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Original Article

Zakat Management as a Tool for the Economic Empowerment of the Muslim Community: An Empirical Study of BAZNAS's Role in Improving Community Well-Being

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Abstract

Productive zakat management by the National Zakat Agency (BAZNAS) is often assumed to linearly alleviate poverty without examining operational barriers at the field level. This study aims to analyze zakat management by the National Zakat Agency (BAZNAS) of City X as an instrument for the economic empowerment of the Muslim community and its impact on community well-being. Using a descriptive qualitative approach, data were collected through in-depth interviews with BAZNAS representatives and *mustahik*, observation, and documentation studies. The results reveal that the business capital program increased average income by 25–30%, but it also faced critical operational barriers, including fragmented *mustahik* data that is not yet digitally integrated, limited competence of amil human resources in micro business management, and minimal sustainability of post-distribution mentoring, which often triggers bias in assessing program success. This study recommends practical implications for BAZNAS to accelerate the digitalization of its database and to institutionalize a sustainable business mentoring unit in order to improve zakat governance comprehensively. This study concludes that optimizing zakat as an instrument of economic independence cannot rely solely on the amount of funds allocated, but requires governance reform through database digitalization and the strengthening of sustainable business mentoring.

Keywords: BAZNAS, Community Well-Being, Economic Empowerment, Zakat Management.

1. Introduction

Zakat is one of the pillars of Islam and functions not only as a religious obligation but also as an instrument of wealth redistribution that supports social welfare and reduces economic inequality (Suhendro, 2022). The distribution of zakat to those in need reflects a mechanism of social solidarity that has the potential to strengthen economic balance. Zakat management is also related to the collection and distribution system, which determines how funds can be utilized optimally for beneficiary communities (Lubis et al., 2019; Suhendro, 2022). Therefore, the success of zakat management cannot be assessed solely by the amount of funds collected and distributed, but must also consider the quality of program implementation and the sustainability of the benefits produced.

In Indonesia, the National Zakat Agency (BAZNAS) plays an important role in the collection and distribution of zakat funds. One form of its utilization is productive zakat, namely the distribution of funds to support the economic activities of *mustahik* through business assistance and the strengthening of economic capacity. This approach is expected to encourage a shift in the position of *mustahik* from aid recipients to more independent

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economic actors. Suhendro (2022) discussed the optimization of productive zakat distribution as an effort to support the community's economy and alleviate poverty. Meanwhile, Nabila et al. (2024) examined BAZNAS's strategy for addressing inequality in zakat fund receipts, while Nurherawati et al. (2024) discussed the role of BAZNAS in the collection and distribution of zakat to support religious social welfare. These studies show that the effectiveness of zakat management is related to the collection process, distribution, and institutional strategies for reaching the community.

Islamic philanthropy programs also have a social dimension in building community care and solidarity. Basri (2024) examined the contribution of the *infak* and *sedekah* program to the development of social care character among Islamic elementary school students in Medan. This finding shows that the use of Islamic philanthropic funds is not limited to economic aspects, but is also related to strengthening social values in society.

Research on productive zakat has also developed with a focus on the impact of programs on the economic conditions of beneficiaries. Afina and Saadati (2022) examined the distribution of productive zakat by BAZNAS of Demak Regency using the CIBEST quadrant model to analyze poverty alleviation. Alam et al. (2022) investigated the impact of the productive zakat program on the economy of zakat recipients at BAZNAS Surakarta. Perdana et al. (2023) discussed the utilization of productive zakat funds in the empowerment of *mustahik* at BAZNAS of Gorontalo Regency, while Falah and Saifudin (2026) examined the effectiveness of productive zakat distribution in improving the economy of *mustahik* through business development at BAZNAS of Pekalongan City. In the context of community-based empowerment, Fauzi and Huda (2022) discussed the role of the Zakat Community Development program in the economic empowerment of the community, while Toni (2020) examined productive zakat management through a similar program in Bengkulu Province. This body of research shows that the relationship between productive zakat, business development, and economic empowerment has become a focus of attention in the literature. Accordingly, this study does not position the potential of productive zakat in reducing poverty as its sole novelty, but rather needs to examine management issues that affect the implementation of empowerment programs.

From an institutional perspective, discusses the relationship between the effectiveness of zakat management and the transparency of fund use with improved welfare and community empowerment in Central Java. Muhammad (2024) reviewed trends and developments in contemporary zakat administration, while Anami (2024) discussed zakat as a form of social responsibility for small and medium enterprises. Another study by Ferdaus (2023) examined the utilization of zakat in poverty alleviation through a case study of Dompet Dhuafa Yogyakarta, while Maghfirah (2020) discussed zakat management and poverty alleviation in Indonesia. This literature shows that discussions of zakat encompass empowerment outcomes, institutional administration, transparency, and socio-economic roles. However, the differing research focuses and institutional contexts indicate the need for further examination of how operational barriers and institutional capacity relate to the implementation of productive zakat programs in zakat management institutions.

In addition to distribution issues, the implementation of productive zakat may face obstacles such as a limited number of competent human resources, uneven public awareness, and suboptimal integration of beneficiary data. These obstacles need attention because the distribution of funds to *mustahik* does not automatically guarantee the success of business development or the achievement of economic independence. Transparency and management quality are also important in building trust and supporting community empowerment (Mokodenseho et al., 2024) On the other hand, increasing public awareness through outreach

strategies plays a role in supporting zakat collection (Nabila et al., 2024; Nurherawati et al., 2024). The discussion of social responsibility and the function of zakat in supporting welfare also shows that the utilization of zakat needs to be understood within a broader socio-economic framework (Anami, 2024; Muhammad, 2024). Accordingly, the effectiveness of productive zakat needs to be viewed as an issue that relates not only to fund distribution, but also to institutional readiness, management quality, and support for the sustainability of empowerment.

Based on this review, the research gap addressed by this study lies in the need for a more integrated understanding of institutional and operational barriers in the implementation of productive zakat, particularly related to human resources, public awareness, integration of beneficiary data, and distribution governance. Unlike studies that focus on the impact of programs on poverty or the economic conditions of *mustahik*, this study is directed at identifying management challenges and explaining their implications for the implementation of economic empowerment. With this focus, the contribution of the study is expected to lie in mapping the relationship between institutional issues and the effectiveness of program implementation, which can then serve as a basis for formulating recommendations to strengthen data coordination, manager capacity, accuracy of distribution targeting, and the sustainability of business mentoring. This study aims to analyze the challenges of productive zakat management by BAZNAS in supporting the economic empowerment of *mustahik* and to formulate recommendations for improving management based on the identified aspects.

2. Literature Review

2.1. The Concept of Zakat

Zakat is a primary instrument in Islamic economics that has both a devotional and a socio-economic dimension. Zakat aims to distribute wealth from those who are able to those in need in order to create social balance and reduce poverty. Zakat is seen as an effective income redistribution tool for improving community well-being. Zakat has the strategic objectives of improving the well-being of *mustahik*, building a harmonious social life, and reducing economic inequality in society (Niamulloh, 2023). In addition, zakat also plays a role in improving the economic condition of the community through a distribution mechanism directed at the poor and vulnerable (Rasheed & Munawar, 2025). Thus, zakat functions not only as a religious obligation, but also as an economic instrument that plays a role in poverty alleviation and the development of the well-being of the Muslim community.

In the context of this study, the contribution of zakat to the well-being of *mustahik* needs to be understood not only based on the amount of funds distributed, but also based on how those funds are managed and utilized. The distribution of zakat to meet basic needs can provide direct benefits, whereas the productive utilization of zakat has the potential to support the improvement of the economic capacity and independence of *mustahik*. This shows that the impact of zakat on well-being is related to the management process and the empowerment that accompanies it. Therefore, the concept of zakat needs to be linked to zakat management and economic empowerment in order to explain the mechanisms that enable zakat funds to produce sustainable benefits.

2.2. Zakat Management Theory

Zakat management is the process of managing zakat that includes the collection, distribution, and utilization of zakat funds in a systematic and professional manner. Effective zakat management depends greatly on the quality of the governance of zakat institutions,

including aspects of transparency, accountability, and efficiency. Professional zakat management is key to improving the effectiveness of zakat distribution and its impact on community well-being (Hasan & Yunita, 2025). In this regard, zakat must be managed in a structured and innovative manner so that it can drive the economic transformation of the community through sustainable empowerment programs (Maghfirah, 2020). In practice, modern zakat management also emphasizes the integration of fund management and economic empowerment programs so that zakat is not only consumptive, but also productive.

Conceptually, zakat management serves as a mechanism that links the collection and distribution of funds with the achievement of *mustahik* well-being goals. Transparency, accountability, targeting accuracy, and the effectiveness of utilization are important aspects because they determine how zakat funds are managed and used in empowerment programs. Structured management can support the implementation of productive programs in a more directed manner, whereas suboptimal management has the potential to limit the benefits received by *mustahik*. Nevertheless, good management does not automatically guarantee improved well-being, because program outcomes are also influenced by the capacity of *mustahik*, the suitability of the program to their needs, and the economic conditions they face. Therefore, the relationship between zakat management and well-being needs to be explained through the process of utilization and economic empowerment.

2.3. Economic Empowerment Theory

Economic empowerment in the context of zakat is an effort to increase the capacity and independence of *mustahik* through the productive use of zakat funds. This approach emphasizes that zakat is not only used to meet consumptive needs, but also as capital for sustainable economic activities. Productive zakat distributed in the form of business capital, training, and mentoring is able to increase the income and well-being of *mustahik*. In addition, zakat-based empowerment programs have been proven effective in reducing poverty and increasing the economic independence of the community (Ferdaus, 2023). Zakat based on economic empowerment can encourage the transformation of *mustahik* to become more independent and economically empowered in the long term (Harahap et al., 2025). Thus, zakat-based economic empowerment is an effective strategy for improving community well-being sustainably.

Economic empowerment in zakat management explains the mechanism that links the utilization of productive funds with the improvement of *mustahik* well-being. Business capital can support access to productive resources, whereas training and mentoring can improve the skills and the ability to manage economic activities. The combination of these forms of support has the potential to increase the income and independence of *mustahik*, although its success also depends on the capacity of the beneficiaries, market access, and the sustainability of the program. Based on this relationship, the conceptual framework of this study positions zakat management as the mechanism for managing funds, economic empowerment as the process of enhancing the capacity of *mustahik*, and *mustahik* well-being as the expected outcome. This linkage confirms that the success of zakat cannot be assessed solely by whether funds have been distributed, but also by the economic benefits produced for the recipients.

3. Methods

This study uses a descriptive qualitative approach with an empirical study located in City X. It collected in-depth qualitative empirical data from interviews with BAZNAS representatives and *mustahik*, field observation, and documentation studies in the area. Primary data were obtained through in-depth interviews with representatives of the BAZNAS

institution of City X and the beneficiaries (*mustahik*), direct field observation, and analysis of BAZNAS internal report documents. Secondary data sources include academic literature, BAZNAS annual reports, and relevant journal articles.

The population in this study includes all BAZNAS zakat recipients in the economic empowerment program in City X. Informants were selected using a purposive sampling technique based on specific criteria, namely representatives of the BAZNAS City X management who manage the empowerment program and *mustahik* in City X who have received business capital assistance and business training. Data collection techniques were carried out through in-depth interviews with BAZNAS representatives and *mustahik*, observation, and documentation studies. In-depth interviews and observation were used to explore the experiences, perceptions, and estimates of economic achievements felt by *mustahik*, while documentation studies were conducted to review official institutional documents and reports.

Data analysis was carried out using qualitative techniques through the thematic analysis method. All verbal data from the interviews, including the income increase estimate claims conveyed by the informants, as well as the documentation data, were grouped and analyzed to identify the main themes related to the effectiveness of economic empowerment and the challenges of zakat management in City X. To ensure the trustworthiness and validity of the data, this study applied source and technique triangulation tests, namely by comparing and verifying the interview results between BAZNAS and *mustahik* with the results of field observation and official BAZNAS report documents.

4. Results and Discussion

4.1. Research Results

Based on the interview data, the zakat management implemented by BAZNAS shows a systematic and planned approach in supporting the economic empowerment of the Muslim community. This approach includes aspects of efficiency, transparency, and optimization of the utilization of zakat funds. BAZNAS implements structured zakat management for the economic empowerment of the Muslim community, with a focus on the efficiency and transparency of fund allocation.

> *"Our zakat management aims to ensure that the zakat collected can be allocated efficiently to the people who need it most, especially in supporting micro and small businesses,"* said a BAZNAS representative.

BAZNAS's approach to zakat includes the use of technology for managing zakat recipient data, in order to ensure well-targeted distribution and to optimize the utilization of zakat in the form of business capital and skills training programs. The programs being run, such as Zakat Community Development (ZCD), aim to empower communities through entrepreneurship education and business mentoring, while the business capital assistance program provides opportunities for *mustahik* to develop small businesses that have the potential to improve their well-being.

In determining the priority of zakat recipients, BAZNAS uses criteria guided by the eight asnaf: the poor (*fakir*), the needy (*miskin*), zakat administrators (*amil*), converts (*mualaf*), those in bondage (*riqab*), those in debt (*gharimin*), in the cause of Allah (*sabilillah*), and travelers (*ibnu sabil*).

"We conduct surveys and regional mapping, particularly in areas with high poverty rates, to ensure that zakat recipients truly need it and have the potential to become economically independent," the representative explained.

The application of these criteria enables BAZNAS not only to help *mustahik* in the short term but also to facilitate long-term economic independence. Through an approach that focuses on the empowerment of micro and small businesses, BAZNAS uses zakat to guide *mustahik* toward economic independence, not merely to provide temporary assistance. Programs such as ZCD and business capital assistance with skills training are a manifestation of BAZNAS's commitment to reducing *mustahik*'s dependence on aid. In the zakat recipient selection process, BAZNAS shows concern for the effectiveness of zakat by mapping recipients based on real needs in the field and their potential for independence. This approach combines a social mission with capacity development, which overall makes BAZNAS's zakat management model oriented not only toward fulfilling basic needs, but also toward empowering *mustahik* to build a more independent and sustainable life.

A BAZNAS representative explained that the impact of the zakat programs managed by BAZNAS is quite significant in improving community well-being.

"We see an improvement in well-being, especially among zakat recipients involved in economic empowerment programs. Their income has increased by up to 30% since the program began," he said.

He added that BAZNAS's main focus is helping low-income people become economically independent.

"We design programs that provide not only financial assistance but also entrepreneurship training and access to business capital," he explained further.

Regarding the extent to which zakat-supported economic empowerment programs have succeeded in increasing community income, the BAZNAS representative emphasized that the results are quite promising.

"Zakat recipients who participate in economic empowerment programs experience an average income increase of 25-30%, especially those who take part in skills training and market access," he said.

This shows that zakat support significantly improves the community's ability to earn a more stable and sustainable income.

"We also see a direct impact on the quality of life of zakat recipients. They no longer depend only on aid, but are also able to improve the well-being of their families," he added.

When asked about changes in the socio-economic conditions of the community receiving zakat assistance, the BAZNAS representative stated that there had been quite meaningful improvements.

"Zakat recipients show changes in spending patterns, from initially being used for basic needs to now beginning to be allocated for their families' education and health," he said.

In addition, he added that zakat assistance not only affects the recipients' economy directly but also has a broader social impact.

"The socio-economic conditions of the community are improving; there is increased solidarity and a stronger community because zakat recipients now have access to productive economic activities," he explained.

From these interviews, it can be concluded that the zakat programs managed by BAZNAS have a positive impact on the well-being of the recipient community. The economic empowerment supported by zakat has succeeded in increasing community income, with an average increase of about 25-30%. This income enables zakat recipients not only to meet their basic needs but also to begin investing in education and health needs, which contributes to an overall improvement in quality of life. Social impact is also seen through changes in spending patterns and increased community solidarity. The success of this empowerment program shows that zakat assistance is not merely short-term financial aid, but also an instrument for building economic independence and strengthening the socio-economic structure of the community.

In the interviews with BAZNAS representatives, the main challenges in zakat management for the economic empowerment of the Muslim community were identified as problems of resource and infrastructure availability.

"The availability of competent human resources in zakat management is still limited," he said, highlighting the need for professionals who understand both the sharia of zakat and the principles of economic empowerment.

In addition, he explained that the infrastructure supporting zakat distribution to remote areas is also not yet optimal. These challenges affect the effectiveness of economic empowerment programs aimed at improving the living standards of people in need.

In terms of zakat collection and distribution, BAZNAS also faces obstacles related to public awareness.

"The level of awareness among the Muslim community about paying zakat through official institutions still needs to be improved," the representative explained,

This shows that many muzakki do not yet understand the importance of centralized zakat distribution through official institutions. This causes zakat collection to be suboptimal and hinders efforts toward equitable distribution to *mustahik*. In addition, effective zakat distribution requires accurate *mustahik* data, which also remains an obstacle in its implementation.

"Recipient data that is not yet integrated makes distribution less well-targeted," he further explained.

In addressing issues of transparency and accountability, BAZNAS continues to make various efforts to maintain public trust.

"We have a reporting system that is open and easily accessible to the public," he said.

In addition, BAZNAS has cooperated with independent audit institutions to ensure that every zakat expenditure is properly recorded. Through periodic reports accessible to the public, BAZNAS seeks to demonstrate integrity in managing zakat funds.

The results of these interviews indicate that effective zakat management depends not only on fund collection, but also on planned empowerment strategies and adequate resources.

In facing collection and distribution obstacles, improving zakat literacy among the community and developing integrated data become important aspects that BAZNAS needs to improve. A transparency system based on external audits also shows BAZNAS's serious effort to respond to the accountability challenges faced by modern zakat management institutions.

Regarding BAZNAS's role in economic empowerment through zakat, most respondents stated that BAZNAS plays a significant role in helping disadvantaged people become economically independent. One respondent stated,

> *"BAZNAS has helped many people through zakat funds, especially in the economic field. They provide assistance to small business actors, who previously found it very difficult to grow due to limited capital."*

This statement shows that the community has a positive perception of BAZNAS's role in economic empowerment. Through economic programs involving zakat funds, the community feels that BAZNAS has provided support in strengthening economic independence, especially among micro and small business actors.

Regarding the effectiveness of the programs run by BAZNAS, several respondents assessed that these programs are effective in the short term, especially the business capital assistance and skills training programs. One respondent stated,

> *"The programs implemented by BAZNAS are quite effective, but some are only felt at the beginning. After the assistance is given, follow-up monitoring or mentoring may need to be improved so that the impact is felt more in the long term."*

This reflects that although BAZNAS programs are considered beneficial, the community hopes for improvements in continuous mentoring and monitoring. This continued support is considered necessary to ensure that beneficiaries can truly develop their businesses sustainably, not merely receive initial assistance.

In terms of community participation, the interviews showed that the level of community participation in BAZNAS programs is still relatively low. One respondent mentioned,

> *"I know about BAZNAS and its programs, but there is rarely any comprehensive outreach. Many people may not know, so participation is lacking."*

This shows that community participation in BAZNAS programs depends on the level of outreach conducted. To increase participation, BAZNAS needs to expand the reach of outreach and communication about its programs so that the community knows more clearly how to participate. The interview results show that the community has a positive perception of BAZNAS's role in economic empowerment through zakat. The effectiveness of the programs is rated well in the short term, although improvements are needed in continuous mentoring to achieve maximum results. The level of community participation still needs to be increased through broader and more effective outreach so that the community becomes more involved in the programs offered. This view provides a picture that the role and programs of BAZNAS can be more optimal if they involve the community more intensively in the empowerment process and provide long-term support.

4.2. Discussion

The research results show that the zakat management implemented by the National Zakat Agency (BAZNAS) has moved toward a productive zakat management paradigm oriented toward the economic empowerment of *mustahik*. The transformation from a consumptive distribution pattern to a productive one is a strategic approach to reducing *mustahik*'s dependence and encouraging economic independence. This finding is in line with

Alam et al. (2022), who state that productive zakat has a significant role in improving well-being and encouraging sustainable poverty reduction. From a sharia perspective, this orientation is in harmony with the objectives of *maqāṣid al-syarī'ah*, particularly in safeguarding wealth (*ḥifẓ al-māl*) and human well-being, as affirmed in QS. At-Taubah Verse 60:

اِنَّمَا الصَّدَقٰتُ لِلْفُقَرَاۤءِ وَالْمَسٰكِيْنِ وَالْعٰمِلِيْنَ عَلَيْهَا وَالْمُؤَلَّفَةِ قُلُوْبُهُمْ وَفِى الرِّقَابِ وَالْغٰرِمِيْنَ وَفِيْ سَبِيْلِ اللّٰهِ وَابْنِ السَّبِيْلِۗ فَرِيْضَةً مِّنَ اللّٰهِۗ وَاللّٰهُ عَلِيْمٌ حَكِيْمٌ ٦٠

Indeed, zakat is only for the poor, the needy, the zakat administrators, those whose hearts are to be reconciled (converts), for (freeing) slaves, for (freeing) those in debt, for the cause of Allah, and for those who are traveling (and need help), as an obligation from Allah. Allah is All-Knowing, All-Wise. This verse affirms that zakat is intended for eight groups (*asnaf*), which implicitly shows that zakat distribution must be able to have a real impact on their well-being.

The implementation of the Zakat Community Development (ZCD) program and business capital assistance in this study shows an increase in the economic capacity of *mustahik* through training, mentoring, and strengthening of entrepreneurship skills. This reinforces the finding of Toni (2020) that community-based programs in zakat management are able to improve the business capabilities and economic sustainability of beneficiaries. In addition, the group empowerment approach in ZCD has been proven effective in creating a business ecosystem in which *mustahik* support one another, so that it affects not only individuals but also the wider community (Fauzi & Huda, 2022). Normatively, this practice reflects the principle of *ta'āwun* (mutual assistance) in Islam, which is the main foundation of wealth distribution. In a hadith of the Prophet Muhammad SAW narrated by Imam Bukhari, "the upper hand is better than the lower hand," which means that Islam encourages its followers to be givers (*muzakki*) rather than receivers (*mustahik*). Thus, economic empowerment programs through productive zakat are not only social, but also have a spiritual dimension that encourages the transformation of *mustahik* toward economic independence.

The 25-30% increase in *mustahik* income found in this study indicates the effectiveness of productive zakat programs in improving economic well-being. This result is consistent with the research of Furqani et al. (2018), which shows that the distribution of productive zakat has a positive effect on business development and the income of zakat recipients. In a broader context, productive zakat contributes to creating new business opportunities and encouraging the transformation of *mustahik* into *muzakki* in the long term (Falah & Saifudin, 2026). This is in line with the Islamic principle of wealth distribution, so that wealth is not concentrated in certain groups, as affirmed in QS. Al-Hasyr (59) verse 7.

مَآ اَفَاۤءَ اللّٰهُ عَلٰى رَسُوْلِهٖ مِنْ اَهْلِ الْقُرٰى فَلِلّٰهِ وَلِلرَّسُوْلِ وَلِذِى الْقُرْبٰى وَالْيَتٰمٰى وَالْمَسٰكِيْنِ وَابْنِ السَّبِيْلِۙ كَيْ لَا يَكُوْنَ دُوْلَةًۢ بَيْنَ الْاَغْنِيَاۤءِ مِنْكُمْۗ وَمَآ اٰتٰىكُمُ الرَّسُوْلُ فَخُذُوْهُ وَمَا نَهٰىكُمْ عَنْهُ فَانْتَهُوْاۚ وَاتَّقُوا اللّٰهَۗ اِنَّ اللّٰهَ شَدِيْدُ الْعِقَابِ ٧

This verse explains the distribution of *fai'* property (spoils obtained without war) and the Islamic economic principle of preventing the accumulation of wealth in the hands of a small number of people (the rich only). This verse also affirms the obligation to obey the commands of the Messenger of Allah SAW and to stay away from his prohibitions.

In terms of distribution, the application of a priority system based on the eight *asnaf* shows conformity with sharia principles while also improving the accuracy of program targeting. This approach is reinforced by the use of surveys and regional mapping, which enable zakat distribution to be carried out in a more targeted manner and based on the real

needs of the community. Previous research affirms that the accuracy of *mustahik* targeting is a key factor in improving the effectiveness of zakat distribution and its impact on poverty alleviation (Afina & Saadati, 2022). In zakat fiqh, this targeting accuracy is an implementation of the principle of *'adl* (justice) in Islamic economic distribution.

However, the research results also identify a number of obstacles in zakat management, especially related to limited human resources and infrastructure. The limited competence of zakat administrators in managerial and economic empowerment aspects is one of the factors hindering program optimization. This is in line with the findings of Ramadhan et al. (2024) that low institutional capacity and the community's lack of understanding of productive zakat remain challenges in the implementation of zakat programs. From a sharia perspective, the professionalism of administrators is part of the trust (*amanah*) affirmed in QS. At-Taubah Verse 103, which reads:

١٠٣ عَلِيْمٌ سَمِيْعٌ وَاللّٰهُ لَّهُمْۗ سَكَنٌ صَلٰوتَكَ اِنَّ عَلَيْهِمْۖ وَصَلِّ بِهَا وَتُزَكِّيْهِمْ تُطَهِّرُهُمْ صَدَقَةً اَمْوَالِهِمْ مِنْ خُذْ

This verse explains that zakat is a manifestation of repentance and obedience to Allah after a person realizes their mistakes, especially those related to excessive love of wealth. Through zakat, the wealth one owns is not only distributed to those entitled to it, but also serves to cleanse the soul of stinginess and purify the heart so that values of goodness may grow. In addition, the prayer offered by the administrator or leader for the *muzakki* gives inner peace and strengthens the spiritual dimension of the worship of zakat. This shows that zakat has not only an economic dimension, but also a spiritual function as a means of self-purification and improvement of the quality of faith.

The limitation of human resources in zakat management is related not only to the number of staff, but also to the competence gap between zakat administration and productive business mentoring. Productive zakat management requires different abilities from the distribution of consumptive aid, because managers need to identify the business potential of *mustahik*, assess the feasibility of capital use, monitor business development, and evaluate changes in the income of beneficiaries. If these competencies are not yet adequate or the number of staff is not proportional to the coverage of beneficiaries, mentoring risks being more oriented toward the distribution of aid than toward sustainable business development. This condition may explain why respondents assessed the BAZNAS program as effective at the initial stage, but still in need of strengthened mentoring and follow-up monitoring. Therefore, the professionalization of zakat managers needs to include the improvement of entrepreneurial competence, data management, and program evaluation so that business capital assistance can develop into a more stable source of income for *mustahik*.

In addition, the low public awareness of channeling zakat through official institutions also affects the optimization of zakat collection. This condition results in limited funds that can be distributed for empowerment programs. On the other hand, the lack of integrated *mustahik* data also potentially causes inaccurate distribution targeting. Therefore, strengthening information systems and the digitalization of zakat data is an important need for improving the effectiveness of zakat management nationally. In a normative context, the obligation of zakat as a pillar of Islam is affirmed in a hadith narrated by Imam Muslim, which shows that zakat has both a devotional and a social dimension.

The fact that *mustahik* data is not yet integrated shows that the digitalization of zakat management is not enough if it only provides an information system, but also requires standardized recording, periodic data updates, and coordination among zakat managers. Without such mechanisms, differences in recording formats and delays in updating

information can make it difficult to verify the economic condition of prospective recipients, to identify changes in welfare status, and to avoid potential overlap in aid. This issue is important in productive zakat programs because the determination of beneficiaries does not end with the initial eligibility check, but also requires monitoring of business development and mentoring needs. Outdated data can cause aid to not fully match the actual condition of *mustahik*, while limited information on business development can hinder the evaluation of program effectiveness. Therefore, data integration needs to be understood as part of zakat governance that supports targeting accuracy as well as the measurement of empowerment success, not merely as an effort at administrative modernization.

BAZNAS's efforts to improve transparency and accountability through periodic reports and independent audits are a strategic step in building public trust. Transparency has been proven to have a positive correlation with increased community participation in paying zakat through official institutions, thereby strengthening zakat fund collection (Ramadhan et al., 2024). This principle is in line with the concept of *amanah* in Islam, which demands honest and responsible zakat management.

Meanwhile, the community's positive perception of BAZNAS programs shows that the empowerment programs being run have provided real benefits, especially for small business actors. However, the need for continuous mentoring indicates that the success of zakat programs depends not only on the provision of initial assistance, but also on the continuity of guidance and monitoring. This is in line with Perdana et al. (2023) who affirm the importance of continuous mentoring in ensuring the success of *mustahik* empowerment programs. Conceptually, this reflects the value of *iḥsān*, namely the effort to provide benefits optimally and sustainably.

On the other hand, the low community participation in zakat programs shows limitations in outreach. Therefore, more effective communication strategies and continuous public education are needed to increase community participation. With increased participation, the potential of zakat as an instrument for income redistribution and poverty alleviation can be optimized more broadly.

Overall, the results of the study show that zakat management by BAZNAS has supported the economic empowerment of *mustahik* through business capital assistance, training, and business mentoring. Yet the effectiveness of the program is determined not only by the amount of funds distributed, but also by the capacity of human resources in managing empowerment and the quality of the data used to determine targets and evaluate program results. Limited competence among managers can reduce the continuity of mentoring, while data that is not yet integrated has the potential to hinder distribution accuracy and the monitoring of changes in *mustahik* well-being. Thus, strengthening institutional capacity needs to be directed at developing business mentoring competence, standardizing and updating recipient data, and conducting periodic evaluations based on business development and income. These efforts are necessary so that zakat management does not stop at meeting initial needs, but can support the economic independence of *mustahik* in a more sustainable manner.

5. Conclusion

This study shows that productive zakat management by BAZNAS has the potential to support the economic empowerment of *mustahik*, as reflected in an average income increase of 25–30% based on the interview results. However, the sustainability of this impact still faces obstacles in the form of limited human resource competence, the integration of *mustahik* data, and business mentoring and monitoring that are not yet optimal. Therefore, BAZNAS needs

to prioritize strengthening the capacity of business mentors, integrating and updating beneficiary data, and conducting periodic evaluations based on income development and business sustainability. This strategy is necessary so that zakat distribution does not only produce short-term benefits, but also encourages the economic independence of *mustahik* in a sustainable manner. Future research is recommended to use longitudinal quantitative data to measure changes in the income and well-being of *mustahik* before and after receiving assistance, as well as to compare the effectiveness of programs across regions or zakat management institutions. This approach can strengthen the empirical evidence on the sustainability of the impact of productive zakat while also providing a stronger basis for formulating zakat management policies.

5.1. Conflict of Interest Statement
The author declares that there is no conflict of interest regarding the publication of this paper.

5.2. Author Contributions
All work was solely done by the author, including Conceptualization, Methodology, Investigation, Formal Analysis, Writing – Original Draft, and Writing – Review & Editing.

5.3. Funding Statement
No funding was received for this research.

5.4. Informed Consent
Informed consent was obtained from all participants.

5.5. Ethical Approval
Formal ethical approval was not required for this study. Participation was voluntary, and the identities of the informants have been anonymized.

5.6. Data Availability
The data that support the findings of this study are available from the corresponding author [S.] upon reasonable request.

5.7. Declaration of Generative AI and AI-assisted Technologies
The author used ChatGPT (OpenAI) solely for language editing and grammatical refinement during manuscript preparation. The author critically reviewed and edited all AI-generated output and takes full responsibility for the accuracy, integrity, and originality of the manuscript.

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