

# Profiling the Competency of *Nazhir Waqf*: A Conceptual Paper

Yayan Firmansah<sup>1</sup>, Lathiefa Rusli<sup>2</sup> and Hartomi Maulana<sup>2</sup>

<sup>1</sup>Kulliyah of Economics and Management Sciences, International Islamic University Malaysia (IIUM), Malaysia

<sup>2</sup>Department of Management, Universitas Darussalam Gontor, Ponorogo, Indonesia

**Keywords:** *Waqf, Nazhir Waqf, Profile, Competency.*

**Abstract:** *Nazhir* play significant role in the *waqf* asset management. Their job is quite challenging since they should keep the trustworthiness of the *waqf*. On the other hand, managing the asset of *waqf* is a complex job. This reality leads to the idea that the *waqf* asset management should not merely rely on trust, but also on the capability of the *nazhir*. Thus, *nazhir waqf* should master a set of competency so that they could carry out their job well. Following this notion, study on what kind of competency should be owned by *nazhir waqf* is lacking. Therefore, the current study attempted to address such an issue. Using qualitative methods, literatures and documents related to the topic were adopted to analyze the contents found. As the result, four main competencies of *nazhir waqf* are proposed, namely compliance, entrepreneurship, economic and interpersonal (CEEI). As the implications, the CEEI could be used by *waqf* institutions as the basis of recruitment and selection, as well as *nazhir* performance management. Furthermore, the proposed competency profile is expected to contribute to the body of knowledge of human resource management in *waqf* institutions. Eventually, as a conceptual paper in nature, it needs further studies to validate the concept.

## 1 INTRODUCTION

In the current era, many people realize that productive *waqf* could give advantages on social economics perspective, especially in the decreasing the number of poverty and the increasing the society's welfare (Saiti, Salad, & Bulut, 2019). Moreover, *waqf* also has important roles as of Islamic fiscal instrument to achieve the well-being of all people (Ambrose, Aslam & Hanafi, 2019). This optimal empowered *waqf* would be reached once the *nazhir* managed it well. *Nazhir* is *waqf* manager or trustee whose main role is managing the *waqf* assets. Some criteria are needed to be a good *nazhir*, such as knowledge competency, skill competency and attitude (Furqon, 2016). Despite a good criterion provided, the *waqif*'s decision in choosing *nazhir* is still based on trust merely without considering the knowledge and skill.

As known, *nazhir* is the key role in managing the *waqf* assets to be used productively. Thereby, *nazhir*'s quality should be taken into consideration when *waqif* is intending to donate his/her asset. For *waqf* institutions, to attract a high-quality *nazhir waqf*, they should conduct recruitment and selection based on normative criteria determined. So far, few studies carried out related to the quality of *nazhir*

from human resource management perspectives. In this sense, this study attempts to analyses competencies that are required to be a professional *nazhir*. These kinds of competencies are expected to contribute to the betterment of *waqf* institutions in term of, for example, recruitment and selection, performance management, *nazhir* skill development, and so on.

## 2 LITERATURE REVIEW

### 2.1 *Nazhir Waqf*

The presence of *nazhir* or *mutawalli* in the sustainability of *waqf* institution is essential. The *nazhir*, comes from "Nadzara", which means a guarantor and protector of monitoring the *waqf* assets. According to Abbas (2017), *nazhir* is individual, organization, or under law institution which is given some responsibility to maintain the *waqf* assets from the *waqif*. *Nazhir* is the manager and administrator of *waqf*. He or she should take responsibility for the asset of *waqf* to achieve the sustainability of the asset and continuously aid the beneficiaries. *Nazir* is also called as *waqf* trustee.

Islamic rule considers trustee as managers to whom the *waqf* is confided. In the Islamic history, *nazhir* were the ones who actually conserved the Islamic heritage and enabled many assets of *waqf* to survive for centuries.

According to Abbas (2017), a *nazhir* should understand some categories that will lead *waqif* in giving trust to them. Firstly, *nazhir* should understand the underlying rules that control all the things about *waqf*. For example, in Indonesia, the *nazhir* should understand about UU No. 41 Year 2004 about *Waqf*. Secondly, *nazhir* should understand the underlying belief on *waqf* according to Qur'an. Thirdly, *nazhir* should be mature enough, because he or she should has capability of thinking and making decision in the use of *waqf* assets.

Fourthly, *nazhir* should be trusted not only by the institution but also by the *waqif* once the *waqf* assets have been delivered until they have been used productively and fairly. Fifthly, *nazhir* should be healthy both in physically and spiritually because not only managing *waqf* assets but they ought to think about how to resist the temptation in managing stress. Finally, *nazhir* should not be involved in any historical crime because it should be trusted that he or she is a good people from the perspective of *waqif*.

## 2.2 Competency

From the study of competency by Sant'Anna *et al.* (2013), despite no consensus regarding the concept of competency due to the variety of philosophical and ideological views, there are two prevalent main streams of thought. Firstly, Anglo-American which emphasizes aspects related to performance requirements in organizations (Sant'Anna *et al.*, 2013). According to this view, competency refers to an underlying characteristic of individuals surpassing expected performance, while skill is the capability to manage and organize a set of behaviors that support performance achievement (Boyatzis, 1982).

Secondly, from the perspective of Le Boterf (2000), competency involves an individual's competent action that leads to a dynamic state generated. This competent action is generally produced by the combination and the interaction of personal and environmental resources (Lustri *et al.*, 2007). Additionally, Hamel and Prahalad (1989) propose the third approach, which involves core competencies in organizational level and collective organizational learning (Markus *et al.*, 2005). This approach advocate competency as traits of organizations based on the assumption that human

capital as organizational uniqueness allows the organization to become competitive (Garavan and McGuire, 2001).

On the other hand, work competencies can be explained from two perspectives, the trait perspective and the behavioral perspective (Campion *et al.*, 2011; Chuttipattana and Shamsudin, 2011; Shah and Prakash, 2018). Boyatzis (1982) asserted that competency from the trait perspective refers to which competencies are the underlying characteristic of an individual and, it could be "a motive, trait, skill, aspect of one's self-image or social role, or a body of knowledge which he or she uses" (p. 21). Meanwhile, competency from the behavioral perspective is a set of behavior patterns brought by employees to their work context to carry out their duties with efficient and competence (Kansal and Singhal, 2018; Woodruffe, 1993).

Furthermore, previous studies divided the work competencies into three broad categories, namely knowledge and skills, traits and motives and self-concept (Boyatzis, 2009; Brown *et al.*, 2018; Sanghi, 2016; Spencer and Spencer, 2008). Knowledge is the information an individual has regarding a particular expertise, and skills are the capabilities to carry out a task. Traits are the personality characteristics, and motives are the fancy that drive actions (Campion *et al.*, 2011). Finally, self-concept is the positive attitude toward the achievement of a task (Boyatzis, 2009).

The current study, then, defines competency from the behavioral perspective since the performance of the employees is mainly measured from their work activities and not based on the traits they have (Campion *et al.*, 2011; Kansal and Singhal, 2018).

## 3 METHODS

This is primarily a conceptual paper that adopts qualitative method and takes a descriptive approach, using literature as the main source, both in data collection and data analysis. Qualitative study is appropriate for pursuing greater details and understanding of social meaning, describing the intricacy of a problem and/or analyzing the relationship between the variables studied. It also appropriates for a research that intends to understand the logic and dynamics underlying a given phenomenon.

## 4 DISCUSSION

### 4.1 Compliance-Related Competency

*Nazhir* ought to be creative in managing the *waqf*, ranging from how to attract, how to utilize to how to make the *waqf* to be productive. The *nazhir waqf* shall possess the disciplines, knowledge and skills essential to the performance of their institution. This management of *waqf* will be more effective and sound if the *nazhir* has relevant and adequate knowledge on Islamic as well as government rules.

Fiqh is definitely the most essential competency should be mastered by *nazhir* as *waqf* have to be solidly managed with the guidance of Islamic rules and principles. In this sense, proficiency in Islamic rules and principles in general, and fiqh al-muamalat in particular, is required. Strict requirement might be applied, such as *nazhir* should holds a bachelor's degree in Shariah, which includes a study in ushul al fiqh (the origin of Islamic law) and fiqh al muamalat (Islamic transactions/commercial law). Otherwise, the *waqf* institution should provide appropriate training for the *nazhir* pertaining this kind of competency. It should be emphasized that the competency of fiqh is not merely regarding fiqh of *waqf*, but also other fields of fiqh, such as murabahah, ijarah, sukuk, etc. This due to in some cases, *nazhir* needs to be able to connect *waqf* and another aqd.

For instance, the government of Indonesia is currently proposing the model of cash sukuk linked *waqf*. From the terminology used, the model obviously connects *waqf* and sukuk as the alternative financing in such a country. The example showed indicates that *nazhir* is required to master the fiqh muamalat to be innovative and be able to realize the prosperity of the ummah.

On the other hand, *waqf* have to be managed by obeying the government regulation. Otherwise, it could be considered as an illegal action. Therefore, *nazhir* need to understand the legal regulation regarding *waqf* in a country in which the *waqf* institution is operated.

### 4.2 Entrepreneurship Competency

*Waqf* is aimed to increase the prosperity of the ummah. It needs *nazhir* who is competent in entrepreneurship, meaning that the *nazhir* could make the *waqf* to be productive and profitable. Therefore, four characteristics are proposed to build such a competency, namely beneficiaries awareness, creativity, flexibility and risk taking propensity.

Mauquf alaih (beneficiaries) awareness is the ability to sympathize with the needs of beneficiaries.

Successful *nazhir waqf* appeal to the specific needs of a clearly defined target group of beneficiaries and have the ability to anticipate changes in the society based on their awareness of the needs of beneficiaries. Moreover, creativity is the ability to adopt views from different perspectives and to see and try new possibilities based on open observations of (changes in) the environment. Moreover, creativity reflects the capability to turn problems into new opportunities. It is an important ingredient for successful *nazhir waqf*.

Furthermore, flexibility is based on a measure of the ability to adapt. Successful *nazhir waqf* react to changes they observe in their environment, such as new needs of beneficiaries or new way in managing the assets of *waqf*. Finally, risk taking propensity means both the ability to deal with uncertainty and the willingness of risking to take a loss. These are important entrepreneurship competencies for successful *nazhir waqf*.

### 4.3 Economic Competency

*Waqf* is aimed to increase the economic welfare for every contributed moslem country. It needs *nazhir* who is competent in analyzing the economic condition. The *nazhir* should make the *waqf* not only used in religious facilities but also through educational facilities, health facilities, and other social benefits. In supporting to increase economy welfare, there are three characteristics which are proposed to build such a competency, namely analyzing, evaluating, and adaptive,

Analyzing and evaluating means the ability to convert and process statistical data (both figures and graphs) into any information that can be used to solving problems, making decisions, and predicting future decisions. The capability of analyzing and evaluating are important for the *nazhir* to understand the economic condition. Successful *nazhir waqf* is showed by his or her responsiveness through the change for every economic condition. Therefore, the *nazhir* will be reactive to the *waqf* decisions in the economic policies (both micro and macro policies).

As a result, the capability for adapting any economic change will lead *nazhir* to make decisions which based on data and information. Successful *nazhir waqf* reacts in making money instrument of *waqf* assets to be used productively. The more *waqf* assets is used productively, the more increase economic prosperity in a country. These competencies are important for the economic skills that *nazhir waqf* should have in managing the use of *waqf* assets.

#### 4.4 Interpersonal Competency

Interpersonal competency is the ability of cooperative interaction and communication with others (Baron and Markman, 2003). Skills that are needed to support such a competency are skills in understanding a situation and other co-workers, higher management and beneficiaries. Meanwhile, the elements in interpersonal competency are such consultancy, sensitivity, persuasion and others, including the realization of others' thoughts, emotions, and attitudes, and sympathizing with them. Thus, selecting *nazhir waqf* with such abilities can be effective, especially with regards to entrepreneurship advantages, such as providing new communicative networks and subsequently achievement of critical resources of *waqf*.

Interpersonal competency also involves the ability to engage effectively in complex interpersonal interaction and to use and understand people effectively. People in an interpersonal relationship tend to influence each other, share their thoughts and feelings, and engage in activities together. Because of this interdependence, most things that change or impact one member of the relationship will have some level of impact on the other member.

In the case of *nazhir waqf*, interpersonal competency means that the *nazhir* are expected to be able to build and enlarge their networks. Build and maintain partnership with other party, ranging from other *nazhir*, government, private organizations to *waqif* (including targeted *waqif*), would increase the effectiveness of *waqf* management and long-term goal, which is the prosperity of the ummah. Thus, *nazhir* need to have social orientation, which is the understanding that the success could be achieved through the connection with others. *Nazhir* should make these connections easily and are driven by professional considerations in their social activities, both nationally and internationally.

## 5 CONCLUSION

A set of competency profile is important for any organization to ensure if the people within are qualified to achieve the organizational goals. In the case of *waqf* institution, it has to be firmed that the *nazhir* are individuals who are competent to manage the assets of *waqf*. Such a job is quite challenging since managing *waqf* is a mandate that should lead to the prosperity of the society, the Muslim ummah in particular.

The proposed competency profile of *nazhir waqf* can be adopted by *waqf* institution upon its human resource management activities, particularly in the

recruitment and selection as well as performance measurement. It is also recommended for the future studies to validate the concept proposed, using either qualitative or quantitative approach.

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