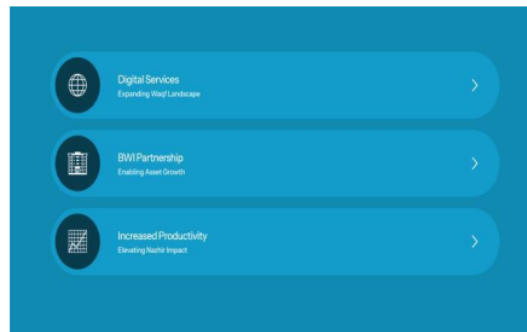


Fig. 2: Website Programs

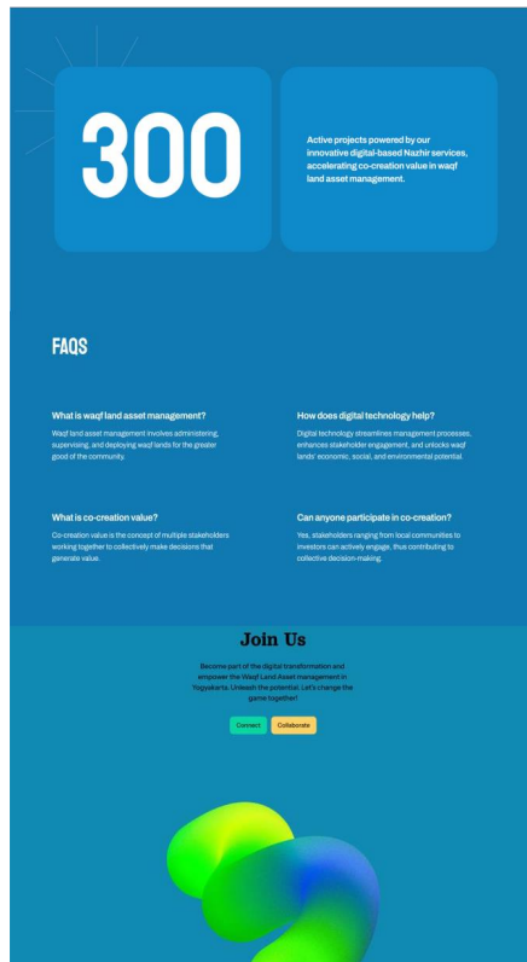


Fig.3: Co-Creation Services

#### 4.5 Digital-Based Nazhir Services

In recent years, there has been a growing interest in exploring ways to maximize the potential of waqf lands in Bantul to benefit the Muslim community. Waqf lands are assets that have been dedicated by individuals for religious purposes and cannot be sold or transferred. These lands have the potential to generate significant economic benefits if utilized effectively. In this paper, we propose the implementation of digital-based Nazhir services to enhance the value added of waqf land assets and promote economic well-being in the Muslim community.

#### 4.6 Importance of Digital-Based Nazhir Services

Digital-based Nazhir services offer numerous benefits in efficiently managing and promoting waqf lands. By utilizing technology and establishing a dedicated website, the Nazhir (trustees) can effectively showcase the available waqf lands and attract potential investors who are interested in utilizing these lands for economic activities (Suyadi et al., 2020; Vincenti, 2016). Some key advantages of digital-based Nazhir services include:

*Increased visibility:* A website dedicated to waqf lands can reach a wider audience, including local and international investors who may not have been aware of the potential investment opportunities (Unggul Priyadi, 2022).

*Streamlined information:* The website can provide comprehensive information about each waqf land, such as its location, size, zoning regulations, and potential uses. This transparency enables potential investors to make informed decisions.

*Ease of transaction:* Digital-based services can facilitate the process of leasing or renting waqf lands, allowing smooth and efficient transactions between the Nazhir and interested parties.

*Tracking and monitoring:* Through the website, Nazhir can monitor the utilization of waqf lands, ensuring that they are being used in accordance with the intended purpose. This helps to preserve the sanctity of waqf and ensure the benefits are directed to the Muslim community.

#### 4.7 Promoting Economic Well-Being

By enhancing the value added of waqf land assets through digital-based Nazhir services, we can promote economic well-being within the Muslim community (Ghlamallah et al., 2021; Widiastuti et al., 2022). The effective utilization of waqf lands can lead to several positive outcomes:

*Job creation:* Waqf lands can be leased or rented for various economic activities, such as agriculture, industry, or commercial businesses. This can create employment opportunities, especially for the local community, contributing to poverty alleviation and improved living standards.

*Entrepreneurship:* Access to waqf lands for economic activities can empower individuals to start their own businesses and become self-reliant. This encourages entrepreneurship within the Muslim community and fosters economic growth.

*Sustainable development:* By utilizing waqf lands for productive purposes, we can promote sustainable development practices. For example, lands can be used for organic farming or renewable energy projects, aligning with environmental conservation goals.

### 5. Conclusion

In conclusion, the implementation of digital-based Nazhir services to enhance the value added of waqf land assets in Bantul presents a significant opportunity to promote economic well-being within the Muslim community. By leveraging technology and establishing a dedicated website, the Nazhir can attract potential investors and effectively manage the utilization of waqf lands. This, in turn, leads to job creation, entrepreneurship opportunities, and sustainable development practices. It is crucial for the Muslim community and stakeholders to support and embrace this initiative as it has the potential to create a positive impact on the local economy and overall well-being.

In addition, this conceptual paper seeks to explore the implementation of digital-based Nazhir services for co-creation value in waqf land asset management in Bantul. Through a comprehensive literature review, we have established the significance of effective waqf land management, the potential of digital technology, and the importance of co-creation. The synthesis of these concepts offers a compelling framework to revolutionize the management of waqf lands and unlock their full potential, contributing to sustainable development and social empowerment in Bantul and beyond.

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