

Islamic Philanthropy and Social Services in Improving Community Welfare in Indonesia

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Abstract

Poverty in Indonesia has become a complex and multisectoral issue, necessitating comprehensive handling involving all stakeholders, including civil society and Islamic philanthropy managers. Islamic philanthropic activism in Indonesia continues to expand, as evidenced by a growing public understanding of the importance of channeling donations through institutions. Donations collected by Islamic philanthropic organizations are channeled into charity programs for non-urgent needs and productive programs with lasting effects on community empowerment. This form of research employs a qualitative-descriptive methodology. This study examines an Islamic philanthropic organization using documentation and observation techniques to collect data, and qualitative deductive and inductive methods to analyze the data qualitatively. The findings of this study indicate that Islamic philanthropy and social services in improving welfare carried out by Islamic philanthropy management organizations in Indonesia are manifested in various fields, including social, economic, educational, and health, and are channeled as assistance and empowerment programs to improve public welfare. The organization's capacity to manage Islamic philanthropy is achieved by integrating its programs, policies, and services with government and private agencies with similar objectives. In measuring the impact of Islamic philanthropy and social services on enhancing community welfare, Islamic philanthropic organizations consider a change in thought patterns, attitudes, and actions in living life based on one's abilities. Consequently, charitable social services have taken the form of empowerment programs in a society with lasting effects.

Keywords: Islamic Philanthropy, Social Services, Community Empowerment

Introduction

The spiritual dimension of Islamic philanthropy is an obligation and recommendation that must be fulfilled to get closer to Allah SWT and gain His approval, while the social dimension of Islamic philanthropy can increase the welfare and autonomy of society. The state has supported Islamic philanthropy, which consists of *zakat*, *infaq*, alms, endowments, and other humanitarian funds, through various regulations and laws. Islamic philanthropy is a form of generosity to solve problems and improve the welfare of society in the fields of education, religion, society, health, and others, one form of activity is carried out in the distribution of Islamic philanthropy funds by providing social services to the community, especially social services which have many is practiced in various parts of the world because it is directly related to social models, cultural traditions, legal rules, a person's religious beliefs, and a person's religious affiliation.¹ Based on data from the Central Statistics Agency (BPS) in March 2024, the poor in Indonesia were 25.22% of the population, thus requiring the active role of all elements, both government and civil society groups. One of these active roles is carried out by BAZNAS, Muhammadiyah Zakat Collection Institution (LAZISMU), and the Indonesian Waqf Agency (BWI) by

¹ Luminița Chivu, "Local Entrepreneurship and Social Services in Romania. Territorial Analysis," *European Research on Management and Business Economics*, Vol. 25, No. 2, (2019): 79–86.

providing charitable programs and community empowerment in participating in reducing poverty in Indonesia.

Good social service organizations involve Islamic philanthropic organizations in operating their organizations in a professional and empowering manner to promote ethical decision-making, assembling applicable values and shared beliefs to support ethical practices within the organizational environment.² Consequently, social service organizations typically operate in areas where operational stability and flexibility conflict, resulting in innovation barriers.³ Efforts to encourage social service organizations and Islamic philanthropic organizations, in general, must be able to adapt to the digital world so that the importance of digitalization carried out by social service organizations in resolving issues caused by lack of access, virtual activities, and communication between stakeholders can be mastered.⁴

Islamic philanthropic organizations engage in social entrepreneurship because it involves social innovation, risk-taking, proactivity, and market orientation.⁵ Social entrepreneurship is influenced by numerous disciplines, including social work, sociology, economics, and politics. This is because entrepreneurship is a paradigm-shifting concept with numerous paradigm connotations used to interpret the relationship between business practices and business interest initiatives.⁶ The implication is that social entrepreneurship is a financial strategy for achieving economic sustainability independent of government aid and funding.⁷

Several studies on Islamic philanthropy demonstrate that modernization and Islamization have contributed to the growth and development of Islamic philanthropy, but not necessarily to the development of philanthropy that emphasizes social justice. Efforts to advance social justice are conducted through dialogue between Islamic philanthropy stakeholders who care about the social justice agenda, even though the long-term viability of Islamic philanthropy depends on a stable political and economic environment, state support, and civil society.⁸ The use of information technology can increase trust, image, and religiosity, as well as provide technology usage recommendations for charitable organizations.⁹

Islamic philanthropy and social entrepreneurship are important in addressing

² Eleni Papouli, "Virtues, Social Work and Social Service Organizations," *Social Work Theory and Ethics. Social Work Singapore: Springer*, 2022.

³ Andreas Schröer, "Social Innovation in Education and Social Service Organizations. Challenges, Actors, and Approaches to Foster Social Innovation," *Frontiers in Education*, Vol. 5, (Frontiers Media SA, 2021), 555624.

⁴ Mikhail V Firsov, et. al., "Digitalization of the Professional Activity of Managers in Social Service Organizations," *Revista Geintec-Gestao Inovacao e-Tecnologias*, Vol. 11, No. 3, (2021): 2012–21.

⁵ Aaron Turpin and Micheal L Shier, "Social Entrepreneurial Orientation in Human Service Organizations: A Scoping Review," *Human Service Organizations: Management, Leadership & Governance*, Vol. 44, No. 2, (2020): 144–68.

⁶ Gabriel-Alexandru Toma, "Social Entrepreneurship: A Conceptual Taxonomy," *Journal of Community Positive Practices*, No. 1 (2022): 60–76.

⁷ Anidah Robani, et. al., "Islamic Solidarity Economy: The Case Study of Social Entrepreneurship in Pesantren, Indonesia," *Middle East Journal of Management*, Vol. 9, No. 6, (2022): 665–81.

⁸ Amelia Fauzia, "Islamic Philanthropy in Indonesia: Modernization, Islamization, and Social Justice," *Austrian Journal of South-East Asian Studies*, Vol. 10, No. 2 (2017): 223–36.

⁹ Hardius Usman, et. al., "Integrating Trust, Religiosity and Image into Technology Acceptance Model: The Case of the Islamic Philanthropy in Indonesia," *Journal of Islamic Marketing*, 2020.

social, economic, and religious problems.¹⁰ For Islamic philanthropy to be an integral part of a well-organized movement to enhance the welfare of a just and transparent society,¹¹ because the existence of quality social services is crucial to the economic development of a nation, the role of the state in providing social services to the community with the various provisions that have been determined is of the utmost importance.¹² One way is by identifying organizations engaged in social services where the intervention model for solving problems in disasters is carried out by sharing solutions to the problems being faced, which begins with a global understanding of the role of organizations and social development practices.¹³

The great potential of Islamic philanthropy as the 2021 Indonesian *Zakat* Outlook according to the Strategic Studies Center BAZNAS reported that the potential for *zakat* in Indonesia reaches IDR 327.2 trillion annually, while the total collection has only reached IDR 32,32 trillion of the potential *zakat*,¹⁴ on the other hand, the potential for *waqf* in Indonesia is also very large, based on data from the Ministry of Religion's *Waqf* Information System (*Siwak*) in 2023 showing that there are 440,512 *waqf* land locations, 57,263.69 ha of *waqf* land area, and 57.42% are certified. This potential will grow even more if combined with the potential of Other Religious Social Funds (DSKL) which nationally collected IDR 26 trillion in 2022, especially during the Covid-19 pandemic based on a report from the Charities Aid Foundation (CAF) World Giving Index 2021, Indonesia is in first place as the most generous country in the world with a score of 69 or an increase from the previous year in 2018 which received a score of 59.¹⁵ The existence of Islamic philanthropic organizations, such as BAZNAS and BWI representing the government and LAZISMU representing civil society is needed in collecting and managing Islamic philanthropic funds to improve the independence and welfare of society. This article will review the role of the three philanthropic organizations through various programs that have been implemented to provide social services.

Methodology

This is qualitative research, therefore, it was conducted intensively, in great detail, and in-depth on the object to be studied, and the results were analyzed descriptively concerning library materials.¹⁶ The subjects of this research are research partners, namely the National Zakat Amil Agency (BAZNAS), LAZISMU, and the Indonesian *Waqf* Agency (BWI) as national Islamic philanthropy management

¹⁰ Arief Dwi Saputra, Alfina Rahmatia, and Muslimah Muslimah, "How Far Are the Benefits of the Islamic Philanthropy and Social Entrepreneurship Movement?," *El-Qish: Journal of Islamic Economics*, Vol. 1, No. 1 (2021): 11–24.

¹¹ Willya Achmad, "Corporate Social Responsibility and Zakat: A Model of Philanthropy in the Society Era 5.0," *Jurnal Scientia*, Vol. 11, No. 01 (2022): 565–74.

¹² Roger Hadley and Stephen Hatch, *Social Welfare and the Failure of the State: Centralised Social Services and Participatory Alternatives* (Routledge, 2018).

¹³ Reima Ana Maglajlic, "Organisation and Delivery of Social Services in Extreme Events: Lessons from Social Work Research on Natural Disasters," *International Social Work*, Vol. 62, No. 3, (2019): 1146–58.

¹⁴ Zaenal, Muhammad Hasbi, *Indeks Zakat Nasional*, (Jakarta: Puskas BAZNAS, 2023).

¹⁵ Charities Aid Foundation, "CAF World Giving Index 2021: A Global Pandemic Special Report," 2021.

¹⁶ Supardi, *Metodologi Penelitian Ekonomi dan Bisnis*, (Yogyakarta: UII Press, 2005).

organizations, while the objects in this research are the managers or administrators of BAZNAS, LAZISMU, and the Indonesian *Waqf* Agency, especially the section that manages social services to the community.

The nature of this study is qualitative and descriptive. Documentation and observation are the data collection methods used in this study so that the researcher can use all his abilities to discover the object of study. This study's data analysis is based on descriptively presented data obtained either through writing or direct observation. Apart from that, the adequacy of the library data examined has been collected previously and the data that has been collected is analyzed qualitatively using deductive and inductive methods. The process of data analysis begins with a review of all the data collected from various sources resulting from documentation at BAZNAS and BWI, while observations were carried out with LAZISMU, then the data is reduced by making abstractions and arranged in unit (detailed) form and tested for validity so that it can be used as a guide to answer multiple research problem formulations, and finally the researcher draws analytical conclusions.

Result and Discussion

Flexibility of Islamic Philanthropic Organizations in Building Community Welfare

Islamic philanthropy has had an important role in the lives of Muslims since the early era of Islam, this is because the spirit of giving charity not only contains a spiritual dimension as a religious command to be able to help each other and do good to fellow human beings as a sense of love and part of worshiping Allah SWT, but the spirit of giving charity also contains a social dimension to solve problems faced by society, such as poverty, social inequality, lack of access to education, lack of access to health, and others.¹⁷ One of the programs carried out by Islamic philanthropic organizations is through social services aimed at achieving a prosperous life and achieving good self-conformity.¹⁸ Thus, organizations that carry out social services have essentially carried out a form of public service characterized by transparency, participation, accountability, responsiveness, clarity of service, certainty of time, and service efficiency.¹⁹

Islamic philanthropic organizations in the process of collecting and distributing Islamic philanthropic organizations varies due to varied methods,²⁰ however from the perspective of donors (*muzakki/waqif*), the existence of a belief factor (religion) moderates the relationship between attitudes towards Islamic philanthropic organizations and being motivated to make donations²¹ so that in the distribution process the existence of a form of partnership in the form of a green economy

¹⁷ Makhrus, *Filantropi Islam dan Pelayanan Sosial* (Purwokerto: Litera Inti Aksara, 2024).

¹⁸ Adi Fahrudin, *Pengantar Kesejahteraan Sosial* (PT Refika Aditama, 2012).

¹⁹ Oman Sukmana, *et. al.*, *Negara Kesejahteraan dan Pelayanan Sosial* (Intrans Publishing, 2015).

²⁰ A Fatha and M S Pahlevi, "Comparative Analysis of Collection and Distribution of Zakat Institution Funds in Indonesia," *Journal of Islamic Economics and Philanthropy*, Vol. 6, No. 1, (2023): 236–51.

²¹ Min Teah, Michael Lwin, and Isaac Cheah, "Moderating Role of Religious Beliefs on Attitudes towards Charities and Motivation to Donate," ed. Riza Casidy, *Asia Pacific Journal of Marketing and Logistics*, Vol. 26, No. 5, (2014): 738–60.

provides an opportunity to support sustainable Islamic philanthropic organizations based on justice, equality, and balance.²²

In practice, this is carried out by Islamic philanthropic organizations, such as the National Alms Agency (BAZNAS), as stated on its website BAZNAS which is a semi-government-based philanthropic institution, provides social services to the community by creating its program called BAZNAS Active Services (LAB) as a program under the *zakat* distribution and services. This program is a social emergency program for *mustahik* with a form of treatment that is more targeted, timely, and appropriately handled. BAZNAS LAB provides social services to the community by prioritizing four tasks and functions, namely: first, the planning function, including activity planning, finance, and human resources. Second, implementation includes various matters related to the operational implementation of planned activities. This is divided into several groups, namely living costs, health, education, and house renovation needs. Third, control includes monitoring and evaluating program implementation. Fourth, reporting, in this case, relates to responsibility for program implementation planning, targets, goals, and budget use. The BAZNAS LAB service program has service units and response units that operate in various programs, namely, transportation, health, rice ATMs, public facilities, living costs, rent, house renovation, education, debt repayment, water kitchens, and disasters.

The Indonesian *Waqf* Board (BWI), which has the authority to administer *waqf* in Indonesia, is encouraging a new era of national *waqf* by enhancing welfare, *da'wah* quality, and human dignity. So, regardless of whether *waqf* is known as cemeteries, mosques, or madrasas, *zakat* administration can be carried out strategically in the form of productive assets that can be used for public purposes and community facilities. The institutionalization of *waqf*, which is formally governed by separate legislation, always results in a *waqf* administration that is more transparent, credible, and accountable. To maximize the potential of *waqf* for social and community welfare (*mauquf 'alaih*), the positions of *nazhir* and *wakif* are interdependent elements. Therefore, the administration of *waqf* assets can be put to productive use, such as investing in Sharia financial markets such as state/corporate *sukuk*, Sharia mutual funds, and Sharia capital markets. In the meantime, if the *waqf* assets are acquired by LKS-PWU, they can be invested using *mudharabah muthlaqoh* and *mudharabah muqayyadah* contracts. Alternatively, Islamic law-compliant investments in the real estate sector include offices, apartments, retail centers, plantations, and mining operations, among others.

Efforts to strengthen *waqf* have been made by the government by providing separate legislation so that *waqf* management becomes transparent, credible, and accountable.²³ This is in line with the history of *waqf* since the founding of Islam until various Islamic sultanates encouraged the management of *zakat* optimally, both conceptually and in its application. Even historically the *waqf* system in the Ottoman

²² Adinda Thaliya and Dania Hellin Amrina, "Green Economy and Partnership Program in the Tofu Processing Industry: Towards Social-Economic Systems Driving Sustainable Development," *Journal of Islamic Economics and Philanthropy*, Vol. 5, No. 4, (2023): 145–61.

²³ Nurul Jannah, "Cash Waqf Literacy in Indonesia: Literature Studies and Perspectives of Islamic Economics Academics," *Islamic Economics Journal*, Vol. 9, No. 1, (2023): 1–18.

era was built on the principles of social justice, solidarity, and equality which were contrary to the capitalist principles that prioritize individual profit.²⁴ Through *waqf*, individuals or community organizations can make long-term contributions and enhance the social services available to disadvantaged communities. According to the catalog of Indonesian productive *waqf* projects issued by BWI, several *waqf* objects can be managed productively and professionally, thereby benefiting society and the nation. These are the productive *waqf* objects: Awqaf Tower Office Building, Rumah Sakit Salman, Kawasan Wakaf Terpadu Daarul Aulia, Sekolah Dasar Juara Jakarta Timur, Rumah Sakit Islam Asshobirin, Rumah Sakit Hasyim Asy'ari, PGAI Padang Mixed Use Building, RS Islam MAJT-MAS Semarang. Said Na'um Mixed Use Development, RS dan STIKES Hidayatullah, Food Courd and Virtual Office Daarut Tauhid, Training Center Camp Al-Azhar, Pesantren Tahfidz Daqu Cipondoh, dan pesah Tahfidz Green Lido.

LAZIS Muhammadiyah (LAZISMU) is an institution operating under the auspices of Muhammadiyah that engages in numerous philanthropic endeavors, particularly in the social, educational, and health sectors. Since its founding in 1912, Muhammadiyah has focused on these three sectors, with *zakat* constituting one of the pillars of its institutional sustainability. In its program operational pattern, LAZISMU presence is supported by a multi-line network, a consolidated network of *zakat* institutions dispersed throughout the province (regency/city-based), particularly with support from the Muhammadiyah leadership level, allowing LAZISMU empowerment programs to reach all of Indonesia rapidly, precisely, and on target.²⁵ LAZISMU plays a crucial role in the collection of ZISWAF funds from Muhammadiyah and non-Muhammadiyah circles. The founding of LAZISMU was precipitated by two factors: first, the fact that Indonesia still suffers from pervasive poverty, ignorance, and a very low human development index because of social injustice. Second, *zakat* is believed to contribute to the advancement of social justice, human development, and the alleviation of destitution. LAZISMU divides its *zakat* distribution program into five pillars: education (save our school, Trensains, Sang Surya Scholarship, Mentari scholarship, etc.), health (Said Tuhuleley floating clinic and End TB), economy (Farming Rise, 1000 MSMEs, civil society empowerment, and others), *da'wah* (independent preachers, returning to mosques, and empowering converts), and social and religious (Muhammadiyah Aid, LAZISMU social services include free medical care, counselling, assistance during natural disasters, the provision of ambulances, and home renovations.

LAZISMU integration with various elements inside and outside Muhammadiyah demonstrates that it has an inclusive spirit in combining programs and global humanitarian interests as a space to actualize the spirit of the Muhammadiyah movement collectively. The Islamic philanthropy movement and social services provided by Islamic philanthropy management organizations in Indonesia are typically segmented into several areas, including social, economic, health, and

²⁴ Izzatul Muna, "Ottoman Cash Waqf System: An Alternative to the Western Capitalist System," *Islamic Economics Journal*, Vol. 9, No. 1, (2023): 101–16.

²⁵ A. Sulaeman Makhrus, *Inovasi Pengelolaan Filantropi Islam Muhammadiyah Melalui Manajemen Satu Atap* (Purwokerto: Litera Inti Aksara, 2024).

other areas²⁶, which are channeled into aid and empowerment programs to improve community welfare. The organization's capacity to manage Islamic philanthropy is achieved by integrating its programs, policies, and services with those of government and private agencies with similar objectives. Islamic philanthropic organizations measure the impact felt by the beneficiaries (the poor) in terms of a change in thought patterns, attitudes, and actions in living life based on the capabilities they possess; thus, the form of social service that has traditionally been charitable is carried out as empowerment programs. a society with lasting effects. BWI accomplishes this by optimizing the management of productive *waqf*, which generates results or profits used for the benefit of the community. BAZNAS and LAZISMU perform the same function as zakat administrators who distribute zakat to productive programs by providing business capital, scholarships, and others.

Islamic Philanthropy: The Urgency of Welfare and Digital Transformation

Islamic charity consists of *zakat*, *infaq*, alms, and *waqf*. The spiritual and social dimensions of *zakat* have a significant impact on promoting community autonomy via various distribution programs. The distribution of *zakat* in the form of community empowerment has an impact on reducing levels of poverty and social inequality.²⁷ Consequently, obligatory *zakat* has a positive effect on the well-being of a society based on the principle of justice in the distribution of wealth, while the use of digital technology can enhance the likelihood of *zakat* receipts. Social services exist to improve social welfare and reduce social disparities between various groups of society, specifically the gap between the wealthy and the poor. Multiple types of social services cover diverse disciplines, such as education, health, housing, employment, and social assistance for vulnerable populations. Social service endeavors are conducted in two ways: first, by providing cash or other forms of charity that can provide short-term solutions to the community's problems; and second, by providing long-term solutions. The second objective of empowerment is to have a lasting impact on society. The government or community organizations can carry out social service programs in the form of advocacy, defending rights, providing information, counseling, and community empowerment, which aims to provide independence and prosperity to the community by resolving the social problems they face.

Therefore, social services are also known as social welfare services. This social service activism has expanded into various areas of community service, including community assistance and empowerment. Social services provided by Islamic philanthropic organizations, such as what BWI has done by optimizing *waqf* management in the form of productive *waqf*, have had a positive effect on the lives of the recipients. Similarly, BAZNAS and LAZISMU, as institutions that manage *zakat*, *infaq*, alms, and other humanitarian funds, can organize and distribute

²⁶ Moh Alfiyan Lulu Firdaus, "Islamic Philanthropy Employee Work Values (Case Study LAZISMU Branch Office)," *Islamic Economics Journal*, Vol. 9, No. 2, (2023): 199–212.

²⁷ Muhammad Hasbi Zaenal, Amelya Dwi Astuti, and Ayu Solihah Sadariyah, "Increasing Urban Community Empowerment through Changing of Poverty Rate Index on the Productive Zakat Impact," *IOP Conference Series: Earth and Environmental Science*, Vol. 106, (IOP Publishing, 2018), 12104.

philanthropic funds collected for community empowerment programs, whereas the forms of social services provided by the three Islamic philanthropic organizations are distributed across numerous fields, including health, social, educational, economic, and others. In the process of soliciting donations from the three Islamic philanthropic organizations, the institutions were bolstered using various media, collaboration with various parties, etc. This demonstrates that the management of Islamic philanthropy fund collection carried out by the three Islamic philanthropy management organizations has been able to implement a variety of strategies, including the utilization of networks, stakeholders, digital information, and offline and online services.²⁸

The existence of diverse strategies for soliciting donations from Islamic philanthropic organizations indicates that the organization has sufficient resources to make donations, including soliciting donations for social service programs. Nonetheless, several things need to be improved, such as the massive collection of cash *waqf* by BWI, which has only been carried out at the Central BWI level, while at the regional level, it still lacks the same rhythm; consequently, Islamic philanthropy must employ multiple approaches that demonstrate the existence of relationships between belief and religiosity and the desire to donate, including the necessity of using fintech to manage Islamic philanthropic funds.²⁹ *Waqf* functions as a provider of public facilities in sustaining social facilities in the form of mosques, madrassas, prayer rooms, and cemeteries, but in its development *waqf* in Indonesia continues to develop, specifically with the existence of cash *waqf*.³⁰

All philanthropic organizations now provide digital platforms or collaborate with existing digital platforms because of the increasingly accelerated development of the digital world. The use of Islamic philanthropic payment media has been carried out with digital-based payment platforms, such as OVO, DANA, and others, which can provide a positive response to the millennial generation's desire to make charitable donations.³¹ By integrating commercial financial institutions (banks) and Islamic social institutions (which manage Islamic philanthropic funds) in a single paradigm and program for reducing poverty, Islamic philanthropy plays a significant role in both the short and long-term reduction of poverty.³²

The social services provided by BWI, BAZNAS, and LAZISMU have completed the various stages that have been determined, namely: first, the initial approach stage (engagement, intake, contact, contract), which is conducted to obtain information

²⁸ Ahmad Muqorobin and Mohammad Syifa Urrosyidin, "The Contribution of Zakat, Infaq, Sadaqah, and Waqf (Ziswaf) Strategic Management in Developing the Prosperity of Ummah," *Journal of Islamic Economics and Finance Studies* Vol. 4, No. 1, (2023): 27–47.

²⁹ Hardius Usman et al., "Integrating Trust, Religiosity and Image into Technology Acceptance Model: The Case of the Islamic Philanthropy in Indonesia," *Journal of Islamic Marketing*, Vol. 13, No. 2, (2022): 381–409.

³⁰ Ahmad Lukman Nugraha, et. al., "Waqf Literacy: The Dynamics of Waqf in Indonesia," *Journal of Islamic Economics and Finance Studies*, Vol. 3, No. 2, (2022): 102–20.

³¹ Muhamad Daniyal Al Athar and Mohammad Nur Rianto Al Arif, "The Intention of Millennial Generation in Paying Zakat through Digital Payments," *International Journal of Islamic Business and Economics (IJIBEC)*, Vol. 5, No. 1, (2021): 38–47.

³² Azwar Iskandar, et. al., "Islamic Philanthropy and Poverty Reduction in Indonesia: The Role of Integrated Islamic Social and Commercial Finance Institutions," *AL-IHKAM: Jurnal Hukum & Pranata Sosial*, Vol. 16, No. 2, (2021): 274–301.

and preliminary studies on the need for social services. Second, disclosure and understanding of problems (assessment); this is done to investigate the problems encountered in social services, including gathering information from a variety of specialists. Third, constructing problem-solving plans (planning). At this stage, a plan for resolving the community's problems has been devised and is subdivided into various social service programs capable of resolving problems. Fourth, the problem-solving (invention) implementation is carried out by the previously developed program plan and the results obtained by the community. Fifth, evaluation, is performed by examining the entire succession of social service processes, as well as the subsequent actions that will be taken.³³ The existence of social services can be carried out by involving multiple parties, including adolescents, through a holistic approach to developing social services by involving multiple stakeholders, which has an impact on assisting with service coordination, policy advocacy, and the practice of evaluating service programs.³⁴

Social services carried out by Islamic philanthropic organizations as has been done by BWI by optimizing innovative *waqf* management in the form of productive *waqf* have had a positive impact on people's lives, as well as BAZNAS and LAZISMU as institutions that manage and distribute Islamic philanthropic funds collected for community empowerment programs, while the forms of social services carried out by the three Islamic philanthropic organizations are spread across various fields, namely health, social, education, economy, and others. In the context of the welfare state as a system that gives the state a role to be proactive and responsive in providing social services to its citizens, therefore all activities must be carried out in an organized and cross-professional manner because social services cannot be separated from social work.³⁵ The welfare state aims to provide various social services for all its citizens in a good manner, thus seeking to integrate resource systems and organize service networks that can maintain and improve the welfare of citizens fairly and sustainably.³⁶

The development of technology, information, and communication requires social service organizations to continue to innovate to adapt to these developments, which are now all digital-based, which has implications for the provision of skilled human resources and expertise in the digital field of social services. Strengthening the social service strategy always pays attention to aspects of the internal and external dimensions of the organization that provides social services, this is indicated by the role and commitment of actors in the organization.³⁷ The development of the digital world and strengthening institutional strategies in Islamic philanthropy

³³ Herman Aguinis, Isabel Villamor, and Kelly P Gabriel, "Understanding Employee Responses to Covid-19: A Behavioral Corporate Social Responsibility Perspective," *Management Research: Journal of the Iberoamerican Academy of Management*, Vol. 18, No. 4, (2020): 421–38.

³⁴ Tina Maschi, et. al., "Mapping the Social Service Pathways of Youth to and through the Juvenile Justice System: A Comprehensive Review," *Children and Youth Services Review*, Vol. 30, No. 12, (2008): 1376–85.

³⁵ Edi Suharto, "Kebijakan Sosial," *Bandung: Alfabeta*, 2011.

³⁶ Yuki Fitia Maatisya and Aris Prio Agus Santoso, "Rekonstruksi Kesejahteraan Sosial bagi Tenaga Kesehatan di Rumah Sakit," *JISIP (Jurnal Ilmu Sosial dan Pendidikan)*, Vol. 6, No. 3, (2022).

³⁷ Fauzik Lendriyono, "Strategi Penguatan Organisasi Pelayanan Sosial Berbasis Keagamaan," *Sospol: Jurnal Sosial Politik*, Vol. 3, No. 2, (2017): 66–80.

is very important so that Islamic philanthropic organizations can adapt to the development of technology and digital society so that it becomes a new space in optimizing digital-based donation collection with various platforms that are available for free or creating their platforms such as those done by Kitabisa.com. So far, one of the efforts made by Islamic philanthropic organizations in general is by utilizing social media, websites, brochures, direct mail, and others,³⁸ so that many spaces for donating can be done in various ways, both online and offline.

Islamic philanthropy and social services in improving welfare are carried out by Islamic philanthropy management organizations in Indonesia which are generally divided into several fields, including social, economic, health, and other fields which are channeled into the form of assistance and empowerment programs to improve community welfare. The activism that can be displayed well by Islamic philanthropic organizations cannot be separated from the assumption that philanthropy is part of civil society.³⁹ The ability of Islamic philanthropic organizations to improve welfare is marked by increasing individual and collective income indicators,⁴⁰ even this Islamic financial industry has innovated in sustainable development through economic, social, and economic development.⁴¹

Conclusion

The experience of BAZNAS, BWI, and LAZISMU as described in this book has been able to organize the management of Islamic philanthropy in the form of social services well, this is done by creating a scale of priorities needed by the community, so that various programs and activities are not only in the form of charitable services alone, but are also encouraged in the form of community empowerment which is expected to be able to increase the independence and welfare of the community. Community empowerment is carried out by involving elements of society so that the potential and resources they have can be utilized properly, so that it has an impact on solving problems that are more comprehensive and have long-term impacts. The ability of the Islamic philanthropy management organization above is carried out by integrating programs, policies, and services with other organizations that have the same goals, both from government and private agencies. The existence of collaboration with other parties is an effort to encourage all elements of society that all major problems in society are common problems that must be resolved, such as poverty, ignorance, social inequality, lack of access to health, and so on.

Islamic philanthropy management organizations in Indonesia are responsible for Islamic philanthropy and social services aimed at enhancing community welfare. Typically, these fields include social, economic, health, and others that are channeled into aid and empowerment programs aimed at enhancing community welfare. The

³⁸ Makhrus, *Dinamika dan Aktiwisme Filantropi Islam dalam Peberdayaan Masyarakat*, (Litera, 2018).

³⁹ Chusnan Jusuf, "Filantropi Modern untuk Pembangunan Sosial," *Sosio Konsepsia*, (2007): 74-80.

⁴⁰ Satria Hibatal Azizy, "The Concept of Welfare From Siyasa Syar'iyah Perspective and Its Implementation on Zakat Management in Indonesia," *Islamic Economics Journal*, Vol. 5, No. 1 (2019): 35-53.

⁴¹ Mohammad Zen Nasrudin Fajri, *et. al.*, "The Nexus between Financial Development and Carbon Emission in OIC Countries," *Islamic Economics Journal*, Vol. 10, No. 1 (2024): 72-87.

organization's capacity to manage Islamic philanthropy is achieved by integrating its programs, policies, and services with those of government and private agencies with similar objectives. Islamic philanthropic organizations measure the impact felt by the beneficiaries (the poor) in terms of a change in thought patterns, attitudes, and actions in living life based on the capabilities they possess; thus, the form of social service that has traditionally been charitable in nature is carried out as empowerment programs a society with lasting consequences.

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