

## From Governance to Empowerment: Interpreting Maqasid Shariah in Local Zakat Institutions in Indonesia

Abdul Rokhim<sup>1</sup>, Aminullah Elhady<sup>2</sup>, Nurul Setianingrum<sup>3</sup>, Khamdan Rifa'I<sup>4</sup>, Faisol Nasar Bin Madi<sup>5</sup>, Nurul Widyawati Islami Rahayu<sup>6</sup>, Miftah Arifin<sup>7</sup>, Mohammad Sawir<sup>8</sup>

<sup>1</sup> Universitas Islam Negeri Kiai Haji Achmad Siddiq Jember; [abdulrokhim@lecturer.uinkhas.ac.id](mailto:abdulrokhim@lecturer.uinkhas.ac.id)

<sup>2</sup> Universitas Islam Negeri Kiai Haji Achmad Siddiq Jember; [eminelhady@uinkhas.ac.id](mailto:eminelhady@uinkhas.ac.id)

<sup>3</sup> Universitas Islam Negeri Kiai Haji Achmad Siddiq Jember; [nurulsetia.febi@uinkhas.ac.id](mailto:nurulsetia.febi@uinkhas.ac.id)

<sup>4</sup> Universitas Islam Negeri Kiai Haji Achmad Siddiq Jember; [khamdamrifai@uinkhas.ac.id](mailto:khamdamrifai@uinkhas.ac.id)

<sup>5</sup> Universitas Islam Negeri Kiai Haji Achmad Siddiq Jember; [faisolbinmadi@uinkhas.ac.id](mailto:faisolbinmadi@uinkhas.ac.id)

<sup>6</sup> Universitas Islam Negeri Kiai Haji Achmad Siddiq Jember; [nurulwidya.febi@uinkhas.ac.id](mailto:nurulwidya.febi@uinkhas.ac.id)

<sup>7</sup> Universitas Islam Negeri Kiai Haji Achmad Siddiq Jember; [miftaharifin@uinkhas.ac.id](mailto:miftaharifin@uinkhas.ac.id)

<sup>8</sup> Universitas Madako Tolitoli; [mohammadsawir@umada.ac.id](mailto:mohammadsawir@umada.ac.id)

\*Corresponding Author: [abdulrokhim@lecturer.uinkhas.ac.id](mailto:abdulrokhim@lecturer.uinkhas.ac.id)

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### ABSTRACT

This study examines how maqasid shariah is interpreted and operationalized in zakat governance and how these governance orientations shape zakat distribution models and welfare outcomes for mustahiq. Adopting a qualitative descriptive-comparative design, the study compares two local zakat institutions in Jember Regency, Indonesia: LAZ Azka Al-Baitul Amin (LAZ AZKA) and LAZ Nurul Hayat (LAZ NH). Data were collected through semi-structured interviews with zakat managers and beneficiaries, document analysis, and field observations, and analyzed thematically using maqasid shariah as an analytical framework. The findings reveal contrasting governance orientations. LAZ AZKA demonstrates a normative, value-based approach in which maqasid shariah functions as an ethical horizon grounded in religious authority, communal trust, and moral legitimacy. In contrast, LAZ NH adopts an instrumental orientation, translating maqasid into formal governance mechanisms, performance indicators, and structured empowerment programs. These differences extend to zakat distribution practices, with LAZ AZKA prioritizing consumptive assistance for immediate needs, while LAZ NH emphasizes productive zakat aimed at long-term empowerment. Beneficiary experiences further indicate that consumptive programs provide short-term relief and dignity, whereas productive programs support increased independence and reduced dependency. The study concludes that maqasid shariah does not operate through a single standardized governance model. Instead, zakat outcomes are mediated by institutional capacity, governance structure, and monitoring systems. The findings underscore the importance of context-sensitive integration between ethical intention and evaluative capacity in maqasid-oriented zakat governance.

**Keywords:** maqasid shariah; zakat governance; Islamic philanthropy; mustahiq empowerment; Indonesia

### INTRODUCTION

Zakat occupies a central position in Islamic social and economic thought as both a religious obligation and a socio-economic instrument aimed at achieving justice, equity, and collective welfare (Aswari, A., & Salle, 2023;

Mustari et al., 2024). As one of the five pillars of Islam, zakat is not merely an act of voluntary charity but a mandatory mechanism for redistributing wealth and addressing structural poverty within Muslim societies (Harahap, 2021; Herianingrum et al., 2024). The Qur'anic injunctions on zakat, particularly those outlining eligible recipients and the purifying function of wealth, underscore its dual role in spiritual cultivation and social transformation. Consequently, zakat has long been regarded as a foundational institution for promoting social solidarity, protecting vulnerable groups, and fostering economic balance.

Beyond its legal and ritual dimensions, zakat is deeply connected to the ethical vision of Islamic law, particularly through the framework of *maqasid shariah*, or the higher objectives of Sharia. Classical scholars such as al-Ghazali and al-Shatibi conceptualized *maqasid shariah* as the protection and promotion of essential human interests, including religion, life, intellect, lineage, and wealth (Billah, 2024; SumBillah, 2024). Within this framework, zakat functions not only as a financial obligation but as a means to preserve human dignity, ensure basic livelihoods, and enable long-term socio-economic empowerment (Al Kubaisi, 2024; Al-Bawwab, 2023; Zani et al., 2025). As such, evaluating zakat practices solely on the basis of compliance or volume of distribution risks overlooking whether these practices genuinely fulfill the ethical and developmental purposes envisioned by Islamic law.

In contemporary Muslim societies, the role of zakat has expanded alongside processes of institutionalization and modernization. Many Muslim-majority countries have introduced formal governance frameworks to enhance the effectiveness, transparency, and accountability of zakat management. Indonesia, as the world's largest Muslim-majority nation, represents a particularly important case. The enactment of Law No. 23 of 2011 on Zakat Management marked a significant shift toward state-coordinated governance through the establishment of BAZNAS and the formal recognition of private zakat institutions (LAZ) (Emzaed et al., 2023; Maimunah et al., 2021). This legal framework reflects an attempt to balance state oversight with the long-standing role of civil society and religious organizations in managing Islamic philanthropy.

Despite these regulatory developments, questions remain regarding how zakat governance operates in practice, particularly at the local level. Existing studies on zakat in Indonesia have predominantly focused on national policy frameworks, legal analysis, or the performance of large-scale institutions (Arman& Rafi, 2025; Hassan et al., 2024). While this body of literature has contributed valuable insights, it tends to underrepresent the lived realities of local zakat institutions that operate closest to *mustahiq* communities. Local institutions often serve as the primary interface between Islamic ethical principles and concrete socio-economic interventions, yet their governance practices, institutional capacities, and alignment with *maqasid shariah* remain insufficiently examined (Sumi et al., 2025; Tok et a., 2022).

Moreover, the increasing emphasis on productive zakat and community empowerment has exposed disparities among zakat institutions (Efendi, 2025; Mat Daud & Wahid, 2025). While some institutions have adopted professional management systems, digital fundraising, and structured empowerment programs, others continue to rely on traditional, community-based approaches rooted in religious authority and social trust. These differences raise important analytical questions: to what extent do varying institutional models affect the realization of *maqasid shariah*, and how do governance practices shape the outcomes experienced by zakat beneficiaries? Without comparative, institution-level analysis, discussions of zakat reform risk remaining normative rather than evidence-based.

Responding to this gap, the present study examines zakat governance through a *maqasid shariah* lens by comparing two local zakat institutions operating in the same regional context of Jember Regency, East Java: LAZ Azka Al-Baitul Amin (LAZ AZKA) and LAZ Nurul Hayat (LAZ NH). Although both institutions function under the same national legal framework, they represent contrasting organizational models. LAZ AZKA is deeply embedded in local religious and community networks, particularly within the *Nahdlatul Ulama* tradition, while LAZ NH operates as part of a nationally centralized and professionalized zakat organization. This contrast provides a strategic case for exploring how different governance orientations influence zakat practices and their ethical outcomes.

By adopting a qualitative descriptive-comparative approach, this study seeks to move beyond normative claims about zakat ideals and instead examine how *maqasid shariah* is interpreted, operationalized, and experienced in everyday institutional practice. Specifically, the study focuses on governance mechanisms related to zakat collection, distribution, and *mustahiq* empowerment, and evaluates how these mechanisms contribute to both immediate welfare and long-term socio-economic transformation.

Accordingly, this research is guided by the following questions:

1. How is *maqasid shariah* reflected in the zakat governance practices of LAZ AZKA and LAZ Nurul Hayat in Jember Regency?
2. To what extent do these governance practices contribute to the welfare and empowerment of *mustahiq* through consumptive and productive zakat programs?

## RESEARCH METHOD

## Research Design

This study employed a qualitative descriptive-comparative research design to examine zakat governance practices through the lens of maqasid syariah. A qualitative approach was selected because the study focuses on institutional processes, ethical orientations, and interpretive practices that cannot be adequately captured through quantitative measures. This design allows for an in-depth understanding of how zakat governance is conceptualized and implemented within local institutional contexts. The descriptive component of the design enables the study to document everyday governance practices, including fundraising strategies, zakat distribution mechanisms, and empowerment programs for mustahiq.

## Research Participants

The research participants consisted of zakat institution representatives and mustahiq beneficiaries from two local zakat institutions in Jember Regency, Indonesia: LAZ Azka Al-Baitul Amin (LAZ AZKA) and LAZ Nurul Hayat (LAZ NH). Participants were selected using purposive sampling, based on their direct involvement in zakat governance, program implementation, or experience as zakat recipients. This sampling strategy was employed to ensure that participants possessed relevant knowledge and experiential insight aligned with the research objectives. Institutional participants included zakat managers and administrators (amil) who were responsible for decision-making related to fundraising, distribution, and empowerment programs. These participants provided data on governance structures, operational strategies, and institutional values. Mustahiq participants were selected from beneficiaries of both consumptive and productive zakat programs to capture variations in program outcomes and lived experiences. To maintain ethical standards, all participants were informed about the purpose of the study and provided verbal consent prior to data collection. Anonymity was ensured by using role-based identifiers rather than personal names. The composition of participants reflects a balance between institutional and beneficiary perspectives, allowing for triangulation and comparative analysis across institutional models. Table 1 presents an overview of participant demographics.

**Table 1.** Research Participants' Demographic Profile

Participant Group	Institution	Role / Status	Number	Gender (M/F)
Zakat Managers / Amil	LAZ AZKA	Institutional leaders and administrators	4	3 / 1
Zakat Managers / Amil	LAZ NH	Branch managers and program officers	4	2 / 2
Mustahiq (Consumptive)	LAZ AZKA	Short-term aid recipients	6	3 / 3
Mustahiq (Productive)	LAZ NH	Empowerment program beneficiaries	6	4 / 2

## Research Procedures

Data collection was conducted in several systematic stages to ensure depth, credibility, and triangulation of findings. The research began with preliminary engagement with both zakat institutions to obtain formal permission, identify key informants, and familiarize the researcher with institutional contexts and program structures. The primary data collection method was semi-structured interviews. Interview guides were developed based on the research questions and the maqasid syariah framework. Interviews with zakat managers and administrators focused on governance structures, fundraising strategies, decision-making processes, accountability mechanisms, and institutional interpretations of empowerment. Interviews with mustahiq explored their experiences with zakat assistance, perceived benefits, challenges, and changes in socio-economic conditions following program participation. All interviews were conducted in Indonesian, audio-recorded with consent, and later transcribed verbatim. In addition to interviews, document analysis was carried out to examine institutional reports, program guidelines, financial summaries, and publicly available materials such as brochures and websites. These documents provided contextual and corroborative data on governance practices and program orientation. Field observations complemented interviews and documents by capturing day-to-day operational practices, interactions between amil and beneficiaries, and the implementation of zakat distribution activities. Observational notes were recorded systematically to support analytical triangulation. Together, these procedures ensured a comprehensive and credible dataset for comparative qualitative analysis.

## Data Analysis

Data analysis was conducted using a thematic qualitative approach combined with a comparative analytical strategy. All interview transcripts, observational notes, and institutional documents were organized and analyzed

systematically to identify patterns, themes, and contrasts between the two zakat institutions. The analysis followed four main stages. First, data familiarization was undertaken through repeated reading of interview transcripts and field notes to gain an overall understanding of participants' perspectives and institutional practices. Second, initial coding was performed inductively to capture recurring concepts related to zakat governance, fundraising mechanisms, distribution practices, accountability, and beneficiary experiences. Codes were generated directly from the data rather than imposed a priori. Third, the codes were thematically organized and interpreted using *maqasid shariah* as an analytical framework. At this stage, empirical themes were mapped onto relevant *maqasid* dimensions, particularly protection of wealth (*hifz al-mal*), preservation of life and dignity (*hifz al-nafs*), advancement of intellect (*hifz al-'aql*), family welfare (*hifz al-nasl*), and ethical-religious integrity (*hifz al-din*). This step allowed the study to evaluate not only what institutions do, but how far their practices align with the higher objectives of Islamic law. Finally, a cross-case comparison was conducted to identify similarities and differences between LAZ AZKA and LAZ Nurul Hayat. Triangulation across interviews, documents, and observations enhanced the credibility and trustworthiness of the findings.

## FINDINGS

The findings are organized around the two research questions and presented through a comparative lens. Each subsection reports empirical patterns emerging from interviews, documents, and observations, without interpretation beyond what is grounded in the data.

### ***RQ1: How is *maqasid shariah* reflected in the zakat governance practices of LAZ AZKA and LAZ Nurul Hayat in Jember Regency?***

#### **Institutional Orientation toward *Maqasid Shariah* (RQ1)**

This subsection presents how *maqasid shariah* is understood, articulated, and operationalized within the governance practices of LAZ AZKA and LAZ Nurul Hayat. The findings reveal distinct institutional orientations shaped by differences in religious authority, professional standards, and organizational values.

Participants from both institutions emphasized that zakat is not merely a financial obligation but a moral responsibility. However, the way this responsibility was framed differed across institutions. Leaders of LAZ AZKA consistently described zakat in normative and theological terms, emphasizing sincerity (*ikhlas*), religious duty, and communal solidarity. One senior administrator stated:

“For us, zakat is fundamentally an act of worship. Its value lies not in numbers or reports, but in sincerity, proper intention, and faithful compliance with Islamic teachings.” (AZKA-M1)

Another LAZ AZKA respondent highlighted the moral dimension of zakat rather than strategic outcomes:

“We do not talk too much about indicators or targets. What matters is that zakat eases the burden of the poor and brings blessings.” (AZKA-M2)

In contrast, respondents from LAZ NH articulated zakat as both a religious obligation and a structured tool for empowerment. Zakat was frequently linked to measurable change and long-term outcomes:

“Zakat is not finished when it is distributed. Our mission is to help mustahiq become independent, so the impact must be clear and sustainable.” (NH-M1)

This narrative positions zakat as a process rather than a one-time act.

Differences were also evident in how *maqasid shariah* was incorporated into governance. At LAZ AZKA, *maqasid* was understood implicitly rather than formally. Respondents acknowledged familiarity with the concept but noted that it was not codified in institutional guidelines:

“We understand *maqasid* from our religious education, but it is not written formally in our programs. It is already part of our values.” (AZKA-M3)

Decision-making was guided largely by collective religious judgment rather than formal frameworks. By contrast, LAZ NH respondents described *maqasid* as an explicit reference point embedded in planning and evaluation processes:

“When we design programs, we look at whether they protect dignity, income, and sustainability. That is how we apply maqasid in practice.” (NH-M2)

Internal documents and program manuals at LAZ NH were reported to include empowerment objectives aligned with maqasid-related outcomes.

Religious authority played a central role in shaping LAZ AZKA’s orientation. Governance decisions were strongly influenced by senior religious figures and community elders:

“Our guidance comes from kyai and senior scholars. Their advice is trusted by the community.” (AZKA-M1)

In LAZ NH, respondents emphasized organizational values such as professionalism, accountability, and empowerment. Religious principles were integrated through institutional ethics rather than individual authority:

“Amanah and professionalism are our core values. We believe this is how Islamic principles should be practiced institutionally.” (NH-M3)

Finally, differences emerged in how *maqasid shariah* was referenced in everyday operations. At LAZ AZKA, references to maqasid appeared mainly in sermons, informal discussions, and religious gatherings. At LAZ NH, maqasid-related ideas were reflected in written policies, program targets, and staff evaluations:

“Our reports must show not only distribution, but change. That is how we ensure zakat fulfills its higher purpose.” (NH-M2)

Overall, the findings show contrasting orientations: LAZ AZKA emphasizes moral legitimacy and religious trust, while LAZ NH emphasizes structured alignment between Islamic objectives and institutional governance.

### **Governance Structures and Decision-Making Processes**

This subsection presents empirical findings on governance structures and decision-making processes that shape zakat management in LAZ AZKA and LAZ Nurul Hayat. The findings highlight differences in organizational hierarchy, authority distribution, accountability mechanisms, and the use of formal procedures.

At LAZ AZKA, governance is characterized by a community-based and religiously centered structure. Leadership roles are concentrated among senior religious figures and long-serving administrators, with limited formal differentiation of managerial functions. One respondent explained:

“Our organizational structure is relatively simple. Key decisions are discussed with the chairman and senior religious figures, reflecting collective responsibility rather than rigid managerial separation.” (AZKA-M1)

Several respondents noted that roles often overlap, with administrators handling multiple functions simultaneously:

“In practice, one person may handle collection, distribution, and reporting. Responsibilities depend more on mutual trust and commitment than on formal job descriptions.” (AZKA-M2)

In contrast, LAZ NH operates under a hierarchical and functionally differentiated structure. Respondents described clear divisions between managerial, financial, and programmatic roles, guided by national headquarters:

“Each unit has clearly defined responsibilities, from branch management to finance and programs. Our structure follows formal guidelines established by the national headquarters.” (NH-M1)

Decision-making at LAZ AZKA is largely collective and consultative, relying on informal deliberation rather than standardized procedures. Distribution decisions often respond to immediate community needs:

“When community requests arise, we discuss them informally and decide quickly. Urgency and social considerations often guide decisions more than fixed procedural requirements.” (AZKA-M3)

At LAZ NH, decision-making authority follows formal channels. Program proposals and beneficiary selection are evaluated using predefined criteria:

“Even urgent distribution cases must follow assessment procedures. Decisions are based on verification results to ensure fairness, transparency, and consistency across beneficiaries.” (NH-M2)

Accountability at LAZ AZKA is primarily based on moral responsibility and community trust. Financial reports are shared internally and occasionally with donors through announcements:

“Our accountability focuses on moral responsibility. We report to internal boards and the community in simple ways, because maintaining trust is more important than complex documentation.” (AZKA-M1)

In contrast, LAZ NH employs formal accountability systems, including standardized financial reports and regular audits:

“All financial transactions are documented and reported systematically. We undergo annual audits, and our reports are made publicly available to ensure institutional transparency.” (NH-M3)

LAZ AZKA does not apply written standard operating procedures (SOPs) consistently. Performance is evaluated informally:

“We do not rely on written SOPs for every activity. Performance evaluation usually happens through regular discussions and shared reflection among the team.” (AZKA-M2)

Conversely, LAZ NH applies detailed SOPs and monitoring tools:

“There are detailed SOPs covering collection, distribution, and evaluation. Staff performance is monitored regularly using standardized indicators set by the organization.” (NH-M1)

Overall, the findings reveal contrasting governance models: LAZ AZKA relies on relational trust and religious authority, while LAZ NH emphasizes formal structure, procedural clarity, and institutional accountability.

### **Fundraising and Resource Mobilization Practices**

This subsection reports empirical findings on how LAZ AZKA and LAZ Nurul Hayat mobilize zakat resources, including fundraising strategies, donor engagement practices, and institutional constraints affecting collection.

LAZ AZKA relies primarily on traditional and community-based fundraising channels. Respondents described mosque-based collection, personal networks, and religious gatherings as the main sources of zakat contributions:

“Most of our donors contribute zakat directly through the mosque or during religious gatherings. This practice has been sustained for years and feels more personal and religiously meaningful to the community.” (AZKA-M1)

Digital platforms were described as limited or supplementary rather than central to fundraising activities:

“We do provide bank transfer options, but many donors still prefer to come in person. Direct interaction gives them reassurance and a stronger sense of connection and trust.” (AZKA-M2)

In contrast, LAZ NH employs a multi-channel fundraising strategy that integrates digital and conventional methods. Respondents emphasized the role of online platforms in expanding donor reach:

“Donors can contribute through mobile applications, QR codes, or online transfers. These platforms make zakat more accessible, efficient, and transparent, especially for younger and urban donors.” (NH-M1)

At LAZ AZKA, donor engagement is maintained through religious trust and personal relationships. Communication with donors occurs mainly through face-to-face interactions and community announcements:

“Our donors already know us personally. We meet them regularly in mosques and community events, and maintaining those close relationships is more important than formal communication systems.” (AZKA-M3)

Formal reporting to donors was described as limited but perceived as sufficient within the community context.

By contrast, LAZ NH places strong emphasis on systematic donor communication. Respondents highlighted regular updates, program reports, and digital content as tools for maintaining donor confidence:

“We provide regular reports, updates, and program documentation. Donors increasingly want clear evidence of how their zakat is managed and what impact it generates.” (NH-M2)

Both institutions emphasized trust as a key factor in fundraising, but respondents framed it differently. LAZ AZKA respondents associated trust with religious legitimacy and long-term presence:

“People trust us because we are deeply rooted in the community and guided by respected religious leaders. That long-term presence gives donors confidence in our integrity.” (AZKA-M1)

LAZ NH respondents associated trust with transparency and institutional systems:

“For us, trust is built through transparent systems, clear reporting, and accountability mechanisms. Donors feel secure when everything is documented and professionally managed.” (NH-M3)

LAZ AZKA respondents identified limited human resources and technological capacity as challenges:

“We want to develop better fundraising strategies, especially digitally, but our limited staff and lack of technical skills make it difficult to expand beyond traditional methods.” (AZKA-M2)

LAZ NH respondents pointed to competition among zakat institutions and donor expectations:

“Donors are becoming more critical and selective. They compare zakat institutions and expect professional services, fast responses, and clear accountability for every contribution.” (NH-M1)

Overall, the findings show that LAZ AZKA’s fundraising relies on social capital and religious trust, while LAZ NH leverages digital tools and institutional transparency to mobilize resources.

***RQ2: To what extent do these governance practices contribute to the welfare and empowerment of mustahiq through consumptive and productive zakat programs?***

### **Patterns of Zakat Distribution: Consumptive and Productive Programs**

This subsection reports empirical findings on how zakat funds are distributed by LAZ AZKA and LAZ Nurul Hayat, with particular attention to the balance between consumptive and productive programs, beneficiary selection processes, and program orientation.

LAZ AZKA’s zakat distribution is predominantly consumptive, focusing on meeting immediate needs such as food assistance, education support, and emergency relief. Respondents emphasized responsiveness to urgent community requests:

“Most of our zakat distribution focuses on basic needs, such as food packages, school supplies, and seasonal assistance during Ramadan, because these are the most urgent concerns faced by our community.” (AZKA-M1)

Distribution decisions were often based on recommendations from community leaders and informal assessments:

“When a family is identified as being in serious need, we respond quickly. The priority is ensuring zakat reaches them promptly, even without lengthy assessment procedures.” (AZKA-M2)

Mustahiq recipients confirmed the short-term nature of the assistance:

“The zakat helps us survive, especially for daily necessities. However, after the assistance ends, our economic difficulties usually continue, and we must find other ways to cope.” (AZKA-B1)

Productive zakat initiatives at LAZ AZKA were reported as limited in scope and irregular in implementation. Small capital assistance was provided to selected beneficiaries, but follow-up was minimal:

“Occasionally, we provide small business capital to certain beneficiaries, but we lack a structured system for monitoring progress or providing regular guidance afterward.” (AZKA-M3)

In contrast, LAZ NH demonstrated a structured approach to productive zakat distribution. Respondents described programs aimed at economic empowerment through capital support, mentoring, and skills development:

“Productive zakat is our priority. We want mustahiq to eventually stand on their own.” (NH-M1)

Beneficiary selection involved formal assessment and verification processes:

“Productive zakat is a central focus of our programs. We aim to support mustahiq so they gradually become economically independent and no longer depend on continuous assistance.” (NH-M2)

At LAZ AZKA, zakat distribution was framed as a form of social and religious responsibility rather than a development intervention:

“For us, helping the poor already fulfills an important religious obligation. Broader empowerment efforts are considered desirable, but they are not always our primary focus.” (AZKA-M1)

At LAZ NH, respondents consistently framed distribution as part of a transformation pathway:

“Zakat should not stop at relieving hardship. It must create meaningful change by enabling beneficiaries to improve their livelihoods and regain dignity over time.” (NH-M3)

Mustahiq recipients of LAZ NH’s productive programs reported perceived changes in income and confidence:

“After receiving capital and continuous guidance, I feel more confident managing my business. My income has become more stable, and I can better support my family.” (NH-B2)

Overall, the findings indicate contrasting distribution patterns: LAZ AZKA prioritizes immediate relief through consumptive zakat, while LAZ NH emphasizes structured productive programs aimed at long-term empowerment.

### **Mustahiq Experiences and Welfare Outcomes**

This subsection presents findings from mustahiq beneficiaries regarding their experiences with zakat programs and perceived changes in welfare, dignity, and livelihood following assistance from LAZ AZKA and LAZ Nurul Hayat.

Mustahiq recipients of LAZ AZKA primarily described zakat assistance as short-term relief addressing immediate needs such as food, education expenses, and emergency support. Beneficiaries expressed gratitude for the assistance but noted its limited duration:

“The zakat assistance truly helps us during difficult times, especially for food and school expenses. It reduces immediate pressure on our household, even though it does not last very long.” (AZKA-B1)

Several beneficiaries emphasized that the support eased temporary hardship but did not significantly alter their economic situation:

“After the assistance ends, we usually return to the same economic condition as before. Zakat helps us survive temporary hardship, but it does not significantly change our overall livelihood.” (AZKA-B2)

Nevertheless, recipients valued the emotional and moral support associated with receiving zakat through familiar community and religious networks:

“We feel respected and cared for because the help comes through people we know at the mosque. That personal connection makes the assistance feel sincere and dignified.” (AZKA-B3)

Mustahiq participants from LAZ NH reported more sustained changes in livelihood and self-confidence. Beneficiaries of productive zakat programs described improvements in income generation and business stability:

“With the capital support and regular guidance, my small business can continue running. Before receiving zakat assistance, my income was very unstable and uncertain.” (NH-B1)

Participants also highlighted non-material benefits, including increased motivation and a sense of dignity:

“I feel more confident now because I can earn income independently. Being able to support my family gives me dignity and motivates me to keep improving my business.” (NH-B2)

Differences were evident in how mustahiq perceived dependency. LAZ AZKA beneficiaries often viewed zakat as periodic assistance:

“We usually wait for zakat during certain times of the year. That assistance is important for us, especially when expenses increase and income becomes uncertain.” (AZKA-B2)

In contrast, LAZ NH beneficiaries described a gradual reduction in reliance on aid:

“Now I no longer depend on zakat assistance. I hope that other people who are still struggling can receive the same opportunity that helped me become independent.” (NH-B3)

Some LAZ NH beneficiaries expressed aspirations to become zakat contributors in the future:

“If my business continues to grow and becomes stable, I hope one day I can give zakat as well, not only receive it as a beneficiary.” (NH-B1)

Overall, the findings show that mustahiq experiences and welfare outcomes differ substantially across institutions, reflecting variations in program orientation and support mechanisms.

### **Monitoring, Follow-Up, and Program Sustainability**

This subsection reports empirical findings on how LAZ AZKA and LAZ Nurul Hayat monitor zakat programs, conduct follow-up with mustahiq, and ensure program sustainability.

#### ***Monitoring and Follow-Up Practices***

At LAZ AZKA, monitoring and follow-up activities were described as informal and irregular. Respondents explained that follow-up largely depended on personal communication and community familiarity rather than systematic procedures:

“We usually know how beneficiaries are doing because they live nearby and interact with us regularly. There is no formal monitoring schedule, only informal communication.” (AZKA-M2)

Follow-up visits were conducted occasionally, mainly when new assistance was requested:

“Follow-up usually happens when beneficiaries come again to request assistance. At that time, we check their situation rather than conducting regular visits.” (AZKA-M1)

Mustahiq participants confirmed the absence of structured follow-up:

“After receiving zakat assistance, there is usually no further visit or monitoring. Unless there is another program, we are not contacted again.” (AZKA-B1)

In contrast, LAZ NH implemented planned and routine monitoring mechanisms, particularly for productive zakat programs. Respondents described scheduled evaluations and documentation:

“For productive zakat programs, we conduct monitoring every few months. Beneficiaries are required to report progress, which helps us track development and identify problems early.” (NH-M1)

LAZ AZKA respondents indicated that success was assessed qualitatively and informally, based on perceived need and gratitude:

“If beneficiaries feel helped and express gratitude, we consider the program successful. We do not use written indicators or formal evaluation tools.” (AZKA-M3)

At LAZ NH, monitoring involved defined indicators, including income changes and business continuity:

“We use specific indicators such as income stability, business continuity, and progress over time. These indicators help us evaluate whether the program achieves its intended goals.” (NH-M2)

LAZ AZKA respondents acknowledged challenges in sustaining long-term programs due to limited resources:

“We want our programs to be sustainable and long-term, but limited resources and staff capacity make it difficult to maintain continuous support and structured follow-up.” (AZKA-M2)

LAZ NH respondents emphasized learning and adjustment based on monitoring outcomes:

“If a program does not produce the expected results, we revise the design. Sustainability depends on learning from evaluation and making continuous improvements.” (NH-M3)

Overall, the findings indicate contrasting approaches: LAZ AZKA relies on relational knowledge and community proximity, while LAZ NH employs structured monitoring systems to support program continuity and sustainability.

## DISCUSSION

The findings reveal a central issue in zakat governance concerning how *maqasid shariah* is interpreted and operationalized, particularly the contrast between normative and instrumental orientations. LAZ AZKA demonstrates an implicit, value-based understanding of *maqasid*, where zakat is framed primarily as *ibadah* grounded in *ikhlas*, religious duty, and moral legitimacy. In this approach, *maqasid shariah* functions as an ethical horizon rather than a formal governance framework. Its application relies on religious knowledge, communal trust, and moral judgment rather than written guidelines or performance indicators. This reflects a traditional normative interpretation of *maqasid*, emphasizing sincerity, social solidarity, and spiritual accountability (Haque et al., 2024; Mohadi, 2023).

By contrast, LAZ Nurul Hayat adopts a more explicit and instrumental interpretation of *maqasid shariah*. Ethical objectives are translated into institutional practices through planning documents, program targets, and evaluation indicators, particularly those related to dignity, income sustainability, and long-term empowerment. Zakat is viewed not only as a religious obligation but also as a structured intervention aimed at producing measurable social change. In this sense, *maqasid* operates as a governance tool that guides decision-making, monitoring, and accountability (Mat & Abd Halim, 2025; Mohd Zain et al., 2025). This reflects a contemporary managerial reading of *maqasid shariah*, where ethical ends are pursued through formal systems and institutional mechanisms.

These contrasting orientations mirror broader debates in the literature that position *maqasid shariah* either as an ethical vision or as an operational governance framework. The findings suggest that this tension is not a matter of alignment versus deviation from *maqasid*, but of prioritization. LAZ AZKA foregrounds moral legitimacy and communal trust, while LAZ NH prioritizes outcome effectiveness and institutional consistency. Both approaches remain faithful to *maqasid* principles, yet emphasize different dimensions of those principles. Differences in governance structures further reinforce this divergence. LAZ AZKA relies on religious authority, relational leadership, and consultative decision-making, where trust substitutes for formal procedures. This faith-based governance model enables flexibility and rapid response, but limits formal accountability and documentation. Conversely, LAZ NH operates within a professionalized governance framework characterized by hierarchical

structure, SOPs, and audit systems. Authority is institutional rather than personal, enhancing transparency and risk management, though sometimes at the cost of procedural rigidity (Kashyap, S., & Iveroth, 2021; Manginte, 2024)

These governance logics extend into fundraising practices. LAZ AZKA builds trust through social capital, face-to-face engagement, and religious embeddedness, fostering donor loyalty but constraining scalability. LAZ NH constructs system-based trust through digital platforms, transparent reporting, and standardized communication, aligning with broader trends in the modernization of Islamic philanthropy. At the same time, the findings indicate that smaller community-based institutions face structural constraints in adopting digital fundraising models due to limited human and technological capacity.

These differences in how *maqasid shariah* is interpreted and governed are not merely conceptual, but have direct implications for how zakat is distributed and experienced in practice. The findings point to a fundamental issue in zakat governance concerning the conceptual divide between relief-oriented and transformation-oriented distribution models. LAZ AZKA's distribution practices are predominantly consumptive, prioritizing immediate assistance such as food, education support, and emergency relief. This approach aligns closely with the *daruriyyat* dimension of *maqasid shariah*, particularly the protection of life (*hifz al-nafs*) and basic subsistence. In contexts of urgent need, consumptive zakat plays a crucial role in preventing hardship and social vulnerability. From this perspective, LAZ AZKA's focus on rapid response and immediate relief reflects a legitimate *maqasid* orientation that emphasizes safeguarding basic welfare rather than long-term development outcomes (Anwar et al., 2025; SumBillah, 2024).

In contrast, LAZ Nurul Hayat operationalizes zakat distribution through a transformation-oriented model centered on productive programs. Zakat is framed as a developmental instrument aimed at fostering independence, dignity, and sustainable livelihoods. Through capital support, mentoring, and structured assessment, productive zakat is positioned as a pathway toward long-term welfare improvement. This reflects a developmental interpretation of *maqasid shariah*, emphasizing *hifz al-mal* and the gradual transition of *mustahiq* toward economic self-reliance. Rather than suggesting substitution, the evidence indicates that institutional capacity and governance structure strongly mediate how *maqasid* is translated into distribution strategy (Jusniarti & Kartika, 2024; Prasojo et al., 2023). *Mustahiq* experiences further illuminate how these models shape lived welfare outcomes. Beneficiaries of LAZ AZKA consistently described zakat as meaningful short-term relief that fosters gratitude and dignity through social closeness and religious familiarity, aligning with *karamah al-insan*. However, these narratives also reveal patterns of periodic dependency, where beneficiaries anticipate zakat without experiencing significant changes in livelihood. By contrast, LAZ NH beneficiaries reported increased confidence, reduced dependency, and aspirations to become future zakat contributors. These experiences suggest that empowerment-oriented programs can support multiple *maqasid* dimensions simultaneously, including dignity, economic security, and self-worth.

Finally, differences in monitoring and follow-up emerge as a critical factor shaping sustainability. LAZ AZKA's reliance on relational knowledge and community proximity allows for moral oversight but limits systematic learning and scalability. LAZ NH's indicator-based monitoring, documentation, and adaptive program revision enable organizational learning and long-term continuity. Consistent with nonprofit governance literature, the findings suggest that sustainable *maqasid*-oriented zakat requires balancing ethical intention with evaluative capacity. Without structured monitoring, empowerment goals remain difficult to sustain, regardless of moral commitment.

## CONCLUSION

This study aimed to examine how *maqasid shariah* is interpreted and operationalized within zakat governance practices and to assess how these governance orientations shape zakat distribution models and welfare outcomes for *mustahiq*. By comparatively analyzing LAZ AZKA and LAZ Nurul Hayat in Jember Regency, the study provides empirical insight into the diverse pathways through which *maqasid shariah* informs institutional decision-making, program design, and beneficiary experiences. The findings demonstrate that *maqasid shariah* is not applied through a single, uniform governance model. LAZ AZKA embodies a normative orientation in which *maqasid* functions as an ethical horizon grounded in religious authority, communal trust, and moral legitimacy. This approach prioritizes sincerity, social solidarity, and immediate welfare protection, particularly through consumptive zakat programs addressing urgent needs. In contrast, LAZ Nurul Hayat adopts an instrumental orientation that translates *maqasid shariah* into formal governance mechanisms, including structured planning, monitoring, and performance indicators. This enables the implementation of productive zakat programs aimed at long-term empowerment, economic independence, and sustainable welfare improvement. Importantly, the study shows that these contrasting orientations are not indicative of compliance or deviation from *maqasid shariah*, but rather reflect different institutional priorities and capacities. Normative and instrumental approaches emphasize distinct dimensions of *maqasid*, namely moral legitimacy and outcome effectiveness. The findings further reveal that

governance structure, fundraising capacity, and monitoring systems play a critical mediating role in determining whether zakat functions primarily as short-term relief or as a transformative development instrument. From a practical perspective, the study suggests that strengthening maqasid-oriented zakat governance does not require replacing community-based models with fully bureaucratic systems. Instead, it calls for context-sensitive integration of ethical intention and evaluative capacity. For policymakers and zakat institutions, the challenge lies in fostering institutional learning and sustainability while preserving religious legitimacy and social trust. Future research could extend this analysis across regions or examine hybrid governance models that combine normative authority with professional management to enhance both legitimacy and impact.

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