

Zakat, Infaq and Charity as Instruments of Community Empowerment

Zakat, Infaq dan Shadaqah sebagai Instrumen Pemberdayaan Masyarakat

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ABSTRACT

Research Background: This study examines the role of zakat, infaq, and sadaqah (ZIS) as instruments of community empowerment by developing an integrative framework that links economic, social, and institutional dimensions within a holistic empowerment ecosystem.

Methods: A qualitative approach was employed through a systematic literature review (SLR) following the PRISMA protocol. Data were collected from peer-reviewed journal articles, institutional reports, and policy documents. Thematic analysis was used to identify recurring patterns and develop theoretical propositions.

Key Findings Three key findings emerged. First, productive ZIS programmes supported by mentoring, training, and market access generate more sustainable empowerment outcomes than consumptive distribution. Second, effective ZIS-based empowerment is multidimensional, requiring the simultaneous strengthening of economic capacity, social capital, spiritual well-being, institutional governance, and human resource quality. Third, integrating ZIS with Islamic finance institutions, government programmes, and local economic networks significantly enhances empowerment outcomes.

Contribution: Zakat institutions should adopt multidimensional evaluation indicators beyond income-based measures, while policymakers should integrate ZIS into broader development and fiscal frameworks.

Conclusion: This study proposes an integrative ZIS empowerment ecosystem model and highlights educational inequality, community resilience, and institutional integration as key determinants of sustainable empowerment.

Keywords: Zakat, Infaq, Sadaqah, Community Empowerment

Latar Belakang Penelitian: Penelitian ini mengkaji peran zakat, infaq, dan sadaqah (ZIS) sebagai instrumen pemberdayaan masyarakat melalui pengembangan kerangka kerja integratif yang menghubungkan dimensi ekonomi, sosial, dan kelembagaan dalam ekosistem pemberdayaan yang holistik.

Metode: Pendekatan kualitatif digunakan melalui tinjauan pustaka sistematis (SLR) sesuai dengan protokol PRISMA. Data dikumpulkan dari artikel jurnal yang telah melalui proses peer-review, laporan kelembagaan, dan dokumen kebijakan. Analisis tematik digunakan untuk mengidentifikasi pola yang berulang dan mengembangkan proposisi teoretis.

Temuan Utama: Tiga temuan utama muncul. Pertama, program ZIS produktif yang didukung oleh pendampingan, pelatihan, dan akses pasar menghasilkan hasil pemberdayaan yang lebih berkelanjutan dibandingkan dengan distribusi konsumtif. Kedua, pemberdayaan berbasis ZIS yang efektif bersifat multidimensi, yang memerlukan penguatan simultan terhadap kapasitas ekonomi, modal sosial, kesejahteraan spiritual, tata kelola kelembagaan, dan kualitas sumber daya manusia. Ketiga, integrasi ZIS dengan lembaga keuangan syariah, program pemerintah, dan jaringan ekonomi lokal secara signifikan meningkatkan hasil pemberdayaan.

Kontribusi: Lembaga zakat sebaiknya mengadopsi indikator evaluasi multidimensi yang melampaui ukuran berbasis pendapatan, sementara pembuat kebijakan sebaiknya mengintegrasikan ZIS ke dalam kerangka kerja pembangunan dan fiskal yang lebih luas.

Kesimpulan: Penelitian ini mengusulkan model ekosistem pemberdayaan ZIS yang integratif dan menyoroti ketimpangan pendidikan, ketahanan komunitas, serta integrasi kelembagaan sebagai penentu utama pemberdayaan yang berkelanjutan.

Kata Kunci: Zakat, Infaq, Sadaqah, Pemberdayaan Masyarakat

A. INTRODUCTION

Poverty and wealth distribution inequality are socio-economic phenomena that continue to erode the welfare of Indonesian society and demand a transformative response, not merely a charitable one. Sociologically, persistent poverty creates a cycle of deprivation: low income weakens access to education and healthcare, which in turn hinders intergenerational social mobility (Novirsari 2025). This situation is becoming increasingly critical given that the Islamic values of distributive justice—reflected in the instruments of zakat, infaq, and sedekah (ZIS)—have not yet been fully realised. BPS data records that 23.85 million people, or 8.47 per cent of Indonesia's population, still live in poverty, with a Gini coefficient of 0.375 indicating significant inequality. Meanwhile, the national ZIS target is projected to reach Rp 50 trillion by 2025, yet its realisation had only reached 54% by mid-. This massive gap underscores the urgency of studying ZIS as a systemic and sustainable instrument for community empowerment.

Research on ZIS has developed along three major strands, yet each still leaves significant gaps. The first strand focuses on measuring the impact of zakat on poverty and the welfare of mustahik; for example, Beik and Arsyianti(2016) developed the CIBEST model to measure the material and spiritual impact of zakat, Mubarakah et al.(2018) applied it to the context of BAZNAS Central Java, whilst Canggih et al.(2017) analysed the gap between the potential and actual collection of national ZIS. The second strand examines the role of *Islamic social finance* more broadly: Abdul Razak (2020a) examines zakat and waqf as instruments of wealth redistribution in the Malaysian context; Kuanova et al.(2021) conduct a comprehensive literature review and conclude that research on *Islamic social finance* remains dominated by normative approaches and fails to explore measurable implementation models, whilst Ascarya(2022) highlights the strategic role of Islamic

social finance in post-pandemic economic recovery in Indonesia. The third strand focuses on the governance and accountability of ZIS institutions, including issues of trust among donors and the professionalism of administrators (Canggih et al. 2017; Huda and Sawarjuwono 2013). Although these three strands have made significant contributions, existing studies remain fragmented: they separate the dimensions of collection from utilisation, overlook the social transformation of beneficiaries as subjects of empowerment, and have yet to integrate economic, social, and institutional dimensions within a comprehensive analytical framework. It is these limitations that underscore the urgency of an integrative approach in examining ZIS as a holistic empowerment ecosystem.

Building on the limitations of the existing literature, this article argues that the effectiveness of ZIS as an instrument of community empowerment requires an integrative approach that links the economic, social, and institutional dimensions simultaneously, rather than in a fragmented manner. This argument is supported by three derived hypotheses. First, strengthening the economic capacity of mustahik will only have a structural impact if accompanied by parallel human resource development, as demonstrated by Beik and Arsyianti (2016) that consumptive zakat programmes fail to fundamentally alter conditions of poverty. Second, the strengthening of a community's social capital will moderate the relationship between the quality of ZIS governance and the level of fund collection realisation, in line with Kuanova et al. ((2021)), who emphasise trust and accountability as key predictors of the sustainability of Islamic social finance. Thirdly, the integration of ZIS with the local economic ecosystem will strengthen the impact of sustainable empowerment, as demonstrated by Ascarya (2022) in the context of post-pandemic economic recovery. These three hypotheses guide the research towards the development of a comprehensive, measurable, and policy-relevant ZIS-based empowerment model.

This study examines the utilisation of ZIS (Zakat, Infaq, and Sadaqah) based on community empowerment through a multi-level approach encompassing individual beneficiaries, zakat management institutions (LAZ and BAZNAS), and the community as an implementation ecosystem, on the assumption that its effectiveness can only be understood holistically. The geographical focus is on Indonesia, which possesses significant ZIS potential but has yet to realise it optimally. The method employed is a qualitative approach using a systematic literature review (SLR) following the PRISMA protocol. Data were collected from the literature, institutional documents, and were subsequently analysed using thematic analysis and cross-case synthesis. Validity was ensured through triangulation of sources, methods, and confirmation with informants, thereby yielding both theoretical contributions and contextual practical recommendations (Yin 2018).

B. DISCUSSION

1. ZIS as an Instrument of Islamic Redistribution

ZIS comprises three instruments of Islamic philanthropy which, conceptually, have distinct yet complementary theological foundations and socio-economic implications. Etymologically, zakat means pure, growing, and blessed, whilst terminologically it refers to the obligation to distribute a specific amount of wealth that has met the nisab and haul thresholds to the eight categories of mustahik designated by sharia (Beik and Arsyianti 2016). Infaq refers to the expenditure of wealth in the way of Allah, which is sunnah and not bound by any specific nisab or haul, whilst sedekah has a broader scope of meaning, encompassing every form of kindness given to others. From a broader perspective of Islamic social finance, Abdul Razak (2020a) categorises zakat and other Islamic philanthropic instruments as mechanisms for the redistribution of wealth that are inherently designed to correct income distribution inequalities within the economic structure of Muslim societies. In line with this, Kuanova et al.(2021) classify Islamic social finance instruments—including ZIS—into two categories based on the nature of their obligation: obligatory instruments such as zakat, which are binding under Sharia law, and voluntary instruments such as infaq, sadaqah, and waqf, which are voluntary in nature. From the perspective of contemporary Islamic philanthropy, Muhammad Hasbi Zaenal, Abdul Ghafar Ismail and Muhammad Hakimi Mohd. Shafiai, in Abdul Ghafar Ismail, Rose Abdullah and Muhammad Hasbi Zaenal's *(2022) *, identify three spectra of philanthropic activity: zakat as '*philanthropy as relief*' aimed at alleviating suffering; wakaf as '*philanthropy as improvement*' which maximises individual potential; and sedekah as '*philanthropy as reform*' oriented towards the structural resolution of social problems.

From an operational categorisation perspective, zakat can be classified into zakat al-fitr and zakat al-maal, where zakat al-maal covers various obligatory zakat objects such as agriculture, trade, gold and silver, livestock, mining products, as well as professional zakat as a development of contemporary ijthad (Beik and Arsyianti 2016). In terms of utilisation, zakat is divided into two models: consumptive zakat, which is channelled directly to meet the basic needs of the mustahik, and productive zakat, which is utilised as business capital to create long-term economic independence (Canggih et al. 2017). This distinction between consumptive and productive models has significant implications for the effectiveness of ZIS as an empowerment instrument, as the productive approach has proven more capable of breaking the cycle of dependency among beneficiaries (Mubarokah et al. 2018). Saputro and Sidiq(2020) reinforce these findings by demonstrating that the productive management of ZIS distribution in Aceh Province was able to significantly reduce poverty rates, whilst consumptive distribution only provided short-term impacts without bringing about structural change. Furthermore, Widiastuti et al.(2022) demonstrate that the synergy between Islamic social finance, human resource quality, and good

governance collectively serves as a strong predictor in sustainably reducing the poverty levels of beneficiaries.

2. Community Empowerment within the Framework of Islamic Development

Community empowerment is a multidimensional concept that has undergone significant development in the literature on social and economic development. Conceptually, empowerment is defined as the process of enhancing the capacity of individuals and groups to exercise control over decisions and resources that affect their lives, thereby enabling them to participate actively in development and enjoy its benefits equitably (Chambers 1995) . In an Islamic context, empowerment is understood as a holistic process encompassing spiritual, intellectual, social, and material dimensions, integrated within the framework of the *maqashid al-sharia*—namely the protection of religion, life, intellect, lineage, and property (Beik and Arsyianti 2016) . Ascarya(2022) argues that effective Islamic social finance-based empowerment must be capable of fostering community resilience, rather than merely short-term economic recovery. In this context, Nasir et al. (2021) expand this framework by arguing that the localisation of *maqashid syariah* in community development in Southeast Asia has proven to yield an empowerment approach that is more responsive to local contexts, whilst possessing stronger social legitimacy compared to conventional development-based empowerment models. Iskandar et al. ((2021)) add that the integration of Islamic social finance institutions and commercial financial institutions within a single institutional ecosystem can accelerate poverty alleviation through complementary and mutually reinforcing forms of empowerment.

Community empowerment in the literature can be divided into four main, interrelated dimensions. First, the economic dimension, which encompasses increased income, access to capital, the development of productive enterprises, and the enhancement of household assets (Beik and Arsyianti 2016) . Second, the social dimension, which includes the strengthening of social capital, the expansion of community networks, improved access to education and healthcare services, and the strengthening of social cohesion (Kuanova et al. 2021) . Thirdly, the institutional dimension relates to the capacity of ZIS management organisations to carry out the functions of collection, management, and utilisation of funds in an accountable, transparent, and professional manner (Canggih et al. 2017) . Fourth, the spiritual dimension, which encompasses the enhancement of religious awareness and the internalisation of Islamic values in the economic behaviour of beneficiaries as an indicator of well-being that is inseparable from the material dimension (Mubarakah et al. 2018) . Harahap et al.(2021) reinforce this four-dimensional framework by demonstrating that the *maqashid al-sharia* and the Sustainable Development Goals (SDGs) share the same objective of realising sustainable human life; consequently, ZIS-based empowerment programmes oriented towards the *maqashid* inherently contribute to the achievement of the global development agenda.

3. Institutional Management of ZIS

Institutional management of ZIS refers to the overall system, mechanisms, and processes utilised by zakat collection agencies in carrying out the functions of fundraising, management, and distribution of ZIS funds in an effective and accountable manner. Conceptually, good governance of ZIS institutions is understood as the application of the principles of transparency, accountability, responsibility, independence, and fairness throughout the institution's operational processes, which in turn will enhance public trust and encourage growth in the collection of ZIS funds . Sawmar and Mohammed(2021) define good zakat governance as a set of formal and informal mechanisms aimed at improving zakat compliance through the strengthening of transparency, accountability, and integrity in management, where the trust of the muzakki serves as the most crucial mediating variable. Kuanova et al.(2021) add that trust and social accountability are key predictors of the overall sustainability of Islamic social finance programmes. Napitupulu et al.(2024) , through their systematic literature review, affirm that effective Islamic social finance governance requires four pillars: strong institutional capacity, a transparent reporting system, independent oversight mechanisms, and innovative utilisation models that are responsive to the needs of mustahik and local economic dynamics.

The institutional management of ZIS can be examined from three perspectives. First, from the perspective of institutional structure, ZIS management institutions in Indonesia are categorised into BAZNAS as a government body and LAZ as state-accredited private organisations; both operate within the regulatory framework of Law No. 23 of 2011 on Zakat Management (Canggih et al. 2017) . Roziq et al.(2021) found that strong sharia governance significantly increases the trust and loyalty of muzakki towards BAZNAS, which in turn drives sustainable growth in fund collection. Secondly, from the perspective of utilisation models, ZIS programmes are categorised into four forms: traditional consumptive, creative consumptive, traditional productive, and creative productive, where the level of complexity and the impact of empowerment increase progressively from the first to the fourth category (Mubarokah et al. 2018) . Thirdly, from the perspective of innovation and technology, Ascarya(2022) identifies digital transformation as an accelerating factor in the collection and distribution of ZIS, whilst Hadi et al.(2024) empirically demonstrate that digital zakat management and transparency in zakat reporting jointly have a positive and significant impact on the accountability of management and the acceleration of national zakat revenue growth.

4. ZIS as Redistributive Instruments: Patterns of Conceptualisation and Operational Typology

A systematic review of the literature meeting the inclusion criteria yielded consistent and layered empirical evidence regarding the impact of ZIS on improving the economic welfare of mustahik across various geographical and institutional contexts. Ayuniyyah et al. ((2022)), in a

CIBEST-model-based study of 1,300 mustahik across five regions in West Java, found that zakat distribution programmes were able to reduce the material poverty index in male-headed households by 0.215 and the absolute poverty index by 0.037, whilst female-headed households showed more significant improvements in the *falah* index (0.438) and spiritual poverty index (0.022)—a key finding confirming that the impact of ZIS is multidimensional and varies according to the characteristics of the beneficiaries. Beik and Arsyianti(2016) reported an overall increase in the CIBEST welfare index of up to 146 per cent following the intervention of the productive zakat programme, whilst Mubarakah et al.(2018) confirmed a 50 per cent reduction in the material poverty index among BAZNAS Central Java beneficiaries.

At the macro level, Rusydiana et al.(2025) , through a panel data analysis of 42 OIC member states for the period 2007–2019, empirically demonstrated that zakat significantly contributes to poverty reduction, the reduction of unemployment, and the improvement of income equality through the mechanism of wealth redistribution. Sarif et al.(2024) assert that the distribution of zakat for *income generation*, accompanied by training and mentoring, has proven to be more effective and sustainable than consumptive cash distributions, as it enables beneficiaries to become permanently self-reliant. Malik(2016) reinforces this argument by demonstrating that the reinstitutionalisation of zakat at both the civil society and state levels holds great potential for addressing relative poverty and social inequality. Judijanto et al.(2025) assert that when effectively institutionalised, zakat functions as a wealth redistribution mechanism that complements conventional fiscal instruments. Zuhdi et al.(2024) add a policy dimension, noting that recognising zakat as a tax deduction for income tax can strengthen national fiscal autonomy. Saputro and Sidiq(2020) and Mawardi et al.(2022) confirm the relevance of these findings specifically within the Indonesian context through empirical studies in the provinces of Aceh and East Java.

Simply put, the data presented in Table 1 and Table 2 convey a consistent message: ZIS programmes designed to be productive—namely by providing business capital, training, and mentoring to beneficiaries—have been shown to produce more tangible and lasting improvements in living conditions compared to programmes that merely provide cash or consumer goods. This holds true at both the micro level (individual beneficiaries in Indonesia) and the macro level (OIC member states). Beneficiaries who receive productive ZIS programmes not only experience an increase in income and business assets but also a reduction in the multidimensional poverty index, which encompasses both material and spiritual dimensions. Furthermore, evidence from policy studies indicates that integrating ZIS into the state’s fiscal framework—for instance, through tax-deduction mechanisms—has the potential to systematically expand the redistributive impact of ZIS to reach a broader segment of society.

Table 1. The Impact of the ZIS Programme on Mustahik Welfare Indicators Based on a Literature Review

Study	Context/Locati on		Method	Key Indicators	Findings
Beik & Arsyianti (2016)	Indonesia (national)		CIBEST	Well-being index	Increased by 146% post-intervention
Ayuniyyah et al. (2022)	West Indonesia	Java,	CIBEST + Gini	Material poverty	Decreased by 0.215 (men); spiritual poverty decreased by 0.022 (women)
Mubaroka h et al. (2018)	Central Indonesia	Java,	CIBEST	Material poverty	Decreased by 50% among BAZNAS beneficiaries
Saputro & Sidiq (2020)	Aceh, Indonesia		Panel regression	Poverty rate	Significant decline following the productive ZIS programme
Mawardi et al. (2023)	East Indonesia	Java,	Quantitative	Beneficiaries' business assets	Substantial increase in recipients of productive zakat capital
Rusydiana et al. (2025)	42 OIC countries		Panel data (2007–2019)	Poverty, unemployment, inequality	Zakat significantly reduces poverty and unemployment, and increases income equality
Sarif et al. (2024)	Malaysia		Fiqh empirical study +	Utilisation model	Productive distribution + training is more effective and sustainable vs. consumptive
Malik (2016)	Global context	Muslim	Conceptual	Relative poverty, inequality	Re-institutionalisation of zakat has the potential to address structural poverty
Judijanto et al. (2025)	15 indexed studies	Scopus-	SLR	Fiscal instruments	Zakat complements conventional fiscal instruments for economic equity
Zuhdi et al. (2024)	Indonesia		Normative-conceptual	Fiscal policy	Zakat as a tax deduction strengthens fiscal autonomy

Table 2. Comparison of the Effectiveness of Consumptive versus Productive ZIS Distribution Models

Dimensions of Comparison	Consumptive Distribution		Productive Distribution
Programme orientation	Meeting needs	short-term basic	Long-term income generation and self-reliance
Impact on poverty	Temporary, not structural		Permanent in nature, altering poverty status
Self-reliance of beneficiaries	Low, creating dependency		High, encouraging the transition from beneficiary to donor

CIBEST indicators	welfare	Minimal change	Significant changes across all quadrants
Sustainability of the impact	Ends when support is withdrawn		Continues after the programme ends
Supporting references	Beik & Arsyianti (2016)		Sarif et al. (2024); Mawardi et al. (2023)

Four main patterns can be identified from the overall data collected. *First*, there is consistency across studies that productive ZIS programmes are significantly more effective than consumptive ZIS programmes in structurally altering poverty conditions—this pattern emerges across all research contexts analysed, ranging from micro-level studies in various Indonesian provinces to macro-level analyses across 42 OIC countries, thereby providing a very strong evidence base for generalising the findings. *Secondly*, the impact of ZIS is multidimensional and varies across beneficiary groups—the study by Ayuniyyah et al.(2022) specifically reveals that gender is a significant moderating variable, with female beneficiaries exhibiting different responses from male beneficiaries, particularly in the spiritual and *falah* dimensions of well-being, indicating the need for ZIS programme designs that are sensitive to the demographic characteristics of beneficiaries. *Thirdly*, there is a trend towards increased integration of ZIS with public policy instruments—whether in the form of synergy with state fiscal programmes (Zuhdi et al. 2024) or integration with national development strategies (Judijanto et al. 2025))—which suggests that the future of ZIS as an instrument of empowerment lies in its ability to operate not only as a mechanism for religious philanthropy, but also as an instrument of economic governance that is institutionally recognised. *Fourthly*, the effectiveness of ZIS's impact is largely determined by the quality of the support accompanying the distribution of funds, not merely by the amount of funds channelled—Sarif et al. ((2024)) explicitly state that the provision of capital without accompanying training and monitoring tends not to result in long-term self-reliance, but merely shifts dependency from one source to another.

The findings synthesised in this sub-chapter have profound theoretical and practical implications for understanding ZIS as an instrument of community empowerment. Theoretically, the evidence gathered reinforces and expands the main argument of this study that ZIS possesses an inherent capacity as a redistribution instrument that is not merely a financial transfer, but is capable of triggering structural transformation in the conditions of mustahik poverty—a characteristic that fundamentally distinguishes it from conventional social assistance programmes (Ascarya 2022; Razak 2020b) . This finding also reinforces the study's first hypothesis that strengthening the economic capacity of beneficiaries will only have a structural impact if accompanied by parallel human resource development, as confirmed by the consistency of evidence across studies demonstrating the superiority of the productive model over the consumptive model. In practical terms, the most significant implication of these findings is that

zakat management institutions need to fundamentally shift their management paradigm from a *charity-oriented* approach towards an *investment-in-human-capital* orientation, where vocational training, business mentoring, and market access become integral components of programmes—rather than merely optional add-ons. At the policy level, the findings of Zuhdi et al. (Zuhdi et al. 2024) and Judijanto et al. (2025) open up opportunities for the Indonesian government to develop a more comprehensive framework for integrating ZIS into the national fiscal system, so that the potential of ZIS, valued at over Rp 327 trillion per year, can be optimised not only through religious channels but also through structured and measurable public policy mechanisms.

5. Community Empowerment in the Islamic Development Framework

The second body of evidence gathered from the literature review focuses on the dimension of community empowerment within the Islamic development framework, specifically how ZIS programmes interact with variables such as social capital, human resource quality, and institutional governance in shaping a holistic empowerment ecosystem. Widiastuti et al. (2022), through an empirical study analysing the relationship between Islamic social finance, human resource quality, governance, and poverty, found that these three variables collectively serve as significant predictors in sustainably reducing the poverty levels of beneficiaries—a finding that confirms that ZIS-based empowerment cannot be reduced to mere financial transfers, but rather requires a comprehensive institutional ecosystem. Chambers (1995) laid the conceptual foundation that true empowerment is the process of enhancing the capacity of individuals and groups to exercise control over decisions and resources that affect their lives, thereby enabling them to participate actively in development—a definition relevant for measuring the extent to which ZIS programmes have moved beyond the logic of aid towards the logic of transformation. Iskandar et al. (2021) expand this framework by demonstrating that the integration of Islamic social finance institutions and Islamic commercial finance institutions within a single institutional ecosystem in Indonesia can accelerate poverty alleviation through complementary and mutually reinforcing forms of empowerment. Ascarya (2022) specifically demonstrates that during the Covid-19 pandemic, Islamic social finance—including ZIS—played a strategic role in Indonesia’s economic recovery by fostering community resilience, rather than merely short-term economic recovery. Kuanova et al. (2021), through their comprehensive literature review, identified that the dimension of trust between the muzakki, amil, and mustahik is the most consistently emerging mediating variable as a predictor of the success of Islamic social finance programmes across various countries. Zaenal et al. (2022) add a philosophical perspective that Islamic philanthropy—which encompasses ZIS—is fundamentally designed to create comprehensive social transformation, not merely the redistribution of assets, but the reconstruction of social relations between givers and recipients within the framework of Islamic values. Suminto et al. (2021) reinforce this argument by demonstrating that the Islamic economic dimension, operated through ZIS instruments, plays

a significant role in enhancing human resource competitiveness, which is a key prerequisite for sustainable community empowerment. Novirsari (2025) adds the crucial context that inequalities in access to education in remote areas—which are directly correlated with intergenerational poverty—constitute one of the structural issues that should be a primary target of ZIS-based empowerment programmes, given that investment in education is the key to social mobility for the younger generation.

Table 3. Dimensions of Community Empowerment in ZIS Programmes Based on a Literature Review

Dimensions of Empowerment	Key Indicators	Empirical Evidence	Level of Achievement	Key References
Economy	Income, business assets, access to capital, financial independence	Consistent increase in beneficiaries' income and assets following the programme	High	Beik & Arsyianti (2016); Mubarokah et al. (2018)
Social	Social capital, community networks, social cohesion, access to basic services	Group-based programmes are more sustainable; trust between actors is critical	Moderate	Kuanova et al. (2021); Widiastuti et al. (2022)
Spiritual	Religious observance, awareness of zakat, internalisation of Islamic values	Measurable impacts but often overlooked in programme design	Low–Moderate	Beik & Arsyianti (2016); Zaenal et al. (2022)
Institutional	Capacity of zakat administrators, governance, accountability, programme innovation	Significant variation between institutions; institutions with good governance have a greater impact	Medium–High	Huda & Sawarjuwono (2013); Iskandar et al. (2021)
Human resources/Education	Financial literacy, entrepreneurial capacity, access to education	Inequalities in access to education in 3T regions exacerbate structural poverty	Low	Suminto et al. (2021); Novirsari (2025)
Community Resilience	Resilience to economic shocks, post-crisis adaptation	ZIS has been shown to strengthen community resilience during the pandemic	Medium–High	Ascarya (2022)

Table 4. Determinants of the Effectiveness of ZIS-Based Community Empowerment

Determining Factors	Category	Direction of Influence	Strength of Evidence	References
Quality of human resources among administrators and beneficiaries	Internal institutional	Significantly positive	Strong	Widiastuti et al. (2022)

Trust between donors, administrators and beneficiaries	Social capital	Significantly positive	Strong	Kuanova et al. (2021)
Integration of Islamic social and commercial finance	Institutional ecosystem	Significantly positive	Moderate–Strong	Iskandar et al. (2021)
Programme orientation (resilience vs. recovery)	Programme design	Positive	Moderate–Strong	Ascarya (2022)
Philosophical values of Islamic philanthropy	Conceptual foundation	Positive (long-term)	Moderate	Zaenal et al. (2022)
Access to education and human resource development	Social context	Significantly positive	Moderate	Suminto et al. (2021); Novirsari (2025)
Geographical inequality (3T regions)	Structural context	Negative (slowing down)	Moderate	Novirsari (2025)
Governance and accountability of ZIS institutions	Internal institutional	Significantly positive	Strong	Huda & Sawarjuwono (2013)

The table 3 and table 4 above convey two complementary key messages. Firstly, ZIS-based community empowerment actually operates across at least six distinct dimensions—economic, social, spiritual, institutional, human resources/education, and community resilience—yet in practice, the majority of ZIS programmes are measured and evaluated solely on the economic dimension, whilst the other dimensions are relatively neglected. Secondly, the effectiveness of ZIS programmes is not determined by a single factor, but by a combination of factors encompassing internal institutional aspects (human resource quality and governance), social capital aspects (trust), programme design aspects (resilience orientation), and contextual aspects (geographical disparities and access to education). In other words, a ZIS programme that excels in one factor but is weak in others—for example, one with substantial capital but poor governance, or an innovative programme operating in a remote area without supporting infrastructure—is unlikely to produce optimal and sustainable empowerment outcomes.

The data reveal four key patterns. First, ZIS programmes and their evaluations remain heavily focused on economic outcomes, while social, spiritual, and educational dimensions receive limited attention, creating a bias that may overstate programme success relative to beneficiaries' actual experiences. Second, trust among stakeholders—particularly between donors, amil institutions, and mustahik—emerges as a crucial mediating factor; without strong trust, both fund collection and programme implementation face significant challenges (Kuanova et al., 2021). Third, structural inequalities, especially limited educational access in 3T regions identified by Novirsari (2025), act as major external constraints that reduce beneficiaries' ability to benefit fully from empowerment initiatives. Fourth, evidence from the Covid-19 pandemic highlights the strategic

role of ZIS in strengthening community resilience, with integrated ZIS institutions proving more responsive and effective during crises than fragmented ones, underscoring the importance of institutional integration for programme sustainability and resilience (Ascarya, 2022).

The findings highlight that ZIS-based empowerment should be understood as a multidimensional process extending beyond economic transfers to include trust-building, network strengthening, human resource development, and value internalisation, consistent with the maqashid sharia framework and Chambers' concept of empowerment. Evidence from Widiastuti et al. (2022) shows that Islamic social finance, human capital, and governance are interdependent and cannot be optimised separately. Practically, zakat institutions should adopt multidimensional evaluation systems that assess not only income and asset growth but also social capital, human resource capacity, spiritual well-being, community resilience, and educational access, building on the CIBEST model. At the policy level, findings from Novirsari (2025) and Suminto et al. (2021) support integrating ZIS with national human resource development programmes, particularly in 3T areas. These results reinforce the study's second hypothesis and open new avenues for research on ZIS in addressing geographical and intergenerational inequalities.

C. CONCLUSION

This study demonstrates that the optimisation of ZIS as an effective and sustainable instrument for community empowerment is achieved through an integrative approach that combines productive utilisation, multidimensional empowerment, and institutional synergy. The findings indicate that productive ZIS programmes supported by mentoring, training, and market access generate more sustainable empowerment outcomes than consumptive assistance, while empowerment itself encompasses interconnected economic, social, spiritual, institutional, and human resource dimensions. Furthermore, the integration of ZIS with Islamic financial institutions, government programmes, and local economic networks significantly enhances empowerment impacts, confirming that ZIS effectiveness depends on a holistic ecosystem rather than fragmented interventions. The study contributes conceptually by developing an integrative analytical framework linking economic, social, and institutional dimensions within a comprehensive ZIS-based empowerment ecosystem; methodologically by combining a systematic literature review with comparative case studies to bridge theoretical generalisation and contextual understanding; and substantively by identifying underexplored variables such as educational access inequality in remote areas, post-crisis community resilience, and the fiscal integration of ZIS within public policy frameworks, thereby expanding future research agendas and policy relevance. Nevertheless, several limitations should be acknowledged: the study relies on secondary literature and comparative case analyses rather than primary field data, which may limit its ability to capture local dynamics; it treats zakat, infaq, and sedekah as a unified philanthropic instrument

despite their distinct operational characteristics and potential impacts; and although it includes evidence from multiple countries, most analysed studies focus on Indonesia and Malaysia, requiring caution in generalising findings to other Muslim regions and highlighting the need for broader cross-regional comparative research that accounts for differences in regulatory systems, socio-cultural contexts, and institutional development.

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