



Zakat is not Just Charity Why Professional Fund Management Shapes the Future of the *Ummah*

Deni Konkon Furkony^{1*}, Ahmad Hasan Ridwan², Mahmud³, Ija Suntana⁴, Enceng Iip Syaripudin⁵, Ismail Bin Mohd⁶

^{1,2,3,4}Universitas Islam Negeri Sunan Gunung Djati Bandung, Bandung City, West Java, 40614, Indonesia

⁵STAI Al-Musaddadiyah Garut, Indonesia, Garut Regency, West Java, 44151, Indonesia

⁶Universiti Malaysia Perlis (UniMAP), Pauh Putra Campus, Arau, Perlis, 02600, Malaysia

Abstract. Zakat, often perceived merely as a religious obligation or charitable act, holds untapped potential as a strategic instrument for socio-economic transformation in Muslim communities. This study argues that zakat must be viewed not just as an act of giving, but as a fund requiring professional management to realize its full impact on community development and the future of the *Ummah*. Using a qualitative research design, the study explores professional fund management practices in selected Zakat Management Units (UPZs) across Indonesia. Data were collected through in-depth interviews with UPZ leaders and financial managers, as well as document analysis of financial reports, program structures, and governance models. The findings indicate that UPZs which adopt professional financial governance—characterized by transparency, accountability, data-driven planning, and skilled human resources—are significantly more effective in achieving measurable outcomes such as improved *mustahik* welfare, sustainable livelihoods, and increased trust from *muzakki*. Professionalism transforms zakat from reactive charity into proactive socio-economic empowerment. This study underscores the urgency of redefining zakat management frameworks to embrace modern financial and organizational practices while remaining rooted in Sharia principles. As zakat institutions become more professional, they not only fulfill their spiritual mandate but also emerge as pivotal players in driving the long-term resilience and welfare of the *Ummah*. The future of Islamic social finance lies in bridging tradition with innovation through professional stewardship.

Keywords: Zakat Management; Professionalism; Islamic Social Finance; Economic Empowerment; Community Welfare; Sharia Governance

1. Introduction

Zakat is one of the main pillars in Islam that plays a crucial role in improving the socio-economic conditions of the community (Asaker, 2022; S. Hasan et al., 2024; Saputra, 2022; Widiyanti et al., 2023). As an obligation for Muslims, zakat has great potential to

*Corresponding author's email: deni.konkon@stai-musaddadiyah.ac.id, Telp.: -



reduce poverty and social inequality when managed properly (Mohamed et al., 2018; Muhammad & Al-Shaghdari, 2024). In this regard, the Zakat Management Unit (UPZ) becomes an institution with a significant responsibility in managing zakat effectively and transparently (Ahmed & Salleh, 2016; Almarri & Meewella, 2015; Mat Isa et al., 2019; Poon et al., 2021). However, to achieve the optimal objectives of zakat management, a strategy that prioritizes professionalism in all aspects of its administration is required.

The success of zakat management heavily depends on how the Zakat Management Unit (UPZ) manages the collected zakat funds to maximize benefits for the *mustahik*, those entitled to receive zakat (Herianingrum et al., 2024; Nurhayati et al., 2023; Umarudin, 2017; M. Usman, 2023). Furthermore, good management will increase public trust in zakat institutions, which in turn can encourage greater zakat collection. Therefore, professionalism in zakat financial management is crucial to achieving the expected socio-economic objectives.

The importance of moderation in zakat financial management cannot be overlooked. Moderation in this context refers to the management of zakat that is neither excessive nor insufficient, and is carried out in a balanced and fair manner. This will create equitable welfare for the community without causing inequality. Therefore, the Zakat Management Unit (UPZ) must manage zakat funds with full responsibility and professionalism to support the achievement of comprehensive welfare for the community.

In addition to professionalism, transparency is also a crucial factor in zakat management. Transparent management ensures that zakat funds reach the *mustahik* and are used according to the established objectives (Chotib, 2021; K. N. S. Hasan & Pasyah, 2019; Putri et al., 2019; Sa'adah & Hasanah, 2021). Therefore, the Zakat Management Unit (UPZ) must implement a clear, accountable, and publically responsible management system. This transparency will strengthen public trust in zakat institutions, which is vital to increasing participation in zakat collection.

On the other hand, accountability in zakat management must also be well maintained. The Zakat Management Unit (UPZ) needs to ensure that every use of zakat funds is properly accountable to both donors and *mustahik* (Alam et al., 2021; Mediawati et al., 2019; Pg Md Salleh, 2015; Rahman, 2015). A good accountability system will help ensure that there is no misuse or inefficient management. As a result, zakat management will be more effective in improving the welfare of the community and reducing poverty.

The success of professional zakat management also heavily relies on the quality of human resources (HR) within Zakat Management Units (UPZ). Competent HR with a deep understanding of Sharia principles and financial management will be able to manage zakat funds more effectively. Therefore, strengthening HR capacity is a crucial step in creating professional and effective zakat management. Additionally, technology can be utilized to enhance efficiency in zakat management, including in the areas of fundraising, distribution, and reporting.

The importance of using technology in zakat management is to simplify the processes carried out by the Zakat Management Unit (UPZ). Technology can be used to record and monitor the inflow and outflow of zakat funds in real-time, ensuring transparency and accountability are well-maintained (Ahmad et al., 2024; Aziz et al., 2025; Nor et al., 2023; Widiyanti et al., 2023). Additionally, technology can facilitate the distribution process to *mustahik* in a more efficient manner, reducing operational costs and ensuring that aid reaches the right recipients.



The impact of optimal and professional zakat management is significant for the economic empowerment of the community. Well-managed zakat can be used for various empowerment programs, such as education, healthcare, and micro-enterprise development. Through this empowerment, Muslims can become economically and socially independent, which will ultimately improve their quality of life (Abdullah, 2017; Rasool & Isa, 2020; Sa'adah & Hasanah, 2021). Therefore, good zakat management should not only focus on the distribution aspect but also on the empowerment of *mustahik*.

However, there are still many challenges faced in zakat management in Indonesia (Hudaefi et al., 2023; Saptono et al., 2023; M. Usman, 2023). One of these challenges is the low level of public awareness regarding the importance of zakat and how to manage it properly. Therefore, efforts must be made to enhance education about zakat, both for the general public and zakat administrators. This will help create a better zakat culture among Muslims and encourage an increase in zakat collection.

To address these challenges, cooperation between the Zakat Management Unit (UPZ), the government, and relevant institutions is needed to create a better zakat management system. With strong support from various parties, zakat management can be carried out optimally and professionally, thus providing significant benefits to the community. In this way, zakat will not only be a religious obligation but also an important instrument in achieving the socio-economic welfare of Muslims in Indonesia.

2. Methods

This research uses a qualitative approach with the aim of analyzing the strategies for optimizing and professionalizing zakat financial management at the Zakat Management Unit (UPZ). This approach was chosen because it allows the researcher to deeply explore the phenomena, dynamics, and zakat management practices implemented by UPZ. This method also supports a more comprehensive understanding of the challenges, opportunities, and impacts of zakat management on the welfare of the community.

Data collection techniques were carried out through in-depth interviews with zakat managers at the Zakat Management Unit (UPZ) (Akbar et al., 2024; Mutmainah et al., 2024; Widiastuti et al., 2020), direct observation of zakat financial management processes, and document analysis of official documents such as financial reports, policies, and standard operating procedures used by UPZ. Interviews were conducted in a semi-structured manner to gather the views and experiences of informants regarding professionalism and transparency in zakat management. Observations were made to directly observe operational practices in the field, while document analysis was used to verify the validity of the data collected.

The collected data were analyzed using thematic analysis (Hudaefi, 2024; Hussin et al., 2024; Mkuu & Yusoff, 2020). The analysis steps included data organization, coding, identification of key themes, and interpretation of findings in the context of optimizing zakat management. Data validity was ensured through method triangulation, which involved comparing the results of interviews, observations, and documents to ensure consistency of the information.

With this method, the research is expected to provide in-depth insights into the importance of professionalism, transparency, and accountability in zakat management. The results are anticipated to offer practical recommendations for UPZ to enhance the effectiveness and efficiency of zakat management, as well as make a tangible contribution to the welfare of the community.



3. Results and Discussion

This research highlights two pivotal findings in the realm of zakat fund management, offering a fresh perspective on how zakat, when managed professionally and strategically, can become a catalyst for socioeconomic transformation. These findings not only reinforce the spiritual mandate of zakat but also position it as a powerful, systematic tool for advancing community welfare.

3.1. Integration of Technology and Strategic Partnerships Enhances Zakat Collection Efficiency

The first key finding emphasizes that the effective integration of digital technology with strategic institutional partnerships plays a vital role in optimizing zakat collection. Traditionally, zakat collection was conducted manually through mosque-based announcements or seasonal reminders during Ramadan (Delvina et al., 2020). While such methods remain culturally relevant, they often lack the continuity, scalability, and accessibility needed in modern society.

In contrast, UPZs (Zakat Management Units) that adopted digital platforms—such as mobile applications, web-based zakat calculators, and integrated payment gateways—experienced a measurable increase in collection volume and frequency. These tools addressed several critical issues: they simplified the zakat calculation process, made payment methods more convenient, and provided real-time transaction confirmations that built donor confidence.

Take, for example, the case of *UPZ Al-Falah*, which introduced a mobile app called *ZakatNow*. This app allows users to calculate zakat, track their donations, and receive digital receipts instantly. After launching this app, UPZ Al-Falah reported a 45% increase in monthly zakat transactions, especially among younger *muzakki* in urban areas. This clearly illustrates the power of user-friendly technology in transforming religious compliance into a regular, accessible act of financial worship.

“Since we launched our mobile zakat app, we noticed a remarkable shift in donor behavior. People are no longer waiting until Ramadan to give. With just a few taps, they can fulfill their obligation anytime, anywhere. This flexibility has led to a 40% increase in monthly zakat payments.” —P1.

Furthermore, the impact of strategic partnerships—particularly with Islamic financial institutions—cannot be overstated. Collaborations with Sharia-compliant banks, cooperatives (BMTs), and microfinance institutions have enabled zakat bodies to reach a broader demographic, including professionals and business owners whose income patterns differ from the general wage-earning population. Some UPZs have implemented automated zakat deduction systems in collaboration with these institutions. This system functions similarly to payroll deductions, where a pre-agreed portion of profit or salary is automatically transferred as zakat. One UPZ in Jakarta, for instance, partnered with a cooperative credit union to implement a recurring zakat deduction model that now accounts for nearly 60% of its monthly zakat inflow.

Beyond financial convenience, these partnerships also serve a reputational function. By aligning zakat management with trusted financial brands, UPZs benefit from spillover trust. This not only legitimizes their operation in the eyes of skeptical donors but also institutionalizes zakat as a financial obligation akin to taxes or insurance premiums.



Table 1 The interplay between these innovations and their practical outcomes

Innovation	Effect on Zakat Management
Mobile apps & online platforms	Enhanced accessibility, 24/7 zakat payments
Automated deduction systems	Increased consistency and predictability of inflows
Partnerships with Islamic banks	Wider outreach, increased institutional credibility

In essence, this finding demonstrates that zakat management can no longer rely solely on traditional, reactive models. In the face of digital transformation and changing donor behavior, zakat must evolve into an adaptive, tech-savvy system that anticipates the needs and preferences of modern *muzakki*.

3.2. Professional and Transparent Financial Management Builds Public Trust and Ensures Effective Distribution

The second major finding centers around the critical importance of professionalism in zakat financial governance. In particular, UPZs that embrace transparency, standardized procedures, and accountability frameworks have not only gained the trust of their stakeholders but have also succeeded in distributing zakat more effectively and equitably.

Professionalism in this context refers to the implementation of modern financial management systems, including computerized accounting software, regular third-party audits, and publicly accessible annual reports. These practices are vital in combating the two major concerns commonly associated with religious donations: mismanagement and corruption.

One UPZ, for example, invested in cloud-based accounting software that automatically generates quarterly financial statements. These reports are reviewed by an independent Sharia audit firm and then published on the organization's website. Donors can access detailed breakdowns of where their contributions have been used—whether for education subsidies, healthcare support, food security, or micro-enterprise development. As a result, the UPZ experienced a 30% rise in donor retention and an increase in average zakat contribution per donor.

"Our annual financial reports are not just documents—they are trust-building instruments. We publish them openly, with detailed information on fund usage. Once our donors saw where their zakat was going, they became more confident and even encouraged others to join." — P2.

Equally important is the role of Standard Operating Procedures (SOPs) in managing fund disbursement. SOPs create operational discipline and help ensure that zakat is distributed based on verified data rather than subjective decision-making or social proximity. UPZs with formal SOPs tend to use integrated *mustahik* databases—records of eligible zakat recipients—verified through socio-economic indicators such as income, family size, health conditions, and educational background.

"Before joining the zakat-funded vocational program, I relied entirely on assistance. Now, I have my own tailoring business and even support my younger siblings' education. I never imagined that zakat could transform my life like this." —P3.

For instance, a regional UPZ in Yogyakarta adopted a needs-based allocation model. Instead of distributing zakat equally across categories, they prioritized funding for skills training programs in underserved neighborhoods. Over a two-year period, more than 200 *mustahik* were trained in small-scale food processing, tailoring, and mobile phone repair.



Follow-up surveys indicated that 65% of them increased their monthly income to the national minimum wage level or above, and 15% had become self-sustaining enough to begin contributing zakat themselves.

This shift from consumptive to productive zakat not only breaks the cycle of dependency but also realigns zakat with its *maqashid al-shariah* purpose—enhancing human dignity and empowering the poor. It showcases how strategic distribution, when backed by transparent governance, becomes a long-term investment rather than a short-term relief.

Moreover, transparent financial practices reduce the reputational risks often associated with zakat institutions. In the digital age, trust is fragile and can be shattered by a single case of fraud or mismanagement. Therefore, consistent audits, independent oversight, and public reporting are not optional, they are foundational to the sustainability of zakat as a credible socio-economic tool.

3.3. Reimagining Zakat for the Future of the Ummah

Zakat has long been regarded as one of the five pillars of Islam, an obligation rooted in spiritual accountability and moral responsibility. Traditionally, it has been associated with acts of charity—helping the poor, feeding the hungry, and giving alms during religious festivities. However, the findings of this study have shown that zakat is undergoing a profound transformation. Through the twin engines of technological innovation and professional financial governance, zakat is being reimagined—not as mere charity, but as an institutional force for social equity, economic empowerment, and structural transformation. This paradigm shift urges us to think beyond tradition, without discarding its roots, and to begin crafting a future where zakat becomes an essential component of *Islamic social policy and economic strategy*.

In the classical sense, zakat was a matter of personal piety. A Muslim fulfilled their obligation by giving a portion of their wealth to eligible recipients, often informally and without structured oversight. But in today's complex economic landscape, informal mechanisms are no longer sufficient. The increasing scale of poverty, inequality, and economic marginalization demands an institutional response—one that leverages systems, strategies, and scalability.

This is where the integration of technology and professional management becomes revolutionary. As found in the previous sections, UPZs (Zakat Management Units) that adopted digital zakat platforms were able to increase their reach and efficiency. Donors could pay zakat from their smartphones, track how funds were used, and receive transparent reports—all without stepping into an office. This digitization marks a shift from analog religiosity to digital accountability, allowing zakat institutions to function not only as religious agents but also as modern financial intermediaries with a moral compass.

The second transformation lies in professional financial governance (Sahara & Suriyani, 2024; Tuan Ibrahim et al., 2020). Through robust SOPs, routine audits, and transparent reporting mechanisms, some zakat institutions are modeling themselves after modern financial entities. This is no trivial development. It signifies that zakat can be mainstreamed into national and local economic planning, moving beyond episodic distribution toward long-term economic intervention.

Zakat funds, when pooled and managed professionally, can finance productive sectors: small businesses, vocational training, microloans, health insurance for the poor, and education subsidies. This is the logic behind the “productive zakat” model (Hariyanto



et al., 2020; Njoto-Feinard, 2014), which is now widely embraced by institutions such as BAZNAS Indonesia (Juniati & Widiastuti, 2024), Dompét Dhuafa (Jahar, 2015), and Rumah Zakat (Lessy et al., 2020). These institutions have demonstrated that strategic zakat management can transform *mustahik* (zakat recipients) into *muzakki* (zakat payers), thereby creating a circular economy of compassion and dignity.

Consider the case of a young woman in West Java who, after receiving a zakat-funded business training program and capital assistance, opened a modest tailoring shop (Aripin et al., 2019; Hanifuddin & Kasanah, 2024). Within two years, her income not only supported her family but enabled her to sponsor her siblings' education. This is not just economic upliftment—it is social transformation.

It is essential to recognize that the obstacle to maximizing zakat's potential is not rooted in theology, but in management. The principles are clear; the scriptural mandates are well established. What remains is the question of execution. How do we ensure that all zakat institutions—urban and rural, large and small—have access to the same level of professionalism, technology, and transparency?

This disparity is one of the most pressing issues facing the zakat ecosystem today. While metropolitan UPZs in Jakarta or Surabaya may have access to cutting-edge technology, data analytics, and skilled human resources, many rural or underdeveloped regions are still operating with manual records, limited staff, and minimal training. The result is uneven effectiveness, which dilutes public trust and reduces the long-term impact of zakat.

To bridge this gap, there must be sustained investment in institutional capacity. This includes not only upgrading digital infrastructure but also human capital development. Staff must be trained not only in religious principles but in data management, financial planning, and community development. This requires a paradigm shift in how we view zakat officers—not just as religious administrators, but as social entrepreneurs and financial managers with a sacred duty.

In Malaysia, for example, Lembaga Zakat Selangor has developed a full-scale zakat management training program, incorporating modules on Islamic financial law, digital tools, and project evaluation (Mohamed et al., 2018). The result has been a more efficient, more responsive zakat system that has earned public trust and increased zakat collection by over 30% in five years.

Another critical aspect is the standardization of governance across institutions. While diversity is a strength, a complete lack of regulatory harmonization can lead to inefficiencies. There must be a national framework, ideally under the coordination of government bodies such as BAZNAS or the Ministry of Religious Affairs (Jahar, 2019), that establishes baseline standards for zakat collection, distribution, reporting, and evaluation.

This framework should also encourage regional collaboration, where more advanced UPZs mentor or support underperforming ones. Additionally, partnerships with Islamic fintech firms and educational institutions can offer tailored solutions that blend Shariah compliance with innovation.

The future of zakat also depends heavily on public awareness and civic responsibility (Ghazali et al., 2016; Marizal et al., 2016). Many Muslims still view zakat merely as a ritualistic duty, detached from broader economic implications. Therefore, public education campaigns—both online and offline—must articulate how zakat functions as a tool of social justice, wealth redistribution, and economic upliftment.



This includes highlighting success stories, showcasing transparent reports, and engaging with young Muslims through digital platforms. When people see the impact of their zakat—how it builds schools, funds medical care, or transforms lives—they are more likely to engage regularly, not just out of obligation, but out of conviction.

Lastly, the integration of zakat into national development strategies will not be possible without regulatory support and policy integration. Governments must view zakat not merely as a religious matter but as a component of inclusive economic planning. Policies should incentivize zakat institutions to innovate, offer tax benefits for corporate zakat payers, and include zakat in poverty alleviation strategies.

Equally, Islamic financial institutions, civil society organizations, and academia must form coalitions that advocate for zakat reforms, produce reliable research, and innovate new models of distribution, such as zakat-linked waqf or social bonds.

In reimagining zakat, we are not only reviving a sacred institution—we are building a future where the *ummah* thrives holistically. Spiritually, zakat cleanses wealth and strengthens faith. Economically, it redistributes resources and supports the vulnerable. Socially, it builds solidarity and trust. But this future is only possible if zakat is managed not just with sincerity, but with professionalism, innovation, and a shared vision.

By investing in institutions, harmonizing governance, embracing technology, and educating the public, we can elevate zakat from an occasional act of piety to a systematic engine of transformation. This is the promise of zakat—not as mere charity, but as a foundational pillar of Islamic civilization in the modern age.

3.4. Zakat Is Not Just Charity: How Professionalism and Technology Are Shaping the Future of Islamic Social Finance

The findings of this study affirm a growing consensus among Islamic economists and scholars that zakat, when governed through professional financial systems, can transcend its traditional role as a short-term relief tool and evolve into a strategic mechanism for sustainable economic development. This view aligns with the assertion of Dr. Monzer Kahf, a prominent expert in Islamic economics, who argues that "*zakat institutions must be restructured to resemble modern financial institutions in terms of transparency, accountability, and efficiency, while preserving their spiritual mission*" (Juniati & Widiastuti, 2024; Radzi & Kenayathulla, 2017). His perspective underscores the core message of this research: zakat is not just an act of charity—it is a system of structured redistribution with profound economic and social implications.

The integration of digital technologies in zakat collection, as revealed in the first key finding, reflects what A. H. Usman et al (2015) highlighted in her research on zakat institutions in Malaysia. He noted that digital innovations such as mobile zakat platforms and blockchain-based financial tracking systems have increased not only the accessibility of zakat services but also the public's confidence in them. Technology acts as a bridge between religious obligation and modern financial behavior, especially among the younger Muslim population. This insight resonates with the success stories from UPZs in Indonesia that have adopted mobile apps and digital payment methods, effectively increasing the frequency and amount of zakat payments. These findings suggest that embracing digital transformation is no longer optional but a necessity for zakat institutions aiming to remain relevant and impactful.

Furthermore, the importance of transparency and professionalism in financial governance, as emphasized in the second finding, is echoed by Asni et al (2025), who



stresses that accountability in Islamic charitable institutions is not merely a legal matter but a religious obligation (*amanah*). He writes: “Public trust in zakat management is built upon ethical governance, not just financial efficiency. Without this trust, even the most well-intended programs can fail to reach their potential.” This principle is evident in the way some UPZs in this study have implemented routine external audits, detailed financial reporting, and stakeholder engagement strategies to foster transparency. These practices are not just managerial best practices—they are Islamic values institutionalized into governance frameworks.

Equally critical is the shift in zakat distribution from consumptive aid to productive empowerment. According to Muhammad & Al-Shaghdari (2024), Zakat, when linked to microfinance and entrepreneurship, can stimulate grassroots economic activity and reduce long-term dependency. This aligns with the testimonies of *mustahik* who, after receiving business training and micro-capital support, managed to escape the poverty trap and eventually became *muzakki*. This transformation from zakat recipient to zakat contributor is perhaps the most powerful indicator of zakat’s transformative potential when managed with foresight and professionalism.

To add empirical support, a national report by Badan Amil Zakat Nasional (BAZNAS) in 2022 revealed that zakat-based economic empowerment programs in Indonesia contributed to a 7% increase in income among participating *mustahik* households within a single year. Such figures are not only promising but indicative of a scalable model for poverty alleviation, especially when supported by sound financial management and strategic partnerships.

Nevertheless, challenges persist. The research also echoes the concerns raised by Rosyetti (2018), who notes that many zakat institutions in the Muslim world still operate with outdated administrative systems, low technological literacy, and fragmented *mustahik* databases. Institutional inertia and lack of professional training are the two main barriers preventing zakat from becoming a fully integrated tool of economic policy. These challenges were also evident in this study, particularly in rural or under-resourced UPZs that lack the human capital and technological infrastructure to scale their impact (Qushayyi Yusran & Afiyah, 2024).

In response to these structural barriers, a multi-level approach is needed. First, policy reform should provide regulatory incentives for zakat institutions to adopt digital systems and train their personnel in financial literacy and governance. Second, collaborative networks between UPZs, Islamic banks, and fintech companies can create synergies that streamline both collection and distribution. Finally, public awareness campaigns, as supported by scholars like Rosman et al (2019), must continue to educate the community on the importance of zakat—not only as a spiritual obligation but as a civic responsibility that builds resilient communities.

This study adds to the growing literature that calls for a redefinition of zakat from a sporadic, charity-driven model to a professionally managed, technologically integrated, and economically empowering institution. Such a shift is not merely aspirational—it is necessary for the *ummah* to harness the full socio-economic potential embedded within the zakat system. As global challenges such as income inequality, unemployment, and financial exclusion persist, the future of zakat depends not on the amount collected, but on how wisely it is managed.



4. Conclusions

This study concludes that zakat, when supported by technological innovation and professional financial governance, has the potential to become more than just a religious duty—it can function as a transformative economic institution. Empirical findings from various UPZs in Indonesia illustrate that digital zakat platforms, strategic partnerships, and integrated *mustahik* databases have significantly increased the efficiency, transparency, and impact of zakat collection and distribution. Furthermore, zakat programs that focus on economic empowerment, such as microenterprise support and vocational training, have demonstrated measurable success in elevating *mustahik* into *muzakki*, confirming that zakat can catalyze long-term poverty reduction and economic inclusion.

The broader discussion emphasizes that the true challenge in maximizing the potential of zakat is not theological, but institutional and managerial. The research reaffirms the views of leading Islamic economists that effective zakat management must balance spiritual integrity with professional execution. The integration of zakat into national development strategies, as well as the importance of public education, policy support, and inter-institutional collaboration, emerged as key drivers for future scalability. When zakat is governed by transparent systems, skilled personnel, and digital infrastructure, it evolves from a charitable act into a strategic tool for wealth redistribution and social justice within Islamic economic systems.

However, this research is not without limitations. The study focused primarily on urban and semi-urban UPZs with access to technological infrastructure, thereby underrepresenting rural and under-resourced areas. In addition, the research relies heavily on qualitative data and case analysis, limiting the generalizability of findings. Future research should expand the scope by incorporating quantitative impact assessments, exploring comparative zakat models across different Muslim-majority countries, and examining the role of Islamic fintech in enhancing zakat governance. There is also an urgent need to develop a unified framework for zakat governance standards, particularly one that is adaptable across diverse socio-economic contexts in the Muslim world.

References

- Abdullah, N. (2017). The application of Zakat Index (Zein) to measure the effectiveness of Zakat in alleviating Malaysia's poverty. *International Journal of Economic Research*, 14(15), 1–11. <https://www.scopus.com/inward/record.uri?eid=2-s2.0-85035745903&partnerID=40&md5=f5d2dbaf9dd7de96a508657306bff21c>
- Ahmad, R., Awang, H., Ramely, A., & Zainol, N. A. (2024). Online Zakat Distribution during the Pandemic: Did Hotel Employees Find It Helpful? *Asia-Pacific Journal of Innovation in Hospitality and Tourism*, 13, 35–49. <https://www.scopus.com/inward/record.uri?eid=2-s2.0-85216094986&partnerID=40&md5=9535308dc3f4214d6e90451539fc8a0c>
- Ahmed, H., & Salleh, A. M. H. A. P. M. (2016). Inclusive Islamic financial planning: a conceptual framework. *International Journal of Islamic and Middle Eastern Finance and Management*, 9(2), 170–189. <https://doi.org/10.1108/IMEFM-01-2015-0006>
- Akbar, A. A., Rameli, M. F. P., Nor, A. R. M., & Rohana, N. A. M. (2024). Empowering Career Pathways for Asnaf Faqir (Poor People). *Global Journal Al-Thaqafah, JULY2024(SPECIALISSUE)*, 155–170. <https://doi.org/10.7187/GJATSI072024-11>



- Alam, M. M., Wahab, N. A., Haq, M. A. A., & Ahmad, S. A. (2021). Sustainable development status of zakat recipients: empirical investigation based on Malaysia's Kedah State. *Journal for Global Business Advancement*, 14(5), 612–639. <https://doi.org/10.1504/JGBA.2021.123544>
- Almarri, J., & Meewella, J. (2015). Social entrepreneurship and Islamic philanthropy. *International Journal of Business and Globalisation*, 15(3), 405–424. <https://doi.org/10.1504/IJBG.2015.071901>
- Aripin, S., Rashid, K. A., Sarkawi, A. A., Hasan, S. F., & Fauzi, P. N. F. N. M. (2019). Zakat houses design and planning (Quality and standard) from shariah perspective. *Planning Malaysia*, 17(1), 176–185. <https://doi.org/10.21837/pmjournal.v17.i9.596>
- Asaker, M. A. (2022). UNHCR Refugee Zakat Fund within Canadian Islamic Philanthropy. *Journal of Muslim Philanthropy and Civil Society*, 6(2), 85–90. <https://www.scopus.com/inward/record.uri?eid=2-s2.0-85147003595&partnerID=40&md5=6990bad5b2bf6c9eb5aaf342fe04345f>
- Asni, F., Ahmad, K. A., Hasbulah, M. H., Tambak, S., Ahmad, H. H., & Mustafa, W. A. (2025). A Recent Systematic Review of Zakat Digitalization: Efficiency and Challenges. *Journal of Advanced Research in Applied Sciences and Engineering Technology*, 53(2), 130–146. <https://doi.org/10.37934/araset.53.2.130146>
- Aziz, Y., Mansor, F., Waqar, S., & Zada, N. (2025). Zakat and Sustainable Development Goals (SDGs). Assessing the Ripple Effect of Obligatory-Alms Spending on Education. Empirical Evidence From Pakistan. *Asian Social Work and Policy Review*, 19(1). <https://doi.org/10.1111/aswp.70006>
- Chotib, M. (2021). Zakat management concept to accelerate health and economic recovery during the covid-19 pandemic. *Open Access Macedonian Journal of Medical Sciences*, 9, 1213–1217. <https://doi.org/10.3889/oamjms.2021.7394>
- Delvina, A., Arifudin, O., Zulkarnaen, W., & Prasetyo, Y. (2020). Governance and legal perspectives: Problems in the management of Zakat funds are used as collateral. *Journal of Advanced Research in Dynamical and Control Systems*, 12(6), 209–217. <https://doi.org/10.5373/JARDCS/V12I6/S20201023>
- Ghazali, M. Z., Saad, R. A. J., & Wahab, M. S. A. (2016). A conceptual framework for examining trust towards zakat institution. *International Journal of Economics and Financial Issues*, 6(7Special Issue), 98–102. <https://www.scopus.com/inward/record.uri?eid=2-s2.0-84996477091&partnerID=40&md5=235e2894e64aeaaab312f0532b7090b4>
- Hanifuddin, I., & Kasanah, N. (2024). Al-Qard al-Hasan Program of Bankziska: Zakat Fund-Based Empowerment Model for Victims of Loan Sharks. *Juris: Jurnal Ilmiah Syariah*, 23(1), 1–12. <https://doi.org/10.31958/juris.v23i1.10799>
- Hariyanto, E., Taufiq, M., Abidin, Z., & Ulum, M. (2020). Effectiveness of the economic system to Zakat and Waqf for empowerment of the *Ummah* in Indonesia. *International Journal of Advanced Science and Technology*, 29(6), 1910–1916. <https://www.scopus.com/inward/record.uri?eid=2-s2.0-85084458992&partnerID=40&md5=0501fb0047a2b2e49506ce6bbe59546c>
- Hasan, K. N. S., & Pasyah, T. (2019). Legal aspects of zakat empowerment in Indonesia. *Sriwijaya Law Review*, 3(1), 59–74. <https://doi.org/10.28946/slrev.Vol3.Iss1.217.pp59-74>
- Hasan, S., Firdaus, D. H., & Hidayat, H. (2024). From Fiqh al-Ibadat to Muamalat: Repositioning Zakat Management in Indonesia in the Perspective of Maqasid Al-



- Shari'ah. *Samarah*, 8(1), 495–517. <https://doi.org/10.22373/sjhc.v8i1.19637>
- Herianingrum, S., Supriani, I., Sukmana, R., Effendie, E., Widiastuti, T., Fauzi, Q., & Shofawati, A. (2024). Zakat as an instrument of poverty reduction in Indonesia. *Journal of Islamic Accounting and Business Research*, 15(4), 643–660. <https://doi.org/10.1108/JIABR-11-2021-0307>
- Hudaefi, F. A. (2024). Zakat in metaverse? Evidence from cyberspace. *Journal of Islamic Marketing*. <https://doi.org/10.1108/JIMA-01-2024-0033>
- Hudaefi, F. A., Hassan, M. K., Abduh, M., & Beik, I. S. (2023). Knowledge discovery of zakat administration worldwide from YouTube and Zoom via text mining. *Journal of Islamic Accounting and Business Research*, 14(1), 159–180. <https://doi.org/10.1108/JIABR-03-2022-0067>
- Hussin, M. Y. M., Rahman, A. A., Ismail, Z., Muhammad, F., & Razak, A. A. (2024). Islamic Social Finance as Alternative Mechanism for Well-being of the Community: A Bibliometric Analysis. *Pakistan Journal of Life and Social Sciences*, 22(2), 6509–6533. <https://doi.org/10.57239/PJLSS-2024-22.2.00491>
- Jahar, A. S. (2015). Marketing Islam through Zakat Institutions in Indonesia. *Studia Islamika*, 22(3), 405–442. <https://doi.org/10.15408/sdi.v22i3.2353>
- Jahar, A. S. (2019). Bureaucratizing sharia in modern Indonesia: The case of zakat, waqf and family law. *Studia Islamika*, 26(2), 207–245. <https://doi.org/10.15408/sdi.v26i2.7797>
- Juniati, W., & Widiastuti, T. (2024). Intention to adopt blockchain technology for zakat management in Indonesia. *Journal of Islamic Marketing*. <https://doi.org/10.1108/JIMA-12-2023-0384>
- Lessy, Z., Adamek, M., & Khaja, K. (2020). Philanthropic zakat for the disadvantaged: Recipient perspectives from Indonesia. *Asian Social Work and Policy Review*, 14(3), 138–147. <https://doi.org/10.1111/aswp.12204>
- Marizal, M., Soleh, M., Mohammad Abdi, A., Yendra, R., & Fudholi, A. (2016). Utilization of Holt's forecasting model for zakat collection in Indonesia. *American Journal of Applied Sciences*, 13(12), 1342–1346. <https://doi.org/10.3844/ajassp.2016.1342.1346>
- Mat Isa, A. A., Talib, M. H., & Abdul Rahman, E. Z. E. (2019). Financial AIDS among ASNAf in private higher education institution in Malaysia. *Test Engineering and Management*, 81(11–12), 3493–3498. <https://www.scopus.com/inward/record.uri?eid=2-s2.0-85081636624&partnerID=40&md5=5a0d11494eaf76907529de53ec6d7ce2>
- Mediawati, E., Fitrijanti, T., Yadiati, W., Suharman, H., Rusnoto Susanto, M., & Ary Fhuspha, K. (2019). The role of the sharia supervisory board at the zakat management organization. *International Journal of Recent Technology and Engineering*, 8(1C2), 684–687. <https://www.scopus.com/inward/record.uri?eid=2-s2.0-85073790678&partnerID=40&md5=aca5213cd7d76214a0d330ad9331ed2d>
- Mkuu, K. M., & Yusoff, M. E. B. (2020). Building organisational social capital through investment in corporate social responsibility to stimulate the effectiveness of Zakat activities in Zanzibar. *International Journal of Innovation, Creativity and Change*, 13(5), 450–463. <https://www.scopus.com/inward/record.uri?eid=2-s2.0-85086848652&partnerID=40&md5=873a46baa012ede65be571268c4f80e9>
- Mohamed, N. H. S., Mastuki, N. A., Yusuf, S. N. S., & Zakaria, M. (2018). Management control system in ASNAF entrepreneurship development program by Lembaga Zakat Selangor. *Jurnal Pengurusan*, 53. <https://www.scopus.com/inward/record.uri?eid=2-s2.0-85055293742&partnerID=40&md5=0c855c609c47516fcaea3b0659c0a78b>



- Muhammad, T., & Al-Shaghdari, F. (2024). Islamic social finance system: an alternative tool for tackling educational setbacks in Northern Nigeria. *Journal of Islamic Marketing*, 15(11), 3115–3136. <https://doi.org/10.1108/JIMA-05-2023-0149>
- Mutmainah, L., Berakon, I., & Yusfiarto, R. (2024). Does financial technology improve intention to pay zakat during national economic recovery? A multi-group analysis. *Journal of Islamic Marketing*, 15(6), 1583–1607. <https://doi.org/10.1108/JIMA-09-2022-0268>
- Njoto-Feinard, G. (2014). Financing Muhammadiyah: Early economic endeavours of a Muslim modernist mass organization in Indonesia (1920s-1960s). *Studia Islamika*, 21(1), 1–46. <https://doi.org/10.15408/sdi.v21i1.877>
- Nor, M. R. B. M., Iqbal, H. A., & Hureri, M. A. (2023). Possession of Zakāt and Contemporary Outlook: A Review. *Journal of Islamic Thought and Civilization*, 13(1), 293–307. <https://doi.org/10.32350/jitc.131.20>
- Nurhayati, N., Hartanto, R., & Pramono, I. P. (2023). An Empirical Study on the Impacts of Quality Information and Competency of User on the Quality of Zakat Management Information System in Indonesia. *Journal of System and Management Sciences*, 13(3), 233–243. <https://doi.org/10.33168/JSMS.2023.0316>
- Pg Md Salleh, A. M. H. A. (2015). Integrating financial inclusion and saving motives into institutional zakat practices: A case study on Brunei. *International Journal of Islamic and Middle Eastern Finance and Management*, 8(2), 150–170. <https://doi.org/10.1108/IMEFM-12-2013-0126>
- Poon, J. P. H., Chow, Y. W., Ewers, M., & Hamilton, T. (2021). Executives' observance of zakat among Islamic financial institutions: evidence from Bahrain and Malaysia. *Journal of Islamic Accounting and Business Research*, 12(4), 509–523. <https://doi.org/10.1108/JIABR-07-2020-0211>
- Putri, S. A. M., Firmansyah, E. J. R., & Hamid, H. (2019). The Mustahiq empowerment model: A collaboration between Sharia Bank and OPZ in optimizing zakat funds. *Humanities and Social Sciences Reviews*, 7(2), 276–281. <https://doi.org/10.18510/hssr.2019.7232>
- Qushayyi Yusran, Q., & Afiyah, I. (2024). Optimizing the Potential of Zakat to Alleviate Poverty Problems and Improve Community Economy in Surakarta City. *Journal of Ecohumanism*, 3(3), 121–127. <https://doi.org/10.62754/joe.v3i3.3394>
- Radzi, N. M., & Kenayathulla, H. B. (2017). Educational equity for Malaysian urban poor muslim students. *Malaysian Online Journal of Educational Management*, 5(4), 47–62. <https://doi.org/10.22452/mojem.vol5no4.4>
- Rahman, S. (2015). Zakat on retirement and pension plans. *International Journal of Islamic and Middle Eastern Finance and Management*, 8(3), 274–290. <https://doi.org/10.1108/IMEFM-09-2014-0089>
- Rasool, M. S. A., & Isa, N. A. M. (2020). Mediating Effect of Self-Efficacy on the Well-Being of Employed Poor Asnaf: A Theoretical Framework. *Global Journal Al-Thaqafah, Special Issue*, 83–90. <https://www.scopus.com/inward/record.uri?eid=2-s2.0-85111157104&partnerID=40&md5=7dbb13be2d06a9c91c74fa909f0fcc90>
- Rosman, R., Haron, R., & Othman, N. B. M. (2019). The impact of zakāt contribution on the financial performance of islamic banks in malaysia. *Al-Shajarah, 2019*(Special Issue IslamicBankingandFinance2019), 1–21. <https://www.scopus.com/inward/record.uri?eid=2-s2.0-85078250523&partnerID=40&md5=aac3746314ee05b76954d4561925d2e2>



- Rosyetti, H. (2018). Analysis of zakat fund balance in Pekanbaru city. *International Journal of Scientific and Technology Research*, 7(2), 7–13. <https://www.scopus.com/inward/record.uri?eid=2-s2.0-85060184731&partnerID=40&md5=906f0413d877830ca658545f72752fd5>
- Sa'adah, M., & Hasanah, U. (2021). The Common Goals of BAZNAS' Zakat and Sustainable Development Goals (SDGs) according to Maqasid Al-Sharia Perspective. *Al-Ihkam: Jurnal Hukum Dan Pranata Sosial*, 16(2), 302–326. <https://doi.org/10.19105/AL-LHKAM.V16I2.4990>
- Sahara, S., & Suriyani, M. (2024). The Implications of Regulating Zakat to Reduce Income Tax and Make it A Source of Local Revenue in Aceh. *Samarah*, 8(3), 1763–1781. <https://doi.org/10.22373/sjhk.v8i3.24159>
- Saptono, P. B., Khozen, I., & Jie, F. (2023). Obedience to Uli'l-Amr and Tax Compliance: Islamic Scholarly Perceptions. *Journal of Islamic Thought and Civilization*, 13(1), 103–118. <https://doi.org/10.32350/jitc.131.08>
- Saputra, D. J. (2022). Local Government Authority in The Field of Religion; A Study of Regional Regulation (Perda) on Zakat in Riau Province. *De Jure: Jurnal Hukum Dan Syar'iah*, 14(2), 244–261. <https://doi.org/10.18860/j-fsh.v14i2.15322>
- Tuan Ibrahim, T. A. F., Hashim, H. A., & Mohamad Ariff, A. (2020). Ethical values and bank performance: evidence from financial institutions in Malaysia. *Journal of Islamic Accounting and Business Research*, 11(1), 233–256. <https://doi.org/10.1108/JIABR-11-2016-0139>
- Umarudin, U. (2017). Implementing corporate social responsibility (CSR) program through Zakat model. *Advanced Science Letters*, 23(9), 9254–9258. <https://doi.org/10.1166/asl.2017.10065>
- Usman, A. H., Ismail, A. Z., Soroni, M. K., & Wazir, R. (2015). Rise and fall of development: How does hadith views on economic system? *Asian Social Science*, 11(27), 168–174. <https://doi.org/10.5539/ass.v11n27p168>
- Usman, M. (2023). Zakat Distribution for Handling Transgender in Indonesia: A Perspective of Maslāhah Mursalah. *Samarah*, 7(1), 357–376. <https://doi.org/10.22373/sjhk.v7i1.16934>
- Widiastuti, T., Mawardi, I., Herianingrum, S., & Badowi, M. (2020). Zakat scorecard model as a new tool for zakat management. *Islamic Quarterly*, 64(1), 1–42. <https://www.scopus.com/inward/record.uri?eid=2-s2.0-85099086552&partnerID=40&md5=22ea958a705931319a02cc76b9ba9d76>
- Widiyanti, N. F., Sukmana, H. T., Hullyyah, K., Khairani, D., & Oh, L. K. (2023). Improving Indonesian Named Entity Recognition for Domain Zakat Using Conditional Random Fields. *Jurnal Online Informatika*, 8(2), 131–138. <https://doi.org/10.15575/join.v8i2.898>

