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Financial Ethics: Perspective of The Imam Masjid in Indonesia

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Abstract

From an ethics point of view, the mosque's Imam has the highest position since he spent time and devoted his life to serving in the mosque, while it is known that the honorarium is not provided for him. Mostly, the Imam will be able to control the temptation. Many temptations will be faced, but the most difficult one is related to money since it is the basic need in everybody's life. This study performed a descriptive qualitative analysis using a *word clouds* tool to collect information regarding the Imam's perspective about the flow of the finance in the mosque. This research collected 108 respondents at 108 mosques to identify and make modelling to describe and visualise the analysis result. As a result, this study shows that becoming an imam at a mosque not merely made people perform ethics in managing the mosque finance. As a human being, Imam also will prioritise how to fulfil his and his family's daily need. Therefore, an Imam should be able to perform ethics in managing the mosque finance. The society appointed an imam to manage the flow of the mosque finance. In this situation, ethics can be organised by reporting budgeting, income and expenses in detail, clarity, and transparency. Primarily, the mosque's Imam has not performed the ethics and has not had enough knowledge regarding the management of the mosque finance.

1. Introduction

Ethics is divided into three, where all those components should be conducted to deliver a good moral message. First, ethics is a value that regulates how people act that refers to the morality point of view. Second, ethics as the code of conduct is expected that all acts should follow the value stated

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in the morality point of view. Third, ethics is a moral philosophy where it defines which one is right and which one is wrong (Bertens, 2000; Forsyth, 1980, 1982, 1984). It is known that it is difficult as an imam to implement ethics in managing mosque finance. The problem in performing ethics also happened in any case. For example, in the social relationship, Mostly, a human being will respect people who can benefit them, but it is seldom people think about how to be useful for others. The main factor that influences how people act and think is in the financial sector. Therefore, an education to understand the ethics of the financial sector is needed to increase the knowledge and awareness of ethics in the management of our financial sector.

Ethics is very broad; in this study, the ethics of financial management at the mosque by Imam will be described on how he manages the income of the mosque. When he implemented ethics toward it, it shows that he can be a role model capable of implementing ethics. However, implementing ethics in managing finances is not easy, even if he comes from a religious family. Ethics in finance will commonly be easier to implement if it has been taught since we were young. Therefore, it can be a habit for an individual (Tormo-Carbó, Oltra, Seguí-Mas, & Klimkiewicz, 2016; Treviño, 1998, 2006; Trevino, 1986; Victor Valentine, Sovacool, & Brown, 2017). In this situation, to select an imam, we also need to pay attention to his capability to conduct the ethics in managing the finance of the mosque. Primarily, an imam is selected from his capability to understand and read the holy book of Muslims, Al-Quran. Moreover, he also needs to understand Al Hadist. However, lack of imam understanding about the ethics of the management of the mosque finance. This situation will affect the management of the cash flow of the mosque. Based on the survey that has been conducted, it is suggested that all of the imams need to increase their knowledge on how to perform ethics to manage the finance of the mosque.

It is known, once someone is selected as an imam. He will get acknowledgement and respect from society. Human beings need it, and they have their ethical point of view (Revelli, 2016; Sacks & Dembinski, 2012; Salahudin, Baharuddin, Abdullah, & Osman, 2016; Yepes Delgado & Ocampo Montoya, 2018). Imam is selected by the society based on his track record of understanding the Al Quran and Al Hadist. Moreover, the Imam also should implement the value stated on Al Quran and Al Hadist in his life in everyday activities. Taken all together, three aspects can be evaluated to select an imam. First, people will evaluate the educational background of the Imam.

The level or grade of the study will also measure the knowledge of an imam toward Al-Quran and Al Hadist. Second, it can be selected based on how persistently the potential candidate participates in worship at a mosque. Third, it can be measured in the level of the knowledge on the ethics of management financial at a mosque (McCosh, 1999; Melé, Rosanas, & Fontrodona, 2017; Simsek, Unsalan, Bayraktar, & Colomban, 2019). So those three aspects can be a reference on how to select an imam. Primarily, Imam only fulfils the first and second criteria. This situation is related to the level of education. It is seldom people who graduated from higher education such as master or doctoral degrees become imams at the mosque. It shows a gap between the Imam and the education sector. It will affect the understanding of the concept of ethics in the mosque's financial management.

People can learn from their experience and the norms to implement financial ethics. When people learn it from their experience, it is obtained from their habit since he was young. Moreover, the ethics model's development can also help people to perform financial ethics (Albrecht, 2008; Boatright, 1999, 2010). lastly, people can also learn from deontology (C. J. Preston & Wickson, 2016; I. L. Preston, 2010). The development of the ethics model is conceptual that represent individual to act ethically based on the norms, consistently in implementing it in a broad situation such as in personal, society, and organisation (Albrecht, 2008; Boatright, 2010; Myers, Shoqirat, Allen, & Dardas, 2019). Deontology aspect is a theory that gives options of the way to transfer the value in the norms into the act where people should uphold the integrity, transparency, responsibility, increase the competency, confidence, and honest (Ault et al., 2017; C. E. Johnson, 2007; J. Johnson, 2015).

The problems in the status quo show that mostly Imam does not have a competency about the concept to implement the ethics. It affects the integrity of an Imam as we know that Imam is someone who is respected by society. People involved Imam in almost all local activities such as the wedding ceremony, when someone passes away, etc. It shows that an imam has the power to guide and influence society through his perspective. This situation made the position of the Imam is crucial. Mostly ethics will linearly correlate with faith. When Imam does not implement the ethics, he will primarily use the position for his own or organisational benefit. As an example, when an imam is involved in a political party, it has a tendency he will deliver a message that can uphold the importance of his party by inserting a campaign to support his organisation. Another example is when a government civil servant s/he will use that position to build a good image for his reputation in society and his office. Moreover, if he is a businessman, the position can be used to obtain the trust from society to buy his products. [5]

Those stated problems above exist in real life, but it has never been discussed. Mostly, people already notice it, but they just let it happen. Therefore, this study believes that it will affect the management of the mosque. Many mosques only have a person to manage all the operational things. Furthermore, the operational activities at the mosque are also not well organised. The concept of the mosque is pretty similar to the business unit such as *CV*. It can be stated that the income at the mosque is more stable compared to the *CV* and *Firma*. However, it has significantly different in the management of finance. It is suggested that Imam should have the ability to manage the finance at the mosque.

2. Materials and Methods

This study conducted a qualitative descriptive analysis using the word clouds tool to collect information about the Imam's perspective on financial flows in the mosque. This study collected 108 respondents in 108 mosques to identify and create a model that can describe and visualise the analysis results.

3. Results and Discussions

The personal perspective from Imam toward the finance

Personal perspective regarding the finance sect indirectly will affect the financial management of the mosque (Boatright, 1999; Cohen, Soenke, Solomon, & Greenberg, 2013; Solomon, 1992) since people will act based on their habits, and their habits will build the definition of ethics personally. In order to control it, an integrated online system can be used as a resource to uphold the ethics and transparency where Imam can report the cash flow in the mosque to that system, so anybody can also evaluate it. However, most of them cannot implement it.[6]. Therefore, training and workshop programs will help Imam gain proper knowledge and skills to use the system. Basically, for an imam who upholds ethics, he will act correctly, and he can become a role model, particularly for his family[7]. That habit will affect his acts on managing the finances of the mosque. Moreover, commonly Imam involved his wife in managing the finances[8]. It shows that transparency is implemented by involving another person. Therefore, this study also suggested that an imam involves another person handling the

[5] Interviews resume from 108 Imam at the mosque.
[6] Interviews resume from 108 Imam at the mosque
[7] Interviews resume from 108 Imam at the mosque
[8] Interviews resume from 108 Imam at the mosque

finance at a mosque. However, this research found that mostly Imam cannot plan and estimate the expenses. It yields the unexpected expenses that occurred. An example, in the case of expanding the building and the cost to look after the mosque[9]. It shows that the ability in budgeting is also needed for an imam.

The financial perspective of the Imam at a mosque

In the financial management of the mosque. It does not join with any insurance benefit[10]. It is possibly because the concept in the insurance company is related to the concept of *riba* in Islam. Therefore, there is a limitation in the management of the finance at the mosque. There is a lack of analysis of this situation. This study suggests that a mosque should join the insurance in the future since many insurance programs are already designed to tackle the religious barrier problems. Many programs adopted the concept of *Syariah*, where all the rules will be based on religious thought. Therefore, an imam should consider the offered programs from the concept of syariah.

In this study, we found that the Imam of the mosque has not paid attention to the financial programs[11]. He still uses primitive methods to manage the finance of the mosque. Mainly, the mosque list included in this study has not been involved in any financial programs. It is known that the income of the mosque can be obtained from *zakat*, pilgrimage, and *umrah* activity. The management of the financial at mosque should consider some existing financial programs. Imam at the mosque has a piece of limited knowledge of financial management. They were only saving the money in an account.[12]. On the other hand, based on the result of this study, the conventional method in managing the finances of the mosque happens because Imam feels that he does not have the right to use the money to join some financial programs since that money comes from society. It makes limitation for an imam to manage the income of the mosque through well-existing developed programs. As we know, financial programs offer more benefits compared to the conventional way.

Ethics of the financial management of Imam at a mosque

In principle, ethics comes from religious teaching. The message can be spread out and implemented through the mosque. As a role model, imam masjid has a responsibility to act based on ethics. Furthermore, an imam should also have knowledge related to many sectors such as culture, society, and economics. Ethics will be implemented from the habit of the individual. It needs a long term period to build it. The society in Indonesia commonly will act based on the norms. Value such as politeness, respect, awareness, and helping each other was already taught in the educational system in Indonesia. It is known that the concept of unity in diversity has existed since the beginning of this country.

In theory and concept, ethics and social value are slightly similar. It is also the same for the value between ethics and culture. The social value will be more focused on the code of conduct in society. On the other hand, ethics grow with that social value concept where it can be seen as the norms that regulate how people act and interact with others.

The two concepts above will be different from the economic point of view. There are many sources of income, such as a donation, etc. Ethics in the management of the finances of the mosque need to be implemented to avoid the misuse of all the income. The one who has the power to manage all of that

[9] Interviews resume from 108 Imam at the mosque
[10] Interviews resume from 108 Imam at the mosque
[11] Interviews resume from 108 Imam at the mosque
[12] Interviews resume from 108 Imam at the mosque

income is an Imam of the mosque. Therefore, it is clear that society should select an Imam who has a good knowledge of ethics in managing the financial both at an individual and organisational level.

Furthermore, the Imam should show transparency. Therefore, it can build trust. Transparency can be obtained by involving more people to know the income and the number of expenses at a mosque. Through that, each person can control and monitor the flow of mosque finance.

Based on the research finding. Primarily, the selected Imam cannot perform excellent financial management both in their individual and organisational situation. It affects the development of the finance at the mosque to become stagnant. Many financial programs offer excellent financial management already implemented in another religion, such as Catholic Roma, Buddha, and Hindu. It shows that those programs can help an organisation store, maintain, and develop financial planning. Most of the programs from a bank or insurance will give positive feedback to organise or manage the finance of a mosque. This research also found that Imam at a mosque does not implement ethics in managing the finances of the mosque. They expect a reward from their position.

4. Conclusion

The conceptual and the implementation of the ethics in the financial both in individual and at the mosque level is not fully implemented. The habit of the Imam causes it. Moreover, the situation in the management of the finances of the mosque has been using a conventional method where all the money will be put into one saving account. As a result, the management of the finances at a mosque cannot be developed. It is because of a limitation of the value in the religious belief from the Imam of that mosque.

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