



A HOLISTIC PRODUCTIVE ZAKAT GOVERNANCE MODEL BASED ON GOOD COMMUNITY ENGAGEMENT

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Abstract

Productive zakat is a strategic instrument for transformative and long-term-oriented economic empowerment of the ummah. Its implementation demands governance that is grounded in transparency, participation, and sustainability. The Zakat Village of BAZNAS Bondowoso and the SDGs Village of BAZNAS Jember serve as examples of community-based zakat implementation. However, a systematic and contextual governance model is still needed to promote the transformation of mustahik into muzakki and to foster ISI-based qualities: intellectuality, spirituality, and integrity.

This study aims to develop a holistic productive zakat governance model based on Good Community Engagement (GCG) as an effort to enhance the effectiveness of zakat distribution and the transformation of mustahik into muzakki. Through a qualitative approach and case studies in BAZNAS Bondowoso's Zakat Village and BAZNAS Jember's SDGs Village, this research explores five core pillars of GCG: participation, accountability, transparency, inclusiveness, and sustainability.

The findings show that integrating GCG principles with a holistic productive zakat approach can create governance that is not only efficient and effective but also empowers the community spiritually, intellectually, and socially. This model offers a new policy formulation in zakat management that is not merely institutional-based but rooted in the strength of local communities.

Keywords: Productive Zakat, Governance, Good Community Engagement, Mustahik Empowerment, Holistic Zakat

A. Introduction

Zakat, as an Islamic social financial instrument, plays a strategic role in addressing poverty and social inequality (Qardhawi, 2011; Amalia, 2015). Over the past two decades, the discourse on productive zakat has grown stronger due to its perceived ability to offer long-term solutions for the empowerment of

mustahik (zakat beneficiaries). This concept emphasizes that zakat is not merely consumptive assistance, but can also function as an economic stimulus enabling mustahik to attain financial independence and even become new muzakki (zakat payers) (Karim, 2010; Nugroho, 2020). Thus, productive zakat possesses a dual potential: to alleviate poverty and strengthen the socio-economic structure of the ummah.

However, the effectiveness of productive zakat is highly dependent on the governance practiced by zakat institutions. Various studies have revealed that many zakat management institutions encounter challenges in transparency, accountability, public participation, and program monitoring (Asnaini, 2011; Rohayati & Syafii, 2018). Classic problems such as unclear targeting, program duplication, weak financial reporting, and minimal mustahik involvement in decision-making are still prevalent. As a result, many productive zakat programs fail to bring about significant change for beneficiaries, with some mustahik returning to their original conditions due to the absence of sustainable mentoring.

To assess effectiveness, BAZNAS has developed two key instruments: the Zakat Village Index (IDZ) and the Zakat Impact Index (IDZk). The IDZ maps village potential and conditions based on economic, social, educational, health, and religious dimensions relevant to zakat targeting (Huda et al., 2014). Meanwhile, the IDZk measures the extent of zakat's impact on changing the conditions of mustahik, including their welfare, spirituality, and social participation. Nevertheless, data indicates that IDZ and IDZk scores remain low in several beneficiary regions, reflecting the suboptimal implementation of productive zakat as a sustainable empowerment tool (Basri & Azmi, 2022).

In this context, the Good Community Engagement (GCG) approach offers a new paradigm in zakat management by positioning the community as the central subject. GCG principles—such as participation, transparency, accountability, inclusiveness, and sustainability—form the foundation for establishing a more democratic governance model responsive to the actual needs of mustahik (Uswatun et al., 2025). Integrating this approach with the concept of holistic productive zakat is believed to overcome the classic problems in zakat management, while also improving IDZ and IDZk scores through measurable and sustainable interventions. The Zakat Village of BAZNAS Bondowoso and the SDGs Village of BAZNAS Jember are examples of initiatives that reflect this model.

This study aims to analyze and formulate a holistic productive zakat governance model based on Good Community Engagement through case studies of the two communities. By combining normative-sharia, institutional, and participatory-communitarian approaches, this model aspires not only to resolve managerial issues in zakat distribution, but also to develop the character of mustahik through ISI: intellectuality, spirituality, and integrity. This approach is expected to offer a systemic solution that uplifts the dignity of mustahik while

reinforcing zakat's role as a transformative and inclusive pillar of Islamic economics.

B. Research Method

This study employs a descriptive qualitative approach using a multiple case study method. The research locations were purposively selected: the Zakat Village in Bondowoso and the SDGs Village in Jember, as both represent community-based implementations of productive zakat programs.

Data collection techniques included: In-depth interviews with zakat administrators (BAZNAS), mustahik, muzakki, and community leaders. Participant observation of the economic and social activities of zakat beneficiaries. Document analysis of financial reports, program proposals, and monitoring-evaluation records from BAZNAS.

To ensure the validity of the data, the study employed triangulation of sources and techniques, allowing cross-verification of findings from different perspectives and methods.

C. Results and Discussion

Strengthening Productive Zakat Governance through Zakat Core Principles (ZCP) and the Empowerment of Mustahik

The enhancement of productive zakat governance in the BAZNAS Zakat Village of Bondowoso and the BAZNAS SDGs Village of Jember demonstrates a strong correlation with the principles of the Zakat Core Principles (ZCP), formulated by the World Zakat Forum in collaboration with IRTI-IsDB. In Bondowoso, principles such as transparency, accountability, and community participation are evident through open reporting systems using information boards and WhatsApp groups, as well as the active involvement of mustahik in decision-making (BAZNAS & IRTI-IsDB, 2020). The use of SIMBA, an integrated zakat information system, also reflects the implementation of ZCP's 7th and 9th principles concerning monitoring and reporting. Although not yet fully formalized in local policy, this approach reflects a practical adoption of modern zakat governance standards.

ZCP emphasizes *maqāṣid al-syarī'ah* as its normative foundation, particularly in the protection of wealth (*ḥifẓ al-māl*) and life (*ḥifẓ al-nafs*). In Bondowoso, this principle is reflected in the "Subur Berkah" livestock program in Sulek Zakat Village, which successfully transformed mustahik into muzakki while delivering broader social impacts on education, health, and spirituality (Basri & Azmi, 2022). The "one house, one graduate" program and the strengthening of Qur'anic learning institutions (TPQ) illustrate that zakat has educational and spiritual dimensions beyond economic assistance. Meanwhile, in the SDGs Village of Jember, entrepreneurship training and habitable housing construction serve as outcome-based indicators of zakat governance. Village digitalization through

the “Smart Village” program and systematic mustahik data collection reflect the use of technology as prescribed in modern ZCP approaches (Thohir, 2022).

From the perspective of empowerment theory, the approaches in both Bondowoso and Jember are bottom-up, positioning mustahik as key subjects in development. Empowerment here is not limited to income growth but also includes social and spiritual transformation. In Bondowoso, training in animal husbandry, feed production, and financial management represent the Islamic concept of *al-tamkīn*, i.e., equipping mustahik with skills and access for independence (Huda et al., 2014). The communal approach in Bondowoso—through the Zakat Community Development (ZCD) model—proves more effective in strengthening social solidarity. In contrast, Jember’s individual approach using a revolving fund system emphasizes personal responsibility. Based on Robert Chambers’ empowerment theory, the communal model is generally more effective in achieving structural transformation because it leverages social capital (Chambers, 1997).

The integration of ZCP principles and empowerment theory produces a new framework in this study called Good Community Engagement. This model combines administrative control and efficiency with citizen participation, sharia-based values, and a sustainability orientation (Wasik, 2025). Effective zakat governance is not only assessed by orderly financial reports, but also by the extent of mustahik transformation in spiritual, social, and economic terms. Nevertheless, several challenges persist, including funding limitations, human resource capacity, and continuity in mentoring. Therefore, ZCP implementation must be strengthened through outcome-based indicators aligned with *maqāṣid al-syarī’ah* and internalization of empowerment theory into institutional SOPs to establish a fair, participatory, and sustainable productive zakat ecosystem.

The Empowerment Concept: Transforming Mustahik into Muzakki and Sustaining Their Independence

Empowerment in the context of productive zakat as implemented in the BAZNAS Zakat Village of Bondowoso and the BAZNAS SDGs Village of Jember is not merely focused on the distribution of business capital to mustahik. Field findings indicate that the empowerment process is continuous, encompassing technical skills training, business mentoring, and simultaneous spiritual development. In Bondowoso, the “Subur Berkah” livestock program and independent feed production training are concrete examples of locally based empowerment. Meanwhile, in Jember, the soap-making program and the provision of decent housing reflect an outcome-oriented approach that emphasizes business sustainability and mustahik family welfare. This is in line with Asnaini’s framework (2011), which states that empowerment in zakat must be structurally and sustainably oriented toward independence.

The transformation of mustahik into muzakki, as observed in Sulek Zakat Village, can be analyzed through the empowerment theory approach, which

emphasizes increasing individuals' capacity and control over their lives. Some alumni of the productive zakat program have achieved economic self-sufficiency and even begun contributing again to religious and social activities. As Rappaport suggests, empowerment occurs when individuals gain access to resources and the ability to make critical life decisions (Huda et al., 2014). In the field, this is reflected through mustahik involvement in business group discussions, joint cash management, and the development of production targets. Such participatory approaches strengthen their social identity, transitioning them from passive recipients to active actors in the zakat-based local economic system.

The spiritual aspect is also strongly integrated into the productive zakat programs at both locations. In Bondowoso, regular religious gatherings, spiritual mentoring, and mustahik engagement in mosque activities have made the dimension of *tazkiyah* (purification of the soul) an inseparable part of the empowerment process. The *tamkīn* approach in Islam, as explained by Basri and Azmi (2022), emphasizes the importance of *ta'zīz al-qudrāt* (capacity building) that is not only economic but also spiritual. Although spiritual development in Jember is less intensive than in Bondowoso, religious values still form the ethical foundation of entrepreneurship and moral strengthening among mustahik. This supports the idea that social transformation through zakat is not only measured by income but also by shifts in worldview and communal responsibility.

The next challenge is ensuring that mustahik who have graduated into muzakki do not fall back into poverty. In Bondowoso, sustainability is ensured through the establishment of zakat-based cooperatives and periodic training in Islamic financial literacy. In Jember, regular monitoring by zakat facilitators and the digitalization of mustahik data are key oversight mechanisms. This approach is consistent with the principle of sustainability empowerment and aligns with Yusuf al-Qaradawi's view that zakat aims to create a productive and independent society (Qaradawi, 2010). Therefore, the field findings affirm that the success of zakat empowerment is not merely gauged by short-term economic gains, but by the zakat institution's ability to establish a productive zakat ecosystem that supports long-term social, spiritual, and economic resilience (Wasik, 2025).

Enhancing Intellectuality, Spirituality, and Integrity (ISI) in Productive Zakat Governance: A Comparative Study of Zakat Village and SDGs Village

Productive zakat functions as a catalyst for empowering the economic capacity of the ummah, targeting not only financial aspects but also fostering improvements in intellectuality, spirituality, and integrity (ISI) among underprivileged communities. A comparative study between the Tlogosari Zakat Village in Bondowoso and the BAZNAS SDGs Village in Jember shows that although each adopts different approaches, both have successfully enhanced mustahik capacities in these three dimensions. In Tlogosari, intellectual development is promoted through technical livestock training such as animal care and independent feed production. Meanwhile, in Jember, training focuses on

entrepreneurial skills like soap production, compost fertilizer (kasgot), and digital marketing under the Smart Village program. These locations embody Robert Chambers' Participatory Rural Appraisal (PRA) principle, which emphasizes community as active subjects of development rather than passive objects (Chambers, 1997).

These findings reinforce Amartya Sen's concept of human development, which argues that poverty is not merely a lack of material resources, but a limitation of access to meaningful life choices. In Bondowoso, mustahik equipped with livestock skills become more confident and capable of making independent economic decisions. In Jember, a technology-based approach expands mustahik's life choices and accelerates their path toward independence. This also aligns with the research of Suryani and Huda (2018), which emphasizes the importance of continuous locally-based training as a foundation for long-term empowerment. Both cases demonstrate that productive zakat is not only a tool for redistributing wealth but also a social investment in developing the individual and community capacities.

The spiritual dimension of productive zakat is also strongly evident in both locations. In Tlogosari, increasing participation in religious activities such as Qur'anic study sessions, congregational prayers, and livestock-based almsgiving reflects the internalization of *barakah* (blessings) values in economic efforts. Meanwhile in Jember, spiritual values are integrated into sharia business practices that emphasize honesty, halal principles, and avoiding *riba* (usury). These practices reflect Bryant Myers' transformational development theory, which states that development must also address the spiritual dimension of human beings (Myers, 1999). From a scholarly perspective, this aligns with Yusuf al-Qaradawi's view in *Fiqh al-Zakah*, where zakat holds both spiritual and socio-economic dimensions (Qaradawi, 2010). Thus, spirituality is not a mere side effect of prosperity but an integral part of the empowerment process itself.

Integrity, as the third pillar in zakat governance, also shows significant reinforcement. In Tlogosari Zakat Village, the culture of regular reporting by zakat recipients to BAZNAS fosters accountability and transparency even at the community level. In Jember, integrity is visible in the involvement of women in economic decision-making under the Gender-Friendly Village program, as well as community cooperation in housing rehabilitation programs. These examples reflect UNDP's Good Governance principles, which include participation, transparency, and accountability. Research by Nurdin and Amalia (2023) shows that collective work ethics, open reporting, and social oversight are essential elements in strengthening productive zakat success. In the Islamic framework, integrity is also part of spiritual governance, the awareness that every social trust is accountable not only to the public but also to Allah SWT. Hence, zakat serves not only as an economic empowerment instrument but also as a vehicle for shaping responsible, honest, and just character in both mustahik and zakat managers.

Governance Evaluation Based on Good Governance Principles

The implementation of good governance principles in the productive zakat governance of Bondowoso's Zakat Village and the BAZNAS SDGs Village in Jember shows that, despite employing different approaches, both are oriented toward enhancing accountability, effectiveness, and participation. In Bondowoso, internal monitoring is carried out through periodic reporting systems and financial audits by BAZNAS. This illustrates a reinforcement of formal institutional structures and vertical control. Conversely, in Jember, monitoring is conducted participatorily by involving the community in the evaluation and reporting of programs. This model of active involvement is considered more effective in building residents' sense of ownership and strengthening bottom-up social accountability.

Program effectiveness evaluations were conducted in both locations to measure the impact of zakat on improving mustahik's economic conditions. Findings indicate that productive zakat contributes to fostering business independence and increasing income. However, this success is not yet fully supported by a strong outcome-based evaluation system. Some businesses experienced stagnation due to insufficient post-distribution monitoring and weak risk management systems. In this context, the Zakat Core Principles (ZCP), formulated by the World Zakat Forum, are highly relevant as an evaluation tool. ZCP emphasizes the principles of transparency, accountability, and outcome orientation in zakat management, as well as the importance of stakeholder engagement and strong supervision systems (World Zakat Forum, 2020).

Unfortunately, field observations show that the implementation of ZCP principles is not yet optimal. For example, in terms of transparency and mustahik involvement, the reporting system in Bondowoso's Zakat Village remains internal and has not been publicly disclosed to stakeholders or beneficiaries. This contradicts the *disclosure and transparency* principle of ZCP, which mandates openness in zakat usage data for all stakeholders. Furthermore, mustahik involvement in planning and monitoring is still passive and largely symbolic. This indicates that the approach employed tends to be top-down and has yet to embrace empowerment-based management.

This critique aligns with Ahmad M. Sakr's view that zakat management should aim for *tamkīn al-mustahik*, or the sustainable empowerment of beneficiaries (Sakr, 1993). Although the SDGs Village in Jember has attempted a revolving capital model, weak monitoring has led to irregular repayments and loss of revolving funds. The absence of a risk management approach, as emphasized in ZCP, suggests that the system remains vulnerable. In this context, Agus Mulyono's idea of integrating strong systems (institutional structures) with individual empowerment becomes crucial to avoid long-term failure (Mulyono, 2021).

As a strategic reflection, ZCP can serve both as a normative and practical framework to improve community-based productive zakat governance. This includes strengthening the capacity of zakat administrators, digitalizing zakat reporting and accounting, and actively involving mustahik in the program planning and evaluation cycle. According to M. Syafi'i Antonio, zakat institutions can learn from best practices in Islamic financial institutions, which prioritize transparency and efficiency without neglecting Islamic spiritual values (Antonio, 2008). Therefore, integrating ZCP into programs like those in Bondowoso and Jember will not only enhance technical accountability but also foster social legitimacy and public trust in zakat as an instrument of social transformation.

D. Conclusion

Based on the evaluation of productive zakat governance in the Zakat Village of Bondowoso and the SDGs Village of Jember, it can be concluded that good governance principles have begun to be implemented through different approaches. Bondowoso emphasizes formal oversight and reporting systems, while Jember focuses more on community participation and grassroots-based monitoring. Both approaches have shown positive impacts on the economic improvement of mustahik; however, challenges remain in ensuring program sustainability and in actively involving beneficiaries throughout the governance cycle. This indicates that the effectiveness of zakat management is determined not merely by fund distribution but by how consistently principles such as transparency, accountability, participation, and evaluation are applied.

The Holistic Productive Zakat Governance Model Based on Good Community Engagement offers a strategic alternative to strengthen the effectiveness of zakat management. By emphasizing participation, transparency, and sustainability, this model has succeeded in promoting the spiritual, intellectual, and social transformation of mustahik. Although the implementation of the Zakat Core Principles (ZCP) in the two locations has not yet been fully optimized—particularly in terms of information disclosure and risk management—these findings indicate progress toward governance rooted in community empowerment. Therefore, the implementation of this model deserves replication in other regions as a concrete step toward realizing social justice and sustainable empowerment of the ummah.

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