

The Impact of the Baznas Z-Auto Program on Improving the Community's Economy in Kab. Barru (Sharia Economic Analysis)

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ARTICLE INFO

ABSTRACT

Article

history:

Received

January

Accepted

March

Keywords

Impact of
BAZNAS Z-
Auto
Program,
Improvement
of Community
Economy in
Barru, (Sharia
Economic
Analysis)

Zakat-based empowerment programs are an important instrument in supporting sustainable community development, yet studies assessing their effectiveness at the local level remain limited. In particular, empirical evidence on how zakat programs align with sharia economic principles while enhancing the welfare of beneficiaries is still underexplored. This study seeks to fill this gap by examining the impact of the BAZNAS Z-Auto Program on community economic empowerment in Barru Regency. The research employed a mixed-method case study approach that combined descriptive quantitative and qualitative analysis, allowing for an in-depth understanding of both program outcomes and implementation mechanisms. Data were collected from mustahik beneficiaries, program documentation, and institutional reports to capture the program's effectiveness and challenges. The findings indicate that the Z-Auto Program has positively contributed to improving the economic welfare of mustahik through the provision of productive facilities and targeted assistance. Moreover, the integration of sharia principles is evident: *siddiq* (truthfulness) through transparent beneficiary selection and reporting, *amanah* (trustworthiness) in fund management, *fathonah* (professionalism) in planning and mentoring, and *tabligh* (transparency) in communication. While some challenges remain in disseminating information broadly, the overall synergy of these principles enhances program sustainability. These results enrich the literature on zakat-based empowerment and provide practical insights for policymakers and zakat institutions in designing more effective and sharia-compliant community development strategies.

1. Introduction

The problems of the lives of Muslims are very complex, poverty, ignorance, backwardness is a portrait of most in Indonesia, the majority of which are Muslims, to help alleviate poverty, one of them is by means of zakat empowerment. Zakat is one of the pillars of Islam that must be fulfilled by Muslims. The Quran and sunnah always combine prayer with zakat. This shows how close the relationship between the two is. A person's Islam will not be perfect except with these two things. Zakat is the bridge to Islam. Who passes through it will be safe to the destination and who chooses another path will be lost. (Qardhawi, 2010)

The most common factor in the occurrence of poverty is due to scientific

factors, as well as the uneven development produced or the distribution of income down as a factor that causes poverty. In an effort to alleviate poverty that is legal according to religion, namely paying zakat with capital formation. By strengthening the capital socially, it will also spur the economic growth of the community more evenly. In the following section, zakat also has an essential role to improve the quality of human resources and the provision of production facilities and infrastructure. (Santi Ariyani, 2022)

The National Amil Zakat Agency is an institution authorized to carry out the task of managing zakat nationally which is regulated in Law No. 38 of 1999 concerning zakat management. One of them regulates zakat management organizations, namely institutions

engaged in managing zakat, infaq, wills, sadaqah and kifarat. This is emphasized after being replaced by Law No. 23 of 2011 article 27 states that, (1) zakat can be utilized for productive businesses in the context of handling the poor and improving the quality of the people, (2) utilization of zakat for productive businesses as referred to in paragraph 1 is carried out if the basic needs of *mustahik* have been met, (3) further provisions regarding the utilization of zakat for productive businesses as referred to in paragraph 1 shall be regulated by ministerial regulation.

2. Literature Review

Poverty alleviation and equitable economic development have been central concerns in both conventional and Islamic economic frameworks. The concept of a **populist economy** emphasizes economic systems that promote justice and economic democracy, benefiting the wider community (Zulkarnain, 2003). Within this framework, **zakat** serves as a vital instrument for wealth redistribution and social welfare. According to Qardawi (2007), zakat is an obligatory act of worship for every eligible individual (*mukallaf*) who possesses wealth, requiring them to allocate a specified portion according to prescribed rules. Similarly, Al-Zuhaili, as cited by Hafidhuddin (2008), defines zakat as a predetermined portion of a person's wealth that must be distributed to specific groups under clearly defined conditions. These definitions highlight zakat's dual role as a religious obligation and a practical tool for economic empowerment.

In the broader context, **Sharia economics** integrates social science perspectives with Islamic values to address economic issues within society. Mannan (2014) defines Sharia economics as the study of economic problems guided by Islamic ethical principles, while Qardhawi, cited in Prasetyo (2020), emphasizes that this economic system is divinely inspired,

with all activities grounded in the Sharia framework. Collectively, these perspectives underscore the potential of zakat and Sharia-based economic interventions to promote both social justice and community development.

Despite these theoretical insights, there is limited empirical research on the practical application of zakat in structured empowerment programs, such as the BAZNAS Z-Auto Program in Barru. Understanding how zakat can be productively utilized to enhance community economic welfare remains a key research gap that this study addresses.

3. Research Method

3.1 Research Approach

This study employed a qualitative case study approach to explore the implementation and impact of the BAZNAS Z-Auto Program in Barru Regency. Qualitative research is suitable for examining social phenomena, understanding participant experiences, and providing an in-depth description of complex processes (Prastowo, 2021). Unlike quantitative methods, the focus is not on numerical comparison but on capturing rich, contextualized insights.

3.2 Research Site

The research was conducted at BAZNAS Barru Regency, selected due to its active implementation of the Z-Auto Program. This site allows for a focused investigation of program mechanisms, economic impacts, and the application of sharia principles in practice (Basrowi & Suwardi, 2008).

3.3 Data Collection

Data were collected through multiple sources to ensure triangulation and enhance validity. Methods included:

- **Observation:** Systematic field observations of program activities and interactions between staff and beneficiaries.
- **Interviews:** Semi-structured interviews with program managers, staff, and *mustahik* to

understand experiences, challenges, and perceptions.

- **Document Analysis:** Examination of existing reports, financial records, and program documentation to provide objective evidence of program implementation and outcomes.

3.4 Data Analysis

Collected data were analyzed using thematic analysis, involving coding, categorization, and interpretation to identify patterns and insights relevant to the research objectives. This process allowed for an evaluation of both program mechanisms and adherence to sharia economic principles.

3.5 Ethical Considerations

Ethical principles were maintained by obtaining informed consent from all participants, ensuring confidentiality, and reporting findings transparently. This methodological framework enables a comprehensive understanding of how the BAZNAS Z-Auto Program contributes to community economic empowerment within the sharia framework.

4. Results and Discussion

4.1. Research Results

4.1.1 Mechanism of BAZNAS Z-Auto Program

The BAZNAS Z-Auto Program in Barru Regency is an MSME empowerment initiative focusing on motorcycle repair businesses. The program provides business capital, training, and mentoring to enhance the economic welfare of mustahik (zakat recipients). Most beneficiaries reported an increase in monthly income following the provision of workshop equipment, while others highlighted that the assistance reduced their financial burden gradually. Beneficiaries also expressed that the application process was straightforward, supported by UPZ and BAZNAS staff through field surveys and guidance.

Challenges remain, particularly related to limited funds and the need to expand program reach. BAZNAS aims to increase community and ASN participation in channeling ZIS to support more beneficiaries. Structured selection mechanisms, continuous mentoring, and transparent fund management are key factors in the program's success.

4.1.2 Optimization of Sharia Economic Principles

a. Siddiq (Honesty/Truthfulness)

The principle of Siddiq is demonstrated through rigorous beneficiary selection, transparent financial reporting, and accountability in fund usage. BAZNAS verifies mustahik data and ensures that funds for Z-Auto procurement and program operations are accurately recorded and reported. Beneficiaries understand the importance of honesty in applications and in using assistance for productive purposes, while some voluntarily report business progress to maintain transparency. This creates trust among BAZNAS, beneficiaries, and muzaki (zakat payers).

b. Amanah (Trustworthiness/Responsibility)

The Amanah principle is reflected in BAZNAS's careful management of ZIS funds and the distribution of assistance according to program objectives. Beneficiaries recognize the trust placed in them and commit to using resources productively. Some beneficiaries expressed the desire to give back to the community once their economic situation improves, strengthening accountability and reinforcing community trust.

c. Fathonah (Intelligence/Professionalism)

Fathonah is evident in strategic program planning, efficient fund management, and mentoring activities that enhance beneficiaries' entrepreneurial skills. BAZNAS analyzed local business potential, tailored assistance, and

ensured professional management of the program. Beneficiaries learned to manage income and expenses effectively, optimize business potential, and adapt to market changes, demonstrating practical intelligence in utilizing Z-Auto support.

d. Tabligh (Transparency/Dissemination)

The principle of Tabligh is implemented through clear socialization of the program, public disclosure of beneficiary criteria, and transparent reporting. BAZNAS actively informs communities through meetings, village events, and social media. Open communication minimizes misunderstandings, encourages participation, and builds public trust in zakat management. Overall, the BAZNAS Z-Auto Program demonstrates effectiveness in improving mustahik income while ensuring adherence to Sharia economic principles through transparency, accountability, and capacity-building. Challenges remain in fund limitations and ensuring that information reaches all community levels, but the integration of Siddiq, Amanah, Fathonah, and Tabligh principles strengthens program sustainability and impact.

4.2 Discussion of Research Results

4.2.1 Mechanism of the BAZNAS Z-Auto Program in Barru Regency

The BAZNAS Z-Auto Program operates as an integrated system that converts zakat funds into productive assets, such as repair tools for mustahik, distributes them to beneficiaries in need, and provides assistance to achieve economic independence, all in accordance with sharia principles. Yusuf al-Qardhawi (1993) emphasizes in *Fikhi Zakat* that zakat is an essential aspect of Islamic regulations on property and society and constitutes an act of worship alongside prayer. The Qur'an repeatedly commands prayer and zakat, as in Q.S. Al-Baqarah 2:43: *"Establish the prayer and pay the zakat and bow with those*

who bow" (K.A. RI, 2019). Scholars agree that zakat represents a form of vertical worship, rooted in faith in Allah SWT (Shihab, 2018).

Effective zakat management involves two key dimensions: collection and distribution. Collection includes data processing, calculation, billing, and recording of zakat deposits (Muin, 2020). Distribution has evolved from primarily consumptive forms to productive zakat, aimed at generating tangible economic outcomes. Productive zakat refers to the provision of resources that enhance beneficiaries' capacity for work or income generation.

Research findings show that the BAZNAS Z-Auto Program positively impacts the mustahik economy by providing productive facilities, such as workshops, coupled with structured selection, continuous mentoring, and transparent fund management. Challenges remain in terms of limited funds and optimizing mentoring, while the community hopes the program will continue expanding. These findings align with Hufra Nufikasira, who notes that while the program benefits mustahik, improvements are needed in selection, socialization, and assistance delivery.

4.2.2 Sharia Economic Principles in Optimizing the BAZNAS Z-Auto Program

a. Siddiq (Honesty and Integrity)

The Siddiq principle, meaning honesty, truthfulness, and trustworthiness, underpins both program management by BAZNAS and beneficiary behavior. Upholding Siddiq ensures integrity in all stages of the program, enhancing effectiveness and compliance with sharia objectives. The Qur'an emphasizes honesty, for instance in Q.S. At-Taubah 119: *"O you who believe, fear Allah, and be with those who are righteous"* (Ministry of Religious Affairs, 2019). Findings indicate that the Siddiq principle is reflected in strict selection processes based on factual data, transparent financial reporting, and beneficiaries' commitment to using assistance as intended. This fosters trust among

BAZNAS, muzaki, and mustahik, making the program more effective and sustainable.

b. Amanah (Trust and Responsibility)

The Amanah principle, denoting responsibility and accountability, ensures that all parties fulfill their duties effectively. The Qur'an repeatedly encourages caring for the needy, linking this to the obligation to provide fidyah (QS Al-Ma'un 3; Al-Fajr 17-18). Research findings show that Amanah is demonstrated through BAZNAS's responsible management and distribution of ZIS funds and beneficiaries' proper use of vehicle assistance. This mutual trust and accountability are central to the program's sustainability and its positive impact on mustahik welfare.

c. Fathonah (Wisdom and Professionalism)

Fathonah involves intelligence, wisdom, and professional competence. Applying this principle means that BAZNAS and beneficiaries adopt strategic and effective approaches at all stages. Historically, Umar's ijthad addressed the distribution of zakat to muallaf (Subadi, 2015), and the Qur'an (At-Taubah 60) identifies eligible zakat recipients, including converts and the needy (K.A. RI, 2019). The research shows that Fathonah is reflected in strategic program planning, efficient fund management, and mentoring that enhances mustahik competence. This ensures intelligent utilization of assistance, producing sustainable economic benefits.

d. Tabligh (Communication and Socialization)

The Tabligh principle emphasizes transparent and effective communication. Surah Al-Asr 103:1-3 stresses advising one another in truth and patience (Ministry of Religious Affairs, 2019). Ndraha (2011) highlights that poverty hinders development, and effective communication supports community economic empowerment.

Findings indicate that BAZNAS applies Tabligh through active socialization, transparent reporting, and clear communication in selection and distribution. Challenges remain in ensuring that all community members fully understand the information, thereby encouraging more effective participation and oversight.

5. Conclusion

This study demonstrates that the BAZNAS Z-Auto Program in Barru Regency effectively improves the economic conditions of mustahik by providing productive facilities, such as workshop equipment. The program's effectiveness is supported by a structured selection mechanism, continuous mentoring, and transparent fund management. The optimization of Islamic principles further strengthens the program: Siddiq (honesty) is reflected in transparent selection and financial reporting, fostering trust; Amanah (trustworthiness) is realized through responsible fund management and mustahik compliance; Fathonah (wisdom/professionalism) is evident in strategic planning, efficient program implementation, and capacity-building for mustahik; Tabligh (communication/transparency) is ensured through clear socialization and reporting, though challenges remain in ensuring broad understanding across beneficiaries. Overall, the BAZNAS Z-Auto Program represents a sustainable model of Sharia-based economic empowerment, demonstrating how integration of ethical principles with structured implementation can enhance mustahik welfare.

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