



EFFECTIVENESS OF ZAKAT MANAGEMENT DIGITALIZATION POLICY ON INCREASING ZAKAT, INFAQ, AND ALMS (ZIS) FUND COLLECTION IN INDONESIA

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ABSTRACT

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The digital transformation of zakat management has become an important policy agenda in Indonesia to improve the efficiency, transparency, and accessibility of Islamic social finance institutions. This study aims to analyze the effectiveness of zakat management digitalization policies in increasing the collection of Zakat, Infaq, and Alms (ZIS) funds in Indonesia. The study employed a descriptive qualitative approach using secondary data derived from zakat regulations, digital transformation blueprints, BAZNAS annual reports for the period 2021–2025, and relevant scientific literature. Data were collected through documentation and systematic literature review and analyzed using the interactive model of Miles, Huberman, and Saldaña, which includes data reduction, data display, and conclusion drawing. The findings reveal that digitalization policies have significantly improved ZIS collection through the expansion of digital payment channels, enhancement of transparency and accountability, and integration of management information systems and big data. These innovations have increased public trust, strengthened donor loyalty, and expanded the participation of younger generations in digital philanthropy. From the perspectives of the Technology Acceptance Model, Trust Theory, and Maqasid al-Shariah, digitalization contributes to reducing transaction costs, enhancing institutional legitimacy, and accelerating the distribution of social funds for public welfare. Nevertheless, several challenges remain, including digital inequality, uneven technological capacity among zakat institutions, and cybersecurity concerns. Therefore, future policies should emphasize inclusive digital governance, digital literacy enhancement, and institutional capacity building to ensure equitable and sustainable development of zakat management. Overall, the study demonstrates that digitalization policies have become a strategic instrument for strengthening Islamic social finance and promoting social welfare in Indonesia.



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INTRODUCTION

Digital transformation has become one of the major agendas in Indonesia's economic development, including in the field of Islamic social finance. The rapid advancement of information and communication technologies has encouraged various sectors to adopt digital systems to improve efficiency, transparency, and service quality. In the context of zakat management, digitalization has emerged as a strategic response to changing patterns of public

transactions, the increasing penetration of internet technology, and the growing preference for cashless payment systems. The development of digital payment instruments such as mobile banking, internet banking, electronic wallets, Quick Response Code Indonesian Standard (QRIS), crowdfunding platforms, and zakat applications has significantly transformed the mechanisms of collecting and distributing Zakat, Infaq, and Alms (ZIS) funds. This transformation is in line with broader public sector reforms aimed at promoting digital governance and improving the accountability of public institutions (World Bank, 2021; United Nations, 2020).

Indonesia possesses enormous zakat potential, yet the realization of zakat collection remains substantially below its estimated capacity. According to previous studies, the gap between potential and actual collection indicates that inefficiencies in governance, limited accessibility, and low public trust remain major challenges in zakat administration (Kasri, 2016). Consequently, digitalization has been increasingly regarded as an effective policy instrument to enhance accessibility, reduce transaction costs, and strengthen institutional credibility. Digital platforms facilitate more convenient transactions and provide real-time information regarding fund collection and distribution, thereby improving accountability and encouraging greater participation among Muslims. In this regard, digitalization represents not merely a technological innovation but also a governance strategy aimed at optimizing social finance mobilization for public welfare (Ascarya, 2017; Kasri & Ramli, 2019).

The implementation of digital zakat management can be explained through several theoretical perspectives. First, the Technology Acceptance Model (TAM), developed by Davis (1989), suggests that individuals' intention to adopt technology is influenced by perceived usefulness and perceived ease of use. Although originally developed in the information systems field, this model has been extensively applied in Islamic financial studies to explain users' acceptance of digital payment systems. Previous research has demonstrated that convenience, accessibility, and efficiency positively influence Muslims' willingness to pay zakat through electronic platforms (Nugroho & Nurkhin, 2019; Kasri & Yuniar, 2021). Therefore, the effectiveness of digital zakat policies depends significantly on users' perceptions regarding the practicality and benefits offered by digital services.

Second, Trust Theory provides another important perspective in understanding digital zakat adoption. Trust plays a crucial role in philanthropic institutions because donors are highly concerned about transparency, accountability, and the proper utilization of their contributions. In the context of public administration, institutional trust is considered a fundamental determinant of policy effectiveness and citizen participation (Meyer et al., 2018). Digital systems capable of providing transparent reporting, accessible information, and secure transactions are more likely to increase public confidence in zakat institutions. Previous studies have revealed that transparency and accountability significantly influence donors' satisfaction and their intention to continue contributing through formal zakat institutions (Wahab & Rahman, 2016; Saad et al., 2019). Consequently, digitalization serves not only as a transaction mechanism but also as a means of strengthening institutional legitimacy and enhancing stakeholder trust.

Third, from the perspective of Islamic economics, digitalization contributes to the realization of Maqasid al-Shariah, particularly the protection of wealth (*hifz al-mal*) and the promotion of social welfare (*maslahah*). Effective zakat management enables more efficient resource allocation, reduces administrative costs, and accelerates the distribution of assistance to eligible beneficiaries. Thus, digital transformation aligns with the objectives of Islamic social finance, which emphasize justice, welfare, and sustainable socio-economic development (Dusuki & Abdullah, 2007; Ahmed, 2017). In addition, technological innovation has the potential to strengthen the role of zakat institutions in poverty alleviation and inclusive economic growth, making digitalization an integral component of contemporary Islamic public finance reforms (Azman & Bidin, 2017).

Several previous studies have highlighted the importance of digital transformation in zakat management. Kasri (2016) found that institutional efficiency and public trust are key determinants of zakat collection performance in Indonesia. Similarly, Wahab and Rahman (2016) emphasized that transparency and accountability positively affect donors' confidence and participation. Research conducted by Kasri and Ramli (2019) further demonstrated that technology adoption contributes to improving institutional effectiveness and expanding the outreach of zakat services. In addition, studies by Saad et al. (2019) revealed that digital reporting systems increase stakeholders' trust and enhance organizational credibility. More recently, Kasri and Yuniar (2021) argued that digital payment platforms significantly improve convenience and accessibility, thereby encouraging greater participation among younger generations and urban communities.

At the international level, digital transformation in Islamic philanthropy has also attracted considerable scholarly attention. Ahmed (2017) argued that Islamic social finance institutions need to embrace technological innovations to enhance efficiency and maximize socio-economic impact. Likewise, Ascarya (2017) emphasized that financial technology can contribute to improving Islamic social finance governance and promoting financial inclusion. The United Nations (2020) and the World Bank (2021) have similarly highlighted the importance of digital governance in enhancing institutional performance, transparency, and public service delivery. These developments indicate that digitalization is increasingly recognized as a strategic component of sustainable public administration and social finance management.

Despite these encouraging developments, several challenges remain. Digital literacy disparities, technological infrastructure limitations, and unequal institutional capacities continue to hinder the effective implementation of digital zakat systems, particularly in rural and peripheral regions. Moreover, concerns regarding cybersecurity, data privacy, and system reliability may affect users' confidence in digital platforms. Such challenges imply that the success of digitalization policies depends not only on technological availability but also on regulatory frameworks, human resource capabilities, and public awareness (Meyer et al., 2018; World Bank, 2021). Therefore, digital transformation requires comprehensive governance strategies that integrate technological innovation with institutional strengthening and stakeholder engagement.

A review of existing literature reveals a significant research gap. Most previous studies have focused primarily on individual behavioral factors affecting technology adoption or have examined the technical features of specific digital applications. Relatively few studies have investigated digitalization as a comprehensive public policy ecosystem involving regulatory frameworks, institutional coordination, and national governance strategies. Moreover, limited attention has been devoted to assessing the broader implications of digital zakat policies for social fiscal resilience and sustainable Islamic social finance development. Accordingly, this study seeks to analyze the effectiveness of zakat management digitalization policies in increasing Zakat, Infaq, and Alms (ZIS) fund collection in Indonesia and to formulate strategic recommendations for strengthening digital governance in Islamic social finance institutions. By examining digitalization from a public policy perspective, this study aims to contribute to the growing body of literature on digital governance and provide insights for policymakers and zakat institutions seeking to optimize the role of technology in promoting social welfare and sustainable development.

METHOD

This study employed a descriptive qualitative approach with a focus on public policy analysis and contemporary administrative program evaluation. The scope of the study concerned the effectiveness of zakat management digitalization policies implemented nationally in Indonesia. The research relied on secondary macro-level data obtained from

various sources, including zakat regulations, the national zakat digital transformation blueprint, annual reports of Zakat, Infaq, and Alms (ZIS) collection published by the National Board of Zakat (BAZNAS) during the period 2021-2025, as well as relevant national and international scientific journal articles. The study examined the effectiveness of digitalization policies as a public governance strategy aimed at strengthening institutional performance, improving transparency, and increasing the collection of Islamic social funds. Operationally, the research focused on two main variables, namely the digitalization policy of zakat management (independent variable) and the increase in ZIS fund collection (dependent variable), which was observed through the growth trend of national ZIS revenues over the study period.

Data collection was conducted through documentation and systematic literature review techniques. Relevant documents and scientific literature were identified, selected, and critically reviewed to obtain comprehensive information regarding the implementation and outcomes of zakat digitalization policies in Indonesia. Data analysis adopted the interactive model developed by Miles, Huberman, and Saldaña (2014), which consists of three interconnected stages: data reduction, data display, and conclusion drawing and verification. The data reduction stage involved selecting and categorizing information relevant to the research objectives. Subsequently, the data were systematically organized and presented to facilitate interpretation and policy evaluation. Finally, conclusions were drawn and continuously verified to ensure the validity and consistency of findings. Through this analytical framework, the study sought to provide an objective assessment of the effectiveness of zakat digitalization policies and their contribution to enhancing the collection performance of ZIS funds in Indonesia.

RESULT AND DISCUSSION

The The implementation of zakat management digitalization policies in Indonesia demonstrates a progressive transformation in the governance of Islamic social finance. The policy has been manifested through the automation of zakat management processes, the expansion of digital partnerships with banking institutions and financial technology (fintech) companies, the adoption of cloud-based financial reporting systems, and the utilization of big data analytics to improve the accuracy and efficiency of zakat distribution programs (BAZNAS, 2025). These initiatives represent the government's commitment to modernizing zakat administration and strengthening the role of digital ecosystems in supporting sustainable social finance. Digital transformation has enabled zakat institutions to provide more accessible, transparent, and efficient services, thereby improving institutional performance and public confidence.

Evidence derived from secondary data indicates that digitalization policies have generated a positive and linear impact on the growth of national Zakat, Infaq, and Alms (ZIS) collection. The effectiveness of these policies can be evaluated through several indicators, as presented in Table 1.

Table 1.

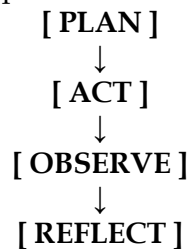
Effectiveness Indicators of Zakat Digitalization Policies and Their Impact on ZIS Collection

No.	Digitalization Policy Indicators (X)	Impact on ZIS Collection (Y)	Effectiveness Assessment
1	Ease of access and integrated payment systems (QRIS, e-wallets, mobile applications)	Growth in active muzaki and increase in retail transaction frequency	Highly Effective: Reduces geographical barriers and attracts younger generations

2	Digital transparency and accountability mechanisms	Enhancement of public trust and donor loyalty	Effective: Minimizes information asymmetry between zakat institutions and the public
3	Management Information Systems and Big Data (SIMBA)	Expansion of regional zakat potential mapping and collection capacity	Moderately Effective: Accelerates national financial reporting integration

Source: *Processed secondary data (2025)*.

In practical terms, the implementation of digitalization policies is dynamic rather than static. The process follows a continuous cycle of planning, execution, observation, and reflection, allowing institutions to improve policy effectiveness and respond to changes in donor behavior and technological developments. This cycle can be illustrated as follows:



The findings indicate that the effectiveness of zakat digitalization policies has become one of the primary determinants of the increasing trend in national ZIS collection. From the perspective of the Technology Acceptance Model (TAM), the introduction of digital payment channels such as QRIS, mobile banking, and e-wallet platforms has fulfilled the dimensions of perceived usefulness and perceived ease of use proposed by Davis (1989). These technologies reduce transaction costs and provide greater convenience for modern donors who prioritize speed, accessibility, and flexibility. Consequently, the increasing participation of young professionals and Generation Z in digital philanthropy reflects the close relationship between technological convenience and public participation (Bin-Nashwan et al., 2020; Maimuna et al., 2023). Digital channels have effectively transformed zakat payments from conventional face-to-face transactions into a more accessible and user-friendly ecosystem.

Furthermore, the positive effects of digitalization can also be explained through Trust Theory. In public administration and philanthropic governance, trust constitutes a critical form of social capital that determines the sustainability of public programs. Digital reporting systems, real-time payment notifications, and transparent financial disclosures significantly reduce uncertainty and strengthen institutional credibility (Suryani et al., 2022). The implementation of the National Zakat Management Information System (SIMBA) has improved accountability standards and enhanced the confidence of donors in zakat institutions. According to Hassan et al. (2023), transparency and accountability are among the most influential determinants of donor retention and repeated contributions. Therefore, the adoption of digital technologies contributes not only to administrative efficiency but also to the long-term legitimacy of zakat institutions.

From the perspective of Maqasid al-Shariah, digitalization policies contribute to the realization of *maslahah* (public welfare) by reducing operational costs and accelerating the distribution of resources to beneficiaries. Shaikh (2021) argues that efficient financial mechanisms facilitate the circulation of wealth and prevent excessive concentration of resources. Consequently, digital zakat systems support the principle of *Hifz al-Mal* (protection of wealth) by ensuring that collected funds are managed effectively and distributed promptly to empower *mustahiq* communities. The acceleration of fund

mobilization also strengthens the role of zakat as an instrument for poverty alleviation and socio-economic development.

Despite these encouraging outcomes, the study identifies several structural challenges that limit the overall effectiveness of digitalization policies. One of the most significant obstacles is the existence of a digital divide between urban and rural regions. Differences in telecommunication infrastructure, internet accessibility, and digital literacy create unequal opportunities for communities to access digital zakat services (Sarea et al., 2024). Rural populations, particularly older generations, often face difficulties in utilizing mobile applications and electronic payment systems. As a result, the benefits of digital transformation are not distributed evenly across different geographical regions.

Another challenge concerns the unequal capacity of zakat management personnel at the local level. Although the central administration has introduced sophisticated digital systems, many regional zakat institutions still lack adequate technological expertise and human resource capabilities to maximize these innovations. Kasri and Yuniar (2021) emphasize that institutional readiness and human capital are critical factors influencing the success of digital transformation. Without sufficient technical competence, the integration between central and regional systems may remain fragmented, thereby reducing the overall effectiveness of digital governance.

In addition, cybersecurity and data protection issues represent emerging concerns in the era of digital philanthropy. The increasing reliance on digital platforms exposes zakat institutions to risks associated with data breaches, cyberattacks, and misuse of personal information. These threats may undermine public trust and compromise the sustainability of digital zakat systems. Therefore, strengthening cybersecurity frameworks and improving digital governance standards are essential to maintaining the credibility and resilience of Islamic social finance institutions.

Based on these findings, future policy directions should shift from a purely technocratic and centralized approach toward a more inclusive and adaptive governance model. Efforts to enhance digital literacy among the public, improve technological competencies of zakat administrators, and expand internet infrastructure in underserved areas should become strategic priorities. Collaboration among government agencies, Islamic financial institutions, fintech companies, and educational institutions is also necessary to create an integrated digital ecosystem capable of supporting sustainable zakat management.

Overall, the findings demonstrate that digitalization policies have significantly contributed to improving the efficiency, transparency, and accessibility of zakat management in Indonesia. Nevertheless, maximizing the potential of digital transformation requires continuous institutional reforms and inclusive policy frameworks to ensure that the benefits of digital innovation are shared equitably across all segments of society. Such efforts will strengthen the contribution of zakat as a strategic instrument for social welfare and sustainable economic development.

CONCLUSION

The findings of this study demonstrate that the digitalization policy of zakat management in Indonesia has been effective in increasing the collection of Zakat, Infaq, and Alms (ZIS) funds. The integration of digital payment platforms, the implementation of transparent reporting systems, and the utilization of management information systems have significantly enhanced accessibility, institutional accountability, and public trust. These developments have encouraged greater participation among muzaki, particularly younger generations, and have contributed to improving the efficiency and sustainability of Islamic social finance institutions. Viewed through the perspectives of the Technology Acceptance Model, Trust Theory, and Maqasid al-Shariah, digital transformation has strengthened both the operational

and social dimensions of zakat governance by facilitating easier transactions, increasing institutional legitimacy, and accelerating the realization of public welfare.

Despite these achievements, the study identifies several structural challenges that may hinder the optimal implementation of digital zakat policies, including disparities in digital literacy, uneven technological capabilities among regional zakat institutions, and concerns regarding cybersecurity and data protection. Therefore, future policy directions should prioritize inclusive digital governance, enhancement of human resource competencies, expansion of digital infrastructure, and stronger collaboration among government agencies, zakat institutions, and financial technology providers. By addressing these challenges, digitalization can serve not only as a technological innovation but also as a sustainable policy instrument for strengthening Islamic social finance and supporting socio-economic development in Indonesia.

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