Determinant Efficiency Analysis of The National Zakat Board (BAZNAS) Regency/City in West Java

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Abstract. This research is intended to determine the factors that influence the efficiency of The National Zakat Board Regency/City in West Java and improve the efficiency level of The National Zakat Board Regency / City in West Java. This research uses Statistical Test Non- Parametric Method Two-Stage Data Envelopment Analysis (DEA) using the production approach and Tobit regression model. Generally, the efficiency level of The National Zakat Board in West Java is relatively good because it achieves a total efficiency value of six National Zakat Board, besides that most of The National Zakat Board in West Java reaches the point of efficiency above average. The factors that cause these inefficiencies are generally less optimal distribution. In the Tobit regression model, from used six variables is the number of employees and Amil, the number of Zakat collector units, the number of payment systems offered, the number of meetings per year, the operational costs, and the total assets, there are only two Variebel values Significant effect on the efficiency of The National Zakat Board, the variable number of meetings and total asset value.

Keywords.   Efficiency; Zakat; The National Zakat Board; Two-Stage Analysis.

INTRODUCTION

Income equalization becomes one of the development objectives listed in the *Sustainable Development Goals* (SDGs). Indonesia and other developing countries are still facing this problem. In 2018 Indonesia was 62 with a value of Gini coefficient of 0.395 (CNBC Indonesia, 2018). There are many solutions from the Islamic economic system that can be done. One of them is to increase the potential of zakat as one of the instruments of income redistribution.

In Indonesia, the potential value of Zakat collection, according to the research of Firdaus et al. (2012), amounted to about 217 trillion, which was calculated based on various types of data, including individual and corporate income. However, the realization value of the Zakat collection is still far from its potential. Some factors that affect the value of the Zakat collection in Indonesia are still shallow. According to Yusuf Wibisono, the cause of the low of zakat collection is that many people do not pay zakat formally, so it is not recorded. Further, he said the community prefers to pay directly to zakat recipients because it feels more comfortable and satisfied. Even people will feel more comfortable paying zakat to their neighbors or relatives, although there is needier (Republika, 2017).

The condition illustrates that many people have not believed in the official zakat institution. Growing the trust level of the community to pay zakat directly through the Zakat agency is still a significant task of the government and the managers of zakat institutions. Therefore, to increase the professionalism of The National Zakat Board in conducting zakat governance, in 2018, researchers previously researched measuring the efficiency of The National Zakat Board Regency/city in West Java. Measurement efficiency is used to assess the performance of the zakat institution. By using the Data Envelopment Analysis method, it can be discovered that The National Zakat Board Regency/city in West Java generally still has not reached the level of efficiency in the management of zakat funds.

The research on the efficiency level of Amil Zakat Institution continues to develop in various countries, so there is a research procedure called Two-Stage Data Envelopment Analysis. In this

procedure, two research phases will be conducted (First Stage and Second Stage). In the First Stage, the measurement of efficiency is measured using the Data Envelopment Analysis (DEA) method. In contrast, the Second Stage will be analyzed to find out the factors that affect the efficiency level of a financial institution using the Tobit model so that the results will be obtained thoroughly about the efficiency level of an institution (Endri, 2017).

Gunes & Yilmaz (2016) used the Two-Stage Data Envelopment Analysis approach to measure the performance of banks in Turkey in 2007 – 2014 and analyzed factors affecting bank efficiency. The loan intensity, bank market share, and profitability of banks have a positive influence. In contrast, the bank size, risk, and operational management of banks negatively influence the efficiency of banks. The study by Ali & Ascarya (2010) about efficiency analysis on MMU Islamic Microfinance and UGT Sidogiri Islamic Microfinance using Two-Stage Data Envelopment Analysis approach; this study aims to see the efficient level of both institutions in the period 2005 – 2008, as well as see if the size factor (LNSIZE) and the capital strength (CAPT) influence the level of efficiency of BMT.

Previous research by Wahab & Rahman (2013) measuring the ratio between output and input compared to the 14 State Islamic Religion Council (SIRC) in Malaysia in period 2003 to 2007 of the efficiency of the Zakat Institution and the factors influencing that using the Data Envelopment Analysis (DEA). This study shows the efficiency of the zakat agency in Malaysia has shown average technical efficiency of 80.6%. The research also shows that several determining factors influence efficiencies. including NOB (number of available branches); NOS (number of employees/Amil); ZPS (Total zakat payment system offered); WEB (Dummy functional website); CZS (Dummy computerized zakat system); BS (Board Size); MPY (meeting per year); AC (Audit Committee); DES (decentralization); CORP. (corporatization).

Regarding the factors that affect the efficiency of Zakat Institution by using Tobit regression, as far as the knowledge of authors is still rarely conducted in Indonesia, it is essential to increase efficiency effort. The previous research refers to the research result of Wahab & Rahman (2013) in measuring the level of efficiency and the factors that affect the Zakat institution in Malaysia. Thus, the novelty or newness of this study is research efficiency at the second stage to find out and reinforce previous research about what determinant factor affects zakat institution efficiency by using Tobit regression analysis. The research conducted in Amil Zakat Government Institution (BAZNAS) has never been done, whereas it is essential to improve the performance and governance of zakat government agencies.

LITERATURE REVIEW

A. Efficiency Concept

According to Ascarya & Yumanita (2008), the concept of efficiency comes from the concept of microeconomics, namely the theory of consumption and producer theory. The point of view of consumer theory tries to maximize usability or individual satisfaction, while the producer's theory of view tries to maximize profit or minimize costs.

Referring to the concept of efficiency must be in contact with the input and the output. Efficiency is a productivity component and refers to actual comparisons and optimal input and output quantities (Lovell, 1993). There is another view on the concept of efficiency in economics, as expressed by Worthington (2004) that there are three types of efficiency, namely:

1. Technical efficiency refers to the maximization of outputs that allow inputs.
2. Allocative efficiency, regarding the selection between efficient use of inputs technically to produce output as much as possible.
3. Cost efficiency is a combination of technical efficiency and allocative efficiency. If an institution uses a complete technical and allocative efficiency, then it can be said to have achieved total economic efficiency.

A company can be said to be economically efficient if the company can minimize production costs to produce specific outputs with a technological level generally used

with prevailing market prices. According to Lovell (1993), technical efficiency is only one component of overall economic efficiency. However, in order to achieve its economic efficiency, a company must be technically efficient. In order to achieve the maximum level of profit, a company should produce specific outputs (technical efficiency).

Related to the efficiency of the institution Amil Zakat, so the zakat institution should do expenses with careful calculation. Because the institution itself does not own the funds used for the expenditure, there are muzakki/Community funds that entrust the funds to Amil Zakat institution, which is as beneficial and as optimal as possible Mustahiq. For that, in conducting expenditure/output, an amil should consider the benefits of considering owned inputs.

B. Efficiency Measurement

Efficiency measurements are indispensable to assess the performance of the institution, measurement of efficiency according to Muharam & Pusvitasari (2007), three approaches can be made:

1. Ratio Approach

The ratio approach in measuring efficiency is made by comparing the output and input used. The ratio approach will be assessed to have high efficiency when producing a maximum output amount with specific inputs.

$$efficiency = \frac{output}{input}$$

Chu-Fen Li saw the ratio approach as "the most critical limitation of the financial ratio is that they fail to consider the multiple input-output..." (Li, 2007). Therefore, this approach has not been able to assess the performance of financial institutions thoroughly.

2. Regression Approach

This approach measuring efficiency uses a specific output level as a function of varying levels of a given input. The regression equation can be written as follows:

$$Y = X_1 + X_2 + X_3 + \cdots + X_n$$

Where:

$Y = output$, $X = input$

This approach cannot resolve many output conditions because only one output indicator can be accommodated in a regression equation. This approach can not resolve many output conditions since only one output indicator can be accommodated in a regression equation.

3. Frontier Approach

The frontier approach measuring efficiency is differentiated into two types, namely parametric and non-parametric frontier approaches. Parametric approaches include using the Stochastic Frontier Approach (SFA) and the Distribution Free Approach (DFA). The non-parametric frontier approach is measured by non-parametric statistical tests that use the Data Envelopment Analysis (DEA) method.

C. Factors Affecting Efficiency

The concept of efficiency is used to measure performance and aims to achieve optimal profit. Efficiency needs to know what factors affect efficiency, especially in the organization of Zakat Management. According to Wahab dan Rahman (2014), the efficiency of the zakat institution is influenced by the number of branches of zakat institution, number of employees, zakat payment system, website, computerized zakat system, number of meetings per year, audit committee, Leadership Board of Zakat institutions, decentralization and corporations.

According to Barankay & Lockwood (2007), decentralization can increase the efficiency of an organization because it enhances accountability, reduces bureaucracy, and limits leakage of funds and other resources. In addition, auditors can also influence efficiency because the purpose of auditing is to increase the efficiency or accountability of the financial or administrative of an organization based on the rules and written regulations (Boerhannoeddin et al., 2004).

The study of Al Parisi (2019) on determinant efficiency of the Organization of Zakat Management (OPZ) have variables that are becoming determinant efficiency of OPZ, among others, human resource variables (HR), Regulation (REG), and type. Human resources refer to the number of employees who are the deciding factor of OPZ is efficient or inefficient. The number of employees who do not necessarily increase efficiency when the employee is less productive and professional compared to the number of relatively small but professional, integrity, discipline, and productive employees. Furthermore, the regulation referred to the law and government regulation on the implementation of zakat. The preferred type is OPZ which is under the Bank Syariah and OPZ stand-alone.

RESEARCH METHODOLOGY

A. Approach/Research Method

The research method used in this research is descriptive-explanatory. Explanatory research aimed to test hypotheses to find and identify cause-effect between multiple variables or between independent and dependent variables. The analysis tool used is Tobit regression with the Two Stage-Data Envelopment Analysis approach to analyze determinant factors of The National Zakat Board efficiency. The Tobit regression model assumes that free variables are not limited in value (non-censured); Only non-free variables are censured; All variables (either free or non-free) are measured correctly; No autocorrelation; No heteroscedasticity; no perfect multicollinearity; and mathematical models used to be precise (Gujarati, 1995).

Using regression analysis methods for social and economic research, there are many data structures where the response variable has zero value for some observations. In contrast, for some other observation has a certain variety of values. This kind of data structure is called censored data. The standard Model of Tobit can be defined for observation (in The National Zakat Board) (Greene, 2008).

$$Y = \beta^{\!}X + as_i \ldots \ldots$$
Where
$$y_i = y_i^* \text{ jika } y_i^* \Sigma\, 0 \qquad\qquad y_i = 0 \text{ jika } y_i^* \leq 0$$

In the Tobit model, there is additional scale efficiency information (SCALE) that the scale factor that will be estimated σ. This scale factor can be used to estimate the deviation standard from the residual. The software used for this analysis is Eviews 6.

The Tobit regression method was used to analyze the factors affecting efficiency levels of Baznas in Regency/city. The reason for using the Tobit method in this research is because the data used in this research is censored data, which is the value of non-free variables, which the level of technical efficiency (EFT), restricted and only ranged between 0 and 100%. If the OLS method is used with such data, the regression results will become biased and inconsistent.

Through the formulation, the model is formed in this study which is used in analyzing the factors that affect efficiency.

$$EFF_i = \beta 0 + \beta 1 KRYWN + \beta 2 UPZ + \beta 3 SP + \beta 4 RAPAT + \beta 5 BOPO + \beta 6 LNASSET + \varepsilon_i$$

Where:
EFFi (Y) : Technical efficiency value of DEA

        If Y= 0 then inefficient

        If Y= 1 then efficient

KRYWN(X_1): Number of employees/Amil UPZ

(X_2): Number of Zakat collector units (UPZ)

SP (X_3): Number of payment systems offered RAPAT

(X_4): Meeting amount per year

BOPO (X_5): Operating costs of The National Zakat Board in Regency/City LNASET

(X_6): *Log Total natur*al asset The National Zakat Board in Regency/City

B.   Research Object

Research objects can be interpreted as research targets. The object that wants to be researched in this study is the determinant efficiency of The National Zakat Board. This research will analyze the determinant efficiency of The National Zakat Board Regency/city in West Java during the period 2012-2016. The National Zakat Board Regency/City in West Java are:

Tabel 1. The National Zakat Board Regency/city in West Java

No	BAZNAS	No	BAZNAS
1	Bogor Regency	14	Bekasi Regency
2	Cianjur Regency	15	Garut Regency
3	Sukabumi Regency	16	West Bandung Regency
4	Bogor City	17	Tasikmalaya Regency
5	Indramayu Regency	18	Cirebon City
6	Cirebon Regency	19	Sukabumi City
7	Purwakarta Regency	20	Bekasi City
8	Subang Regency	21	Cimahi City
9	Karawang Regency	22	Bandung City
10	Sumedang Regency	23	Tasikmalaya City
11	Ciamis Regency	24	Banjar City
12	Kuningan Regency	25	Depok City
13	Majalengka Regency	26	Pangandaran Regency

Source: (The National Zakat Board West Jawa, 2018)

RESULTS AND DISCUSSION

A.   Results of Data Processing Efficiency and Productivity of The National Zakat Board Regency/City in West Java

In the model two-stage analysis determinant efficiency of The National Zakat Board Regency/city in West Java, researchers calculated the efficiency value of each Baznas over some time in 2016-2018. The input and output variables are the value of gathering and distributing zakat in each of these National Zakat boards.

Tabel 2. The efficiency of The National Zakat Board Regency/city in West Java

NO	DMU	2018	2017	Mean	
1	BAZNAS Bekasi Regency	1.000	1.000	1.000	* Full efficiency value occurs
2	BAZNAS Bogor Regency	0.402	0.560	0.481	when reaching 100% or 1.000.
3	BAZNAS Ciamis Regency	1.000	1.000	1.000	As for the value
4	BAZNAS Cirebon Regency	0.005	0.825	0.415	that has not reached the
5	BAZNAS Garut Regency	1.000	1.000	1.000	point 1.000 can
6	BAZNAS Indramayu Regency	0.626	1.000	0.813	be defined
7	BAZNAS Karawang Regency	0.844	0.558	0.701	inefficiently and
8	BAZNAS Kuningan Regency	0.557	0.199	0.378	can still be
9	BAZNAS Purwakarta Regency	0.955	0.660	0.807	efficient later on
10	BAZNAS Subang Regency	0.375	0.328	0.352	
11	BAZNAS Sukabumi Regency	1.000	0.911	0.956	
12	BAZNAS Sumedang Regency	1.000	0.580	0.790	
13	BAZNAS Bandung City	0.285	0.268	0.276	
14	BAZNAS Bekasi City	0.871	0.834	0.852	

NO	DMU	2018	2017	Mean	* Full efficiency
15	BAZNAS Bogor City	0.697	0.805	0.751	
16	BAZNAS Cimahi City	1.000	0.819	0.910	
17	BAZNAS Cirebon City	0.756	0.323	0.539	
18	BAZNAS Tasikmalaya City	0.785	0.600	0.692	
19	BAZNAS West Java Province	0.471	0.540	0.505	
	Average	0.717	0.674		

Source: (Processed Data, 2019)

In general, the efficiency rate of The National Zakat Board in West Java is relatively good because that achieves a full efficiency value (1,000) reaches 6 The National Zakat Board in addition to 74% or most of The National Zakat Board in West Java reaches the efficiency point above 0.500. It identifies that The National Zakat Board in West Java has given its best performance to achieve a fairly good level of efficiency.

The details of this efficiency value are also seen in the performance improvement of Baznas from 2017 to 2018. The average achievement of the efficiency value in 2018 is greater than in 2017 or 2018 (0.717) ≥ 2017 (0.674).

Calculate the efficiency above using the variable Return to Scale (VRS) method with the BCC Output approach. The BCC output approach is used when about to know the level of efficiency that focuses and performs the emphasis on the output value (distribution) by comparison of the number of inputs obtained; the VRS approach is more prefer chosen because this approach is perfect for determining the efficiency value of a company whose income level is unstable.

The National Zakat Board, which has a small or average inefficiency value (≤ 0.500) or still has not reached the value of full efficiencies (1.000), can be a known cause. The inefficiencies can be seen from the value of the slack movement and Proportionate Movement in the Maxdea 6.1 software. Here is the cause of the explanation of inefficiencies.

Tabel 3. Inefficiencies cause factors

Zakat Institution	Proportionate And Slack Movement	Proportionate And Slack Movement
	2018	2017
Collection (input variable / X1)	0.0	0.0
Distribution (Output variable / Y1)	6/0	4/0

Source (processed data, 2019)

In the table above, the value filled in the proportionate movement column and slack movement is the distribution or (proportionate and slack movement ≠ 0), which means distribution (Y1) is the cause of inefficiencies from The National Zakat Board in West Java.

If the value of because inefficiencies has been found, it certainly must have a solution. In the discussion of Data Envelopment Analysis, the solution refers to the object with the best efficiency value. Here's a reference to Baznas, who has achieved a full efficiency rate (1.000).

Tabel 4. The National Zakat Board Which Used As A Reference For Better National Zakat Board With High Inefficiencies

The National Zakat Board in West Java	Efficiency value	Number of referenced
2018-Baznas Sumedang Regency	Full Efficiency	10 times
2018-Baznas Garut Regency	Full Efficiency	8 times
2018-Baznas Ciamis Regency	Full Efficiency	4 times
2018-Baznas Cimahi City	Full Efficiency	3 times
2018-Baznas Bekasi Regency	Full Efficiency	1 time

The National Zakat Board in West Java	Efficiency value	Number of referenced
2018-Baznas Sukabumi Regency	Full Efficiency	0 time
2018-13 Baznas which has efficiency value below 1,000	Inefficient	0 time
2017-Baznas Indramayu Regency	Full Efficiency	14 times
2017-Baznas Garut Regency	Full Efficiency	10 times
2017-Baznas Ciamis Regency	Full Efficiency	5 times
2017-Baznas Bekasi Regency	Full Efficiency	1 time
2017-15 Baznas Baznas, which has efficiency value below 1,000	Inefficient	0 time

Source: (Processed Data, 2019)

Table Data of reference amount is indispensable as The National Zakat Board rating with best efficiency value. It is necessary as a material of appreciation and demonstration for Baznas that has not yet reached the value of full efficiency. The National Zakat Board has a continuous reference for two years, namely Baznas Garut Regency, Baznas District Ciamis, and Baznas Bekasi regency.

Another solution to increase the value of full efficiency is the percentage of the growth factor of inefficiencies. In the previous discussion, it is known that the factors causing inefficiencies are less optimal distribution. Here's a detailed explanation:

Tabel 5. The Percentage Value That Must Be Improved So That In The Coming Year Able To Achieve Full Efficiency

Zakat Institution	2018 average (%) Distribution	Distribution Improvement Descriptions
BAZNAS Bekasi Regency	0.00	No need to upgrade
BAZNAS Bogor Regency	59.80	It simply needs to be improved 1/2
BAZNAS Ciamis Regency	0.00	No need to upgrade
BAZNAS Cirebon Regency	99.53	Very need to be improved 2x
BAZNAS Garut Regency	0.00	No need to upgrade
BAZNAS Indramayu Regency	37.36	Need to be improved
BAZNAS Karawang Regency	15.58	Need to be improved
BAZNAS Kuningan Regency	44.32	It simply needs to be improved 1/2
BAZNAS Purwakarta Regency	4.50	Small improves
BAZNAS Subang Regency	62.48	It simply needs to be improved 1/2
BAZNAS Sukabumi Regency	0.00	No need to upgrade
BAZNAS Sumedang Regency	0.00	No need to upgrade
BAZNAS Bandung City	71.53	It simply needs to be improved
BAZNAS Bekasi City	12.91	Need to be improved
BAZNAS Bogor City	30.28	Need to be improved
BAZNAS Cimahi City	0.00	No need to upgrade
BAZNAS Cirebon City	24.38	Need to be improved
BAZNAS Tasikmalaya City	21.48	Need to be improved

The way of addressing inefficiencies is derived from the value of comparison between projection data and the data of inefficiencies causing factors. The total nominal percentage above is

certainly not absolute. It can only be a referral priority on how important the distribution must be upgraded in 2020.

From the top of the discussion above, one (1) National Zakat Board in West Java needs to be upgraded, fice (5) National Zakat Board in West Java needs to be upgraded to distribute the value. Six National Zakat Board in West Java needs distribution upgrade, one National Zakat Board in West Java needs a small upgrade only, and the last 6 National Zakat Board in West Java does not need to upgrade the number of distributions in 2020.

B. The results of the regression test of Tobit efficiency determinant Baznas City/district in West Java

The efficiency calculations result by using DEA essentially have not considered the factors that affect them yet. Therefore, at the next stage in this study will be analyzed factors that affect the efficiency of The National Zakat Board Regency/city in West Java using the second stage analysis. The second analysis of the study used the Tobit model. The Tobit model is used due to its variable dependent values of efficiency between 0 and 1.

Tabel 6. Analysis Result of Tobit Model

Variable	Coefficient	Std. Error	z-Statistic	Prob.
C	1.702516	0.526394	3.234302	0.0012
KRYWN	0.003736	0.008874	0.421026	0.6737
UPZ	0.000300	0.000242	1.238040	0.2157
SP	-0.003304	0.066962	-0.049345	0.9606
RAPAT	0.002470	0.001165	2.120028	0.0340
BOBO	-0.000281	0.000210	-1.334071	0.1822
LNASET	-0.061792	0.031080	-1.988154	0.0468

Source: (Processed Data, 2019)

This section describes the variables that are determinants of the efficiency of The National Zakat Board City/district in West Java. This study using six (6) independent variables are a variable number of employees and Amil, number of Zakat collector units (UPZ), number of payment systems offered, number of meetings per year, operational costs, and total assets. In contrast, the dependent variable is the efficiency of Baznas Regency/city in West Java. Analysis of these OPZ efficiency determinants using the Tobit regression method. According to table 6, it can be known that from the six independent variables only used two variables that have a significant effect on the efficiency of Baznas City/district in West Java with the following explanation:

1. The variable number of employees/Amil effect is not significantly positive towards the efficiency level of Bazas. The variable number has P-value/prob value of 0.6737 as much as the α value (0.6737 > 0.05). Thus, it can be interpreted that the variable number of employees/amil affects the efficiency of The National Zakat Board Regency/city in West Java positively but not significantly. This means, if the variable number of employees/Amil increased by one unit, it would increase the National Zakat Board's efficiency by 0.3%. This shows that more and more employees/Amil will increase the efficiency rate of The National Zakat Board.

2. The variable number of zakat collecting units (UPZ) effect is not significantly positive towards the efficiency level of The National Zakat Board. A variable number of Zakat collector units (UPZ) has P-value/prob value of 0.2157 as much as the α value (0.2157 > 0.05). Thus, it can be interpreted that the variable number of zakat collecting units (UPZ) affects the efficiency of The National Zakat Board Regency/city in West Java positively but insignificant. If the number of UPZ variable increases by one unit, it will lead to increased The National Zakat Board efficiency by 0.03%. This indicates that the more UPZ amount will increase the efficiency rate of The National Zakat Board.

3. The number of payment systems offered influenced not significantly negatively towards the efficiency level of Baznas Regency/city in West Java. The variable amount of payment systems offered has a P-value/prob value of 0.9606, bigger than the α value (0.9606 > 0.05). Thus, it can

be interpreted that the variable number of payment systems offered to influence the efficiency of The National Zakat Board Regency/city in West Java is negative but not significant. This means that if the variable amount of payment system offered increases by one unit, it would cause a decrease in the efficiency of The National Zakat Board by 0.3%. The indicates that the number of payment systems offered will lower the efficiency rate of The National Zakat Board.

4. The number of meetings per year has a positive impact on the efficiency level of The National Zakat Board Regency/city in West Java. The variable number of meetings per year has a P-value/prob value of 0.0340 smaller than the α value (0.0340 < 0.05). Thus, it can be interpreted that the variable number of meetings per year affects the efficiency of The National Zakat Board Regency/city in West Java positively and significantly. This means, if the variable number of meetings per year increases by one unit, it will lead to an increase in The National Zakat Board efficiency by 0.2%. This indicates that the number of meetings per year will increase the efficiency rate of The National Zakat Board.

5. The operational cost is not significantly negative to the efficiency level of The National Zakat Board Regency/city in West Java. The operational cost variable has P-value/prob value of 0.1822 bigger than the α value (0.1822 > 0.05). Thus, it can be interpreted that the operational cost variables that affect the efficiency of The National Zakat Board Regency/city in West Java is negative but not significant. That means if the variable operating cost increases by one dollar, it will cause a decrease in the efficiency of The National Zakat Board by 0.02%. This shows that more operational costs will decrease the efficiency rate of The National Zakat Board.

6. The Total asset harms the efficiency level of The National Zakat Board Regency/city in West Java. The asset total variable has P-value/prob value of 0.0468 smaller than the α value (0.0468 < 0.05). Thus, it can be interpreted that the variable of total assets affects the efficiency of The National Zakat Board Regency/city in West Java in a negative and significant. This means, if the total asset variable increases by one rupiah, it will cause a decrease in the efficiency of The National Zakat Board by 6%. This shows that more total assets will lower the efficiency of The National Zakat Board.

CONCLUSION

The efficiency level of The National Zakat Board City/district in West Java is relatively good because it achieves a full efficiency value (1,000) achieved by Baznas Sumedang Regency, Baznas Garut Regency, Baznas Cimahi Regency, Baznas Cimahi City, Baznas Bekasi Regency, and Baznas Sukabumi Regency. The determinant of efficiency at Baznas City/district in West Java which has a positive influence, is the number of employees/Amil, the number of Zakat collector units (UPZ), and the number of meetings per year. While having a negative influence is the number of payment systems, operational costs, and total assets. The implications of this study are that each baznas should be able to improve its efficiency with a focus on what is the cause. In addition, each of The National Zakat Board can continue to improve its performance by evaluating the factors that are assessed to affect performance on The National Zakat Board and benchmarking on other National Zakat Board that is deemed more successful. Thus, the government, through the management of The National Zakat Board in each region, is expected to synergize in improving the performance of The National Zakat Board because the better the performance of The National Zakat Board, then the role of zakat that can be given to the community will also be more increasing.

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