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Wan Norhaniza Wan Hasan *Editors*

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# Islamic Development Management

Recent Advancements and Issues

 Springer

*Editors*

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# A Critical Analysis of Zakat and Waqf in Sustaining the Development and Survival of Pondok Institution in Kedah



Rahayati Ahmad, Siti Hafsha Albasri, Syahiza Arsad and Roshima Said

**Abstract** In Malaysia, there is an increasing awareness in Zakat and Waqf among the Muslims community in Kedah. There is no doubt that Zakat and Waqf had contributed a lot in the development of Islamic education among the Muslim communities especially in Pondok institution which has grown drastically nowadays. Nonprofit Organization (NGO) in Kedah is seen to be the main contributor of Zakat and Waqf to support and sustain the financial development of the Muslim community in Islamic education and other various socioeconomics projects. Due to such a scenario, the development of the Zakat and Waqf for education in Pondok Institution in Kedah needs to be monitored to maintain the good practice and governance to ensure this institution will develop and survive in the future. The significance of this research is to examine the effect of zakat and waqf contributed by Nonprofit Organization (NGO) in the establishment the survival of Pondok institution in Kedah. This empirical study includes data collection of 100 Nonprofit Organization (NGO), who actively provide zakat and waqf to the Pondok institution in Kedah. A Pondok Development and Performance Framework will be developed based on the previous study and expert opinion from Majlis Agama Islam, Jakim and NGOs to identify the important element in measuring the performance, sustainability, and survival of Pondok in Kedah. This field studies would provide additional information for the government and public to value the Pondok education and hopefully the roles played by the NGO in managing the zakat and waqf for the development of Pondok institution in Kedah will improve and enhance the development of Islamic education system for the Muslim society into a higher level and respectful way.

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## Introduction

There are 242 Pondok institutions in Malaysia registered under Yayasan Pembangunan Pondok Malaysia (YPPM) and Kedah was the second highest number of Pondok institution in Malaysia with totally 61 Pondok institutions registered under YPPM. This shows that Kedah also one of the regions that grabbed the opportunities to make Pondok institution as a popular Islamic education in the region after Kelantan. This drastic growth in the number of Pondok institutions in Kedah creating a positive impact on the development of Islamic education hub for new and young Muslim generation to become "Tahfiz" or Ulama in the future. The Pondok institution sustainability and survivability in Kedah is seemed to be taken care of by the NGO but not seriously monitored by any government department or ministry in Kedah.

## Problem Statement

Pondok is known as traditional education in Malaya since colonial period. This traditional education or Pondok was explicitly imparted at surau, masjid or in the home of the 'Imam'. Arabic and Al-Quran were the main syllabus through traditional learning for more than a decade. Now Pondok institutions are moving forward into a modern rational institution (Ozay, 2011) for Muslim to learn and study Islamic knowledge. Nowadays we can see that Pondok institution is incorporated everywhere and became popular Islamic education in Kedah. Some Pondok started in a small masjid and within 5 years developed into a huge Pondok institution later on. The development of the Pondok institution was influenced by the roles played by the Non-Profit Organization. Based on the previous study done by Karnaen (2013) from Indonesia, most of the small Pondok institutions were sponsored by the generous nonprofit organization (NGO), who are willing to get fund from the collection of zakat and waqf to develop and sustain the survival of Pondok institutions in Indonesia. In Kedah, the same scenario happened and the Muslims started to give attention to Pondok education especially the Muslim NGO who actively contributed to the zakat and waqf to the development of Pondok in Kedah such as Yayasan YaPEIM, YADIM, PERKIM, etc. Yayasan YaPEIM, YADIM, PERKIM, etc. Majlis Agama Islam Kedah only helps to provide some fund to selected Pondok institutions if they required or apply directly from Zakat Department in terms of sadaqah, zakat, and waqf. Some of the small underdeveloped independent Pondok institution in Kedah such as in Sik, Kuala Ketil, Parit Panjang, and Baling just hoping from individual Muslims and NGOs who provide sadaqah and zakat consistently, to keep them survived. There are some of them used the "Tahfiz" students to sells product to generate income for the Pondok as what happened to Pusat Tahfiz Amal at Kuala Kedah (Suzalina, 2016).