

GOOD SERVICE GOVERNANCE USING MULTIPLE AGENCY IN THE MANAGEMENT OF ZAKAT

Nurul Widyawati Islami Rahayu

Lecturer at the Institut Agama Islam Negeri (IAIN) Jember
nurulwidyawatiislamirahayu@gmail.com

Hary Yuswadi, Akhmad Toha & Edy Wahyudi

Lecturer at the Universitas Negeri Jember (UNEJ)
hary_yuswadi@yahoo.com
akhmattoha@gmail.com
edydata75@gmail.com

ABSTRACT

The purpose of this study was to understand the agency relationship in the distribution of zakat. This study used a qualitative approach by using the method of field reseach. Informants in this study are the internal and external stakeholders in the distribution of zakat institutions that donors, recipients and managers. The results of this study indicate that the agency relationship is a multiple agency with emphasis on good service governance based on the principles of service Accountability, Transparency, Justice and Participation.

Keyword : *Good Service Governance, Multiple Agency, Management Of Zakat*

1. INTRODUCTION

Zakat management is an important issue in a country because zakat is one of the main sources of finance in Islam. Zakat is also one of the elements to improve the welfare of Muslims and can reduce poverty (Al-Qaradawi, 1993: 253). Zakat is the best transfer mechanism in society (Pramanik, 1993: 83). Savas, to categorize orders to pay zakat in terms of private good and public good (Savas, 1987: 37). But from this it needs a good governance. Change is a natural thing and it should be responded to by the government to achieve good governance (Sedarmayanti, 2012: 4). Good governance in the management of zakat in an organized manner is the duty of public administration (Ostrom, 1989: 46). Dwiyanto (2014: 44), describes some of the characteristics and values inherent in the practice of good governance. For example good governance should provide space for non-governmental or private institutions to participate optimally in government activities. This allows for a synergy between actors and government agencies with non-governmental or private such as Lembaga Amil Zakat (LAZ). In general the charity organization is divided into five, namely: Central Zakat Council Provincial Zakat Council, zakat district, Tehsil Zakat, and Local Zakat Committee. (Hudayati et al, 2010: 353).

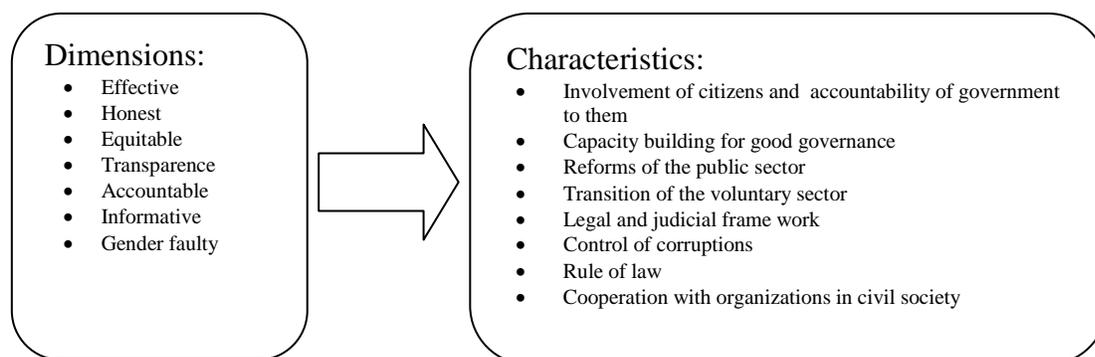
Indonesia is one of the largest Islamic country in the world. According to population growth data issued by the World Bank in 2012, the total population of Indonesia amounted to 244 775 796 inhabitants and 88% are Muslim, or about 182.57 million inhabitants (Jakarta, Republika, 2009: 12). Public awareness to tithe in East Java, especially in Jember still low. (Yulinartati et al, 2012). AZKA institutions are public organizations that operate for the public benefit organization established by the community with reinforced a decree No. 103 of 2004, and also perform the function of the State. Functions include the collection, distribution, utilization and reporting of charity in accordance with Chapter III of article 2 of Law No. 23 of zakat management in 2011. In addition, the institution beralokasi AZKA very strategic, which is in front of the central city of Jember in arm with the Baitul Amien education center and is also adjacent to Jami who became the center of the Nahdliyin. The fundamental question of this study is, why the Institute AZKA interesting to be the object of study in this research?

2. THEORITICAL REVIEW

2.1 Good Governance Paradigm

The renewal concept of governance related to the paradigm shift of development and activities of international institutions, such as the proposed UNDP (1995) as follows. "Saistanable governance as afundation for human development" the thinking about governance as asystem advanced with the introduction of key concepts such as accountability and equity. Reviews These normative values Gave dimensions to the discussion surrounding governance and led to debates on the qualifications of good governance. "(Sukardi, 2013: 33). In substance, the definition can be divided into two, namely assume governance is static, and considers governance as a dynamic process (Sukardi, 2013: 34)

The dimensions and characteristics of governance in accordance with international financial institutions (ADB, wordl bank, UNDP, and OECD)



Source : Issabelle Johson (1997)

There are seven dimensions in understanding governance according to the ADB, world bank, UNDP and OECD. Mother dimensions include: effective, honest, equitable, transparent, accountable Informative and discrepancies in the implementation of gender, governance characteristics of their civic engagement and government accountability, and increased capacity for good orders. Hence the need for public sector reform, the transition from the private sector, supremacy law, justice, and justice against corruption that all it requires cooperation with civil society second thought, in general comes from the formulation of the academics who think that governance is a management process of government in managing resources (resources), including human resources (human capital), social resources or social capital (social capital), and natural resources (natural capital). The management of public issues involving all stakeholders in the concept of civil society (public-private and civil society). In conclusion, the concept of governance is seen as a system, a structure, a set of rules traditions, procedures, functions and relationships (interaction and interrelation) between actors or actors present in the three domains of power (government, private sector and civil society (Sukardi, 2013: 38).

The concept of economy, efficiency and effectiveness for the next added to the New Governance by a number of authors. This new concept emphasizes the orientation on the value of institutional and other administration began to dominate the reform since 2000. Meanwhile, the traditional model of public administration dominated by monosentries system. Thus the new public management is characterized by an autonomous structure, while the new governance is characterized by self-government that is real and managerial pluralism. Such a system is called a polycentric system (Gougis, 2012: 55)

The old pattern of the operation of the government, is now no longer compatible with a society that has changed. Therefore, this claim is reasonable and should be responded to by the government to conduct directional change and the realization of good government organization (Sedarmayanti, 2012: 4). So also with the mindset of that revealed that governance as understanding has grown, beyond the management of the institution to include interactions between stakeholders, socio-economic environment, and their politics. (Schneider, 1999). Governance is seen as a complex system of interactions between structures, traditions, functions (responsibilities), and process characterized by three main values of accountability, transparency and participation (Sukardi, 2009: 35). Fukuyama (1999) good governance is more emphasis on social capital because it is seen as an informal norm that promotes cooperation between two or more individuals.

2.2 Agency Theory

Agency theory is a theory that is rooted in the synergy of economic theory, sociology and organizational theory. Principal is the party who bears the risk of the end of activities. Meanwhile, the agent is authorized parties or be assigned to do the job of principal. Preparation of a contract, either implicitly or explicitly. It is one of the principal to the agent. The hope that the agency will do the job as desired principal (in this case the authority was delegated). Lupia and Mc.Cubbins (2000), stating delegation occurs when a person or group of people (principal) choose another person or group (the agent) to act in accordance with the interests of the principal.

The agency theory evolved in 1967 and a lot of criticism, but in this study the agency theory is still used in researching the institutional management of zakat with the agency relationship. Some critics of this theory among others, Blau (1970, 1972), Stigler and Friedland (1983), Robbins (1987), Perrow (1986), Donaldson (1985, 1990), Arrow (1985), Eisenhardt (1989), Anderson and Tollison (1982), Kosnik and Batenhansen (1988), Barney (1990), Jones (1987), Hill (1990), Chanon (1978), Berle and Means (1932), Coase (1991).

In general criticism of the economic theory of organizations including the theory of ideology aimed at the agency this theory is very materialistic. Donaldson (1995), it is an ideology that praise to the skies institution of private property without regard for human rights (human rights) and copyright (property rights). Humans not only works with the motive of seeking personal gain as a motive end, but there are also other considerations, which were mentioned by Weber (1968), Parsons (1968), and Herzberg (1966), (in Donaldson 1995). They must do the work in the form of compulsive behavior, normatively-governed behavior, intrinsic motivation. Parsons (1951). who found their altruistic nature of collective orientation. Meanwhile Hersberg (1966), through the X and Y theory basically states that a fully working and well motivated. Furthermore, Donaldson (1995), summarizes the views of the above and stated that the rejection of the theory Y and also included a rejection of the theory of "the structure of contingency with a structure

that is organic (dynamic) by theorists of economic organization via the agency theory is an action that is not based by cautious view of the theory and the facts that support this theory. Perrow (1986) criticized their profits than the principal agent. Supposedly the principal rights is not excessive compared to the executor of work. Perrow criticism in line with the substance of criticisms made by the new left (New Left) which concern against the exploitation of workers in the capitalist system.

Blau (1970, 1972) criticizes the findings of Williamson (1970) on the control of fraud (empire-building or residual loss) made by managers in organizations is not empirical findings were remarkable in organization theory. Blau (1970, 1972) see arguments like this are built empirically study the growth of the magnitude (size) hierarchical organization of economies of scale in administrative terms. Blau see this as disproportionate income distribution of managers and administrative staff decreases as organizations grow in magnitude. Thus, the circuit model contract developed by Williamson as an effort to prevent tarjadinya empire-building is not new.

Criticism Blau confirmed also by the findings of Chandler (1962) in Donaldson (1995) to the analysis of Williamson (1970) about the changes in the structure of the functional structure of the multidivisional structure (U-form to the M-form) as a result of the growing magnitude (size) of the organization. This revenue can be received empirically only during the transition period before the M-form structure is formed. Creation strategy difersivikasi in structures resulted divisionalisasi and is not intended to direct the managers who are not responsible in the process of operationalization of organizations that are increasingly complex, or because the baragamnya demand for products and services on the market. The hypothesis derived from Chandler (1962) in Donaldson (1995) also indicate that the strategy will lead to divisionalisasi and not the magnitude (size) that causes the divisionalization.

The same is also strengthened, both radical and moderate by Chendal (1979), Donaldson (1982), Palmer (1987), Grinver (1980), Fleigstein (1985), Khandawalla (1977), Grinver and Yasai-Ardekani (1981) in their research. Perrow (1986) criticized the understanding of this theory is the idea of vertical integration or merger. Merger is usually done on the understanding of this theory was due consideration of market dominance for the benefit of the owners not only because of considerations of efficiency for the public interest. Criticism Perrow (1986) is consistent with the criticisms made of the new left (New Left), which focus on capitalism's exploitation of workers. Perrow criticize the status-quo in the enterprise caused by excess profits of the owners rather than managers or workers.

In measuring agency theoretical contributions to the organization a vast and complex that many multinational companies figures were criticized. Critics of the theory is done by Bukley and Casson (1983), Dunning (1980), Henard (1983), Teece (1985), Kreps (1984), Dore (1983), Stokey (1983), Doz and Prahalad (1991), Hedlund (1981), Eisenhardt (1989). Indicators contributing agency theory is measured in several elements, among others determinansi management theory of the structure, internal differentiation, optimizing decision-making, information management, acceleration, creation of inter-firm relationships, continuity, and learning.

Doz and Prahalad (1991) concluded that the agency theory with hierarchical relationships between principal and agent as well as the implicit-in it are centralized at head office with a series of his contract would be difficult to get into problems multi kontingention. That was to manage complex multinational corporations both the network connection and the difficult tasks set only by the contract between the principal and the agent. This is just a theoretical simplification that is not useful for research and development management. Eisenhardt (1989) questioned the issue of control is done on agency theory as a management issue in controlling the outcome (out-come) or behavior (behavior) in a multinational company. For example, the control model results then provide an interesting perspective in discussing about the issue of control of a subsidiary. Subsidiaries as a company that is partly owned by other companies as the parent company, should be responsible for the central office (headquarters).

Based on the background of the development of this theory, it was developed according to the needs of modern enterprise. Adolf Berle and Gardiner C. Means in 1932 to publish their book with the title *The Modern Corporation and Private Property*. In this book Berle and Means illustrates the separation of owners and controllers as a typical enterprise xx century. Big companies they think are owned by many shareholders. So, thus not an owner who has the power to control the actions of the employees in the company.

In this study the main principles of agency theory states their working relationship between the giver of authority (principal) in this study was contributor with the recipient authority (agency), the Institute of Zakat distribution the form of a cooperation contract. The implications of the application of this theory can lead to opportunistic behavior or the behavior of efficiency for the agent. Agency theory has been practiced in public organizations, including in the public sector in Indonesia.

Agency Model, that simple assumes two options in the contract include (1) behavior-based, ie principal monitoring agent behavior and (2) outcome-based, namely the existence of incentives to motivate agents to achieve the interests of the principal. Experts generally adhered to the proposition that agents behave opportunistically toward principals. Opportunism means that when established a partnership between the principal and the agent will occur losses against the principals for the agent most likely want to put the interests of the individual (agent self-interest) (Zaenuri, 2010: 34).

Nicholson (1990) illustrates that if the principal use an agent to make decisions, the principal must pay attention to the motivation of the agent. It is not impossible that the agent made a different decision with the wishes of the principal so that the principal should receive contra lower than it should be accepted.

FRAMEWORK OF THINKING

According to the public choice perspective (Mc. Lean and Savas), selection is achieved because the rationality-bounded rationality. Therefore, it appears that individual measures and actions is collective.

AZKA institution is the object of this study. The reason for the existence of AZKA form of collective action and also a manifestation of public choice theory. AZKA as a public organization, run the trust contributor, the trust of society and the state mandate. Associated with it, AZKA run four functions, namely the collection, distribution, pendayagunaan, and reporting. However, all four of these functions run in suboptimal so that the effectiveness of the organization has not been reached. There are several causes, among others:

The First, the internal relations with foundations AZKA Al Bayt Amin not well ordered. In the language of Jensen and Meckling (1976) agency theory is a contract between the management (agent) which in this case is AZKA with the owner in this case Foundation Baitul Al Amin (the principal). Agency theory is part of the institutional theory in particular transaction costs. This contractual relationship in order to run smoothly, there is an internal transaction costs. It is called an agency fee which costs arising from the agency relationship.

Second. The relationship between the agents who give alms to AZKA, which gives the recipient, AZKA with suppliers not well organized. The definition of an agency relationship with external parties, namely the relationship with an unrelated party in an organization.

RESEARCH METHODS

This study used qualitative techniques, which in this case trying to construct a social reality in nature and understand its meaning. The common thing to do in a qualitative study, the researchers involved in the interaction with the reality examined. Thus, the resulting theory gaining a strong foothold in reality, is contextual and historical. Qualitative research design to choose the focus of research containing a description of the dimensions of what was to become the center of attention, and that would be discussed in depth and thorough. The focus of this research is formulated to limit the problems of research on management of zakat which is done by channeling zakat institution. Moreover, in the study of the science of public administration, public administration is the locus of the public interest (public interest) and public affairs (public affairs), while the focus of public administration is the theory of organizations, institutions included within the scope of the management of zakat institution. This limits the research studies in the management of zakat oriented public choice and agency relationships both internally and externally.

The type of data that is required in this study consisted of two types, namely primary data and secondary data. Primary data were collected using two techniques, ie participatory observation techniques (participant-observation), and interviews (interview). Meanwhile, secondary data collected by technical documentation. Data validity checking is done so that the validity of data tested level of credibility, transferability, dependabilitas, and konformabilitasnya (Hamidi, 2005: 82). Triangulation technique is used to test the validity of the data collected. Analysis of the data used in this research is the analysis of the data model of Miles and Huberman. Analysis of this data through several stages. (1) Organizing data performed

after the data obtained from each research question was considered adequate. (2) To formulate and interpret data about the research. (3) Take a final conclusion on the data in the form of general findings and specific findings

RESULTS AND DISCUSSION

Environment within an organization can be distinguished on the internal environment (internal environment) and the external environment (external environment) (Wright et al., 1996: 4; Wheleen and Hunger, 2000: 8; Hitt, 1995: 6). The internal environment consists of a structure (structure), culture (culture), resources (resources) (Wheleen & Hunger, 2000: 10). The internal environment should be analyzed to determine the strength (strength) and weaknesses (weaknesses) in the company. The structure is how the company is organized with respect to communication, authority and work flows. The structure is often called the chain of command and depicted graphically using organization charts. Culture is a pattern of beliefs, expectations, and values shared by members of the organization.

AZKA institution is the pioneer of Foundation of *Al Bait al Amien* Mosque of Jember. This institution was founded in 1999 by starting a Suffering Community Care Program (Propelitamas, an institution specifically addressing social issues with the flagship program of coaching protege.

Along with the development of society as well as the foundation and with the enactment of Law No. 38 of 1999 on the management of zakat, the foundation Amien Al Bayt Institute tune into channeling Zakat & Charity Donation Waqf Al Bayt Amien (AZKA). In 2004 AZKA set by the regents as distribution of zakat institutions (LAZ) with the revelation of the Regent Decree 103 2004.

The purpose of establishing institutions to facilitate AZKA suppliers in fulfilling the obligation of zakat, in accordance with the rules of religion. In addition, it is also expected their distribution zakat is right on target and useful in empowering the community.

In perspective the agency relationship Baitul Amin Al foundation can be synonymous as a principal which gives credence to the agent in this case is AZKA to regulate zakat in Jember. Because the system run decentralized, management AZKA can perform actions that are not profitable principal (foundations Al Baitul Amin), as a whole in the long term could harm the agency. Differences of interest between principal and agent is called agency problem which one of them caused by the presence of asymmetric information. Asymmetric Information, which is information that is not balanced and is caused by the unequal distribution of information between principal and agent.

In terms of management of zakat, the principal should obtain the information required to measure the success rate of zakat regulations that run the agent, but it turns out information about the measure of success of the regulation of zakat are not fully served by the agency. Consequently, the information obtained principal incomplete and therefore can not explain the actual performance of agents in managing zakat which has been entrusted to the agent.

Agency theory is part of an institutional approach that focuses on transaction costs, normative, there are costs of agency, while the agency costs are part of the transaction costs. Internal and external transactions in theory this agency if approached from the transaction costs of internal transaction costs, because in theory mackling internal transaction costs occur in people who are bound in a formal organization. In the management of zakat institution there AZKA internal transaction costs, ie costs due to contractual exchange between parties whose information is incomplete, opportunistic behavior and limited rationality that is tied up in a hierarchical organization.

External relations agency

The external environment is an environment that is outside the organization and need to be analyzed to determine opportunities (opportunities) and threats (threath) that will be faced by the company. There are two perspectives to mengonseptualis external environment. First, perspective view of the external environment as the vehicle that provides resources (resources) (Clark et al., 1994: Tan & Litschert, 1994). The second perspective view of the external environment as a source of information. The first perspective is based on the premise that the external environment is a vehicle that provides the resources critical to the survival of the company (Tan & Litschert, 1994). This perspective also implies an external potential in threatening the internal resources of the company. Strikes, deregulation, changes in legislation, for example, potentially damaging the internal resources of the company (Clark et al, 1994). The second perspective to associate information with the uncertainty of the environment (environmental uncertainty). Environmental uncertainties referring to external environmental conditions that are difficult to forecast peru- material

(Clark et al., 1994). This is related to the ability of members of the organization in decision-making (decision making).

From the research that has been done, it was found that the Agreement as a binding relationship between a principal contributor to the first AZKA (contributor) choose to become active donors (donors who continue to provide donations to the agency every month). In this case what is meant by an agent is AZKA or insendetal donors (donors give donations only from time to time). Both are required to fill out a form in advance so that availability is no clear agreement between the principal agent. Form contain contractual agreements that contain a large amount of funds that give, delivery time zakat which consists of the date submitted zakat, alms handover execution, whether submitted by the principal directly to an agent, or taken by officers interpreter adoptee who is a permanent employee agents. In addition, the contract also stipulated on the election program utilization of zakat which is owned by the agency. Principal can choose the program, among others; scholarships, smile orphans, teacher of the Koran prosperous, caring style disaster, poor wallet, endowments Koran, saving sacrifice, micro credit and service charity, donation and charity.

In the agency theory, a contract has two purposes. First, to improve the ability of individuals (both principal and agent) to evaluate the environment where decisions must be made (The belief revision role). Second, to evaluate the results of the decisions that have been taken in order to facilitate the allocation of the results between the principal and the agent in accordance with the employment contract (The performance evaluation role). Broadly classified into two agency theory (Eisenhardt, 1989: pages), which is positive research agency and principal agent research. Positive agent research focuses on identifying situations where agents and principals have conflicting objectives and control mechanism that is limited to only keep the agent self-serving behavior.

Exclusively, this group only to the conflicts of interest between owners (stockholders) with the manager. Meanwhile, the principal agent research focuses on optimal contract between behavior and results. Broadly speaking, the emphasis is on the relationship of principal and agent. Principal-agent research revealed that the agent-principal relationship can be applied more widely, for example, to describe the relationship of workers and employers, lawyers with clients, auditors with auditee. Agency theory can not be removed from both sides at the top, both principal and agent is the main perpetrator and both have their respective bargaining position in a put position, role, and status. Principal as capital owners have access to the company's internal information, while the agents as perpetrators in the company's operational practice has information about the operation and performance of the company is real and thorough.

Position, function, situation, goals, interests, and backgrounds of principal and agent are different and opposite each other will cause conflicts with each of interests (conflict of interest) and influence each other. Relating to auditing, both principal and agent is assumed as a person who has economic rationality, which every action is motivated by self-interest or would meet its interests before fulfilling the interests of others. Second finding of the study was associated with Akad Enforcement Barriers; Ethics Not Written contributor. Zakat managed AZKA institution belongs to the category of rational contract. Contracts rational, which is a contract that can not count all the uncertainties of the future, but only based on the agreement in the past, in the present, and expectations for the future relationship between actors involved in such contracts (Macneil, 1974) , Each party shall either principal maupaun agent running something that has been agreed and avoid treacherous. The third Temua relations with receiver of AZKA external agency. Fourth Written Agreement as a binder Relationships

Not only are there agreement (contract) between the principal (contributor) with an agent (AZKA), but also a contract (contract) between the agent (AZKA) and receiver (target group). Application of agency theory can be realized in the employment contract that regulates the proportion of the rights and obligations of each party with a fixed compute their overall usefulness. The employment contract is a set of rules governing the mechanism for the results, either in the form of profits and risks must be approved by the principal and the agent. The employment contract will be optimal if the contract can balance between the principal and the agent are mathematically demonstrated that optimal implementation of the obligations by the agents and the provision of special imbalab satisfactory from the principal to the agent. According Eisenhart (1989) agency theory is based on three assumptions, namely; 1) assumptions about human nature, that man has a nature to be selfish (self interest), have limited rationality (bounded rationality) and dislike risk (risk aversion). 2) organizational assumptions, namely the conflict between members of the organization,

productivity and efficiency as criteria for their asymmetric information between the principal and the agent. 3) assumptions about the information that the information is seen as a commodity that can be traded.

Agency theory which was built in the major proposition is the theory building that consists of the minor premise. The formulation of the theory illustrated in the chart Comparison Theory of Governance (Meier) and the Agency Theory (Jensen and Meckling) By Proposition Minor. Departing from the facts and empirical data that theoretically this research provides an understanding that the services related to the theory of agency services in institutions such as AZKA promote Good Service Governance with multiple patterns agency. Every principle involved in the system agent has a role and a dual function (Principle and agents) through a regulation system (double position), governance is run oriented to customer satisfaction not only profit oriented, it is intended as a guarantee of the continuity of services and objectives set in internal and external agreements

All contracts are executed in promoting the principle of Good Service Governance Transparency, Accountability, Justice and Participation. Implementation of the external shape of the Principle with AZKA (Foundation, director, employee) that the principles of agency and program targets stipulated in the technical service. Furthermore governance in the wake of an internal contract between the Foundation-Directors and Employees to achieve good service governance are set in the technical system. Then external contracts built by AZKA (Foundation, Directors and Employees) with received in achieving good governance service set in agent service.

The findings of the practical of this research tangible system of governance that promote optimal service form servic technical, technical system and agent service that aims to make the management of zakat funds can terealiasasi and well distributed with the principles of accountability, transparent, Justice and Participation in accordance with the contract external and internal that has been done. Of the three aspects is expected to maximize agent performance and principle, the first performance indicator AZKA be optimized with the ability to manage, prepare a report and distribute zakat. Second, the performance director as the executor of the mandate of the Foundation and contributor (Principle) has the management ability, innovation leadership, performance management capabilities and have sufficient leadership skills. Third, as the Employee Performance as Agent of donors, the Foundation and Director (Principle) are expected to have the ability to optimize the performance of good, has the ability to draw up a performance report, has the ability to map the field and duties and have the ability to work in a TIM (teamwork). Fourth, target distribution program to the Recipient (received) have the ability to manage and use zakat mainly zakat productive, have the ability to maximize the benefits of the use of zakat to use the priority needs, the distribution of zakat by Agent dirahapkan on target as required recipient in the field and capable of being solutions to alleviate poverty especially productive zakat either managed by individuals or groups are expected to assist and encourage the recipients to break out of the status of the receiver becomes a contributor in the future.

These research findings are paradigmatic provides a new paradigm based on those results of the comparison between Good governance-Good Corporate Governance and Good Governance Service showed differences. Firstly, in the aspect of good governance structure format (GG) was born as a solution to the problem management system that is dominated by one party in this government. While good corporate governance (GCG) was born in order to create a harmonious relationship in sharing authority and role while Good Service Governance (GSG) is present as an offer to manage and maximize the service system in the agency system. Second, the management of GG was built as an instrument for measuring the performance of the system of government in ensuring good governance and GCG born as an instrument for checking (control) and the balance of authority over policy control of a company that GCG is expected to minimize mismanagement or misappropriation of company assets. While GSG formed as checking and service system involving all parties on targets and objectives set forth in the contract between the principle and the agent solely to maximize service as desired by principle, the management as expected by the principle is in line with terori Jensen and Mackling (1976). Third, management of GG done in the public sector is done collectively for the benefit of the party led and GCG is managed by the company's goals and interests principle while GSG pengeloannya the interests and objectives of all parties, both eksetern and internal through external contracts and internal standard refers to the measurement of achievement performance of corresponding technical service, and technical ssystem srevis agent. Fourth, the principles espoused differences this case because of the background, objectives and governance system that is different between GG, GCG and GSG. GG

mengedepankn principle of public participation, the supremacy of law, transparency, stakeholder care, equality, effectiveness and efficient, accountability, certain strategic vision. The GCG Adheres to the principle of fairnes (fairness procedural), Transparency (openness of the system), accountability (pertanggung response performance to the public), responsibility (accountability professionals), disclosure (the complement of a performance with adequate infrastructure), control (supervision). Sedangakn GSG as a service agency adheres to accountability, transparency, justice authority, information and distribution program and the participation of all parties involved in multiple agencies.

CONCLUSIONS

Focus study in this research leads to the character of an agency relationship between the principle and the agent in the management of zakat by the Institute AZKA Baitul Amin al Jember. Based on the analysis of empirical data, the results from these studies show that. First, the theoretical characteristics of an agency relationship in the management of AZKA are multiple agency with emphasis on good service governance based on the principles of service Accountability, Transparency, Justice and Participation. So that all parties involved have optimum competence in accordance with the contract of external and internal contracts that have been set in technical service, system of agents and service agents.

Second, the results of this study in a practical deals that the agency relationship should be regulated in the internal and external contract refers princip-Accountability, Transparency, Justice and Participation set out in the technical services, System agents and service agents. In order AZKA have performance standards have the ability to manage, prepare a report and distribute zakat. Second, performance standards as the Director has the management ability, innovation leadership, performance management capabilities and has leadership skills. Third, performance standards Employees have the ability to optimize the performance of good, has the ability to draw up a performance report, has the ability to map the field and duties and have the ability to work in a TIM (teamwork). Fourth, target distribution program to the received had the ability to manage, having the ability to maximize the benefits on priority needs, distribution right on target as required receiver and could be a solution to alleviate poverty, especially zakat productive either managed by individuals or groups, assist and encourage the recipients to get out of the status of the receiver contributor

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