

MOSQUE FINANCIAL MANAGEMENT AND HALAL ECONOMY ECOSYSTEM: AN ANALYSIS OF MUHAMMADIYAH MOSQUES IN SOUTH SULAWESI, INDONESIA

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Abstract: *This research aims to analyze the financial management of Masjid Muhammadiyah in South Sulawesi Province, with a focus on the effective and efficient utilization of financial resources for Halal economic ecosystem development. The mosque plays a crucial role in the Muslim community, and sound financial management is essential for maintaining its operational sustainability and facilitating various beneficial programs and activities for the faithful. Qualitative research methodology with a case study approach was employed. Data were collected through in-depth interviews with 80 mosques Muhammadiyah in South Sulawesi and FGD with mosque administrators, financial managers, and congregants involved in the financial management of the mosque. Additionally, relevant documents such as financial reports, budgets, and financial policies were analyzed. The findings reveal that Muhammadiyah mosques in South Sulawesi province possess several strengths in their financial management. These include a commitment from mosque administrators to financial transparency and accountability, as well as the implementation of a robust accounting system. However, several challenges were identified, such as a lack of trained personnel in financial management and the need for income diversification. To address these challenges, strategic steps are recommended. First, enhancing the understanding and capacity of mosque administrators in financial management through training and education programs is crucial. Second, diversifying income sources through the development of creative and sustainable fundraising initiatives is essential. Third, leveraging information technology in financial management to achieve better efficiency and effectiveness is recommended.*

Keywords: Mosque, Financial, Halal, Ecosystem, Muhammadiyah, Indonesia

1. Introduction

Mosques hold a significant place in the lives of Muslims as places of worship, spiritual solace, and community gathering. As centers of religious and social activities, mosques require effective financial management to ensure their smooth operation, maintenance, and the ability to serve the needs of the community. With the increasing complexities of managing mosque finances, it has become crucial to implement transparent and sustainable financial practices. The management of mosque finances poses unique challenges due to their non-profit nature, reliance on donations, and the diverse range of expenses involved. From maintaining the

physical infrastructure to organizing community programs and supporting charitable initiatives, mosques need to carefully navigate their financial resources to fulfill their religious and social obligations effectively.

Effective finance management goes beyond mere bookkeeping; it encompasses the establishment of ethical financial practices, accountability, and transparency. By implementing sound financial management principles, mosques can build trust and confidence among their congregants and the wider community. Furthermore, a well-managed financial system enables mosques to make informed decisions, allocate resources efficiently, and plan for long-term sustainability. Ultimately, the goal of mosque finance management is not only to ensure the smooth functioning of the institution but also to fulfill its broader mission of serving the community and advancing social welfare. By adopting effective financial management practices, mosques can create a solid foundation for their operations, support community initiatives, and contribute to the overall development of society.

On other side the mosque, historically and in contemporary society, has been a pivotal institution in Muslim communities, not only as a place of worship but also as a hub for communal activities and societal development. With the burgeoning global interest in the halal economy, encompassing areas from food and finance to tourism and fashion, there has been a growing focus on the role mosques can play in this economic paradigm. Given that mosques often accumulate funds through donations, zakat, and other charitable avenues, they are in a unique position to channel these resources in ways that can significantly influence the halal economic ecosystem.

In Indonesia, mosques are the largest places of worship among the religions practiced by the Indonesian people, especially in South Sulawesi province. According to data from the Ministry of Religious Affairs (Kemenag, 2018), there are 741,991 Islamic places of worship in Indonesia, consisting of 296,797 mosques and 445,194 *musholla* (prayer rooms). It is also revealed that there are 800,000 major mosques in Indonesia, but there are no mandatory regulations requiring mosque administrators, known as *Ta'mir Masjid*, to report on the financial condition or use of mosque funds. Mosques undoubtedly require substantial funds in managing their operations, so financial management must be carried out accurately and appropriately in handling mosque finances or the use of mosque funds.

Muhammadiyah is one of the largest Islamic missionary movements in Indonesia, has been managing numerous charitable endeavors and is recognized as an organization with the largest assets in the world, including schools, hospitals, universities, and mosques spread throughout Indonesia, including South Sulawesi, a major province in eastern Indonesia. Although the Muhammadiyah mosques in South Sulawesi province demonstrate strengths in their financial management practices, there are several challenges that need to be addressed. The financial management of Masjid Muhammadiyah in South Sulawesi province is the focus of this research, with an emphasis on the effective and efficient utilization of financial resources.

This research aims to analyze the financial management practices of Masjid Muhammadiyah in South Sulawesi Province, with a specific focus on evaluating the effective and efficient use of financial resources. The study investigates the significance of mosque financial management and its impact on the mosque, its stakeholders, and the broader community. Key areas such as budgeting, accounting procedures, fundraising strategies, and financial reporting are examined to provide insights into building a solid financial framework for mosques. This analysis includes a discussion of strategies and best practices, informed by expert insights, to enhance mosque financial management. The study explores ways to

diversify revenue streams, establish strong governance structures, and leverage technology to optimize financial processes.

By adopting modern financial management practices, mosques can achieve greater financial stability, facilitate better management, and ensure optimal resource allocation to support the development of the Halal economic ecosystem. This raises the question: Does effective mosque financial management contribute to the growth of the Halal economy? Mosques, as key community institutions, can play a significant role in the Halal economic ecosystem by promoting Sharia-compliant economic activities, supporting ethical business ventures, and encouraging sustainable development. While some mosques may already implement strategies aligned with these goals, a thorough understanding of these practices and their impact on the Halal economy is still lacking. Therefore, it is both timely and important to explore the strategies mosques use to manage their finances and promote Halal economic growth.

In the following sections, this study will delve into various aspects of mosque financial management, providing practical insights and actionable recommendations for mosque administrators, volunteers, and those involved in managing mosque finances. Lastly, the study highlights the path toward achieving financial transparency, sustainability, and excellence in mosque financial management, emphasizing its role in fostering economic empowerment and growth within the Halal ecosystem.

2. Literature Review

Mosques play a pivotal role in the religious and social fabric of Indonesian society, with a majority Muslim population and a rich Islamic heritage. Managing the finances of mosques is crucial to ensure their proper functioning, maintenance, and the ability to serve the needs of the Muslim community effectively. This literature review aims to explore existing research and literature on mosque finance management in Indonesia, focusing on the aspects of transparency and sustainability.

2.1 Mosque Finance Management Practices

Several studies have highlighted the challenges faced by mosque administrators in managing finances effectively. A study by Setiadi et al. (2018) emphasizes the need for proper financial management systems, including budgeting, accounting, and reporting, to ensure transparency and accountability. The research emphasizes the importance of regular financial audits and the adoption of professional accounting practices to enhance the financial governance of mosques. Study by Laily, N., & Firdaus, M. (2021) contributes to the existing literature on mosque finance management by highlighting the importance of financial transparency and its impact on the effectiveness of mosque management. It provides insights into the unique context of Indonesia, where mosques play a significant role in the religious and social fabric of the society.

2.2 Sources of Mosque Funding

Mosque funding primarily relies on donations from the Muslim community. The study by Mardiana et al. (2020) highlights the significance of understanding the behavior and motivations of mosque donors. It emphasizes the importance of building trust and maintaining open communication with donors to ensure sustained financial support. Additionally, the research highlights the potential of exploring alternative funding sources, such as partnerships

with local businesses or government programs. On other place, Ahmed and Hassan (2020) examine the sources of financing for mosques from a global perspective. The study analyzes various funding models and sources used by mosques worldwide. It provides insights into traditional sources, such as donations from the Muslim community, as well as explores innovative funding approaches, including endowments, waqf, and partnerships with philanthropic organizations. The research offers a comprehensive overview of mosque funding sources, highlighting the importance of diverse and sustainable financing strategies.

2.3 Technology and Financial Management

The integration of technology in mosque finance management has gained attention in recent studies. Rahmadhani and Ummah (2019) emphasize the role of digital platforms and online payment systems in facilitating transparent financial transactions and improving financial reporting. The research suggests that adopting digital solutions can streamline donation collection, enhance accountability, and provide real-time financial information to stakeholders. Studied by Ahmed and Niazi (2021) also propose a conceptual framework for the digital transformation of mosque financial management. The study explores the potential of leveraging technology to enhance financial processes in mosques, including donation collection, financial reporting, and resource management. The research emphasizes the importance of adopting digital tools and platforms to improve efficiency, transparency, and accountability in mosque financial management. The conceptual framework provides valuable insights into the integration of technology in optimizing financial processes in mosques.

2.4 Financial Transparency and Accountability

Transparency and accountability are crucial elements of mosque finance management. The study by Laily and Firdaus (2021) emphasizes the importance of financial reporting and disclosure practices to ensure transparency. The research highlights the need for standardized financial reporting frameworks and the involvement of independent auditors to enhance credibility and trust among mosque stakeholders. Another reference on transparency and accountability in mosque financial management is a study by Mustafa et al. (2020). Researchers stress the importance of implementing robust financial governance practices, including clear financial reporting mechanisms and internal controls, to ensure transparency and accountability. The study highlights the importance of adhering to ethical standards and conducting regular financial audits to increase stakeholder confidence in the financial management of mosques.

- Sustainability and Financial Planning

Sustainable financial planning is essential for the long-term viability of mosques. A study by Wulandari et al. (2020) emphasizes the importance of strategic financial planning, including the establishment of reserve funds and the diversification of revenue streams. The research suggests that mosques should explore income-generating activities, such as rental arrangements and fundraising events, to supplement traditional sources of funding and ensure sustainability. Maulidia, Hamid, and Hayati (2021) present a case study on mosque financial management in Indonesia to enhance the sustainability of mosque operations. The study emphasizes the importance of strategic financial planning for mosques, including the establishment of reserve funds and the diversification of revenue streams. The research suggests that mosques should explore income-generating activities, such as rental

arrangements and fundraising events, to supplement traditional sources of funding and ensure long-term sustainability. The findings provide practical insights for mosque administrators in effectively managing finances to support sustainable mosque operations.

The existing literature provides valuable insights into mosque finance management in Indonesia, focusing on the aspects of transparency and sustainability. It emphasizes the need for robust financial management practices, including budgeting, accounting, and reporting, as well as the integration of technology to enhance transparency and streamline financial processes. Additionally, research highlights the importance of donor engagement, financial planning, and the exploration of alternative funding sources to ensure the long-term sustainability of mosques. By incorporating these findings and recommendations, mosque administrators and stakeholders can work towards ensuring transparent and sustainable financial practices, ultimately benefiting the Muslim community and society as a whole.

3. Methodology

This research employs a qualitative research methodology with a case study approach [see Yin, R. K. (2018)] to analyze the financial management of Masjid Muhammadiyah in South Sulawesi Province. Yin's approach (2018) emphasizes the importance of understanding the context, studying real-life phenomena, and employing multiple sources of evidence to develop a comprehensive understanding of the case under investigation with types of case studies, such as explanatory, exploratory, and descriptive, and provides guidance on when and how to use each type. The case study approach allows for an in-depth exploration of the specific context and practices of the mosque's financial management. Qualitative research methods are utilized to gather rich and detailed insights from key stakeholders involved in the financial management processes.

Data collection involves several primary sources, including in-depth interviews and Focus group discussion (FGD) with 80 mosque administrators, financial managers, and congregants responsible for financial matters as shown at table 1. These interviews aim to capture the perspectives, experiences, and challenges related to financial management in the mosque. The interviews are semi-structured, allowing flexibility for participants to express their opinions and share relevant information. Additionally, relevant documents such as financial reports, budgets, and financial policies are collected and analyzed. These documents provide essential information on the financial practices, procedures, and decision-making processes within the mosque. The data analysis follows a thematic analysis approach [see Braun, V., & Clarke, V. (2006)] in answering the first research question (RQ1). The interviews and documents are carefully reviewed and coded to identify recurring themes, patterns, and emerging insights related to financial management. Themes related to transparency, accountability, financial resources utilization, and challenges faced by the mosque are identified and analyzed.

Table 1. List of Interviewers

No	Name of Mosque	Position	Duration
1.	Masjid Raya	Treasurer	30 minutes
2.	Masjid Al Manar	Treasurer	30 minutes
3.	Masjid Raodatul Mukarramah Tala-Tala	Treasurer	30 minutes
4.	Masjid Nurul Ainun Jariyah Pattonga	Treasurer	30 minutes
5.	Masjid Raodatul Janna Panikang	Treasurer	30 minutes
6.	Masjid Miftahul Jannah Panaikang	Treasurer	30 minutes
7.	Masjid Nurul Inayah Pundingin	Treasurer	30 minutes

8.	Masjid Nurul Taqwah Tamabongan	Treasurer	30 minutes
9.	Masjid Arrafiq Lembang Cina	Treasurer	30 minutes
10.	Masjid Nurul Marhamah Dongkokang	Treasurer	30 minutes
11.	Babul Jannah Matteko Baru Muhammadiyah Mosque	Treasurer	30 minutes
12.	Babul Firdaus Datarang Muhammadiyah Mosque	Treasurer	30 minutes
13.	Babussalam Pabbarung Muhammadiyah Mosque	Treasurer	30 minutes
14.	Babussalam Balangbuki Muhammadiyah Mosque	Treasurer	30 minutes
15.	Nurul Iman Silanggaya Muhammadiyah Mosque	Treasurer	30 minutes
16.	Baiturrahman Benga Muhammadiyah Mosque	Treasurer	30 minutes
17.	Babul Jannah Bongki Muhammadiyah Mosque	Treasurer	30 minutes
18.	Al-Mujahidin Malino Muhammadiyah Mosque	Treasurer	30 minutes
19.	Hidayatullah Batumenteng Muhammadiyah Mosque	Treasurer	30 minutes
20.	Ni'matullah Bangkeng Ta'bing Muhammadiyah Mosque	Treasurer	30 minutes
21.	Nurussalam Pattiro Muhammadiyah Mosque	Treasurer	30 minutes
22.	Nurul Yagin Tonrokombang Muhammadiyah Mosque	Treasurer	30 minutes
23.	Al-Mujahidin Tonrokombang Muhammadiyah Mosque	Treasurer	30 minutes
24.	Al-Munawwarah Teamate Muhammadiyah Mosque	Treasurer	30 minutes
25.	Darul Agsa Baddo-baddo Muhammadiyah Mosque	Treasurer	30 minutes
26.	Baitush-Sholihin Diklat Unismuh Mosque	Treasurer	30 minutes
27.	Rahmatul Ummah Pandangpandang Muhammadiyah Mosque	Treasurer	30 minutes
28.	Nur Muhammad Boka Muhammadiyah Mosque	Treasurer	30 minutes
29.	Nurul Jihad Panciro Muhammadiyah Mosque	Treasurer	30 minutes
30.	Al-Amin Panciro Muhammadiyah Mosque	Treasurer	30 minutes
31.	Nurul Ilymy Panciro Muhammadiyah Mosque	Treasurer	30 minutes
32.	Fastabiqul Khairat Bontobiraeng Muhammadiyah Mosque	Treasurer	30 minutes
33.	Babul Hag Bontotangnga Muhammadiyah Mosque	Treasurer	30 minutes
34.	Al-Ikhwan Paranga Muhammadiyah Mosque	Treasurer	30 minutes
35.	Babussalam Bone Muhammadiyah Mosque	Treasurer	30 minutes
36.	Nurul Hasanah Ritaya Muhammadiyah Mosque	Treasurer	30 minutes
37.	Nurul Iman Tanabangka Muhammadiyah Mosque	Treasurer	30 minutes
38.	Baitul Makmur Bontomaero Muhammadiyah Mosque	Treasurer	30 minutes
39.	Nurul Iradah Pattolosang Muhammadiyah Mosque	Treasurer	30 minutes
40.	Nurul Haq Romanglompoa Muhammadiyah Mosque	Treasurer	30 minutes
41.	Al-Amin Romanglompoa Muhammadiyah Mosque	Treasurer	30 minutes
42.	Barembeng Muhammadiyah Mosque	Treasurer	30 minutes
43.	Nurul Iman Tamajannang Muhammadiyah Mosque	Treasurer	30 minutes
Until 80	Nurul Jihad Likuboddong Muhammadiyah Mosque	Treasurer	30 minutes

To answer the second research question (RQ2), this study utilizes the ANP BOCR (Benefit, Opportunity, Cost, and Risk) analysis, to examine the potential, challenges, as well as the precise strategies and policies to develop halal economy under mosque financial management. The ANP method is used in this qualitative study, in conjunction with the analysis of Benefit, Opportunity, Cost, and Risk (BOCR). This two-tier ANP method features characteristics of conditions tested mathematically, and the inputs obtained are based on several constructs, enabling it to assist decision-making from various complex options and data (Saaty TL, 2013). The ANP method approach was chosen because Mosque financial management

involves various instruments, each with its unique characteristics and problems, both tangible and intangible. The ANP process as follow:

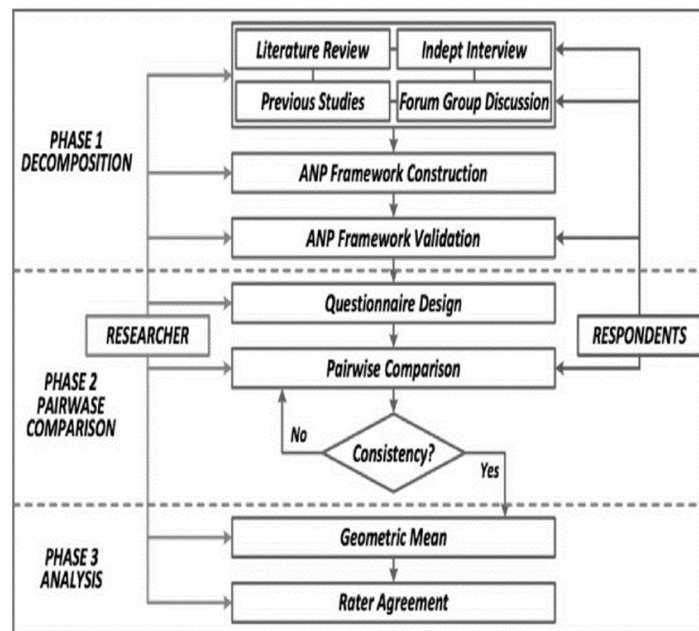


Figure 1. ANP Method Approach

The data used is primary data obtained through focus group discussions, in-depth interviews, and ANP questionnaires filled out by respondents. The collected data sources come from 13 experts from the academic, practitioner, association, regulator, and community leader circles. In ANP research, the number of respondents is not an essential requirement for research validation, but their expertise is (Ascarya, 2005). "Insights derived from data analysis are presented in a comprehensive and descriptive manner to enable a complete understanding of the financial management practices of Muhammadiyah mosques in South Sulawesi Province. The analysis also helps identify key areas for improvement and formulate strategic recommendations to improve the mosque's financial management practices.

It is important to note that this research adheres to ethical considerations, ensuring the confidentiality and anonymity of the participants. Informed consent is obtained from all participants before conducting the interviews, and the data collected is used solely for research purposes. Overall, the methodology employed in this research enables a detailed examination of the financial management practices within Masjid Muhammadiyah in South Sulawesi Province, offering valuable insights into the effective utilization of financial resources and the challenges faced by the mosque in Indonesia.

1. 4. Result and Discussion

The results of this study shed light on the disclosure practices, financial reporting knowledge, fund utilization, and challenges faced by the mosques included in the sample. Presented as table below:

Table 2. Summary of Findings

Aspect	Percentage of Muhammadiyah Mosques
Public Disclosure	100%
Internal Disclosure	40%
Lack of Financial Reporting Knowledge	85%
Financial Management Practices	65%

Regarding the disclosure practices, all interviewee, representing 100% of the 80 surveyed mosques, reported always disclosing their financial reports to the public. This high rate of public disclosure reflects a commendable commitment to transparency and accountability within the mosque community. By making financial reports accessible to the public, the mosques demonstrate their willingness to be open about their financial activities and to build trust among their stakeholders, including the congregation, local community, and potential donors.

However, when it comes to whom their must report the financial statement, external or internal disclosure, there were 40% of the surveyed mosques reported disclosing their financial reports to their internal management. This finding indicates a potential gap in internal communication and transparency within these mosques. It is crucial for mosques to ensure that their internal management is fully informed about the financial status and activities to facilitate effective decision-making and resource allocation. Furthermore, the study revealed that a significant majority, approximately 85% of the respondents, expressed a lack of knowledge on how to create good financial reports and primarily relied on traditional methods of disclosure (see table 1). This finding suggests a need for capacity-building initiatives to enhance financial reporting skills and introduce modern tools and techniques for generating comprehensive and accurate financial reports. By improving their financial reporting practices, mosques can provide clearer insights into their financial health and strengthen transparency both internally and externally.

Table 3. Source and utilization of Mosque Fund

Aspect	Percentage of Muhammadiyah Mosques
Source of fund: Public or community	98 %
Source of fund: Public or community: Internal Muhammadiyah	2%
Proper Fund Utilization (knowledge)	75%
Fund for mosque-related purposes	95%
Mosque Fund for Social-related purposes	5%
Mosque Fund for Halal economy-related purposes	5%
Fundraising Activities	2 %

On a positive note, the study found that 75% of the surveyed mosques demonstrated a good understanding of how to utilize mosque funds properly (in the context that 95 % still use it solely for mosque-related purposes. Even though almost 100% or around 95 % of the mosque funds are used solely for mosque-related purposes, there is a growing trend to utilize these funds for more socially beneficial purposes, particularly for the surrounding community. This indicates a positive trend in financial management practices, with the majority of the respondents being aware of the importance of prudent fund utilization. By effectively managing

and allocating funds, mosques can maximize their impact in serving the community and achieving their objectives.

Only 2% of the funds come from the internal mechanisms of Muhammadiyah. Given that the mosque is a Muhammadiyah mosque, this percentage seems quite low. It might suggest either a philosophy of the mosque being primarily sustained by the community, or perhaps there's limited allocation of funds from Muhammadiyah's central organization to its local branches. Similarly, only 5% of the funds are allocated for halal economy-related activities. If the goal is to foster the growth of a halal economy in the community, this percentage seems rather small. The halal industry has seen significant growth globally in sectors like food, finance, tourism, fashion, and others. Investing more in this sector could not only be beneficial for the community's economic growth but also for the mosque's future sustenance.

The study also revealed that the most common challenges faced by the mosques were sourcing funds and attracting external donors. This finding aligns with the financial realities of many religious institutions, where a sustainable and diversified funding base is crucial for meeting operational and programmatic needs. Due to most source of mosques fund from public or community (98% from ritual activities) and not from fundraising activities, the mosque management should explore strategies for diversifying their funding sources, such as engaging in community fundraising activities, seeking grants, and establishing partnerships with local businesses or philanthropic organizations.

The results emphasize the importance of addressing the knowledge gap in financial reporting and the need to enhance internal transparency within mosques. Capacity-building programs can play a vital role in equipping mosque administrators and financial managers with the necessary skills to generate accurate and comprehensive financial reports. Furthermore, efforts should be made to promote the adoption of modern communication channels and technology-enabled platforms for improved internal communication and financial transparency. Overall, the thematic analysis results of this study highlight the strong commitment to public disclosure among the surveyed mosques. However, there is room for improvement in terms of internal disclosure, financial reporting knowledge, fundraising, and fund utilization practices. Therefore, in addressing these challenges and providing a more comprehensive view on how each related factor affects the overall strategy for enhanced financial management for halal economy ecosystem this study analyzed the issues through ANP as follow:

Table 4. Socio-economic aspect of Mosque based halal Ecosystem

Code	Socio-economic Development Aspect	Weights (%)	Rank
A	Education and Training Programs	20%	1
B	Healthcare Initiatives	18%	2
C	Community Infrastructure	15%	3
E	Halal Economic Empowerment	14%	4
F	Social Welfare Programs	13%	5
G	Cultural and Recreational Activities	8%	6
H	Dawah and Outreach	7%	7
I	Environmental Initiatives	5%	8

These results illustrate the Muhammadiyah Mosques in South Sulawesi's broad and integrated approach to fostering both the halal economy and community development. While "Halal Economic Empowerment" ranked fourth with a weight of 14%, it reflects that their

financial management practices are not solely focused on spiritual obligations but also encompass a wide range of socio-economic and environmental issues. This demonstrates the mosque's commitment to creating an environment that supports halal business ventures and economic activities, underscoring its important role in shaping the local halal economic landscape. Additionally, "Social Welfare Programs" closely followed with 13%, highlighting the importance the mosque places on providing social safety nets and support for the poor and vulnerable, reinforcing their dedication to community welfare.

According to the results, "Halal Economic Empowerment" ranks fourth with a weight of 14%, indicating that while it is not the top priority in the Muhammadiyah Mosques' financial management strategy, it remains a significant aspect of their broader socio-economic agenda. The inclusion of "Halal Economic Empowerment" among the top five priorities highlights its significant contribution to the community's overall development. Despite receiving less emphasis compared to other objectives such as "education and training programs," "healthcare initiatives," and "community infrastructure," the prioritization of "halal economic empowerment" highlights the mosque's recognition of its role in nurturing the halal economic ecosystem. This result suggests that mosque financial management does indeed contribute to the development of the halal economy, albeit in a balanced manner alongside other critical social programs. The financial resources allocated to halal economic initiatives, though modest in comparison to other programs, still reflect a commitment to supporting ethical, Sharia-compliant economic activities. This indicates that while immediate community welfare needs may take precedence, the mosque remains focused on creating a sustainable environment for halal business growth and economic empowerment in the long term.

Mosque finance management, therefore, plays a pivotal role in fostering the halal ecosystem by integrating economic empowerment within the broader framework of community development. By allocating resources toward halal business ventures, the mosque helps stimulate local economic activity that aligns with Islamic principles, contributing to the growth of the halal market. The deliberate, though not dominant, focus on halal economic empowerment within the mosque's financial strategy demonstrates its potential as a catalyst for developing a robust halal economy. Ultimately, these findings emphasize the multifaceted nature of mosque financial management, which balances immediate socio-economic needs with long-term goals like the expansion of the halal ecosystem.

Table 5. Halal Ecosystem aspect of Mosque Finance Management

Code	Halal Ecosystem Aspect	Weights (%)	Rank
A	Sharia Compliance	20%	1
B	Halal Knowledge and Training	18%	2
C	Engagement in Halal Economy	16%	3
E	Halal Financial Products Utilization	14%	4
F	Investment in Halal Ventures	10%	5
G	Stakeholder Collaboration	8%	6
H	Community Awareness & Education	5%	7
I	Diversification within Halal Sectors	4%	8
J	Halal Certification & Audit	3%	9
K	Community Feedback & Governance	2%	10

The study finds that there is a strong link between how mosques handle their money and the growth of the halal economy. It does this by identifying the key elements that connect Islamic financial principles with the social and economic growth of the community. The high

emphasis on Sharia compliance (20%) underscores the necessity of adhering to Islamic laws in all financial and commercial activities, establishing a foundation for the mosque's engagement in the halal economy. Aligning with Sharia principles grounds all initiatives within the halal ecosystem in ethical, Islamically sound practices, which is a prerequisite for successful halal economic endeavors.

Further, the integration of other critical elements—such as halal knowledge and training (18%), participation in the halal economy (16%), use of halal financial products (14%), and investment in halal ventures (10%)—demonstrates the mosque's comprehensive approach to promoting a sustainable and socially responsible halal economy. Each of these components serves as a building block in mosque fund management, connecting financial stability with community empowerment. For example, by prioritizing halal knowledge and training, the mosque not only reinforces Islamic financial literacy but also equips community members with the skills necessary to actively participate in the halal economy. Using halal financial products and investing in halal businesses is another way that mosque funds are directly used to support Sharia-compliant financial practices. This helps the economy grow in a way that is in line with Islamic values.

These findings demonstrate the intricate connection between mosque financial management and the broader halal ecosystem, which leverages ethical financial stewardship to enhance community welfare and economic prosperity. This interconnection between mosque financial practices and halal ecosystem growth provides a model for sustainable development within Islamic communities, ensuring that the mosque serves as both a religious and economic pillar for the local neighborhood.

4.1 Priority strategies in Improving Halal Ecosystem

There are ten strategies to improve utilization of mosque fund with compliance financial management to support halal ecosystem based on the finding FGD in-depth interviews, and literature review. The formulated strategies were processed using the ANP BOCR to determine the priority order of strategies. Short term strategies consider the marginal cost of the benefits obtained. On the contrary, in the long term, the priority is achieved when the total number of benefits and opportunities are obtained after reducing the total cost and risk.

The short- and long-term top priorities are in the same order, according to the data processing results. Given the mosque's prominence in the neighborhood, it is crucial for the management to be knowledgeable about halal norms and procedures. The immediate or short-term action is focused on developing "*Halal Awareness and Education Programs*" to spread awareness about the relevance and intricacies of halal, while the long-term plan stresses creating "*Halal Economic Zones or Clusters*" to concentrate halal enterprises and services. The halal ecosystem's core is the distribution and accessibility of halal goods. A longer-term strategy concentrates on streamlining "*Distribution of Halal Products*," ensuring that they efficiently reach customers. The short-term strategy, on the other hand, focuses on 'Strengthening Marketing and Distribution of Halal Products' and emphasizes efficient distribution and promotion channels. In essence, these strategies—both the present-day and the long-term ones—lay the groundwork for a strong and healthy halal ecosystem centered on mosques.

Table 6. Summary Priority Strategies Mosque Based Halal Ecosystem

Strategies/Rank	Priority strategies for Mosque based halal ecosystem					
	1	2	3	4	5	6
Expert Judgment	Halal Awareness for mosque management	Halal Collaboration	Halal product	Human resources	Good governance	Halal Investment
Long Term	Develop Halal Economic Zones or Clusters	Forge Collaborations with Halal Entities	Distribution of Halal Products	Halal Certification & Training Centers within Mosque Premises	Implement Feedback & Governance Mechanisms	Diversify Investment in Various Halal Sectors
Short Term	Promote Halal Awareness and Education Programs	Halal community engagement	Strengthen Marketing and distribution of halal product	Support Development in Halal Products	Engage in Policy Advocacy for Halal Ecosystem	Invest in Halal Business Start-ups and Ventures

4.2 Managerial Implication

For those involved with mosques, this study has various ramifications. The results of this study highlight key integration strategies for the mosque-based halal ecosystem, with institutions essential in supplying the ecosystem with high-quality mosque financial management. Stakeholders in the mosque are urged to possess managerial abilities, such as anticipating and making strategic decisions. Staff members are encouraged to pursue technical education in areas like collecting program management, administration, guidance, and reporting. As a regulator, the government must help organizations in the Mosque-based halal ecosystem by providing infrastructure or facilities to raise the caliber of human resource managers, such as free training and manager certification. Furthermore, halal ecosystem managers working out of mosques are now obliged by law or regulation to possess a set of standardized skills.

In order to improve the management of these mosque institutions, one type of feedback for the modification of the law and regulation requires all managers in this ecosystem to possess certain management abilities. The importance of financial integration and data integration for mosque fund management is also highlighted in this study. The research findings can be used by organizations involved in the mosque-based halal ecosystem to create strategic plans on incorporating its tools. From a scholarly perspective, the findings of this study advance earlier research on the integration of the mosque-based halal ecosystem model, which was carried out without the use of specialized mathematical techniques. This study used a systematic approach to create an ideal integration model that can be of priorities both in the short and long term, while also taking the aspect of BOCR into account.

4.3 Lesson learned from Mosque Finance Management in South Sulawesi Province

Based on result discussed previously, the study asserts some lessons to be learned that may help in achieving excellence in mosque financial management. Financial transparency, sustainability, and excellence in mosque financial management according to some researchers such as Ali, M. (2018), Omer (2022), and Rahman, R. A., & Ahmad, M. S. (2021) requires the implementation of several key strategies. First, it is crucial to have a transparent financial reporting system that provides clear and comprehensive information on the mosque's financial activities. This can be achieved through a standardized financial reporting framework and the involvement of independent auditors to ensure credibility and trust among stakeholders.

Second, sustainable financial planning is critical to ensuring the long-term viability of mosques. This includes developing a strategic financial plan that considers factors such as revenue diversification, reserve fund creation and cost management. By exploring other funding sources and income-generating activities, such as partnerships with local businesses or fundraisers, mosques can supplement traditional funding sources and increase financial sustainability. Third, the adoption of digital technology and online payment systems can improve financial management processes, increase transparency and provide stakeholders with real-time financial information. By integrating technology, fundraising, financial transactions and reporting can be streamlined, increasing the efficiency and accountability of mosque financial management.

Furthermore, increasing financial literacy and literacy among mosque managements and Muslim communities can contribute to better financial decision-making and improved financial management practices. This can be achieved through educational programmes, workshops and training focused on improving financial literacy and skills. Omer (2022) separately stated that essential resource for any mosque that wants to improve its financial management as follow:

- Financial planning and budgeting are essential for any mosque that wants to be financially successful. A well-thought-out financial plan will help the mosque to track its income and expenses, set financial goals, and allocate resources wisely.
- Accounting and auditing are essential for ensuring the accuracy and transparency of a mosque's financial records. An independent auditor can provide an objective assessment of the mosque's financial statements and help to identify any potential problems.
- Investment management is important for ensuring that a mosque's funds are invested wisely. The mosque should develop an investment policy that outlines its investment goals, risk tolerance, and time horizon.
- Risk management is important for protecting a mosque from financial losses. The mosque should develop a risk management plan that identifies and mitigates potential risks.
- Reporting and transparency are essential for building trust with the mosque's members and the public. The mosque should regularly publish financial reports that are accurate, complete, and understandable.

5. Conclusion

In conclusion, this study has shed light on the financial management practices of the surveyed mosques, with a focus on disclosure practices, financial reporting knowledge, fund utilization, and the challenges faced. The findings highlight the importance of transparency and effective financial management within mosques to ensure accountability and build trust among stakeholders.

The study revealed that there is a strong commitment among the surveyed mosques to public disclosure of financial reports. However, there is a need to improve internal communication and transparency by ensuring that financial reports are also disclosed to the internal management of the mosques. This will enable informed decision-making and resource allocation within the institutions. Furthermore, the study found that there is a knowledge gap in financial reporting, with a sizable percentage of respondents admitting that they lack the expertise necessary to produce thorough financial reports. To improve financial reporting abilities and introduce contemporary tools and approaches for producing accurate and instructive financial reports, capacity-building programs should be put into place. The majority of the mosques examined showed an excellent awareness of appropriate fund utilization, which is positive. Maximizing the effectiveness of mosques in serving their communities and accomplishing their goals requires effective administration and resource allocation.

However, there are difficulties in finding funding and luring outside donors. To establish a sustainable and diversified financing basis, mosques should investigate a variety of funding options, such as collaborations with local businesses or charitable groups, grants, and community fundraising initiatives. Overall, this study underlines the significance of mosque financial management and the demand for ongoing development and adaptation to handle the changing problems of the modern world. Mosques may better negotiate the financial landscape, win over stakeholders' trust, and have a long-lasting good impact on their communities by placing a priority on transparency, knowledge enhancement, and strategic money utilization.

6. Recommendations

Based on these findings, several recommendations can be made to enhance the financial management practices of the surveyed mosques as follows:

1. **Capacity-Building Initiatives:** Develop and implement training programs to enhance the financial reporting skills of mosque administrators and financial managers. Introduce modern tools and techniques for generating accurate and comprehensive financial reports.
2. **Internal Transparency:** Improve internal communication channels and ensure that financial reports are disclosed to the internal management of mosques. This will facilitate effective decision-making and resource allocation.
3. **Financial Reporting Guidelines:** Develop standardized financial reporting guidelines specifically tailored for mosques. These guidelines should provide clear instructions on creating comprehensive and transparent financial reports.
4. **Technology Adoption:** Embrace technology-enabled platforms for financial management, reporting, and communication. This will streamline processes, improve efficiency, and enhance transparency within mosques.
5. **Fund Diversification:** Explore various sources of funding, including community fundraising activities, grant opportunities, and partnerships with local businesses or philanthropic organizations. This will help reduce reliance on a single funding source and ensure financial stability.
6. **Collaboration and Networking:** Encourage collaboration and networking among mosques to share best practices in financial management. This can be achieved through workshops, seminars, or conferences focused on financial management for mosques.
7. **Continuous Evaluation:** Regularly evaluate and assess the effectiveness of financial management practices within mosques. This will help identify areas for improvement and ensure ongoing compliance with financial transparency and accountability standards.

Hopefully, by implementing these recommendations, mosques can strengthen their financial management practices, enhance transparency, and ensure effective utilization of funds. This will contribute to the long-term sustainability and growth of the mosques, allowing them to better serve their communities and fulfill their religious and community-oriented objectives.

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