



Zakat, *Infak*, and *Sedekah* (ZIS) Management in Economic Recovery: A Cross-Cultural Perspective from Turkey and Egypt

EMILY NUR SAIDY¹, NUN MAZIYAH MAHSYAR², AMAL ASHRAF³

¹Institut Agama Islam Negeri Parepare, Indonesia

²Sakara University, Turkey

³Al Azhar University, Egypt

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*Corresponding author:

Emily Nur Saidy, Institut Agama Islam Negeri

Email:

emilynursaidy@iainpare.ac.id¹

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ABSTRACT

Purpose – This study examined the distribution and effectiveness of ZIS (*Zakat*, *Infak*, and *Sedekah*) funds in facilitating economic recovery via a comparative examination of Turkey and Egypt. This research situates Islamic social finance within the *maqāṣid al-sharī'ah* paradigm, with a specific emphasis on *ḥifẓ al-māl* (protection of wealth) and *ḥifẓ al-nafs* (protection of life), illustrating the role of religious generosity in enhancing resilience and well-being in post-crisis scenarios.

Method – Employing a qualitative phenomenological approach, this research explores the lived experiences of stakeholders while drawing comparisons with the zakat systems implemented in Egypt and Turkey.

Findings – The study reveals that, while ZIS distribution in Makassar has positively impacted many beneficiaries, its effectiveness in fostering sustainable economic growth remains constrained by limited funding and a lack of capacity-building programs. Lessons from Egypt and Turkey offer actionable insights for improving the ZIS system in Makassar.

Practical Implications – This study theoretically enhances the discussion on Islamic social finance by connecting ZIS to global sustainability initiatives, including the SDGs (No Poverty, Reduced Inequalities, and Decent Work and Economic Growth). The comparative viewpoint offers valuable insights for policymakers and financial institutions seeking to develop inclusive recovery policies that incorporate religious and cultural values.

Originality/Value – By adopting a comparative and cross-cultural approach, this study provides unique insights into the distribution and effectiveness of ZIS funds in a post-pandemic context, thereby contributing to the broader discourse on improving the zakat system.

A. Introduction

The COVID-19 pandemic caused widespread economic stagnation across cities and regions in Indonesia, including Makassar. According to data from the Central Bureau of Statistics (BPS), Makassar's economic growth in 2020 was -1.27%, the most significant negative growth among other central districts in South Sulawesi. Even as Indonesia entered the new normal era in 2022, the economic recovery was gradual, and many micro, small, and medium enterprises (MSMEs) continued to face challenges (Ahmad, M., & Zubair, 2018). The rising costs of food and fuel, combined with shifts in consumption patterns during the pandemic, have significantly increased operational expenses for businesses. These difficulties correspond with global development objectives, specifically SDG 1 (No Poverty), SDG 8 (Decent Work and Economic Growth), and SDG 10 (Reduced Inequalities), while also aligning with the Governance aspect of ESG, which underscores openness and accountability in financial management.

Zakat, *Infak*, and *Sedekah* (ZIS) play a critical role in supporting economic recovery, particularly for vulnerable populations. BAZNAS (National Zakat Agency) in Makassar has implemented various programs to provide financial assistance to MSMEs and *mustahik* (zakat recipients) (Oztas et al., 2024). However, effective zakat management requires a robust system to ensure transparency, accountability, and efficiency (Kumar et al., 2020). Key challenges include limited technology integration, inadequate zakat management capacity, and low public awareness of the productive utilization of zakat. Addressing these challenges requires innovation and collaboration to maximize the impact of ZIS funds.

Globally, Egypt's zakat system benefits from strong institutional frameworks, including Al-Azhar's involvement and associated charitable organizations, which ensure the equitable distribution of zakat funds to vulnerable communities (Niankara, 2024). These institutions also foster trust among stakeholders and establish standardized practices for fund allocation (Proadhan et al., 2024). In contrast, Turkey has modernized its zakat distribution system by leveraging electronic platforms and integrating zakat with national social policies (Sulaiman, 2020), thereby increasing transparency and efficiency while addressing contemporary socioeconomic challenges such as urban poverty (Azim Mim et al., 2024). Both models embody the *maqāṣid al-sharī'ah* principles: *ḥifẓ al-māl* (protection of wealth via redistribution), *ḥifẓ al-nafs* (safeguarding life and the welfare of the impoverished), and *ḥifẓ al-dīn* (maintenance of faith through Shariah-compliant finance).

Previous studies indicate that Egypt's institutionalized approach creates a more predictable and structured zakat environment, whereas Turkey's technological adoption has streamlined operations and reduced administrative costs (Oztas et al., 2024). Research by Arner et al. (2017) highlights the role of institutional trust in enhancing compliance and efficiency within Egypt's zakat

system. Studies by Cizakca (2018) demonstrate how Turkey's integration of zakat with social welfare policies maximizes reach and reduces redundancy Zahari et al. (2024). Despite these advancements, both contexts reveal limitations such as regional disparities in fund allocation and reliance on traditional collection methods in rural areas Centre (2007). This study builds on these insights by focusing on Makassar's unique challenges, particularly its need to modernize zakat distribution and address gaps in institutional capacity (Edu, 2024). Notwithstanding these findings, a paucity of systematic research exists that juxtaposes local zakat practices in Indonesia with worldwide best practices within a *maqāṣid* framework, thereby creating a void in the literature on Islamic finance and sustainability (Kopaneli, 2014).

Synthesizing these insights Janda et al. (2020) highlights the potential for Makassar's zakat system to incorporate these global best practices. Egypt's strong institutional collaboration can inspire more robust frameworks in Makassar, while Turkey's digital solutions offer practical tools for enhancing efficiency. Such comparative insights not only underscore the adaptability of zakat management across diverse cultural contexts but also provide actionable strategies for optimizing the socioeconomic impact of ZIS funds in Indonesia. This study aims to introduce an innovative model of zakat management by integrating a comparative analysis within global sustainability frameworks (SDGs, ESG) and Islamic legal principles (*maqāṣid al-shari'ah*), thereby fostering inclusive, resilient, and ethical economic recovery in post-pandemic societies.

B. Literature Review

1. Zakat Management

Theories of zakat management have evolved to address the challenges of transparency, accountability, and efficiency in the distribution of funds. Islamic Social Finance (ISF) offers a framework for understanding zakat as a pivotal tool in promoting economic justice and reducing poverty, highlighting its potential when integrated with modern governance principles (Islamic Social Finance Report, 2021). Good Governance Theory further complements this by advocating for accountability and stakeholder participation in zakat management, ensuring equitable distribution and minimizing misuse of funds (Siddiqi, 1983). Stakeholder Theory also highlights the role of various actors, including governments, religious organizations, and local communities, in ensuring the effectiveness of zakat systems (Freeman, 1984).

Successful case studies provide valuable insights into effective zakat management. In Indonesia, BAZNAS has implemented productive zakat programs aimed at empowering *mustahik* to become economically independent (Sahir, 2021). These programs integrate skills training and microfinance initiatives, although challenges in scalability remain (BAZNAS, 2023). In Turkey, the modernization of zakat through digital platforms and alignment with social welfare policies has proven effective in reaching urban poor populations (Islamic Development Bank, 2022).

Foundations such as Diyanet Vakfi and IHH Humanitarian Relief Foundation play a central role in organizing ZIS activities (Jati & Niken, 2020). These organizations collaborate with government initiatives to address economic challenges, particularly in disaster-affected regions (Kilic, 2020). Similarly, Egypt's institutionalized zakat distribution, led by Al-Azhar, exemplifies how strong governance structures can ensure the equitable allocation of resources to vulnerable groups (Farooq & Sufyan, 2021). Programs focused on rural development, education, and healthcare emphasize collaboration between religious institutions and NGOs (non-governmental organizations), showcasing the need to modernize traditional systems for contemporary relevance (Prodhan et al., 2024). These examples demonstrate the importance of context-sensitive approaches in zakat management (Matosas-López, 2021).

Principles of transparency, accountability, and efficiency are fundamental to optimizing zakat systems. Transparency ensures that the collection and distribution processes are transparent and verifiable, building trust among stakeholders (World Bank, 1992). Accountability mechanisms, such as regular audits and public reporting, hold managing bodies responsible for the effective use of funds (Alamsyah & Muhammad, 2024). Efficiency is achieved through technological integration, streamlined operations, and data-driven decision-making, which minimize administrative costs and maximize the socioeconomic impact of zakat (Mohammed & Huda, 2022). These principles are particularly relevant for addressing post-pandemic economic challenges, as they enable zakat institutions to respond more effectively to the needs of *mustabik* while maintaining public confidence.

2. Stakeholder Theory

Stakeholder Theory explains how organizations, including Islamic philanthropic institutions, must address the needs of multiple stakeholders — such as donors, beneficiaries, regulatory bodies, and society at large — to ensure effective governance and impact (Freeman et al., 2020). The theory emphasizes that financial institutions and Zakat, *Infak*, and *Sedekah* (ZIS) management bodies must strike a balance between economic sustainability and social responsibility, ensuring that funds are allocated efficiently for both economic recovery and social welfare (Rahman et al., 2022). (Bonaccorsi et al., 2024) In the context of Islamic philanthropy, this theory provides a framework for understanding how various actors influence and benefit from ZIS distribution in different cultural and economic contexts (Ali et al., 2021). The theory is particularly relevant for cross-cultural comparisons, as different institutional structures and societal expectations shape how ZIS funds are collected and utilized (Hasan et al., 2023). In Indonesia, Turkey, and Egypt, governmental and non-governmental organizations play distinct roles in ZIS management, influencing policy effectiveness and public trust (Yusof & Fauziah, 2020). Stakeholder Theory helps analyze how ZIS institutions engage with policymakers, religious leaders, and economic actors to maximize their impact on economic recovery (Saad et al., 2021). By applying this theory, the study can examine how ZIS institutions in various countries navigate regulatory, cultural, and economic landscapes to optimize their role in promoting financial stability and alleviating poverty (Beck et al., 2019).

Stakeholder Theory originated from business ethics and corporate governance research but has since expanded into social finance, Islamic economics, and public sector management (Freeman et al., 2020). In the Islamic finance domain, researchers have adapted the theory to analyze how Islamic social funds, including ZIS, are managed in various economic and legal frameworks (Rahman et al., 2022). Over time, scholars have emphasized the role of government institutions, religious organizations, and non-profit entities in shaping stakeholder engagement and ensuring ZIS distribution aligns with Islamic principles and economic needs (Ali et al., 2021). Comparative studies on Zakat governance in Indonesia, Turkey, and Egypt reveal that centralized vs. decentralized management approaches affect efficiency and transparency (Hasan et al., 2023). More recently, research has linked Stakeholder Theory with digital finance and fintech solutions, showing how technology improves stakeholder participation and accountability in Islamic social finance (Yusof & Fauziah, 2020). These developments underscore the evolving role of stakeholders in modernizing ZIS management while maintaining Islamic ethical values (Saad et al., 2021).

Studies on Islamic philanthropy governance frequently apply Stakeholder Theory to analyze how different actors influence the management and effectiveness of ZIS funds (Freeman et al., 2020). Research on Indonesia's BAZNAS (National Zakat Agency) highlights how government involvement in Zakat distribution ensures regulatory compliance and financial accountability (Rahman et al., 2022). In contrast, studies on Turkey's Directorate of Religious Affairs (Diyamet) emphasize the role of state-religion collaboration in enhancing the efficiency of Islamic charitable funds (Ali et al., 2021). Egyptian studies focus on the dual role of governmental and non-governmental Zakat institutions, illustrating how different governance structures impact economic relief efforts (Hasan et al., 2023). More recent research examines the role of digital platforms in facilitating stakeholder engagement, revealing that fintech innovations can enhance transparency in ZIS collection and distribution (Yusof & Fauziah, 2020). This research provides cross-cultural insights into how stakeholder interactions affect ZIS management efficiency and economic impact (Saad et al., 2021).

This study applies Stakeholder Theory to analyze how different actors—government institutions, religious organizations, and financial bodies—collaborate in managing ZIS for economic recovery (Freeman et al., 2020). By comparing Indonesia, Turkey, and Egypt, the study examines how diverse stakeholder structures influence ZIS efficiency, public trust, and financial transparency (Rahman et al., 2022). The research also examines the impact of governmental versus independent models of ZIS administration on poverty alleviation and economic resilience (Ali et al., 2021). Additionally, it explores the role of financial technology (fintech) in improving stakeholder engagement, ensuring that ZIS funds are collected, allocated, and distributed more effectively (Hasan et al., 2023). By integrating cross-cultural comparisons, this study offers insights into best practices for optimizing stakeholder engagement in Islamic philanthropic management (Yusof & Fauziah, 2020).

The theoretical framework includes three key dimensions: stakeholder engagement, governance structure, and technological integration, each shaping ZIS management efficiency (Freeman et al., 2020). Elements within these dimensions include government participation, public trust, and digital financial tools, ensuring a holistic approach to managing Islamic social funds (Rahman et al., 2022). Indicators such as transparency in ZIS distribution, financial accountability, and donor participation rates will be used to measure the effectiveness of ZIS management models across Indonesia, Turkey, and Egypt (Ali et al., 2021).

3. Institutional Theory

Institutional theory explains how formal and informal institutions shape economic and financial structures, influencing policy implementation, regulatory compliance, and financial governance (North, 2021). In the context of Islamic finance, this theory enables the analysis of how regulatory frameworks, governmental policies, and religious institutions influence the management of *Zakat*, *Infak*, and *Sedekah* (ZIS) (Hassan et al., 2022). Different institutional structures in Indonesia, Turkey, and Egypt result in variations in how ZIS funds are collected, managed, and distributed, which in turn affect their impact on economic recovery and financial inclusion (Rahman & Kassim, 2023). In countries with strong institutional support, such as Malaysia and Turkey, ZIS management follows standardized regulatory frameworks, ensuring transparency and efficiency in fund allocation (Ali et al., 2023). However, in countries where ZIS is managed through decentralized or informal systems, governance challenges may arise, leading to inconsistencies in fund distribution and monitoring (Saad et al., 2021). Institutional theory emphasizes the role of institutional adaptation and regulatory harmonization in enhancing ZIS governance, thereby increasing public trust and financial accountability (Yusof & Fauziah, 2020). This theory is crucial in examining how Islamic philanthropic institutions can operate effectively within diverse regulatory landscapes (Beck et al., 2019).

Institutional theory originated as an economic concept explaining how institutions—both formal (laws and regulations) and informal (social norms and traditions)—influence economic behavior and financial systems (North, 2021). Over time, scholars have expanded the theory to examine financial institutions, policy-making, and governance mechanisms, particularly in Islamic finance and philanthropy (Hassan et al., 2022). Early research focused on the role of institutions in economic development, but more recent studies have analyzed institutional barriers to financial inclusion, regulatory adaptation, and policy implementation in Islamic finance (Rahman & Kassim, 2023). In the context of ZIS management, researchers have employed Institutional Theory to explain how different governance models—namely, centralized, decentralized, and hybrid approaches—impact fund distribution efficiency and economic outcomes (Ali et al., 2023). Studies on Indonesia, Turkey, and Egypt highlight how institutional structures influence Islamic social finance policies, with government-backed *Zakat* agencies playing a larger role in some countries than in others (Saad et al., 2021). More recent applications of Institutional Theory emphasize the

role of fintech and digital transformation in institutional adaptation, showing that technological innovations can bridge regulatory gaps in ZIS management (Yusof & Fauziah, 2020).

Previous studies applying Institutional Theory to Islamic social finance focus on regulatory adaptation, policy effectiveness, and financial governance models (North, 2021). Research on Indonesia's National Zakat Agency (BAZNAS) illustrates how government-regulated Islamic philanthropic institutions enhance transparency and efficiency in Zakat distribution (Hassan et al., 2022). Studies on Turkey's *Diyanet* system reveal that state-led religious governance structures offer regulatory consistency in Islamic finance, thereby ensuring compliance with national economic policies (Rahman & Kassim, 2023). Research on Egypt's mixed institutional model highlights the challenges of balancing governmental and non-governmental involvement in ZIS administration, affecting fund collection efficiency and trust (Ali et al., 2023). Recent studies emphasize the role of digitalization in institutional transformation, demonstrating that integrating fintech solutions into ZIS management enhances accountability and accessibility (Saad et al., 2021). (Zhou, 2024)Comparative analyses between Islamic finance institutions in Malaysia, Indonesia, and Turkey reveal that countries with clear institutional frameworks tend to experience higher public trust and financial stability (Yusof & Fauziah, 2020).

This study applies Institutional Theory to examine how regulatory frameworks, governance structures, and institutional policies shape ZIS management in Indonesia, Turkey, and Egypt (Rashid et al., 2013). By comparing institutional models in these three countries, the research assesses how government-backed vs. independent ZIS management structures influence financial accessibility, transparency, and economic impact (Hassan et al., 2022). The study also investigates how institutional adaptation and policy reforms can enhance ZIS effectiveness, ensuring greater financial inclusivity for underprivileged communities (Rahman & Kassim, 2023). Additionally, the research explores how digital financial tools can complement existing institutional frameworks, improving the efficiency and transparency of ZIS collection and distribution (Ali et al., 2023). By integrating cross-country comparisons, this study provides insights into best institutional practices that can optimize ZIS management for economic recovery (Saad et al., 2021).

The theoretical framework comprises three dimensions: regulatory legitimacy, institutional adaptation, and financial governance, which shape ZIS management models in different countries (Azim Mim et al., 2024). Elements within these dimensions include legal compliance, institutional efficiency, and digital financial integration, ensuring transparent and effective fund distribution (Hassan et al., 2022). Indicators such as ZIS fund utilization rates, financial accountability, and regulatory harmonization will be used to compare the institutional approaches to Islamic philanthropy in Indonesia, Turkey, and Egypt (Rahman & Kassim, 2023).

C. Research Methods

This research was a qualitative study with a phenomenological approach. The data sources in this study consisted of primary and secondary data. Primary data was obtained directly through in-depth interviews with key informants, namely the Head of BAZNAS Makassar and the community members under its guidance. Secondary data included literature such as books, journals, articles, BAZNAS annual reports, and policy documents relevant to the research topic. To enrich the research findings, a comparative approach was also used by comparing the distribution of Zakat, *Infak*, and *Sedekah* (ZIS) in Makassar with the zakat systems in Egypt and Turkey. Data related to Egypt and Turkey were collected through a literature review and analysis of reports from zakat institutions in both countries.

Data collection was conducted through three primary techniques. First, direct observation of the ZIS distribution process at the research site to obtain a comprehensive overview. Second, semi-structured interviews using interview guides to explore perceptions, challenges, and the effectiveness of ZIS management. Third, documentation involved the collection and analysis of various documents, including ZIS distribution reports, zakat-related policies, and statistical data. Data analysis techniques consisted of three stages. In the first stage, data reduction was performed to filter relevant information in line with the research objectives. The data, which was organized systematically, is then presented in the form of tables, diagrams, and narratives to facilitate interpretation. The final stage was drawing conclusions based on the data that had been verified through triangulation.

The evaluation of ZIS management's effectiveness was conducted using specific parameters, including transparency, accountability, efficiency, and social impact. Transparency was assessed through transparent financial reporting and distribution processes. Accountability was evaluated based on stakeholder involvement in reporting and auditing processes. Efficiency was measured by the time and cost of ZIS distribution, while social impact was assessed through changes in the welfare of the *mustahik*. With this approach, the research results were expected to provide cross-national insights that were relevant to zakat management in Makassar, Egypt, and Turkey.

This type of research was a qualitative study using a phenomenological approach. The data sources in this research consisted of primary and secondary data. Primary data were obtained directly from the primary source through interviews, which involved a question-and-answer process between two or more individuals, face-to-face, allowing for direct listening to information and statements from the informants. The informants in this study were the head of BAZNAS Makassar and the community members under its guidance. Secondary data in this study consisted of books, journals, or articles related to the research topic.

The data collection methods in this study included, first, observation, by directly observing the objects and locations of the research. Second, interviews were conducted after preparing an interview guide. Third, documentation involved searching for and gathering textual information,

such as documents, regulations, decisions, or other authoritative works, including books, journals, and other relevant sources that support the research.

The data analysis techniques included data reduction. In this stage, data was filtered to ensure synchronization between the data and the research objectives. The raw information gathered in the field was organized in a simple, straightforward, and systematic manner. The reduced data provided a specific overview of the object, making it easier for the researcher to collect and consolidate further data. In the data presentation stage, the researcher organized the relevant data to facilitate the drawing of conclusions. Before drawing conclusions, data reduction, data presentation, and verification of previous activities were conducted. After verification, conclusions could be drawn based on the research findings, which were presented in narrative form.

The validity of the data in this study was tested using the triangulation method. The triangulation model employed was source triangulation, which involved verifying the data obtained from various sources, and technique triangulation, where the researcher validated the accuracy through observation, interviews, and documentation methods.

D. Results

1. The distribution of Zakat, *Infak*, and *Sedekah* (ZIS) funds by the National Zakat Agency (BAZNAS) of Makassar City after the pandemic

The distribution of *Zakat*, *Infak*, and *Sedekah* (ZIS) was an activity of channelling the ZIS funds collected from *muzakki* (contributors) to be distributed to *mustahik* (recipients). The ZIS funds collected by BAZNAS Makassar City are distributed through various programs, including:

- a. Preaching and Advocacy Sector: The Makassar Taqwa Program.
- b. Humanitarian Sector: The Makassar Peduli Program.
- c. Social and Economic Sector: The Makassar Makmur Program.
- d. Health Sector: The Makassar Sehat Program.
- e. Educational Sector: The Makassar Cerdas Program.

The funds distributed by BAZNAS Makassar City are aimed at eight categories of recipients (*asnaf*), namely: the poor (*fakir*), the needy (*miskin*), those in debt (*gharimin*), new converts to Islam (*mualaf*), those fighting in the cause of Allah (*fisabilillah*), travellers in need (*ibnu sabil*), those in bondage (*riqab*), and the zakat administrators (*amil*).

Table 1. Assistance Distribution by BAZNAS Makassar Based on Work Programs for 2020-2022 (In Indonesian Rupiah)

Work Programs	2020	2021	2022
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Makassar Taqwah (Preaching and Advocacy)	1.284.373.877	5.723.194.521	1.445.380.268
Makassar Peduli (Social Humanitarian)	19.043.577.540	19.058.475.054	3.722.656.235
Makassar Makmur (Social Economy)	106.852.703	256.163.700	456.215.435
Makassar Sehat (Social Health)	150.625.298.	345.018.405	385.922.440
Makassar Cerdas (Social Education)	170.035.500	214.920.000	583.994.984
Total	20.755.464.918	25.597.771.680	6.594.169.362

Source: BAZNAS Makassar (2023)

The data on the distribution of assistance based on work programs by BAZNAS Makassar City from 2020 to 2022 shows fluctuations. In 2021, the amount of assistance increased by 23.33% compared to the previous year, but experienced a drastic decline of 74.23% in 2022. This decline primarily occurred in the humanitarian and preaching programs, while the social economy, health, and education programs actually increased.

In addition, BAZNAS Makassar City provides assistance based on *mustahik* criteria, such as economic status and recommendations from the local neighbourhood. During the pandemic, ZIS distribution focused more on consumptive assistance for basic needs, while post-pandemic, it shifted to productive assistance to support SMEs. This distribution strategy underscores the importance of adaptive management tailored to the needs of the most vulnerable during crises.

2. The Effectiveness Of Zakat, *Infak*, And *Sedekah* Funds In Restoring The Economic Condition Of *Mustahik* After The Pandemic In Makassar City

The Zakat, *Infak*, and *Sedekah* (ZIS) funds distributed by BAZNAS Makassar City had a significant impact on *mustahik*, especially for Micro, Small, and Medium Enterprises (MSMEs) in their efforts to restore their economy. The Makassar Makmur program, designed to provide capital to *the mustahik*, recorded an extraordinary 218% increase in the number of recipients of productive assistance in 2022 compared to the previous year. This increase was closely linked to the support of the national program Kita Jaga Usaha, which focuses on distributing productive zakat to MSME actors. This demonstrated that a productivity-oriented distribution strategy can yield effective and efficient results.

Interviews with *mustabik* revealed that the capital assistance from BAZNAS Makassar City has helped improve their income and welfare. However, challenges remain, including limited capital, uncertain market conditions, and a lack of innovation and business skills. Additionally, the lack of supervision and post-distribution guidance poses significant obstacles. Research indicates that additional support, such as entrepreneurship training, can enhance the effectiveness of productive zakat assistance. This was supported by other studies showing that the amount of zakat funds and training has a significant impact on the development of *mustabik*'s businesses.

The role of institutions like BAZNAS was crucial in improving the efficiency of ZIS distribution. By integrating technology and a data-driven approach, BAZNAS can enhance transparency and accountability, ensuring that ZIS funds reach the most vulnerable individuals who genuinely need them. Furthermore, collaboration with educational institutions or training organizations can provide solutions to address the lack of business skills among *mustabik*, enabling them to better face market challenges.

This research also highlighted the relevance of zakat practices in Makassar, Egypt, and Turkey. The community-based zakat system in Egypt, which involves institutions such as Al-Azhar, serves as an example of how institutional collaboration can ensure a fairer and more trustworthy distribution of zakat. This mechanism not only increases public participation in zakat management but also builds trust among stakeholders. The Egyptian government, in collaboration with various Islamic organizations, had established a structured system for managing the collection and distribution of zakat (Elbana, 2024). This effort reflected an awareness of the crucial role of zakat in addressing social and economic issues. The legal reforms implemented aim to enhance transparency and ensure that zakat funds are allocated to those who are most in need. This model demonstrated that collaboration between the government and religious institutions can strengthen the effectiveness of zakat in supporting post-pandemic economic recovery.

On the other hand, although Turkey did not have legal regulations governing the collection of zakat (Ramadhan et al, 2024), the country had successfully implemented the modernization of zakat distribution through digital platforms. This innovation created greater transparency and significant operational efficiency. The application of technology enabled real-time tracking of zakat distribution, reduced administrative costs, and expanded the reach to a broader range of beneficiaries.

BAZNAS Makassar could learn from these practices by adopting digital technology to improve efficiency and building collaborations with local institutions to strengthen accountability. As an additional step, developing a post-distribution monitoring system, as implemented in Turkey, can ensure that ZIS funds are used productively by the *mustabik*. By combining community-based approaches, such as those in Egypt, with digital innovations from Turkey, the zakat system in Makassar could be optimized to support sustainable economic recovery, thereby providing greater benefits to the community.

E. Discussion

The findings of this study indicate that the distribution of *Zakat*, *Infak*, and *Sedekah* (ZIS) by BAZNAS Makassar City has contributed significantly to the economic recovery of *mustahik* (ZIS recipients) during and after the pandemic (Rahman & Kassim, 2023). However, its effectiveness is still constrained by limited financial assistance, lack of post-distribution support, and insufficient economic empowerment programs (Ali et al., 2022). This study highlights a notable shift in the focus of ZIS distribution, where pandemic-era aid was primarily consumptive, providing immediate relief. In contrast, post-pandemic distributions have been oriented toward productive assistance, such as capital support for microenterprises (Hassan et al., 2021). The findings suggest that while this shift improves economic resilience, the absence of structured follow-up mechanisms hinders long-term financial sustainability for *mustahik* (Saad et al., 2021). Furthermore, the study identifies a gap in technological integration within the *zakat* distribution process, which limits transparency and efficiency compared to international models (Yusof & Fauziah, 2020). The research highlights the importance of enhanced institutional collaboration in improving *zakat* management, ensuring that financial support reaches its intended beneficiaries effectively (Beck et al., 2019). These findings correspond with SDG 1 (No Poverty), SDG 8 (Decent Work and Economic Growth), and SDG 10 (Reduced Inequalities), while also engaging the Social and Governance aspects of ESG frameworks via transparency, accountability, and equitable welfare distribution (Mohamad & Bacha, 2021).

The effectiveness of ZIS distribution in Makassar is primarily determined by the interplay between institutional capacity, financial resource allocation, and beneficiary engagement (Rahman & Kassim, 2023). The shift from consumptive to productive *zakat* aid post-pandemic reflects an adaptation to changing economic conditions, but the lack of structured monitoring weakens its long-term impact (Ali et al., 2022). Institutional limitations, such as bureaucratic inefficiencies and inconsistent governance policies, reduce the effectiveness of financial assistance programs, preventing *mustahik* from achieving financial independence (Hassan et al., 2021). Unlike Turkey, where digital platforms facilitate real-time monitoring and transparent financial flows, Makassar's reliance on traditional methods limits accountability and efficiency (Saad et al., 2021). Similarly, Egypt's institutionalized *zakat* system under Al-Azhar enhances public trust through religious legitimacy, an element lacking in Makassar's ZIS governance model (Yusof & Fauziah, 2020). The absence of comprehensive skills training and entrepreneurship development programs further restricts the potential of productive *zakat* to drive long-term economic sustainability (Beck et al., 2019). Addressing these challenges requires integrating digital technology, enhancing governance structures, and adopting global best practices in *zakat* distribution (Mohamad & Bacha, 2021).

From the perspective of Zakat Management Theory, the findings align with the principle that effective *zakat* distribution should strike a balance between immediate relief and long-term economic empowerment (Rahman & Kassim, 2023). The lack of structured post-distribution support in Makassar contradicts the fundamental objective of *zakat* as a tool for socioeconomic

mobility, highlighting a key area for improvement (Ali et al., 2022). Institutional theory further explains why regulatory inconsistencies and governance inefficiencies limit the impact of zakat, emphasizing the need for institutional adaptation and regulatory harmonization (Hassan et al., 2021). The findings also support Stakeholder Theory, as effective zakat management necessitates active collaboration among government institutions, religious bodies, and community organizations to ensure optimal resource allocation and public trust (Saad et al., 2021). In contrast to Makassar, Turkey's zakat system demonstrates strong institutional governance through fintech integration, which enhances transparency and efficiency (Yusof & Fauziah, 2020). Similarly, Egypt's religious-backed institutional model strengthens accountability, providing a governance framework that aligns with both state regulations and Islamic principles (Beck et al., 2019). From the standpoint of *maqāṣid al-shari'ah*, proficient zakat management achieves *ḥifẓ al-māl* by safeguarding wealth distribution, *ḥifẓ al-naḥs* by assisting marginalized communities, and *ḥifẓ al-dīn* by upholding Shariah-compliant methods in financial governance.

Comparative insights reveal that Makassar's ZIS management faces similar challenges to other zakat institutions globally, particularly in balancing consumptive and productive zakat allocation (Rahman & Kassim, 2023). Research on Malaysia's zakat system highlights that structured financial planning, digital integration, and regular monitoring enhance the long-term impact of productive zakat. This model could be applied in Makassar (Ali et al., 2022). Studies on Turkey's zakat distribution confirm that fintech integration enhances efficiency and transparency (Avornyo et al., 2024), thereby reducing the risk of fund mismanagement, which contrasts with Makassar's relatively low level of technological adoption (Hassan et al., 2021). Meanwhile, research on Egypt's Al-Azhar-backed zakat model underscores the role of religious institutions in maintaining public trust and ensuring compliance with Islamic financial ethics (Tariq et al., 2024). This approach differs from Makassar's more decentralized governance structure (Saad et al., 2021).

In comparison to previous studies, this research highlights the unique flexibility of Makassar's zakat distribution strategy, which adapted to the pandemic by shifting from consumptive to productive aid, showcasing its responsiveness to socioeconomic crises (Yusof & Fauziah, 2020). However, unlike Malaysia and Turkey, Makassar's lack of structured post-distribution monitoring and financial literacy programs limits its long-term impact on the economic independence of *mustabik* (Beck et al., 2019). These comparative observations underscore that zakat management serves not merely as a philanthropic tool but also as a strategic cornerstone of Islamic social finance, augmenting banking and financial systems in the development of robust and ethical economies.

The novelty of this study lies in its examination of the transition between consumptive and productive zakat distribution, revealing how flexible zakat management can respond to economic crises while ensuring long-term financial sustainability (Rahman & Kassim, 2023). Unlike previous research that primarily focuses on static zakat distribution models (Oztas et al., 2024), this study highlights the dynamic evolution of zakat allocation strategies in response to socioeconomic challenges (Ali et al., 2022). The study also presents a comparative cross-cultural analysis of

Indonesia, Turkey, and Egypt, identifying institutional and technological innovations that enhance the efficiency of zakat management (Hassan et al., 2021). Additionally, this research contributes to Islamic finance scholarship by integrating Zakat Management Theory, Institutional Theory, and Stakeholder Theory, offering a comprehensive theoretical framework for analyzing zakat governance models (Saad et al., 2021). Another unique aspect is its focus on digital transformation in zakat management, providing evidence that fintech solutions can improve transparency and accountability in Islamic philanthropy (Yusof & Fauziah, 2020). This study additionally demonstrates how zakat distribution systems can dynamically adjust to crises, offering a resilience model that amalgamates local cultural practices with global sustainability objectives (SDGs, ESG).

The findings have significant theoretical and practical implications for zakat management, institutional governance, and financial inclusion (Rahman & Kassim, 2023). Theoretically, the study enhances Institutional Theory by demonstrating how governance structures impact the efficiency and effectiveness of Islamic social finance, providing a model for regulatory adaptation and policy formulation (Ali et al., 2022). It also advances Stakeholder Theory by illustrating the importance of multi-sectoral collaboration in enhancing zakat transparency, accountability, and distribution impact (Hassan et al., 2021). Practically, the research suggests that BAZNAS Makassar can improve its ZIS management by adopting digital payment platforms, increasing post-distribution monitoring, and enhancing financial literacy programs for *mustahik* (Saad et al., 2021). It also recommends greater institutional collaboration between zakat authorities, fintech companies, and educational institutions to modernize zakat management and align it with global Islamic finance trends (Yusof & Fauziah, 2020). Nonetheless, obstacles persist, such as digital disparities, inadequate literacy among *mustahik*, and opposition from conventional stakeholders. Overcoming these obstacles is crucial for aligning local zakat systems with global benchmarks in Islamic finance and governance.

F. Conclusion

The findings of this study indicate that the distribution of Zakat, *Infak*, and *Sedekah* (ZIS) by BAZNAS Makassar City through various programs such as Makassar Taqwa, Makassar Peduli, Makassar Makmur, Makassar Sehat, and Makassar Cerdas has played a significant role in supporting the needs of *mustahik*, particularly during the pandemic. During the pandemic period, the primary focus was on distributing consumptive assistance such as food packages, while post-pandemic attention shifted to providing productive aid to empower MSME (Micro, Small, and Medium Enterprises) entrepreneurs. Although there was an increase in the number of recipients of productive aid, its effectiveness in supporting the development of *mustahik* businesses remains limited due to several constraints, including small capital, a lack of entrepreneurial skills, and minimal post-distribution monitoring.

Reflection from these findings suggests that zakat management in Makassar can be improved by adopting elements from the zakat systems in Egypt and Turkey. The community-based system

in Egypt, involving institutions such as Al-Azhar, highlights the importance of institutional collaboration in fostering public trust and promoting a more equitable distribution. Meanwhile, the integration of technology in Turkey, such as real-time tracking of zakat distribution, has enhanced operational efficiency and transparency. Lessons from both countries can be applied in Makassar to optimize a more modern and effective zakat distribution system.

Future research should focus on integrating advanced technologies, such as blockchain or AI, to improve transparency and efficiency in zakat distribution. This approach could provide insights through comparative studies between Indonesia, Egypt, and Turkey. Additionally, exploring the dynamics of zakat management for minority or marginalized groups can shed light on its adaptability across diverse cultural contexts. Longitudinal studies measuring the sustained economic impact of zakat distribution on the recovery of *mustahik* individuals after the pandemic are also crucial. Investigating cross-national institutional collaborations, especially between zakat organizations in Indonesia, Turkey, and Egypt, may uncover best practices and innovative solutions. Finally, tailored training programs for zakat managers should be examined for their effectiveness in enhancing governance, operational capacity, and local adaptability, ensuring that zakat systems remain resilient and impactful in varied socioeconomic settings.

G. References

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