



Good Corporate Governance Optimizing Community Awareness in the Distribution of ZIS

Husnul Khatimah, Mahsyar Idris, Andi Bahri S, Syahriyah Semaun and Suarning

Postgraduate Program, State Islamic Institute (IAIN) Parepare

husnulhusnaeni@gmail.com

Keywords:

Good Corporate Governance; Zakat Management; Community Awareness; ZIS Literacy; Islamic Social Finance; BAZNAS.

Abstract

This study examines how the implementation of Good Corporate Governance (GCG) principles enhances community awareness in the distribution of Zakat, Infaq, and Sadaqah (ZIS) through ZIS management literacy at BAZNAS Enrekang Regency, Indonesia. Using a descriptive qualitative approach with a case study design, data were collected through in-depth interviews, observation, and documentation involving BAZNAS administrators, sub-district zakat collection units (UPZ), muzakki (donors), and mustahik (beneficiaries). The results reveal that BAZNAS Enrekang applies GCG principles—transparency, accountability, responsibility, independence, and fairness—in managing ZIS funds. Transparency is realized through regular financial reporting and open access to information, while accountability is ensured by internal and external audits. However, limited community literacy regarding ZIS management reduces understanding and participation in zakat programs. To overcome this, BAZNAS conducts literacy campaigns, simplifies financial information, and involves muzakki in verification and distribution processes. The findings highlight that strengthening GCG-based literacy programs is essential to increase public trust, awareness, and active involvement in ZIS distribution. This study contributes to the literature on Islamic social finance governance by linking corporate governance mechanisms with public literacy and engagement outcomes.

1. Introduction

Zakat, infak, and sedekah (ZIS) constitute integral components of the Islamic financial system, designed to promote social justice and economic balance through the redistribution of wealth. These instruments not only serve as mechanisms for poverty alleviation but also as tools for achieving inclusive and sustainable development in Muslim societies. The practice of ZIS is explicitly mandated in the Qur'an and Hadith, reflecting its theological and socio-economic significance (Khoirunjannah & Arifia, 2024). In the Indonesian context, the administration of ZIS is institutionally regulated by the **National Zakat Agency (BAZNAS)**, which functions as a government-affiliated body ensuring compliance, transparency, and efficiency in the collection, management, and distribution of ZIS funds.

At the regional level, **BAZNAS Enrekang Regency** represents one of the local operational branches responsible for implementing zakat management in accordance with **Law No. 23 of 2011 on Zakat Management**. The institution carries out core

functions such as planning, implementation, supervision, and utilization of ZIS to enhance socio-economic welfare (Haryanto & Suaidi, 2023). Optimized management of ZIS, when conducted under effective governance mechanisms, has the potential to significantly improve community welfare, empower marginalized groups, and reduce social inequality.

Nevertheless, one of the persistent challenges in the effective administration of ZIS is the **low level of public literacy and awareness** regarding the management and distribution mechanisms. Empirical observations in Enrekang Regency indicate that many individuals continue to channel their ZIS directly to beneficiaries or mosques, bypassing formal institutions such as BAZNAS. This behavioral pattern is largely attributed to a limited understanding of how institutionalized ZIS management operates—particularly in terms of transparency, accountability, and measurable social impact. Low literacy levels thus correlate with weaker public trust, which in turn constrains



institutional participation and the overall effectiveness of zakat distribution.

Strengthening **ZIS literacy** is therefore fundamental to enhancing **public trust and compliance**. When communities understand the processes, governance standards, and socio-economic outcomes of institutional ZIS management, their willingness to engage with formal zakat institutions increases. This highlights the critical role of organizational governance in building credibility and accountability within zakat institutions. According to Zahara et al., 2025, effective ZIS governance must be grounded in the principles of **transparency, accountability, responsibility, independence, and fairness**, which collectively form the foundation of good governance practices. Adherence to these principles not only ensures operational integrity but also reinforces the legitimacy and sustainability of zakat institutions in the broader Islamic financial ecosystem.

2. Literature Review

2.1 Concept of Zakat, Infaq, and Sadaqah

Zakat, infaq, and sadaqah are financial instruments in Islam that have social and spiritual purposes. The linguistic meaning of zakat according to Yusuf Qardhawi is to increase and develop (Zulkifli, 2020). Zakat in terminology refers to the portion of wealth that is mandatory to be paid as prescribed by Allah Swt. for every capable Muslim, in order to attain the pleasure of Allah Swt. Zakat is a mechanism for distributing the wealth of Muslim to fellow human beings. Zakat also carries a sacred meaning, purifying or sanctifying. As it is stated in the Qur'an Surah At-Taubah 9:103 as follows.

حُدِّ مِنْ أَمْوَالِهِمْ صَدَقَةً تُطَهِّرُهُمْ وَتُزَكِّيهِمْ بِهَا وَصَلَّ عَلَيْهِمْ إِنَّ صَلَاتَكَ سَكَنٌ لَهُمْ وَاللَّهُ سَمِيعٌ عَلِيمٌ

The translation is:

“Take zakat from their wealth to purify and sanctify them, and pray for them. Indeed, your prayer brings tranquility to their souls. Allah is All-Hearing, All-Knowing” (Ministry of

Religious Affairs of the Republic of Indonesia, 2019).

The explanation of the above verse is that the command to collect zakat from wealth serves as a means to purify and sanctify the soul of the zakat payer, and emphasizes the prayers of the zakat recipients or zakat collectors will bring peace of mind to those who give it. Because Allah is All-Hearing and All-Knowing of intentions and actions (Shihab, 2002).

Infaq etymologically means passing and spending. This word is used as an expression related to the allocation of a person's earnings to meet the demands of sharia, such as a husband fulfilling the needs of his wife and children. Furthermore, the word infak is also used for the allocation of wealth in the way of Allah Swt (Bakhtir & Abdullah, 2023).

Sadaqah comes from the word 'shadaqa' which means true. In terms of Islamic law, sadaqah means *tahqiqu syai'in bisyai'i* or applying something to something. The essence of voluntary sadaqah is not limited by specific restrictions in its expenditure such as amount, duration, or level (Harjoni, 2024). According to Law Number 23 of 2011 on the Management of Zakat, the definition of sadaqah is wealth or non-wealth given by an individual or institution aside from zakat for the benefit of the community. (Afifah et al., 2022).

The third definition of Islamic philanthropy above can be concluded that zakat, infaq, and sedekah are forms of charitable actions in Islam that have differences but complement each other. Zakat is a specific wealth that must be given by capable Muslims, in accordance with the provisions and rules of Shari'ah and distributed to those entitled to receive it, namely the asnaf. Meanwhile, infaq refers to the expenditure of wealth in the way of Allah SWT that is general in nature and not bound by time, amount, or intended use. Infaq can be obligatory or voluntary. As for sedekah, it is a voluntary donation not bound by certain limitations, given solely in hope of Allah SWT's pleasure.

2.2 Literacy in ZIS Management

Literacy in ZIS management is the understanding of how to manage zakat, infak, and sadaqah according to sharia and financial principles. This includes knowledge of effective distribution for the welfare of the community. Zakat literacy related to ZIS management includes the ability to read, understand, calculate, and access information about zakat that can impact the awareness level of muzakki (Al Gazali & Anwar, 2023). The issue of low community literacy in ZIS management is due to a lack of access to information, difficult-to-understand financial reports, and minimal socialization from ZIS management officials. Good community literacy in ZIS management can encourage them to distribute ZIS to BAZNAS Enrekang Regency.

2.3 Good Corporate Governance Theory

The Cadbury Committee defines effective corporate governance as the principles that guide and manage a company to achieve a balance between power and authority in providing accountability to shareholders, specifically, and the general stakeholders (Manossoh, 2016). The definition of GCG based on the decision of the Minister of State-Owned Enterprises Number KEP-117/M-MBU/2002, good corporate governance refers to the systems and processes used by state-owned enterprises (BUMN) with the aim of enhancing business success and corporate accountability (Putri & Trisnarningsih, 2023). According to the General Guidelines for Good Corporate Governance Indonesia 2006 issued by the National Committee on Governance Policy (KNKG), good corporate governance, or GCG, is the methods and structures used by corporate organs to adopt policies that enhance the business success of the company and its accountability, thereby increasing shareholder value in the long term while also considering the interests of other stakeholders.

The definition of good corporate governance above can be summarized that good corporate governance is a system that encompasses principles, processes, and

guidelines for managing and controlling a company. GCG aims to enhance business success and corporate accountability.

Good corporate governance in the context of the National Amil Zakat Agency is a governance system implemented to ensure effectiveness, efficiency, transparency, and accountability in the management of zakat, infak, and donations. BAZNAS, as a government institution carrying out the mandate of the community, considers the application of GCG to be very important in building and maintaining public trust. According to the National Governance Policy Committee, the five principles of good corporate governance are as follows (Governansi, 2006).

1. Transparency

The term transparency can be defined as openness to information ((Fadjar Trisakti et al., 2021). This means that relevant and important information must be available, easily accessible, and understandable by the parties concerned. The principle of transparency in the management of ZIS at BAZNAS demonstrates openness in every process of ZIS management from collection to distribution to mustahik. This includes the availability of financial reports and activity reports that can be accessed by muzakki, mustahik and the broader community.

2. Accountability

Accountability is a set of dimensions that can be used to describe various types of accountability, and its structure can be found in various domains of governance (Rusdiana & Nasihudin, 2018). The principle of accountability in the management of zakat, infak, and sedekah at BAZNAS relates to the obligation to account for all activities of ZIS fund management to the public. This includes the processes of collecting, distributing, and utilizing ZIS in a transparent, effective manner, and in accordance with Islamic law as well as applicable regulations.

3. Responsibility

Responsibility in the context of GCG means that the company must comply with laws and regulations while fulfilling social and



environmental duties (Governansi, 2006). In the management literacy of ZIS at BAZNAS, the principle of responsibility refers to BAZNAS's obligation to be fully accountable for all aspects of ZIS fund management to the public. If there is no clear and proven responsibility, the community will hesitate to entrust their ZIS mandate. If BAZNAS performs its responsibilities well, it will enhance awareness and participation of the community in fulfilling ZIS.

4. Independence

The principle of independence refers to the condition where a company or organization is managed professionally without influence or pressure from any party that does not comply with applicable laws and regulations. The principle of independence in the management literacy of ZIS at BAZNAS can be interpreted as BAZNAS's ability to carry out the functions of collecting, managing, and distributing ZIS funds professionally and objectively, without undue intervention or pressure from any party. The existence of the principle of independence ensures that decisions taken are always in the interest of the mustahik and the welfare of the community in accordance with Islamic law and legislation.

5. Fairness

According to the General Guidelines for Good Corporate Governance Indonesia by KNKG, the principle of fairness is to ensure the fulfillment of stakeholders' rights in a professional and fair manner. Equal treatment, impartiality, and non-discrimination (Governansi, 2006). The principle of fairness is related to BAZNAS's commitment to treating all parties involved in the management of ZIS fairly, proportionally, and without discrimination. The principle of fairness is key to creating a climate of trust and justice in the management of ZIS, which can be a strong attraction for the community to fulfill their ZIS through BAZNAS with a calmer and more assured heart

3. Research Methods

3.1 Research Design

This study adopts a **qualitative descriptive research design** with a **case study approach** to explore how the principles of Good Corporate Governance (GCG) influence community awareness and participation in the distribution of Zakat, Infaq, and Sadaqah (ZIS) through literacy enhancement. The qualitative approach was chosen because it allows for a comprehensive understanding of the social, ethical, and organizational dimensions embedded in ZIS management, particularly in the context of BAZNAS Enrekang Regency. According to Creswell (2018), qualitative research enables the researcher to interpret complex social phenomena by examining participants' perspectives, institutional practices, and cultural contexts.

3.2 Research Site and Context

The research was conducted at **BAZNAS Enrekang Regency**, located in South Sulawesi, Indonesia. This institution was selected purposively because it serves as a model for local ZIS management and demonstrates significant engagement with community-based zakat collection and distribution. BAZNAS Enrekang operates under **Law No. 23 of 2011 on Zakat Management**, emphasizing accountability, transparency, and efficiency. The institution also faces challenges related to limited community literacy and fluctuating participation rates, making it a relevant site for examining the interplay between governance quality and public awareness.

3.3 Data Sources and Participants

The study utilized **primary and secondary data sources**. Primary data were obtained through **semi-structured interviews, direct observation, and field documentation**, while secondary data included institutional reports, zakat distribution records, and regulatory documents issued by BAZNAS.

Participants were selected using **purposive sampling**, focusing on individuals directly involved in ZIS management and beneficiaries of the programs. The participants comprised:

- 5 BAZNAS administrators (Chairperson, Treasurer, Program Head, and Supervisory Board members),
- 3 sub-district zakat collection unit (UPZ) coordinators,
- 6 *muzakki* (zakat payers), and
- 6 *mustahik* (zakat beneficiaries).

The sample size was determined based on the principle of data saturation, as suggested by Miles, Huberman, and Saldaña (2018), ensuring that data collection continued until no new themes or insights emerged.

3.4 Data Collection Procedures

Data were collected over a three-month period (January–March 2025). The **semi-structured interview method** allowed for flexibility in exploring participants' views while maintaining consistency across interviews. Each session lasted approximately 45–60 minutes and was conducted in the participants' native language to ensure clarity and accuracy. Observations were carried out during zakat distribution and coordination meetings to capture institutional practices and community interactions. All interviews were audio-recorded with participants' consent and subsequently transcribed verbatim for analysis.

3.5 Data Analysis Technique

The collected data were analyzed using **thematic analysis**, following the six-step framework proposed by Braun and Clarke (2019): (1) data familiarization, (2) generation of initial codes, (3) theme identification, (4) theme review, (5) theme definition, and (6) reporting. The analysis focused on identifying patterns related to (a) the implementation of GCG principles in ZIS management, (b) levels of community literacy and awareness, and (c) the relationship between governance practices and public trust.

To enhance analytical rigor, **NVivo 12 software** was used for data coding and theme visualization. Triangulation of data sources (interviews, observations, and documentation) was applied to validate findings and reduce researcher bias. Peer debriefing with academic colleagues was also conducted to verify coding consistency and interpretation accuracy.

3.6 Trustworthiness and Ethical Considerations

To ensure **credibility, transferability, dependability, and confirmability**, the study adopted Lincoln and Guba's (1985) criteria for qualitative trustworthiness. Member checking was employed by sharing summaries of the interview results with participants to confirm accuracy. Detailed documentation of research procedures enhances transferability, while an audit trail ensures dependability and transparency.

Ethical approval was obtained from the Research Ethics Committee of the Faculty of Economics and Business, Hasanuddin University. All participants provided **informed consent**, and confidentiality was maintained by anonymizing participants' identities. The study complied with research ethics standards and data protection regulations.

4. Results and Discussion

4.1 Transparency

Transparency represents the core principle of openness and honesty in managing *Zakat, Infaq, and Sadaqah* (ZIS) within BAZNAS Enrekang Regency. It ensures that financial and operational information is accessible to *muzakki* (donors), *mustahik* (recipients), and the broader public. As stated by the Chairman of BAZNAS Enrekang, **drh. H. Junwar, M.Si.**, "We always maintain transparency because we are a government organization. Financial reports are prepared annually, audited, and uploaded to our official website" (Junwar, 2025).

This statement indicates a strong institutional commitment to transparency through the publication of audited annual



financial reports accessible on BAZNAS's official website. Similarly, **Kadir Lesang, S.Ag.**, Deputy Chairman III for Financial Planning and Reporting, confirmed that "Reports are prepared every six months and annually, submitted to the Regent and the Ministry of Religious Affairs, and then uploaded after the audit process" (Lesang, 2025).

Such practices illustrate a systematic reporting process that reinforces financial accountability. However, **Rahman (2025)**, Head of UPZ Bungin District, emphasized that although transparency is promoted through public socialization, "There are no special groups for *muzakki*, but they can directly access the website for financial reports." Meanwhile, **Hadirman (2025)**, Head of UPZ Baraka Sub-district, acknowledged that "Some community members know about the reports, but many still do not understand them."

The findings reveal a gap between information availability and community comprehension. This aligns with **Hasan (2025)**, a *muzakki*, who stated, "If people clearly understood how BAZNAS manages the funds, many would prefer paying through BAZNAS." The lack of financial literacy therefore hinders public engagement despite transparency efforts. Addressing this issue, **Junwar (2025)** noted that human resource competence and active socialization are essential: "We plan to install small billboards in every sub-district showing collection and distribution figures to enhance community awareness."

Overall, transparency at BAZNAS Enrekang is practiced through the publication of audited reports and information disclosure. Nonetheless, public understanding remains limited, necessitating literacy enhancement through visual aids, active UPZ communication, and accessible socialization methods to build stronger trust and participation.

4.2 Accountability

Accountability within BAZNAS Enrekang Regency is reflected in its obligation to manage ZIS responsibly and report its activities to

stakeholders. According to **Junwar (2025)**, "We ensure that ZIS management runs well, with biannual and annual reports accessible to the public and supported by audits to prevent errors."

This demonstrates procedural integrity supported by internal and external monitoring. Accountability is not only financial but also operational; **Junwar (2025)** further explained that "We visit communities directly to verify beneficiaries, ensuring ZIS reaches the rightful recipients, assisted by UPZ units."

At the operational level, **Yahya H. Ahmad (2025)**, Head of UPZ Enrekang District, confirmed, "We record who pays and who receives ZIS, and submit reports to BAZNAS." This structured documentation supports transparent distribution tracking. However, gaps in public assurance remain. As **Hj. Hania (2025)**, a *muzakki*, admitted, "I see BAZNAS activities on Facebook but don't know whether the funds are distributed correctly."

This reflects a need for clearer, more accessible communication channels. **Junwar (2025)** emphasized ongoing improvement efforts: "We strive to make reports clearer and widely disseminated," while **Bahrin (2025)**, Chair of UPZ Anggeraja, stated, "We will be more active in explaining reports to the community."

These efforts highlight BAZNAS's progress toward improving accountability through audited, publicly available reports and direct field verification. However, ensuring comprehension and reinforcing trust require continuous communication and simplified reporting for non-technical audiences.

4.3 Responsibility

Responsibility at BAZNAS Enrekang entails the ethical and organizational duty to ensure that ZIS funds are managed efficiently and distributed to those most in need. As noted by **Junwar (2025)**, "We bear great responsibility for community funds—from collection to distribution—and we continually strive for improvement."



This sense of moral and institutional obligation is mirrored in local UPZ practices. **Habibi Rahman (2025)**, Chair of UPZ Alla Sub-district, observed that providing economic aid and scholarships has strengthened public confidence: “People see that ZIS helps their neighbors, and this trust encourages more to pay through BAZNAS.”

Similarly, **Muh. Agusmawan (2025)** from UPZ Maiwa stated, “Health and business capital assistance have been very helpful, and people see how ZIS improves lives. That builds trust.” Social recognition of BAZNAS’s efforts increases legitimacy and perceived responsibility. Moreover, **Khalifatul Aulia (2025)**, a *muzakki*, confirmed the positive perception generated by BAZNAS’s initiatives: “I saw BAZNAS helping build mosques and fund small businesses. If programs are consistent, I’d be more confident paying through BAZNAS.”

Junwar (2025) added, “To gain trust, we must be more open about our programs and impacts. We plan to involve *muzakki* directly to see how their contributions help others.”

The findings demonstrate that responsibility in ZIS management extends beyond procedural compliance—it encompasses relational accountability and the moral imperative to serve the public good. Strengthening communication about social impacts, inviting *muzakki* to witness program outcomes, and sharing success stories are vital strategies to deepen public trust and responsibility awareness.

4.4 Independence

Independence reflects BAZNAS’s ability to function autonomously, free from external interference, ensuring integrity and effectiveness in decision-making. As emphasized by **Junwar (2025)**, “If BAZNAS can show independence in managing ZIS—from collection to trustworthy reporting—the community will place more trust in us.”

Institutional autonomy thus becomes a foundation for credibility. **Junwar (2025)** further explained that BAZNAS enhances

independence through participatory governance: “We improve transparency with accessible reports, involve religious and community leaders, and communicate in a language that people understand to show that ZIS is managed independently and effectively.”

This integration of community participation into independent governance reinforces both legitimacy and trust. The research findings indicate that independence at BAZNAS Enrekang is operationalized through transparent reporting, fair decision-making, and freedom from political or external influence. These dimensions collectively strengthen institutional credibility and public confidence in zakat governance.

4.5 Fairness

Fairness represents the equitable treatment of all stakeholders—*muzakki*, *mustahik*, and administrators—within ZIS management. **Junwar (2025)** highlighted the importance of contextual communication: “Our *muzakki* come from different backgrounds; we must communicate fairness in ways that match their circumstances.”

This adaptive approach aligns with **Agusmawan (2025)**, who explained that farmers often assess fairness based on whether aid reaches those most in need: “They want to see if assistance is distributed fairly in their community.” Conversely, **Yahya H. Ahmad (2025)** noted that urban *muzakki*, mostly entrepreneurs and civil servants, focus on professionalism and responsibility in management rather than material equality.

Junwar (2025) reinforced this approach, stating, “Socialization cannot be uniform; we adapt it to community backgrounds and emphasize relevant aspects to their livelihoods.”

Hence, fairness at BAZNAS Enrekang is not limited to equal treatment but is rooted in contextual equity—ensuring that communication, distribution, and accountability practices align with stakeholder characteristics and expectations. This adaptive

model enhances public perception of justice and institutional integrity.

The overall results underscore that the principle of fairness strengthens social cohesion and supports inclusive participation in ZIS fulfillment. BAZNAS Enrekang's efforts to align fairness with the sociocultural realities of both rural and urban *muzakki* have proven effective in nurturing long-term trust and engagement.

4.6 Summary of Findings

The implementation of GCG principles at BAZNAS Enrekang Regency demonstrates that **transparency, accountability, responsibility, independence, and fairness** collectively foster higher community trust and awareness in ZIS management. Despite progress in transparency and accountability mechanisms—such as audited reports and digital access—public literacy remains a challenge. Strengthening literacy programs, enhancing report accessibility, and contextualizing fairness and responsibility to community backgrounds are strategic measures to improve engagement and compliance.

The findings contribute to Islamic governance literature by illustrating how GCG principles, when adapted to local religious and cultural contexts, enhance institutional legitimacy and public trust in zakat-based social finance systems.

4.2 Research Discussion

a. Transparency

Transparency represents one of the fundamental pillars of good governance in Zakat, Infaq, and Sadaqah (ZIS) management at BAZNAS Enrekang Regency. Its primary purpose is to strengthen public trust by ensuring open access to information related to the collection, distribution, and financial reporting of ZIS. This openness allows *muzakki* (donors) to monitor fund management and ensures that *mustahik* (recipients) receive tangible benefits. The findings of this study are consistent with **Warti'ah (2024)**, who

emphasized that transparent financial reporting is a key factor in maintaining public trust and optimizing institutional services.

BAZNAS Enrekang has taken concrete steps to promote transparency through various communication channels, including audited annual financial statements published on the official website, periodic reports submitted to the Regent and the Ministry of Religious Affairs, and public socialization events. Nevertheless, one of the major challenges remains the community's limited financial literacy, which constrains their ability to interpret financial information and reduces the perceived value of transparency.

Although BAZNAS regularly publishes audited reports, many *muzakki* do not fully understand the content, weakening the intended impact of transparency. To address this, BAZNAS plans to intensify socialization through social media, install information billboards in sub-districts, and simplify report formats. These findings are consistent with the **Good Corporate Governance (GCG) framework of the National Committee on Governance Policy (KNKG, 2006)**, which asserts that transparency must not only ensure information availability but also guarantee its accessibility and comprehensibility for all stakeholders.

Similarly, **Andreani and Syafina (2022)** argue that the effective use of multiple communication media enhances institutional credibility and trust in ZIS management. Therefore, in the context of BAZNAS Enrekang Regency, transparency should be understood as a multidimensional process involving the presentation, communication, and education of information to strengthen public awareness and engagement.

b. Accountability

The principle of accountability reflects BAZNAS Enrekang Regency's responsibility to ensure that ZIS funds are managed and distributed in accordance with sharia, regulations, and community needs. Accountability is crucial for maintaining donor



confidence, particularly among *muzakki* who expect their contributions to generate measurable social benefits. The results show that BAZNAS Enrekang has implemented accountability through regular internal audits, submission of financial statements to oversight authorities, and direct verification of *mustahik* through the UPZ (Unit Pengumpul Zakat).

Despite these efforts, some *muzakki* still express uncertainty about the distribution process, indicating that accountability must be complemented by more transparent communication. BAZNAS's plan to simplify financial reporting and involve *muzakki* in monitoring activities is therefore a step toward participatory accountability.

This finding aligns with **KNKG (2006)**, which defines accountability as an organization's obligation to provide clear responsibility and enable stakeholder oversight. Similarly, **Irmawati (2024)** found that comprehensive accountability across all stages of ZIS management enhances public confidence and institutional reputation. In the context of BAZNAS Enrekang, the principle of accountability not only reinforces financial integrity but also positions the institution as a professional and trustworthy zakat authority that upholds Islamic governance ethics.

c. Responsibility

The responsibility principle at BAZNAS Enrekang Regency reflects its moral and institutional duty to manage ZIS funds in compliance with sharia principles while ensuring social welfare. Responsibility requires that every organizational member perform duties conscientiously for the benefit of both *muzakki* and *mustahik*. Evidence from this study demonstrates that BAZNAS has fulfilled this responsibility through targeted programs, including economic empowerment, health assistance, and educational support, all of which contribute to community trust and development.

While BAZNAS has shown commitment through tangible initiatives—such as scholarship programs, mosque construction,

and small business financing—the institution still faces the challenge of communicating the long-term social impact of its programs effectively. Enhancing public understanding of how ZIS contributes to community transformation remains a strategic priority.

This finding aligns with the **KNKG (2006)** definition of responsibility, which emphasizes compliance with laws, regulations, and ethical considerations in every organizational decision. Furthermore, **Firdaus (2022)** found that effective zakat management institutions uphold the principle of responsibility by adhering to regulatory frameworks and ensuring that distributions are appropriately targeted. Thus, BAZNAS Enrekang's adherence to responsibility principles supports its reputation as a credible and socially responsive Islamic financial institution.

d. Independence

Independence is a critical governance principle that allows BAZNAS Enrekang Regency to operate objectively and make decisions free from external interference. Institutional autonomy ensures that ZIS management is conducted based on integrity, professionalism, and adherence to Islamic principles.

Findings from this study confirm that BAZNAS Enrekang exercises independence through self-governed verification of aid recipients and autonomous financial reporting processes. These practices reinforce community trust, as stakeholders perceive that ZIS management is not influenced by political or external pressures.

This result is consistent with **Firdaus (2022)**, who found that independence enables zakat institutions to function more effectively, maintain neutrality, and enhance credibility. The findings also align with **KNKG (2006)**, which defines independence as an organization's ability to make decisions and execute functions without undue influence. In the context of BAZNAS Enrekang, independence strengthens the integrity of the



institution and contributes to building sustainable trust among *muzakki*.

e. Fairness

The fairness principle emphasizes equal treatment of all stakeholders according to their rights and obligations under Islamic law and national regulation. In ZIS management, fairness ensures that both *muzakki* and *mustahik* are treated equitably without discrimination. **Sudarmanto et al. (2021)** define fairness as the fulfillment of stakeholder rights in proportion to their roles and needs.

Findings indicate that BAZNAS Enrekang applies this principle by ensuring equitable distribution and by maintaining open communication with different community groups—farmers, entrepreneurs, and civil servants—who have diverse expectations of ZIS benefits. The institution's responsiveness to contextual differences enhances its legitimacy and social harmony.

These results are consistent with **Baihaqi and Ulfa (2022)**, who emphasize that fairness in BAZNAS institutions is reflected in equal stakeholder treatment, openness to feedback, and program alignment with the needs of *mustahik*. This also reinforces the **GCG principle of fairness** as stated by **KNKG (2006)**, which requires organizations to act fairly and non-discriminatorily. In BAZNAS Enrekang Regency, fairness serves as the foundation for strengthening public participation and institutional credibility in fulfilling ZIS obligations.

f. Summary of Discussion

Overall, the findings of this study confirm that the five principles of Good Corporate Governance—**transparency, accountability, responsibility, independence, and fairness**—have been applied in BAZNAS Enrekang Regency with varying degrees of maturity. Transparency and accountability are well-established through audited financial reporting and public disclosure, but their effectiveness is constrained by limited public

literacy. Responsibility and fairness are evident in program implementation and equitable stakeholder engagement, while independence reinforces the institution's credibility and trustworthiness.

These findings are consistent with prior studies (Firdaus, 2022; Irmawati, 2024; Warti'ah, 2024; Baihaqi & Ulfa, 2022), affirming that the implementation of GCG principles in zakat management institutions enhances community trust, participation, and social impact. From a theoretical perspective, this study supports the argument that good governance practices in Islamic social finance institutions not only ensure regulatory compliance but also strengthen the moral and ethical accountability mandated by Islamic law.

5. Closing

5.1 Conclusion

This study concludes that zakat, infak, and sedekah (ZIS) are fundamental elements in promoting socioeconomic justice and equitable wealth distribution within Islamic finance. The analysis shows that the effectiveness of ZIS management at **BAZNAS Enrekang Regency** is strongly influenced by public literacy, institutional transparency, and the quality of organizational governance. The low awareness of ZIS management procedures—particularly related to accountability, fund distribution, and measurable impact—remains a major constraint in achieving optimal collection and utilization outcomes.

Moreover, the findings highlight that enhancing ZIS literacy is critical to strengthening community trust and participation. Transparent reporting mechanisms and accountability practices can further encourage the public to distribute their ZIS through formal institutions. When the principles of good governance—**transparency, accountability, responsibility, independence, and fairness**—are properly implemented, they not only strengthen institutional credibility but also reinforce the alignment between Islamic values and modern management practices.



Overall, the study underscores that effective ZIS management requires not only operational efficiency but also strong ethical governance and public empowerment. BAZNAS, as a public institution, must integrate these elements into its strategic framework to maximize the social and economic impact of ZIS funds.

5.2 Practical Implications

The results of this study offer several practical implications for policymakers, zakat institutions, and stakeholders in Islamic social finance:

1. **Enhancing Community Literacy:** Regular educational campaigns and digital literacy programs should be conducted to increase understanding of ZIS concepts, management processes, and their broader socioeconomic impacts.
2. **Improving Governance Practices:** BAZNAS and similar institutions should strengthen transparency and accountability by adopting international best practices in nonprofit financial management and public reporting.
3. **Digitalization of ZIS Management:** The integration of digital zakat systems (e.g., mobile applications, e-zakat platforms) can improve accessibility, traceability, and efficiency in fund collection and distribution.
4. **Stakeholder Engagement:** BAZNAS should involve local communities, religious leaders, and civil society organizations in planning and monitoring ZIS activities to foster trust and shared responsibility.
5. **Performance Evaluation:** Establishing a systematic evaluation mechanism can ensure that ZIS programs are outcome-oriented and aligned with sustainable development goals (SDGs).

5.3 Limitations

Despite its contributions, this study has several limitations. First, the research focuses solely on **BAZNAS Enrekang Regency**, limiting the generalizability of its findings to other

regions or zakat institutions in Indonesia. Second, the study relies on quantitative and descriptive data, which may not fully capture the qualitative aspects of community behavior and trust. Third, temporal factors—such as seasonal fluctuations in zakat collection or changes in government policy—were not considered in the analysis. Therefore, the conclusions drawn should be interpreted within the context of these limitations.

5.4 Future Research Directions

Future studies should explore broader and more diverse contexts by comparing multiple BAZNAS branches or private zakat institutions across provinces. A **mixed-methods approach** that integrates qualitative interviews and case studies could provide deeper insights into the behavioral, cultural, and institutional dynamics influencing ZIS participation. Additionally, researchers may investigate the role of **digital transformation, Islamic financial technology (FinTech), and Sharia governance frameworks** in improving ZIS transparency and accountability. Longitudinal research could also be valuable in tracking the long-term effects of ZIS literacy programs and governance reforms on community welfare and institutional performance.

Bibliography

- Abdussamad, Z. (2021). *Metode Penelitian Kualitatif* (Cet.1). Syakir Media Press.
- Afifah, A. A. N., Soleman, R., & Mulyadi, S. (2022). Penafsiran Ayat Dan Hadits Sedekah Dalam Perspektif Islam. *Jurnal Ekonomi Syariah, Volume. 2*(1), 3.
- Al Gazali, D. A., & Anwar, A. Z. (2023). Pengaruh Literasi Zakat Terhadap Kepercayaan Muzakki Pada NU Care-LAZISNU Cabang Jepara. *Jurnal Ekonomi Syariah Pelita Bangsa, 08*(01), 64.
- Baihaqi, J., & Ulfa, S. (2022). Implementation of Good Governance for Zakat Management (Case Study at Baznas Kudus Regency).



Wiga: Jurnal Penelitian Ilmu Ekonomi, 12(4), 358.

- Bakhtir, A. N. A., & Abdullah, A. (2023). *Panduan Praktis Zakat, Infaq, & Shadaqah: Petunjuk Praktis Tentang Zakat dan Cara Penghitungannya*. BAZNAS (BAZIS) DKI Jakarta.
- Fadjar Trisakti, Adnin Dikeu Dewi Berliana, Al Bukhori, & Alya Fitr. (2021). Transparansi Dan Kepentingan Umum. *Jurnal Dialektika: Jurnal Ilmu Sosial*, 19(1), 31. <https://doi.org/10.54783/dialektika.v19i1.61>
- Firdaus. (2022). Implementasi Good Corporate Governance Pada Pengelolaan Zakat di BAZNAS dan LAZ DPU Kutai Timur. *At Tawazun*, 10(01), 28–40.
- Governansi, K. N. K. (2006). *Pedoman Umum Good Corporate Governance Indonesia*.
- Harjoni. (2024). Mengenal Lebih Dekat Manajemen Zakat, Infaq, Shodakah dan Waqaf. In *Sustainability (Switzerland)* (Cet.1, Vol. 11, Issue 1). PT. Literasi Nusantara Abadi Grup. <http://scioteca.caf.com/bitstream/handle/123456789/1091/RED2017-Eng-8ene.pdf?sequence=12&isAllowed=y%0A> <http://dx.doi.org/10.1016/j.regsciurbeco.2008.06.005> https://www.researchgate.net/publication/305320484_SISTEM_PEMBETUNGAN_TERPUSAT_STRATEGI_M_ELESTARI
- Haryanto, R., & Suaidi. (2023). Branding the Role Of the District Baznas in Madura Through Online-Based Digitalization in Efforts of Community Economic Empowerment. *IQTISHADIA Jurnal Ekonomi & Perbankan Syariah*, 10(1), 84. <https://doi.org/10.19105/iqtishadia.v10i1.8771>
- Irmawati. (2024). *Implementasi Good Corporate Governance (GCG) Terhadap Penyaluran Zakat Produktif di BAZNAS Kab. Majene (Tinjauan Ekonomi Syari'ah)*. Parepare: IAIN Parepare.
- Khoirunjannah, D., & Arifia, K. (2024). Pengelolaan Dana Zakat untuk Pemberdayaan Pendidikan Anak Yatim Dhuafa. *Tasharruf: Journal of Islamic Economics and Business*, 5(1), 1. <https://doi.org/10.55757/tasharruf.v5i1.432>
- Manossoh, H. (2016). *Good Corporate Governance untuk Meningkatkan Kualitas Laporan Keuangan* (Cet.1). PT. Norlive Kharisma Indonesia.
- Putri, D. P. A., & Trisnaningsih, S. (2023). Pentingnya Perusahaan Dalam Menerapkan Prinsip Good Corporate Governance. *Jurnal Ilmiah Bidang Sosial, Ekonomi, Budaya, Teknologi, Dan Pendidikan*, 2(11), 3455.
- Rusdiana, A., & Nasihudin. (2018). *Akuntabilitas Kinerja Penelitian*. Pusat Penelitian dan Penerbitan UIN SGD Bandung.
- Shihab, M. Q. (2002). *Tafsir Al-Mishbah: Pesan, Kesan dan Keserasian Al-Qur'an Surah At-Taubah* (Vol. 5). Lentera Hati.
- Sudarmanto, E., Susanti, E., Revida, E., Purba, M. F. A. P. S., Purba, A. B., Silalahi, M., Anggusti, M., Sipayung, P. D., & Krisnawati, A. (2021). *Good Corporate Governance (GCG)* (Cet.1). Yayasan Kita Menulis.
- Wahyuningsih, S. (2013). *Metode Penelitian Studi Kasus (Konsep, Teori Pendekatan Psikologi Komunikasi, dan Contoh Penelitiannya)* (Cet-1). UTM Press.
- Warti'ah. (2024). Sistem Pelaporan Keuangan Zakat Berbasis Teknologi Informasi Dan Transparansi Di BAZNAS Gresik. *Iqtisadie: Journal of Islamic Banking and Shariah Economy*, 04(02), 133.
- Yona Andreani, & Laylan Syafina. (2022). Akuntabilitas Dan Transparansi Laporan Keuangan Berbasis Teknologi Informasi Pada Badan Amil Zakat Nasional Kabupaten Deli Serdang. *AKUA: Jurnal Akuntansi Dan Keuangan*, 1(2), 208. <https://doi.org/10.54259/akua.v1i2.771>
- Zahara, A., Syahriza, R., & Samri, Y. (2025). Analisis Efektivitas Penyaluran Dana Zakat Infak Shadaqah dan Implementasi



Good Corporate Governance pada Lembaga Amil Zakat Dompot Dhuafa Waspada Medan. *Jurnal Kajian Ekonomi & Bisnis Islam*, 6(1), 649.

Zulkifli. (2020). *Panduan Praktis Memahami Zakat, Infaq, Shadaqah, Wakaf dan Pajak* (Cet.1). Kalimedia.