

MUSTAHIK ECONOMIC EMPOWERMENT STRATEGY THROUGH THE PRODUCTIVE ZAKAT PROGRAM: A QUALITATIVE STUDY ON LAZNAS BMH

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ABSTRACT

The productive zakat program serves as a strategic instrument in the economic empowerment of mustahik to achieve sustainable welfare and financial independence, as implemented by LAZNAS BMH. This research analyzes empowerment strategies, implementation processes, economic and non-economic impacts, supporting and inhibiting factors of the productive zakat program, as well as its contribution to the paradigm shift in Islamic philanthropy from consumptive to productive. A qualitative approach using a case study method was employed, involving in-depth interviews with managers, mustahik, partners, and community figures, analyzed thematically using NVivo. The results indicate a structured strategy encompassing potential-based selection, provision of business capital/tools, and intensive mentoring that enhances mustahik's skills, business management, and independent mindset. Positive impacts include increased income, family economic stability, reduced dependence on aid, as well as improved self-confidence and motivation. The main supporting factors are mustahik commitment, mentoring, and social support, while inhibitors include business capacity limitations, market access, and mentoring resources. This study fills the literature gap on productive zakat implementation in zakat amil institutions, emphasizes the need for comprehensive regulations to professionalize amil, and recommends a sharia-based empowerment framework for other zakat institutions to address structural poverty.

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1. INTRODUCTION

This research aims to analyze the economic empowerment strategies for mustahik through the productive zakat program implemented by LAZNAS BMH, highlighting the program's impacts on mustahik's economic independence as well as its supporting and inhibiting factors. Specifically, the main focus of this study is to identify the effectiveness of the implemented productive zakat model and provide strategic recommendations for enhancing the mustahik economic empowerment program in the future. (Muliansyah, E & Hermawan,

M.S. 2025) the selection of LAZNAS Baitul Maal Hidayatullah (BMH) Central Office in Jakarta as the research object is based on its strategic role as the main policy-maker and governance controller for the entire BMH network across Indonesia. Although the potential of zakat in Indonesia is substantial, its management still requires improvement, particularly in the professionalization of amil institutions, which often lack a comprehensive regulatory framework to support zakat institutions' effectiveness. This indicates the necessity for comprehensive policies and regulations to ensure amil competence and

professionalism, thereby optimizing the role of zakat institutions in the national economy. This regulatory gap also influences zakat institutions' capacity to identify and manage productive zakat programs optimally. Therefore, this research is crucial for exploring the innovative strategies applied by LAZNAS BMH to address these challenges, while providing a comprehensive overview of best practices in mustahik economic empowerment through productive zakat (Widiastuti et al., 2025).

This study is expected to fill the research gap on the operational-level implementation of productive zakat in zakat amil institutions and to present a sharia-based economic empowerment framework. Nevertheless, the literature on the specific impacts of productive zakat programs on mustahik's economic independence—particularly in the context of specific zakat amil institutions like LAZNAS BMH—remains limited and requires further exploration. Thus, this qualitative research employing a case study approach is expected to provide an in-depth understanding of how LAZNAS BMH designs and implements its productive zakat program to achieve economic empowerment objectives (Azganin et al., 2021). This aligns with the need for greater emphasis on zakat and philanthropy issues in Islamic economic literature, which often focuses more on banking and riba matters.

This research is anticipated to contribute to bridging that critical gap by highlighting zakat's role in economically empowering mustahik and mitigating potential emerging issues (Al-Bawwab, 2023). It also endeavors to provide a theoretical and practical framework to guide other zakat institutions in developing similar programs, considering the scarcity of comprehensive studies specifically addressing the implementation and impacts of productive zakat. Furthermore, this study argues that productive zakat holds significant potential to tackle poverty and economic inequality through a paradigm shift in philanthropy, an aspect often underexplored in Islamic economic literature (Al-Bawwab, 2023).

Therefore, this study will specifically examine how LAZNAS BMH structures its productive zakat program, which not only emphasizes fund distribution but also focuses on developing mustahik's capacities to achieve sustainable economic independence (Lamido & Haneef, 2021).

Literature Review

To deeply understand the aforementioned strategy, this literature review elaborates on the concepts of productive zakat, mustahik empowerment, the role of zakat institutions, and relevant prior studies. The concept of productive zakat refers to the utilization of zakat funds for activities that generate economic added value and enhance mustahik's capacity to achieve financial independence, rather than merely consumptive purposes (Abdu et al., 2023). This approach shifts from the traditional distribution model to social

investment aimed at fostering economic independence and reducing mustahik's reliance on short-term aid (Yerrou et al., 2023).

This concept is crucial for promoting a paradigm shift from passive philanthropy to active philanthropy focused on socio-economic development. Unlike consumptive zakat, which only fulfills immediate basic needs, productive zakat is implemented through programs such as business capital provision, skills training, and business mentoring, directly targeting income increases and long-term mustahik independence (Lamido & Haneef, 2021). The foundational theories include empowerment theory, which emphasizes enhancing individual and community capacities to control their own lives, and social capital theory, which explores how social networks and norms facilitate collective actions to achieve economic goals (Azganin et al., 2021). In this context, productive zakat serves as a catalyst for building mustahik capacities, driving economic innovation, and reducing dependency through improved access to resources and markets.

In this research, an approach based on sustainable development and circular economy is adopted, which integrates sharia principles in creating economic added value as well as environmental and social sustainability. This approach aligns with the objectives of waqf institutions in enhancing human welfare through sustainable access to basic needs, increased productivity, and overall improvement in living standards (Lamido & Haneef, 2021). Developing a productive zakat model that adopts a circular economy approach can provide innovative solutions for mustahik economic empowerment, where zakat funds are not only distributed but reinvested in the local economic cycle (Lamido & Haneef, 2021). The utilization of productive zakat as initial capital for mustahik micro and small enterprises, for example, can create multiplier effects through job creation, income increases, and economic circulation at the community level. Furthermore, this implies the formation of a more inclusive and sustainable economic ecosystem, where Islamic philanthropy serves as a driving force in addressing inequality and promoting equitable economic growth (Lamido & Haneef, 2021; Testa et al., 2022).

Mustahik empowerment itself is a comprehensive process involving capacity enhancement, access to resources, and active mustahik participation in decision-making to achieve sustainable welfare. This approach encompasses skills training, business mentoring, and provision of working capital to enable mustahik to build and develop their own enterprises. This empowerment also aligns with broader economic development efforts, where vulnerable groups can actively participate in wealth creation and more equitable income distribution (Azganin et al., 2021).

The role of zakat institutions, such as LAZNAS BMH, in this context is very crucial as facilitators and catalysts for empowerment, from fund collection to the implementation of structured and sustainable programs (Yerrou et al., 2023). Zakat institutions act as bridges between muzaki and mustahik, ensuring that zakat funds are channeled effectively and efficiently to achieve economic empowerment objectives. In this context, zakat is not only viewed merely as a pillar of worship, but also as a vital instrument in wealth redistribution and sustainable economic development, particularly to reduce poverty and inequality in society (Rehman et al., 2021). Their duties extend to identifying eligible mustahik, designing relevant intervention programs, and conducting monitoring and evaluation to ensure maximum impact (Kader, 2021; Rehman et al., 2021).

Previous studies indicate that zakat plays a significant role in socio-economic development and poverty reduction, as well as serving as an important mechanism in civilization building (Lamido & Haneef, 2021). The productive zakat approach aligns with the concept of inclusive economic development that aims to enhance broad community economic participation, rather than focusing solely on the value of goods and services (Hidalgo, 2021). This is reinforced by the view that zakat has great potential to transform zakat recipients into zakat givers through enhanced economic independence (Al-Bawwab, 2023). Additionally, waqf possesses similar potential to productive zakat in improving recipients' socio-economic status through capacity building, job creation, and economic empowerment. The waqf economy concept, which emphasizes mobilizing waqf resources to boost productivity and contribute to sustainable economic development, strengthens the argument that productive zakat can serve as an effective instrument for achieving these goals (Lamido & Haneef, 2021).

Thus, the combination of productive zakat and waqf principles can create strong synergy to achieve sustainable and comprehensive mustahik economic empowerment, in line with Islamic sharia objectives in realizing ummah welfare (Abdu et al., 2023; Lamido & Haneef, 2021). This approach aligns with the perspective that zakat, beyond its role as worship, is also a key instrument in the Islamic economic system for wealth redistribution and social justice (Yerrou et al., 2023). Furthermore, productive zakat can drive local economic growth by creating new businesses and employment opportunities, thereby elevating overall societal living standards. Effective productive zakat implementation requires a deep understanding of mustahik needs, market conditions, and local economic potential to ensure relevant and sustainable programs.

The importance of innovation in productive zakat programs is also emphasized to ensure that assistance not only meets basic needs but also

empowers mustahik to compete in the modern market. Therefore, this study will specifically examine how LAZNAS BMH adopts innovations in their productive zakat programs to ensure program relevance and sustainability amid evolving economic dynamics.

This study will also analyze how LAZNAS BMH integrates sustainability principles and risk management in productive zakat fund management, enabling long-term program impacts and protecting mustahik from economic fluctuations. Moreover, periodic evaluations of program effectiveness and strategy adjustments based on mustahik feedback are crucial to ensure relevance and maximum impact from the implemented productive zakat initiatives.

2. METHODOLOGY

This research employs a qualitative approach with a case study to analyze the economic empowerment strategies for mustahik through productive zakat programs at LAZNAS BMH. This approach was selected because it enables in-depth exploration of complex phenomena in their natural context, while providing a holistic understanding of interactions among actors and factors influencing program success (Lamido & Haneef, 2021). The case study will focus on LAZNAS BMH's specific experiences as one of Indonesia's leading zakat *amil* institutions, offering a comprehensive overview of best practices and challenges in implementing productive zakat.

The research will be centered on LAZNAS BMH's operations to gather primary data directly from the field across various program implementation areas. Key informants include zakat *amils* directly involved in program planning and execution, mustahik mentors who regularly interact with beneficiaries, and the mustahik themselves as those directly experiencing the economic empowerment program's impacts (Menne et al., 2023). Data collection techniques will encompass in-depth interviews, participatory observation of program activities, and document analysis of policies, reports, and mustahik data to yield rich perspectives and triangulated data (Surya et al., 2021).

Data analysis will utilize NVivo to manage, classify, and analyze the collected qualitative data, facilitating the systematic identification of patterns, themes, and inter-variable relationships (Nafiza et al., 2021). Additionally, the case study approach is reinforced by descriptive-analytic methods to comprehensively present and interpret the data (Nafiza et al., 2021). The qualitative method aims to examine the research object in its natural state, with the researcher serving as the key instrument, and employs inductive data analysis to derive profound insights (Arvianto et al., 2021).

Through this methodology, a comprehensive understanding is anticipated regarding the strategies, impacts, and supporting and inhibiting factors of

mustahik economic empowerment via productive zakat at LAZNAS BMH (Haddade et al., 2024; Prasetyo, 2023). The case study approach also enables specific exploration of how the moral integrity of economic actors at LAZNAS BMH influences program effectiveness (Damanhuri et al., 2023).

Therefore, this research will elaborate on how these moral integrity values are internalized in LAZNAS BMH's operations and their contribution to achieving mustahik economic empowerment objectives.

3. RESULT AND DISCUSSION

Thus, the results section of this research will detail the findings related to empowerment strategies, generated impacts, and key factors shaping the success or obstacles in implementing productive zakat programs by LAZNAS BMH. These findings will be presented in a descriptive narrative enriched with direct quotes from informants to provide authentic voices from stakeholders. This analysis will identify best practices that can be replicated as well as challenges that need to be addressed to enhance the effectiveness of future productive zakat programs. Furthermore, this section will also discuss how LAZNAS BMH applies good governance and accountability principles in managing productive zakat funds, and how this influences the trust of mustahik and the community.

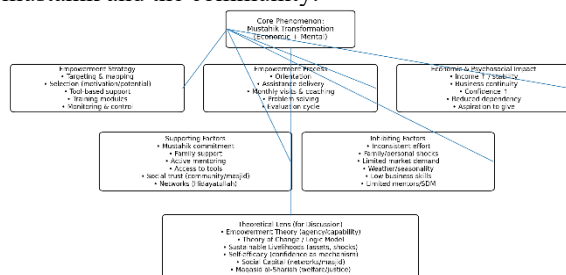


Figure 1. NVivo project map results
Explanation of the NVivo Project Map

The NVivo project map image above presents the visualization of the thematic structure obtained from the qualitative data analysis process on LAZNAS BMH's productive zakat program. This map depicts the hierarchical relationships between main themes (parent nodes) and subthemes (child nodes) formed through the coding process of interview data from various informants, consisting of program managers, beneficiaries, and external partners.

At the highest level, there is the main theme, namely the Productive Zakat Empowerment Program, which represents the core phenomenon under study, namely the implementation of productive zakat programs as an instrument for mustahik economic empowerment. This main theme is then structured into five main thematic categories: Empowerment Strategy, Empowerment Process, Economic Impact, Supporting Factors, and Inhibiting

Factors. This structure indicates that mustahik empowerment is a complex and multidimensional system, involving aspects of planning, implementation, outcomes, and contextual factors influencing program success.

The Empowerment Strategy theme represents the strategic approaches used by the institution in designing empowerment interventions. Subthemes emerging in this category, such as transformation goal, targeting and selection, and tool-based productive support, show that the program is designed with a long-term orientation, namely transforming mustahik from aid recipients to economically independent individuals. In addition, the presence of the monitoring and control subtheme indicates that the empowerment strategy also includes oversight mechanisms to ensure the effective utilization of assistance.

Next, the Empowerment Process theme describes the stages of program implementation. Subthemes such as baseline assessment, mentoring process, and evaluation cycle indicate that empowerment is carried out through a systematic and ongoing process. Mentoring emerges as one of the nodes with strong interconnections, indicating that interactions between mentors and mustahik are a key element in supporting the development of mustahik businesses.

The Economic Impact theme represents the outcomes generated from program implementation. Subthemes such as income increase, business sustainability, and improvement in self-confidence show that the program's impacts are not limited to income increases but also encompass business stability and psychosocial changes in mustahik. This indicates that empowerment through productive zakat has holistic implications.

The Supporting Factors theme identifies various factors contributing to program success. Subthemes such as mustahik commitment, mentoring relationship, and social support network show that empowerment success is influenced by interactions between internal mustahik factors and external support from the institution and social environment.

Conversely, the Inhibiting Factors theme highlights various obstacles faced in the empowerment process. Subthemes such as motivation inconsistency, market access limitation, and human resource constraints indicate that the empowerment process is not free from various challenges, both from mustahik characteristics and institutional capacity limitations.

Overall, this NVivo project map shows interconnected thematic relationships between empowerment strategies, implementation processes, generated impacts, and supporting and inhibiting factors. These relationships demonstrate that the success of mustahik empowerment through productive zakat is the result of interactions among

various integrated components within a structured empowerment system.

This visualization reinforces the research findings that the productive zakat program implemented by LAZNAS BMH functions not only as a mechanism for aid distribution but also as a systematically designed empowerment instrument to promote sustainable economic independence for mustahik.

Empowerment Strategy

The data shows that the productive zakat empowerment strategy at LAZNAS BMH is built with an orientation toward fulfilling essential needs and transforming mustahik, rather than mere aid distribution. Informants from leadership levels emphasize changing mustahik status as the core goal: mustahik are directed to have stable income, independent businesses, and a non-dependent mentality, and in the long term, they are expected to "level up" to potentially become muzakki. Thus, at BMH, the division is named Program, and empowerment focuses on alleviating and enhancing the capacity of communities categorized as mustahik to become muzakki or munfiq. Accordingly, the program strategy seeks to shift zakat from a charitable-consumptive pattern to productive empowerment.

Operationally, this strategy is supported by a targeting mechanism based on mapping through branch/ volunteer/survey recommendations, followed by field verification. In selection, BMH not only considers "economically eligible" aspects but also adds criteria for potential and willingness, such as commitment, motivation to change, business plans, skills, as well as family and environmental context. This pattern shows that BMH's strategy prioritizes "empowerment eligibility" in addition to "aid recipient eligibility."

The choice of support form also reflects control and effectiveness strategies. BMH tends to use tool/equipment-based assistance rather than cash, such as carts, sewing machines, and work equipment, because it is deemed more productive, easier to monitor, and reduces misuse risks. This strategy is reinforced with basic training components, especially simple financial recording and business management, as a foundation for changing mustahik's economic behavior.

In line with that, defining the improvement of mustahik's economy through productive zakat at LAZNAS BMH encompasses identifying mustahik needs, capacity development, and ongoing mentoring to ensure economic independence (Nafiza et al., 2021). This strategy aims to transform mustahik from consumptive aid recipients into productive economic actors capable of creating added value for themselves and their environment (Nafiza et al., 2021; Nogueira et al., 2022). LAZNAS BMH's productive zakat program also seeks to build a strong supporting ecosystem, including access to capital,

entrepreneurship training, and marketing networks for mustahik products, which are essential for business sustainability. Innovation in providing capital access, such as sharia-based financing schemes without riba, becomes a primary focus to ensure mustahik can develop their businesses without being burdened by non-Islamic financial practices. In addition, this program emphasizes character building for mustahik to have resilient and integrity-based entrepreneurial mentality, in line with Islamic business ethics principles (Damanhuri et al., 2023; Nafiza et al., 2021).

LAZNAS BMH's productive zakat empowerment strategy is oriented toward transforming mustahik into muzakki through potential-based targeting, field verification, and support in the form of business tools plus basic financial management training to shift from consumptive aid to productive independence, aligned with sustainable entrepreneurship approaches (Damanhuri et al., 2023; Nafiza et al., 2021; Nogueira et al., 2022). This approach seeks to build mustahik's financial independence through capacity enhancement and job creation, a transformation that also aligns with productive waqf principles in alleviating poverty and advancing the economy (Lamido & Haneef, 2021).

Empowerment Process

The empowerment process identified in the data is cyclic and gradual, not a "one-time distribution" model. The Head of the Program Department mentioned a systematic flow: program planning, target area determination, identification of prospective beneficiaries, surveys and assessments, business assistance interventions, mentoring and monitoring, then impact evaluation. This statement shows that the program is positioned as a repeating program cycle, allowing improvements to be made based on evaluation results.

At the empowerment implementation level, the Head of the Empowerment Department emphasized the importance of the orientation stage after mustahik are determined. This orientation is not a formality, but a moment to align perceptions that the assistance is productive aid that needs to be managed responsibly, while instilling a business mindset. After that, assistance is provided according to the mustahik's business needs.

The most dominant stage in the data is mentoring. Almost all informants stated mentoring as the core of the process. Mentoring is carried out through regular visits, discussions on business progress, identification of obstacles, provision of practical advice, and motivation. Interestingly, monitoring and control are not positioned merely as inspections, but as part of mentoring—the mentor checks tool usage, ensures the business is running, and then helps with solutions if problems arise. Mentors are former successful independent mustahik who now act as mentors for other mustahik, creating

a multiplication effect and building confidence among beneficiaries (Herissuparman et al., 2024; Nafiza et al., 2021), or *fisabilillah mustahik* who provide religious and economic mentoring. This mentoring model involving successful *mustahik* reflects a sustainable participatory approach, where program impact sustainability is pursued through direct knowledge and experience transfer from fellow beneficiaries who have demonstrated economic independence.

The process is also enriched with baseline assessments. At the beginning of the program, the team explores family economic conditions, income, business status, business assets, skills, pricing methods, sales patterns, and recording habits. This baseline serves as a reference for reading changes and developing more appropriate mentoring strategies.

Economic Impact

The economic impact is evident in the three *mustahik* profiles, particularly in terms of income increases and revenue stability (Herissuparman et al., 2024). The *gorengan trader mustahik* experienced a significant surge in daily net income after receiving a cart and a more strategic selling location. This impact shows that productive tool assistance can create rapid changes if the main previous barriers were access to facilities and selling locations. In addition, other capabilities categorized as empowered, such as increased self-confidence, peace of mind, feeling valued, and growing business initiatives, are evident, aligned with the economic empowerment approach through the provision of physical assets that support sustainable entrepreneurship (Lamido & Haneef, 2021; Nafiza et al., 2021).

For the *ngaji teacher mustahik* in the fishing village, the impact is more visible in additional daily income through small home-based businesses, providing better stability compared to the previous highly uncertain conditions. For the *Hidayatullah dai mustahik*, significant additional monthly income from small businesses has reduced economic pressure, allowing *da'wah* activities to run more calmly. In addition, other capabilities categorized as empowered, such as increased self-confidence, peace of mind, feeling valued, and growing business initiatives, are evident. This increase in self-confidence and initiatives often becomes an important prerequisite for long-term success in economic empowerment programs, as it shapes an adaptive entrepreneurial mentality (Bossuroy et al., 2022).

Besides economic indicators, the data also shows strong and recurring non-financial impacts: peace of mind, increased self-confidence, feeling valued, and growing initiatives. Many *mustahik* stated that after having businesses, they feel more at peace and confident, not just "receiving," but "striving." From the leadership side, this mental change is even positioned as an important

empowerment success indicator, as it relates to business sustainability and long-term independence.

Supporting Factors

The most dominant supporting factor in the data is *mustahik's* commitment/consistency. In success cases, informants mentioned commitment and hard work as keys, including the ability to maintain active communication with mentors. This shows that program success does not only depend on program design but also on individual readiness to implement change. Synergy between institutional vision, *asatidz* and *santri* motivation, and entrepreneurial competence is also crucial in achieving entrepreneurship program success (Nafiza et al., 2021).

The second supporting factor is active and relational mentoring. Mentoring that is present regularly, provides practical advice, as well as motivation, creates a support relationship that makes *mustahik* not feel alone. Mentoring also serves as a monitoring tool, allowing the program to make quick corrections when obstacles arise. In addition, the availability of internal mentors and resources, such as capital access and training, is also essential to strengthen *mustahik's* entrepreneurial capabilities.

The third supporting factor is social environmental support. DPW informants assessed that the program increases public trust in *zakat* institutions and provides strategic value for *dai*. The fishing village mosque *takmir* emphasized that the mosque can become a center for coaching as well as social support reinforcement. The *Hidayatullah* network is also seen as potential for market access channels, promotion, and legitimacy. This strong social-economic ecosystem support is crucial in creating a conducive environment for *mustahik* business development, as synergistic collaboration among stakeholders can facilitate access to essential resources, mentorship, and funding (Rocha et al., 2024). This support also includes moral integrity aspects of economic actors, which are essential for building trust and business sustainability (Damanhuri et al., 2023). This aligns with the view that moral integrity involves commitment to values such as honesty and social responsibility, which directly correlate with business success and public acceptance (Filippelli et al., 2024).

The next supporting factor is tool assistance. Tool assistance makes businesses run more directly, directed, and controlled, thus reducing misuse risks and increasing productivity opportunities. Structured entrepreneurship programs, such as providing integrated packages that include facilities and training, also play a significant role in developing *mustahik's* entrepreneurial spirit (Bist, 2023).

Inhibiting Factors

The most frequently mentioned inhibiting factor is *mustahik's* inconsistency. The Head of the Empowerment Department acknowledged that *mustahik's* enthusiasm can be high at the start and

then decline. When consistency drops, businesses slow down, and the provided assistance does not develop optimally. This is also related to mental factors, work habits, and time management abilities.

The second obstacle is personal/family shocks. Family conflicts, personal problems, or certain life conditions can disrupt focus and business continuity. In the dai mustahik context, challenges in dividing time between da'wah and business also arise. In the fishing village context, bad weather and changes in fishermen's activities affect purchasing power and village crowds. Mustahik's mentality problems, especially in children, also need attention in economic empowerment programs, as immature mentality often becomes a barrier in entrepreneurship development (Nafiza et al., 2021). Therefore, comprehensive intervention strategies are needed to address these mental and personal challenges so that productive zakat empowerment programs can run effectively and sustainably.

The third obstacle is market and purchasing power limitations. Partners explicitly mentioned market access as the main bottleneck: businesses need buyers, while local community purchasing power is limited and competition is high. Availability of goods or services, stock provision, and capital are also often major obstacles for small business actors, especially in conventional business models that require large initial investments (Rahmawati et al., 2023). Lack of knowledge and skills in running businesses, combined with minimal support from various parties, also often hinders mustahik from starting or developing businesses (Malinao & Hernando, 2021). The Cavendish banana plantation program is an example of how market and purchasing power limitations can be overcome through innovative and planned marketing strategies (Bossuroy et al., 2022), thus requiring clear upstream-downstream concept maturation before a program is truly launched.

The fourth obstacle is the low business capability among some mustahik, particularly in recording, stock management, pricing, and separating business-personal funds. Although training is provided, not everyone applies it quickly. This capability limitation is often exacerbated by a lack of understanding of the importance of digital literacy and the utilization of information technology in business development, such as online marketing and financial management (Purnama et al., 2023).

The fifth obstacle is the limitation of human resources/internal program capacity. All managing parties mentioned limitations in mentors and operational resources, which potentially reduce mentoring intensity, even though mentoring is considered the key to success. These resource limitations also include a lack of experts in specific fields such as digital marketing or supply chain management, which are essential for enhancing the competitiveness of mustahik businesses in the

modern market. This aligns with research showing that limited human resources, particularly in digital literacy, become the main obstacles in optimizing micro, small, and medium enterprises (Carrasco-Carvajal et al., 2022). Another frequent issue is suboptimal technology adaptation, particularly in utilizing digital platforms for marketing and transactions (Watini et al., 2022).

Analysis of Results with Theory

Empowerment theory emphasizes the enhancement of agency, capacity, and access to resources. Research findings indicate that empowerment is not merely about providing assets but also strengthening mustahik's agency through orientation, mentoring, and increased self-confidence. The recurring impacts of "more at peace" and "more confident" can be interpreted as indicators of increased agency that drives business consistency.

The Theory of Change / Logic Model can serve as a relevant analytical framework to evaluate how each productive zakat program intervention contributes to achieving outputs, outcomes, and long-term impacts. The data depicts the program flow as a sequence of input-activities-output-outcome:

1. Input: zakat funds, tools, mentoring HR, community networks
2. Activities: mapping, selection, baseline, intervention, training, mentoring, monitoring
3. Output: businesses operational, recording initiated, business habits formed
4. Outcome: increased income, better economic stability, reduced dependency
5. Impact: mustahik independence and potential class elevation

The ToC helps explain why mentoring is the "core of the program": mentoring is the connecting activity that transforms inputs into outcomes.

The Sustainable Livelihood Framework emphasizes that economic sustainability is influenced by assets and vulnerability contexts:

1. Physical capital: carts, sewing machines, business equipment
2. Human capital: recording and business management training
3. Social capital: mosques, Hidayatullah networks, community support
4. Vulnerability: weather, fishing seasons, low purchasing power, competition, family shocks

This framework explains why some mustahik remain vulnerable despite receiving tools: because vulnerability contexts can disrupt outcomes. Therefore, strategies to strengthen market access and mitigate risks are important.

Self-Efficacy Mustahik statements about self-confidence, peace of mind, and optimism indicate an increase in self-efficacy, which serves as a psychological mechanism in maintaining business consistency. Increased self-efficacy tends to encourage mustahik to be more proactive in decision-making and resilient when facing obstacles.

Social Capital and Institutional Trust emerge alongside DPW, takmir, and influencer accounts, showing that the program not only transforms mustahik but also builds public trust in zakat institutions. This social capital is important because it can expand networks, open market access, and strengthen program legitimacy.

Discussion

1. Productive Zakat as a Strategy for Transforming the Economic Condition of Mustahik

Research findings show that the productive zakat program implemented by LAZNAS BMH is not only oriented toward short-term economic assistance but is designed as an empowerment strategy aimed at transforming mustahik toward economic independence. This is evident from the systematic program planning, potential-based selection process, and provision of productive assistance accompanied by ongoing mentoring.

This finding aligns with the empowerment concept proposed by Chambers, which states that empowerment is a process aimed at enhancing individuals' ability to control their living conditions. In this context, productive zakat not only functions as an instrument for wealth redistribution but also as a mechanism for improving mustahik's economic capacity.

Furthermore, the approach taken by LAZNAS BMH is also in line with the capacity building concept, where mustahik not only receive assistance but also obtain mentoring and training aimed at enhancing their ability to manage businesses. This indicates that mustahik's economic empowerment does not focus solely on financial aspects but also on enhancing individual capabilities.

2. Mentoring Process as a Key Factor in Empowerment Success

One of the main findings of this research is that mentoring is the most determining element in the success of the productive zakat program. Mentoring not only serves as a monitoring mechanism but also as a means of learning, motivation, and capacity building for mustahik.

This finding supports the empowerment theory proposed by Zimmerman, which emphasizes that empowerment is a process involving interactions between individuals and a supportive environment that fosters individual capacity development.

In this research, mentoring assists mustahik in:

- a. Managing businesses more effectively
- b. Increasing self-confidence
- c. Overcoming business challenges
- d. Developing an independent mindset

This demonstrates that empowerment does not occur instantly but is a long-term process requiring ongoing interaction between the institution and mustahik.

3. Economic and Social Impacts of the Productive Zakat Program

Research results indicate that the productive zakat program has positive impacts on mustahik's economic conditions, particularly in the form of:

- a. Income increase
- b. Family economic stability
- c. Business development
- d. Reduced dependency on assistance

This finding aligns with Ahmed's research, which states that productive zakat can improve mustahik's economic welfare if managed productively and sustainably.

However, this research also finds that empowerment impacts are not only economic but also psychological and social. Mustahik experience increased self-confidence, motivation, and sense of independence.

This is consistent with Sen's Capability Approach concept, which states that welfare is not only measured by income aspects but also by individuals' ability to lead better lives.

Thus, the productive zakat program has multidimensional impacts, encompassing economic, social, and psychological aspects.

4. Supporting and Inhibiting Factors in Program Implementation

This research finds that the success of the productive zakat program is influenced by various supporting and inhibiting factors.

Main supporting factors include:

- a. Mustahik's commitment
- b. Ongoing mentoring
- c. Assistance tailored to needs
- d. Social environmental support

Conversely, inhibiting factors include:

- a. Mustahik's limited business capacity
- b. Limited market access
- c. Low mustahik consistency
- d. Limited mentoring resources

This finding aligns with the Sustainable Livelihood Framework, which states that empowerment success is influenced by various assets, including:

- a. Human capital
- b. Social capital
- c. Financial capital
- d. Physical capital

Limitations in any of these assets can hinder empowerment success.

5. Productive Zakat as a Model for Sustainable Islamic Social Finance

Research findings indicate that productive zakat has great potential as an instrument for sustainable Islamic social finance. This is evident from the program's orientation, which not only provides short-term assistance but aims to create mustahik's economic independence.

This approach aligns with the maqashid shariah concept, particularly in the aspects of:

- a. Hifz al-Mal
- b. Hifz al-Nafs

The productive zakat program helps mustahik improve their economic welfare sustainably, thereby supporting social development goals in Islam.

4. CONCLUSION

Based on the research results, the LAZNAS BMH productive zakat program is proven effective as a strategy for transforming mustahik's economy toward independence through systematic planning, potential-based selection, and ongoing mentoring as the key success factor. The program produces multidimensional impacts, including income increases, economic stability, business development, as well as social-psychological benefits such as self-confidence and motivation, in line with Chambers' empowerment concept, Zimmerman, Sen's Capability Approach, and the Sustainable Livelihood Framework.

Success is influenced by supporting factors such as mustahik commitment and social support, although hindered by capacity limitations and market access; therefore, strengthening human, social, financial, and physical capital assets is necessary. Overall, productive zakat has potential as a sustainable Islamic social finance model aligned with maqashid syariah, with recommendations to strengthen mentoring, mustahik capacity, and market access for future effectiveness.

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