



Political, Economic, Social, Technological, Environmental, and Legal Analysis on Dompot Ummat Pontianak Indonesia

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Abstract

In this paper, Zakat as an actual strength of Muslims needs to be managed with a good strategy management system. A good strategy management system, in constructing the strategy, should pay attention to factors such as vision, mission, and value, plan the strategy using analysis such as PESTEL (political, economic, social, technological, environmental and legal).

Keywords: Political, Economic, Social, Technological, Environmental, And Legal Analysis, Zakat.

1. Introduction

Organizations that analyze PESTEL (political, economic, social, technological, environmental and legal) consider factors related to competition between existing companies. The external analysis examines the macroeconomic environment of economic growth, currency movements, price factors, and general regulations and expectations. PESTEL analysis aids the managers and leaders of the organization to construct a comprehensive and logical picture of the environment from various aspects.

Law No. 23 of 2011 stated that people who are allowed to collect and utilize zakat is Badan Amil Zakat (Zakat Collector Agency) owned by the government and 'Amil Zakat institution managed by the community. One of the factors that are tightly related to the revenue is economic factors. Economic factors are related to the nature and direction of the economy in which a company does its activities because consumption patterns are influenced by relative prosperity from various market segments. Social factors that affect a company include beliefs, values, attitudes, opinions, and lifestyle of the community in the company's external environment developed from the cultural, ecological, demographic, religious, educational, and ethnic conditions. Companies, in anticipating obsolescence and increased innovation, should be aware of technological changes that might affect the industry. Creative technological adaptations makes the creation of new products possible or allows an upgrade for existing products or in manufacturing and marketing techniques. The most important factor in the far environment is the reciprocal relationship between companies and the environment. A threat to an environment that supports human life, which is primarily caused by human activities in the industrial community, often called pollution. Legal analysis (law) discusses laws against industrial monopoly, price regulation, tax and incentive rate, minimum wage legislation, and overtime work, work hour, employee utilization, industrial safety regulation, and product labeling need.

A strategy management system is used to support the management activity by organizing zakat activity in work units which are easier to be coordinated, planned, and evaluated. The managing of zakat activities is done using several institutional functions made for itself, such as zakat collection and saving function, zakat distribution function, and people economic development, evaluation function, as well as effective research and development of zakat activities.

Zakat management organizations in West Kalimantan, both 'amil zakat agency and 'amil zakat institution, such Badan Amil Zakat Nasional (BAZNAS – National Zakat Administration Agency) of West Kalimantan Province, Dompot Ummat, Al Mumtaz Peduli, Rumah Zakat West Kalimantan branch. Dompot Ummat Pontianak has branches throughout most areas in West Kalimantan. This urges the author to make Dompot Ummat as the object of research. A study about a strategy management system of zakat management organization is still very little, which makes the research about PESTEL analysis on Dompot Ummat important to be investigated while the author tries to answer the problem.

2. Review of Literature

Strategic analysis is made by the company to review the competitive state and operating environment. Several sources provide input into strategic analysis including the external environment (PESTEL: political, economic, social, technological, environmental, and legal); internal environment (key process such as resource, operation, and innovation and technology development), and the advancement of the existing strategy. The external analysis examines the macroeconomic environment of economic growth, currency movement, price factor, as well as general regulation and expectation. These are known as PESTEL analysis: political, economic, social, technological, environmental, and legal. PESTEL analysis aids the company manager or organization leader to construct a comprehensive and logical picture of the environment from various aspects. There are some common mistakes related to resource utilization strategy done by companies, such as managers tend to overestimate the transfer of certain assets and the abilities, assume that the generic resource benefits, would be the main source of competitive advantage in a new market share. The strategy formulation in a company can build a strategy related to market share, value proposition that distinguishes the company in the consumer's view, as well as make a key process for differences in strategies, human resource capacities required by the strategy and technology.

The political direction and stability factors are the main consideration of the companies in formulating their strategy. Political factor determines legal and rules parameters in which the company should operate. Political restrictions imposed on companies are usually implemented through fair trade decisions, antitrust laws, tax programs, pollution and pricing policies, additional administrations, and other actions which objectives are to protect the employees, consumers, publics in general, and the environment. In doing there are three generic resources: cost superiority, differentiation, and focus.

Economic factors are related to the nature and direction of the economy in which a company operates. Because the consumption pattern is affected by the relative prosperity of various market segments, then every company will consider economic trends in which a segment affects its industry. The analysis of economic factors includes types of system, economic in a country from its operation, labor cost, business cycle steps, such as recession for prosperity and recovery, government intervention in free market, comparative profit of the host country, economic growth rates, income from freedom of determination, exchange rate and stability of the host country currency, unemployment rate, efficiency of the financial market, interest rate, quality infrastructure, and skill levels of labor force.

Social factors that affect a company include beliefs, values, attitudes, opinions, and lifestyle of the community in the external environment that develop from the cultural, ecological, demographic, religious, educational, and ethnic conditions. Social forces are dynamic, with constant changes coming from the individual efforts to satisfy their needs by controlling and adapting to environmental factors.

Companies, in anticipating obsolescence and increased innovation, must be aware of technological changes that might affect the industry. Creative technological adaptations may create possibly new products or will improve existing products or manufacturing and marketing techniques. Technological breakthroughs may give dramatic and immediate impacts on environment. These breakthroughs can create sophisticated markets and new products. Things that must be considered in conducting a technology analysis include the development of the latest technology, the impact of technology on product offerings, the impact on the cost structure and the impact on the value chain structure. Another most important factor in the far environment is the reciprocal relationship between companies and

environment. A threat to an environment that supports human life, which is primarily caused by human activities in the industrial community, often called pollution. Specific concerning things include global warming, habitat or biological diversity loss, as well as air, water, and ground pollution. In an environmental aspect, it includes the emission of greenhouses, pollution of frozen waste, and pollution of liquid waste and consumption of groundwater.

Legal analysis (law) discusses laws against industrial monopoly, price regulation, tax and incentive rate, minimum wage legislation, and overtime work, work hour, employee utilization, industrial safety regulation, and product labeling need. The changes in social, cultural, demographic and environmental have a big impact on almost all products, services, markets, and costumers. Small, big, profit, or non-profit organization in all industries have been challenged by opportunities and threats that come from the changes of social, culture, demographics, and environmental variables strategy is to continuously reassess the company's scope. This is related to valuable resources in market share, the resources owned by the company differ from the specificity of the company, when exchanged from resources (such as cash, various machine types, and general management skills) for more specialized resources (for example expertise in specific disciplines and the secret formula of a product) and special resources often play an important role in securing competitive advantage. Social, cultural, demographic and environmental trends shape the way people work, produce and consume. New trends create different types of consumers and as a result, different goods, services, and strategies are needed.

The company, after carrying out internal and external analysis, can reveal a series of strategies about the best role for new products and services, new partners, new market segments, segments of customers who make agreements, and these issues will be the focus of the strategy formulation process.

3. Methodology

3.1. Study Design

This research, in the context of writing studies, was conducted using a qualitative research approach. Qualitative research has characteristics, which are: qualitative researchers emphasize more on processes, not results or products; qualitative researchers are interested in meaning; qualitative researchers use main instruments in collecting and analyzing the data, and qualitative researchers involve fieldwork. The author used a qualitative research method because of the nature of the problem studied, which is to reveal and understand the phenomenon of the strategic management of zakat. Seen from the location of the data source, this study is categorized into field research 10 . In conducting field research, the author collected data from Dompot Ummat as the object of research. The objective of the field research was PESTEL analysis: political, economic, social, technological, environmental and legal

3.2. Research Method

This study used the explorative research method. Explorative research is research that aims to develop knowledge or hypotheses that are still new and provide direction for further research. The use of the explorative design in this study aimed to identify the PESTEL analysis: political, economic, social, technological, environmental and legal on Dompot Ummat.

4. Data Analysis

4.1. Political Aspect

The political direction and stability factors are the main consideration of the companies in formulating their strategy. Political factor determines legal and rules parameters in which the company should operate. Political restrictions imposed on companies are usually implemented through fair trade decisions, antitrust laws, tax programs, minimum wage law, pollution and pricing policies, additional administrations, and other actions which objectives are to protect the employees, consumers, public in general, and the environment. Because such regulations are usually restrictive, they tend to reduce the company's profit potential. However, some political actions from the government are designed to benefit and protect companies, such as patent law, government subsidies and product research. Thus, political factors may limit or benefit the affected companies. In doing political analysis, these factors are

also considered: military invasion risks, legal to strengthen contracts, protections of intellectual property, exchange and tariff regulations, as well as trading like partners.

Dompot Ummat sees that political influence related to zakat, viewed by the influence of government on zakat, is still not significant except for interference in the law, namely Law no. 23 of 2011. However, its implementation has not been maximized yet. This is strongly influenced by the dynamics of the community. The existence of the Dompot Ummat is evidence of the dynamics of the community who see the potential for zakat management is very large. The law was established after the existences of

organizations that manage zakat such as Dompot Ummat. The multi-party political life in Indonesia does not significantly affect Dompot Ummat because Dompot Ummat is a non-party and non-racial organization that prioritizes professionalism and is on all parties. Connected to the public translation associated with Law No. 14 Of 2008 about public information disclosure, Dompot Ummat management has implemented the law by informing all its activities and finances through a newsletter. Law No. 23 of 2011 stated that people who are allowed to collect and utilize zakat is Badan Amil Zakat (Zakat Collector Agency) owned by the government and 'Amil Zakat institution managed by the community.

However, the government plan to monopolize the collection and utilization of zakat, according to researchers, are incorrect hypotheses. It is because zakat potential that has not been discovered by amil (administrator) is still massive, so the government still needs the community to manage it. The community also cannot be forced to give zakat to an only administrator. They should let people choose the administrator they trusted.

4.2.. Economic Aspect

Economic factors are related to the nature and direction of the economy in which a company operates. Because consumption patterns are influenced by the relative prosperity of various market segments, then every company that considers economic trends in segments that affect its industry. Analysis of economic factors, including the following: types of systems, economies in the country from operations, labor costs, business cycle steps such as recession for prosperity and recovery, government intervention in free markets, comparative benefits of the host country, economic growth rates, income freedom of determination, exchange rates and stability of the host country, unemployment rates, inflation rates, efficiency of the financial markets, interest rates, quality infrastructure, skill levels of labor force.

Dompot Ummat, in the economic aspect, sees that the economic influence on zakat is not so significant. It is seen from the 1997 crisis when the receipt of zakat was increasing despite the crisis. Things that influence the receipt of zakat the most is the community support, especially issues/problems, such as Palestina issues (Gaza). Besides zakat from the companies, which are affected by their profit or loss, in Dompot Ummat there are many individual zakat as well. Sharia economic activities also influence the receipt of zakat, because of the empathy and generosity values built in the community; also an assumption that zakat is one of the ways to redistribute assets. The effect of the sluggish economy in 2015 was reduced zakat receipts, especially on the receipt of Corporate Social Responsibility (CSR). The ability of the community to contribute was also reduced from IDR. 100,000.00 to IDR. 50,000.00 per month for professional zakat. The collection of zakat funds has decreased during the new school academic year for students and has significantly increased at the beginning of the month and during the month of Ramadan.

4.3. Social Aspect

Social factors that affect a company include trust, values, attitudes, opinions, and lifestyle of the community in the company's external environment 14 that develops from cultural, ecological, demographic, religious, educational and ethnic conditions. Social forces are dynamic, with constant changes coming from individual efforts to satisfy their needs and desires by controlling and adapting to environmental factors. Translating social changes into a business impact prediction is a difficult process. However, estimation based on information recognizes those impacts from several changes –such as geographical displacement in population and changes in work values, ethical standards, and religious orientation can only help companies that have a strategy to achieve prosperity.

Dompot Ummat has a view towards social-related zakat; when the social condition is conducive and community empathy is high, the receipts of zakat will significantly increase 15 . In analyzing the social factors, Dompot Ummat should also consider other factors such as demographics, education, gender, cultural role, entrepreneurial spirit, health behavior, and environmental awareness. These things can improve the empathy of the muzakki (people who pay zakat) who will give their wealth to Dompot Ummat. These social programs are Dompot Simpatik, Bengkel Kemandirian, Layanan Kesehatan Cuma-Cuma (free health service) and Beasiswa (scholarship), the business development of Semberang Village, Sambas Regency and a splint mat business (tikar bidai) in Bengkayang Regency.

4.4. Technological Aspect

Companies, in anticipating obsolescence and increased innovation, should be aware of technological changes that might affect the industry. Creative technological adaptations make the creation of new products possible or allow an upgrade for existing products or in manufacturing and marketing techniques. Technological breakthroughs may have dramatic and immediate impacts on the company environment. These breakthroughs allow the creation of sophisticated markets and new products. Thus, companies in a rapidly growing industry should try to understand current technological advancements and possible future advancements that may affect the product and its services. The mastery of science that tries to predict progress and predict its impact on an organization's operations is known as technological forecasting. Technology forecasting can help protect and improve company profitability in a growing industry. This can make managers of strategy aware of the challenges that stand in the way and promising opportunities. Technology-based issues will underlie every important decision made by the strategist. The decision was important in improving the ability to do analysis and strategy approach in technology planning. Technology can be planned and managed using formal techniques similar to business planning and capital inventory. An effective technology strategy is based on a sharp analysis of technological opportunities and threats and on the relative evaluation of how important these factors are to the overall company. In its practice, important decisions about technology are often delegated to low-level employees or made without an understanding of the implications of the strategy. Many strategists waste a lot of time determining market share, product positioning in terms of prices and attributes, predicting sales and market size and monitoring distributors, and often the technology does not get an equal place. Things that must be considered in doing a technology analysis include the development of the latest technology, the impact of technology on product offerings, the impact on the cost structure and the impact on the value chain structure.

Dompot Ummat, related to zakat, views technology is very supportive in receipt of zakat, for example through Infaq SMS, SMS banking and the existence of an online system at Rumah Zakat Indonesia. The development of information technology is currently very rapid. The information streamed via cell phones such as SMS can replace the mailing function of PT Pos Indonesia (Indonesia Mail Service). From this change, Dompot Zakat should be able to utilize information and communication technology to simplify

activities, especially technology related to banking, receiving and spending money and the promotion of the Ummat Wallet. However, muzakki in Pontianak prefers the zakat pickup service compared to the use of technology.

4.5. Environmental Aspect

The most important factor in the far environment is the reciprocal relationship between companies and the environment. The threat to the environment that supports human life, which is mainly caused by human activities in the industrial community, is often referred to as pollution. Specific concerns include global warming, habitat loss, and biological diversity and air, water, and soil pollution. In environmental analysis, including emission of greenhouses, pollution of frozen waste, pollution of liquid waste and consumption of groundwater. Environmental regulations affect company strategies throughout the world. Many companies worry about the consequences of expensive and very limiting environmental laws. However, some companies view this new program control as an opportunity to know the market of products that help customers meet their legal standards. Other companies, on the other hand, believe that the costs spent on the environment prevent the growth and productivity of its operations.

Dompot Ummat, on the zakat-related environmental perspective, believes that zakat brings blessings to the universe while environmental damage can be detrimental to the welfare of mustahiq (zakat receiver), for example, the pollution of the Kapuas River area. There is also the Satu Juta Pohon program (One million tree program) implemented by Dompot Ummat as an effort for reforestation. If Dompot Ummat concerns the environment, it can attract the concern of muzakki which has a positive impact on the receipt of zakat from muzakki. This also shows the existence of the Dompot Ummat in environmental care. Dompot Ummat actively participates and provides support in the Pontianak City Government program in cleaning the Kapuas River and making wells for the community on 28 Oktober Street, North Pontianak subdistrict, and Nipah Kuning area of Kubu Raya district.

4.6. Legal Aspect

Legal analysis deals with laws against industrial monopoly, price regulations, tax rates, and incentives, minimum wages for legislation and overtime work, work hours, employee utilization, industrial safety regulations, and product labeling needs. Dompot Ummat views this legal factor as inseparable from the role of the Government and legislative institutions. The role of the Government and the legislature to produce revisions to the Law relating to zakat is very much needed to strengthen the existence of institutions Amil zakat. This is showed by the management of BAZNAS of West Kalimantan Province and the Central BAZNAS which provides convenience, openness, and support and allows good recommendations and communication. This legal aspect also provides a space for the 'Amil Zakat Institution to actively manage public funds because there are still many muzakki who have not been served by the 'Amil Zakat Agency.

5. Conclusion

Based on the discussion above, it can be concluded that: The multi-party political life in Indonesia does not significantly influence the Dompot Ummat, because Dompot Ummat is a non-partisan, non-racial organization and prioritizes professionalism and is on all parties. Sharia economy activity can also influence the receipt of zakat, because of the empathy and generosity values built in the community; also an assumption that zakat is one of the ways to redistribute assets. Dompot Ummat has a social view related to zakat; when the social conditions are conducive and empathy of the community are high then the receipt of zakat will increase. Dompot Ummat considers technology related to zakat; technology supports the receipts of zakat, for example through Infaq SMS, SMS banking and the existence of an online system at Rumah Zakat Indonesia. Dompot Ummat, on the environmental perspective related to zakat, views zakat brings blessings to the universe while environmental damage can be detrimental to the welfare of mustahiq (zakat receiver). Dompot Ummat considers legal factors as inseparable from the role of the Government and legislative institutions. The role of the Government and the legislature to produce laws relating to zakat is very much needed to strengthen the existence of the 'Amil zakat institution.

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