

GOOD GOVERNANCE-BASED ZAKAT MANAGEMENT: AN IMPLEMENTATION STUDY AND IMPACT ANALYSIS AT LAZISMU UMY

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ABSTRACT

Indonesia's national zakat potential, reaching hundreds of trillions of rupiah, has not been optimized due to low public trust in zakat management institutions. This qualitative research analyzes the strategy of implementing good governance at LazisMu UMY as an effort to build public trust. A case study method was used with data collection through in-depth interviews, participant observation, and documentary studies. The results show that LazisMu UMY has successfully implemented the five OECD good governance principles contextualized with Islamic values: transparency through financial reports and social media publications, accountability through documentation systems and external audits, responsibility through regulatory compliance and Standard Operational Procedures, independence in strategic decision-making, and fairness through targeted distribution mechanisms. This strategy is strengthened by four main pillars: good zakat governance as the organization's soul, utilization of digital technology, development of innovative programs, and strengthening of competent human resources. Consistent implementation of good governance has proven to increase muzakki trust, operational effectiveness, and institutional reputation. These findings confirm that good governance is a critical variable for the sustainability of ZISWAF institutions in realizing professional and accountable zakat management.

Keywords: Good Governance, Zakat, LazisMu UMY, Accountability, Muzakki Trust

I. INTRODUCTION

Zakat serves as an Islamic philanthropic instrument with significant economic potential and plays a vital role in poverty alleviation and social welfare distribution in Indonesia. According to data from the Indonesian Ministry of Religious Affairs, the national zakat potential could reach hundreds of trillions of rupiah annually, yet actual collection remains substantially below this figure (Kemenag, 2022). A primary challenge facing zakat institutions is the low level of public trust, primarily attributed to issues of transparency, accountability, and professionalism (Solikhudin, 2022; Nur Kabib et al., 2021; Tarigan et al., 2022). In addressing these challenges, the concept of good governance has become an urgent necessity. As public demand for professional and accountable institutional governance continues to escalate, the consistent implementation of good governance principles has emerged as a determining factor for the success of zakat institutions (Susanti & Alfin, 2019). LazisMu UMY, as one of the leading university-based zakat management institutions under Muhammadiyah, strives to integrate Good Governance values with intellectual traditions and Islamic principles to enhance institutional trust and sustainability.

Within this context, the concept of good governance has become imperative. Good governance is no longer merely a discourse but rather an operational and strategic requirement for ZISWAF institutions

to survive, develop, and achieve their objectives. This concept refers to the process of making and implementing sound decisions through effective governance, capable of delivering various benefits including solid institutional governance, effective cooperation, excellent public service, transparency, and justice (Solikhudin, 2022).

Good governance principles in the Islamic perspective possess distinct characteristics, primarily focusing on decision-making attributes grounded in the Oneness of Allah SWT (Tawhid). The ultimate objective is the realization of Maqasid Syariah, which encompasses not only worldly success but also the achievement of benefit in this life and the hereafter (Falah). This foundation distinguishes good governance in Islamic institutions from secular ones (Mohamad Ismail bin Mohamad Yunus, 2017; Ahmad Zayyadi, 2017). Nevertheless, the universal good governance principles developed by the Organization for Economic Cooperation and Development (OECD)—namely Transparency, Accountability, Responsibility, Independence, and Fairness—remain highly relevant and can be adopted with appropriate adjustments to Islamic values (Jadzil Baihaqi & Saida Ulfa, 2022; Susanti & Alfin, 2019).

LazisMu UMY, as part of the LazisMu Muhammadiyah network, serves as a model ZISWAF management institution that strives to integrate modern good governance principles with Islamic values and university intellectual traditions. Its position under the auspices of Muhammadiyah—the largest modern organization with various charitable enterprises (Afandi, 2023)—provides a strong organizational cultural foundation for implementing governance based on knowledge, technology, and religion. Therefore, this research selects LazisMu UMY as a case study to conduct an in-depth analysis of good governance implementation strategies in zakat management.

This article aims to: (1) Analyze the implementation of the five OECD good governance principles in LazisMu UMY's operations, (2) Identify strategies implemented by LazisMu UMY to strengthen good governance, and (3) Analyze the impact of good governance implementation on muzakki trust levels and the distribution performance of LazisMu UMY.

II. LITERATURE REVIEW

The Concepts of Good Governance and Good Corporate Governance

Good governance was initially widely implemented in government institutions (Suryo, 2015) before gradually shifting to corporations and various other organizations, where it continues to evolve (Ira Megasyara & Amrizal Imawan, 2023; Tajuddin et al., 2016). Subsequent developments have established good governance as a term describing how public institutions utilize their capabilities and provide optimal services to society. Its essence lies in the responsibility to fulfill public demands.

Within the corporate context, the term Good Corporate Governance (GCG) has emerged. The OECD has established five pillars of GCG as international standards, which were subsequently adopted by Indonesia's National Committee on Governance Policy (KNKG) in 2006, as follows:

1. Transparency: Openness in presenting clear, accurate, and easily accessible information.
2. Accountability: Clarity of functions and responsibilities of institutional organs, enabling performance evaluation.
3. Responsibility: Compliance with legal regulations and business ethics.
4. Independence: The institution's ability to make decisions without pressure or intervention from external parties.
5. Fairness and Equity: Equal treatment for all stakeholders.

These five principles, although originating from governmental and corporate spheres, have proven adaptable to non-profit organizations, including Zakat Management Organizations (LAZ), to build credibility

Good Governance in Islamic Perspective

Islam possesses a robust foundation for good governance. Muhammad Syaqq Al-Azdi et al. (2024) and Wahyuni et al. (2021) emphasize that the cornerstone of institutional governance in Islam is the concept of tawhid (monotheism). This signifies that all organizational management activities must embody worship and be directed towards seeking the pleasure of Allah SWT. Principles such as amanah (trustworthiness), 'adl (justice), mas'uliyah (responsibility), and shura (consultation) represent manifestations of good governance derived from the Qur'an and Hadith.

The ultimate objective (maqashid syariah) of ZISWAF management is to preserve religion, life, intellect, lineage, and property. Consequently, the implementation of good governance in Zakat Management Organizations (LAZ) extends beyond mere worldly accountability (to stakeholders) and also constitutes a form of accountability before Allah SWT (vertical accountability).

Good Governance and Muzakki Trust

Various empirical studies have demonstrated a positive relationship between the implementation of good governance and muzakki trust. Iswanto et al. (2023) revealed that accountability, responsibility, transparency, and fairness, both partially and simultaneously, significantly influence muzakki satisfaction at Baznas Kutai Timur. Similar findings were reinforced by Satria Hidayatulloh & Masruchin (2025), who emphasized that service quality plays a crucial role in shaping muzakki satisfaction.

A recent study by Binti Tasmiah (2024) proved that transparency and accountability significantly enhance public interest in giving infaq. Meanwhile, Tarigan (2022) highlighted the influence of accountability and transparency on muzakki decision-making. In the digital era, Ninie Sofiwati (2022) identified that digital-based services successfully attract technology-literate muzakkis. Ismi Rizki (2025) further confirmed that accountability and transparency significantly impact donor trust.

Research by Susanti & Alfin (2019) and Yulinartati et al. (2020) complemented these findings by highlighting the role of institutional independence in influencing muzakki preferences and satisfaction. Based on this empirical evidence, it can be concluded that good governance is not merely a normative concept, but a critical variable that directly affects the sustainability of ZISWAF institutions.

III. METHODOLOGY

This study employs a qualitative approach utilizing a descriptive-analytical method to conduct an in-depth analysis of operations at LazisMu UMY. This methodology was selected to gain comprehensive, holistic, and contextual understanding of good governance implementation strategies at LazisMu. Research data were collected from primary and secondary sources. Primary data were obtained through in-depth interviews with the Manager of LazisMu UMY, program staff members, and the researcher's experience as a Volunteer at LazisMu UMY for six months. Consequently, the researcher directly participated in several LazisMu UMY activities to observe work processes and interactions with mustahik (beneficiaries). Secondary data included descriptive documents such as annual reports, audited financial statements, official websites, Standard Operating Procedures (SOP), and other internal publications.

Data analysis techniques followed the interactive analysis model by Miles and Huberman (1994). The analytical process commenced with data reduction, involving selection, focusing, and simplification

of obtained data. Subsequently, data were presented in narrative forms, matrices, and diagrams to facilitate conclusion drawing. The final stage encompassed conclusion drawing and verification, where meanings from presented data were derived and initial conclusions were verified through source and method triangulation to ensure validity of findings.

IV. RESULTS AND DISCUSSION

Overview of LazisMu UMY

LazisMu Universitas Muhammadiyah Yogyakarta (UMY) is an Islamic philanthropic institution that operates officially under the auspices of LazisMu in the Special Region of Yogyakarta. The establishment of this institution is based on the Rector's Decree of Universitas Muhammadiyah Yogyakarta in 2019 and has obtained certification as a LazisMu Service Office in accordance with the provisions of Law Number 23 of 2011 concerning Zakat Management (interview with LazisMu UMY staff).

In 2021, LazisMu UMY achieved a significant milestone by establishing a permanent operational office located on the 1st Floor of K.H. Ahmad Dahlan Mosque, Integrated Campus Complex of Universitas Muhammadiyah Yogyakarta, Jalan Brawijaya, Tamantirto, Kasihan, Bantul, Special Region of Yogyakarta. This office meets adequate operational standards to support professional zakat management activities.

The year 2022 marked a period of institutional strengthening characterized by the systematic development of work programs and budget plans, as well as the expansion of benefit distribution coverage to include Java, Sumatra, and Kalimantan. Commitment to transparent and accountable governance is demonstrated by the attainment of an Unqualified Opinion (Wajar Tanpa Pengecualian/WTP) from the 2022 audit results, along with the implementation of regular reporting through social media that is openly accessible to donors and beneficiaries. All operational activities of LazisMu UMY are guided by the LazisMu Central Guidelines and Manual as a normative foundation in managing Zakat, Infaq, Sadaqah, and Waqf, establishing it as one of the trusted LazisMu service offices in the Special Region of Yogyakarta (LazisMu UMY).

Featured Programs of LazisMu UMY

Social Da'wah Pillar

The Social Da'wah programs of LazisMu UMY are directed towards enhancing Islamic social services that reach vulnerable community groups in both urban poor areas and remote regions, carried out with the spirit of Islamic propagation. These initiatives are realized through various programs, including Disability Empowerment, Program sayangi Lansia, and Convert Empowerment which involves deploying preachers from Ma'had Ali UMY students who receive full tuition funding for two years from LazisMu UMY. Additionally, the Back To Mosque and Qurban programs further strengthen the institution's social and da'wah service reach.

Education Pillar

The Education Pillar serves as the primary foundation for LazisMu UMY in implementing fundraising and distribution programs, grounded in Muhammadiyah principles. This pillar positions education as a strategic means for character building and improving the quality of life of the community. Featured programs within the education pillar include the Sang Surya Scholarship open to all students across Indonesia, Mentari Scholarship, Save Our School, Program Peduli Guru, Program Beasiswa Living

Cost, LazisMu Goes To Campus, and the Muhammadiyah Scholarship Preparation Program (MSPP). Then Pusling (Perpustakaan keliling) and School Construction Assistance.

Economic Pillar

Programs under the Economic Pillar are designed to promote self-reliance, increase income and welfare, and foster an entrepreneurial spirit through halal and empowering economic activities. These include MSME Empowerment, aimed at developing micro, small, and medium enterprises; Independent Community Livestock, focusing on enhancing breeders' capacity; Tani Bangkit, designed to strengthen the agricultural sector; and Food Security, which strives to ensure food availability for the community. Currently, one business unit named Mami Mart has been established under LazisMu UMY, selling food and beverage products from MSMEs fostered by LazisMu UMY.

Health Pillar

Programs in the Health Pillar aim to improve community health services, particularly for underprivileged families, through both curative approaches and preventive activities such as health education and campaigns. Featured programs in this pillar include Health Care, Indonesia Mobile Clinic, SAUM, TIMBANG, ENDTB, Patient Transit Houses, and Free Circumcision Services.

Environmental Pillar

The Environmental Pillar encompasses programs directed at maintaining environmental and natural resource conservation, promoting wise utilization, and ensuring environmental sustainability as a source of community livelihood. Featured programs in this pillar include Environmental Care, “program sayangi daratmu”, and “Program sayangi lautmu”.

Humanitarian Pillar

The Humanitarian Pillar focuses on disaster management programs and humanitarian missions covering aspects of preparedness, emergency response, rehabilitation, and reconstruction. All activities are implemented systematically through collaboration with both internal Muhammadiyah partners and external partners. Featured programs in this pillar include Indonesia Siaga, Program Sekolah Cerdas, and Muhammadiyah Aid. (LazisMu UMY)

Analysis of Good Governance Principles Implementation at LazisMu UMY

Transparency Principle

LazisMu UMY implements the transparency principle through several concrete strategies: First, Regular Financial Report Publication: The institution routinely publishes financial reports audited by independent public accountants. These reports are not only maintained internally but are also uploaded on the official website and presented in stakeholder forums. Second, Easy Information Access: Through its website and social media platforms, LazisMu UMY provides clear information regarding programs, the amount of funds collected, and distribution progress. Each donor receives individual reports of their donations. Third, Clear Vision and Mission: The vision and mission of LazisMu UMY are formulated clearly and disseminated extensively, ensuring all stakeholders understand the organization's direction and objectives. Finally, Distribution Transparency: The fund distribution process to beneficiaries is well-documented (through photos and reports) and shared with donors. This builds confidence that the distributed funds reach the intended targets.

Figure 1.1. Transparency of Aid Information

Figure 1.2. Program Transparency

Figure 1.3. LazisMu UMY's Vision and Mission



Source: LazisMu UMY Website
<https://lazismu.umy.ac.id/annual-report/>



Source: Instagram LazisMu UMY
<https://www.instagram.com/p/DNa0s6Xxfw2/?igsh=MmY4czR4YWtxdGJz>



Source: Website LazisMu UMY
<https://lazismu.umy.ac.id/vi-si-misi/>

Accountability Principle

The implementation of the accountability principle at LazisMu UMY is realized through a comprehensive and structured mechanism. First, institutional accountability is established through the formulation of a clear organizational structure along with well-defined job descriptions for each position, enabling objective and measurable performance monitoring and evaluation processes. Second, this principle is operationalized through a well-organized documentation system that encompasses all financial transactions and program activities, both in physical and digital forms, to ensure traceability and auditability of every work process.

Third, the application of accountability is reinforced by an effective internal control mechanism through the strict implementation of segregation of duties, where the functions of fund receipt, recording, and bank reconciliation are performed by different units to prevent conflicts of interest and minimize potential errors. Fourth, as a form of vertical and horizontal accountability, LazisMu UMY conducts regular hierarchical reporting to three strategic parties: the Sharia Supervisory Board to ensure compliance with sharia principles, university leadership as institutional mentors, and LazisMu DIY as the provincial-level regional coordinator, thereby creating an integral system of checks and balances in organizational governance.

Figure 2.1. Magazine Annual Report



Figure 2.2. Annual Report



Figure 2.3. Service Standard Operating Procedure (SOP)

Dokumen-Dokumen

* SOP Administrasi
* SOP Publikasi
* Annual Report Majalah
* SOP Pentasharufan
* SOP Keuangan
* SOP Sumber Daya
* SOP Fundraising
* SOP Pelayanan

Source: <https://heyzine.com/flip-book/62233f81f2.html>

Source: Instagram LazisMU UMY
<https://www.instagram.com/p/DQoYvPKER2L/?igsh=c20zdWtiejE0N2Vi>

Source: Website LazisMu UMY

Responsibility Principle

The responsibility principle at LazisMu UMY represents an expansion of accountability beyond internal institutional boundaries, encompassing a broader and multidimensional spectrum of responsibilities. The manifestation of this principle is primarily reflected in the institutional commitment to integrative regulatory and sharia compliance. The institution consistently adheres to formal legal frameworks, including Law Number 23 of 2011 concerning Zakat Management, Government Regulation Number 14 of 2014 regarding the Implementation of Law Number 23 of 2011, and Minister of Religious Affairs Regulation Number 19 of 2020 concerning Zakat Management Institutions. This is coupled with strict implementation of fatwas issued by the Sharia Supervisory Board of LazisMu UMY, ensuring all operations remain within legal-formal and religious-normative corridors.

Furthermore, operational responsibility is realized through a stringent procedural standardization system. Each stage of the fund management process, from collection and distribution to monitoring and evaluation, has structured Standard Operating Procedures (SOP) that must be implemented by all staff members. This not only creates service consistency but also builds a culture of discipline and responsibility in every organizational activity.

The dimension of institutional social responsibility also receives special attention, actualized through internal Corporate Social Responsibility (CSR) programs. As an integral part of Muhammadiyah University of Yogyakarta, LazisMu UMY bears the responsibility to enhance the welfare of the university's internal community, particularly through scholarship programs targeting students from underprivileged economic backgrounds.

Finally, the prudential principle serves as a main pillar in asset management, particularly for waqf funds. The application of this principle is implemented through careful decision-making mechanisms, comprehensive risk analysis, and conservative management strategies, all aimed at ensuring the security, sustainability, and long-term benefit optimization of managed assets, while reflecting the institution's responsibility towards preserving public trust. The excellence of LazisMu UMY's management is demonstrated by the receipt of the "Outstanding ZISWAF Institution Across Java" award in 2023 from Bank Indonesia. Furthermore, in 2024, LazisMu UMY obtained ISO 9001:2015 certification for Quality Management Systems issued by TÜV Rheinland Indonesia.

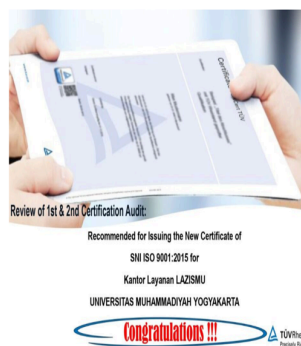
Figure 3.1. Awards and Achievements of LazisMu UMY

Lazismu UMY Raih Penghargaan Lembaga Zakat dan Infaq Unggulan Se-Pulau Jawa dalam Fesyar 2023

4 October 2023 | 14:23



Figure 3.2. Certificate of ISO 9001:2015 for Quality Management Systems issued by TÜV Rheinland Indonesia.



Gambar 3.3. Financial Report Audit



Source:

<https://www.omy.ac.id/lazismu-umy-raih-penghargaan-lembaga-zakat-dan-infaq-unggulan-se-pulau-jawa-dalam-fesyar-2023/>

Source: Website LazsiMU UMY

<https://lazismu.omy.ac.id/resmi-lazismu-umy-raih-sertifikat-iso-perdana-untuk-kantor-layanan-lazismu/>

Source: Website LazisMu UMY

<https://lazismu.omy.ac.id/tingkatkan-kepercayaan-lazismu-diy-lakukan-audit-keuangan-setiap-tahun/>

Independence Principle

As an autonomous institution under the auspices of Muhammadiyah University of Yogyakarta and LazisMu DIY, LazisMu UMY consistently maintains its operational independence through a structured governance mechanism. The principle of organizational autonomy is realized through the capacity for independent operational decision-making, where strategic decisions regarding technical aspects and distribution program formulation are independently developed and executed by the internal team based on in-depth needs analysis and comprehensive performance evaluation.

A conducive governance ecosystem is created through minimal intervention from the overseeing structure. University leadership provides comprehensive authority delegation and full trust to LazisMu's management ranks to manage the institution professionally, thus creating optimal room for maneuver without distortion in the strategic decision-making process.

This autonomous condition ultimately creates broad space for innovation, enabling LazisMu UMY to develop adaptive capacity in designing creative programs that are responsive to both internal campus dynamics and external community needs. This operational flexibility allows the institution to respond to strategic environmental changes quickly and effectively, while maintaining program relevance with stakeholders' actual needs.

Fairness Principle

LazisMu UMY upholds the fairness principle through systemic implementation manifested in three main dimensions. First, this principle is actualized through targeted and equitable distribution mechanisms, where the mustahik selection process is conducted through needs surveys and rigorous field verification to ensure accurate fund placement according to established recipient criteria (*asnaf*).

Second, organizational justice is realized through equal treatment of all stakeholders. The institution consistently applies the same service standards and equal respect to both large and small contributors, thereby creating an inclusive and non-discriminatory philanthropic ecosystem.

Third, the fairness principle is manifested through protective and empowerment approaches toward mustahik. LazisMu UMY not only focuses on direct aid distribution but emphasizes sustainable empowerment programs that adopt the philosophy of "memberikan kail, bukan sekadar ikan." Through comprehensive mentoring, mustahik are guided toward economic independence while maintaining their dignity and self-esteem as beneficiaries.

Main Strategies for Strengthening Good Governance at LazisMu UMY

Based on the analysis results, there are four main interconnected strategies implemented by LazisMu UMY, which align with the theoretical framework. These include:

Good Zakat Governance Strategy

The Good Zakat Governance strategy occupies a central position within LazisMu UMY's overall governance framework, positioned not as an additional project but as the organizational DNA that integrates fundamental good governance principles into the entire zakat management value chain. The implementation of this strategy materializes through the internalization of transparency, accountability,

responsibility, independence, and justice values that are holistically integrated into every business process, from the stages of collection and management to the distribution of zakat funds.

The application of good governance is operationalized through participatory and inclusive strategic planning mechanisms, where various stakeholders are actively involved in the strategic plan formulation process. This collaborative approach not only ensures that the resulting planning is realistic and contextual with the real needs of the community but also builds a multi-stakeholder accountability system that strengthens the institution's legitimacy in the eyes of stakeholders. Thus, Good Zakat Governance functions as a comprehensive framework that ensures all organizational activities operate within the corridor of professional, measurable governance oriented towards social justice values.

Digital Technology Utilization Strategy (Zakat Digital)

The digital technology utilization strategy serves as a primary enabler in realizing good governance in the modern era. LazisMu UMY implements an accounting information system that functions to record every transaction in real-time and accurately, thereby capable of producing reliable and accountable financial reports. In the aspect of fund collection, the institution optimizes various digital platforms such as bank transfers, e-wallets, and QRIS, which not only facilitate the payment process for muzakki but also minimize the risk of manual input errors.

LazisMu UMY actively utilizes various social media platforms to enhance transparency, communication, and public engagement. The institution maintains an official Instagram account @lazismuomy with 8,108 followers, which regularly shares program updates, success stories, financial reports, and educational content. On TikTok under the username @lazismuomy with 1,697 followers, the organization publishes short videos featuring activity highlights, beneficiary testimonials, and zakat education materials. The YouTube channel LazisMu UMY has attracted 1.83K subscribers with content including event documentation, talk shows, training sessions, and annual reports. Additionally, the official website at <https://lazismu.omy.ac.id/> provides comprehensive information about programs, financial reports, organizational structure, and online donation services.

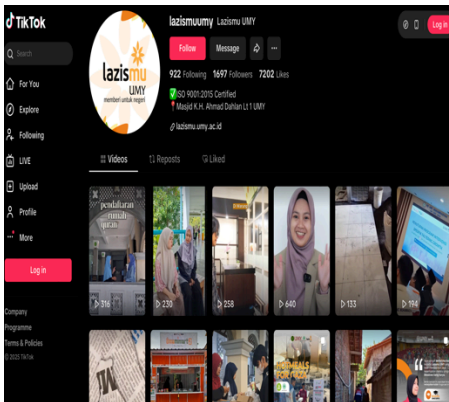
These digital platforms function as multifunctional instruments that serve as transparency tools through regular financial and activity reporting, educational media for zakat literacy and Islamic philanthropy, communication channels connecting muzakki and mustahik, service platforms facilitating easy zakat calculation and payment, and publication media showcasing program achievements and institutional developments. The integrated digital ecosystem enables LazisMu UMY to maintain continuous engagement with stakeholders while demonstrating accountability and operational transparency in all aspects of its philanthropic activities.

The integration of digital technology throughout the entire zakat management ecosystem ultimately creates more efficient, transparent, and accountable governance, while simultaneously strengthening public trust in the institution.

Figure 4.1. Account TikTok of LazisMu UMY

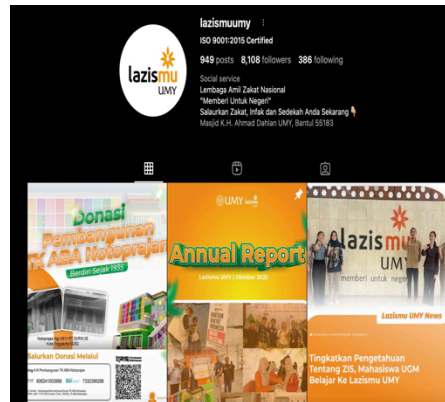
Figure 4.2. Account Instagram of LazisMu UMY

Figure 4.3. Account Youtube of LazisMu UMY



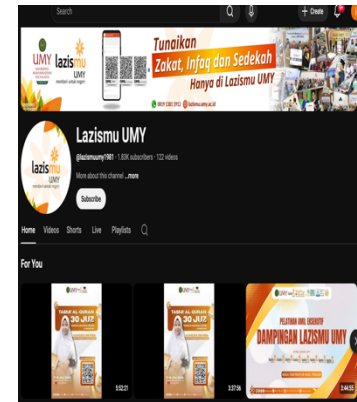
Source:

<https://www.tiktok.com/@lazismuumy>



Source:

<https://www.instagram.com/lazismuumy/>



Source:

<https://www.youtube.com/@lazismuumy1981>

Strategy for Developing Attractive Programs

The implementation of good governance in the context of zakat management extends beyond administrative aspects to encompass sustainable value creation. LazisMu UMY implements a proactive approach by designing programs that resonate with community needs, moving beyond the passive paradigm of fund collection. In the collection aspect, the institution initiates innovative programs such as "Muzakki Request Mustahik," which has successfully realized funds of 1.6 billion Rupiah, "Professional Zakat from UMY," and "Celengan Mahasiswa" various donation schemes designed to enhance accessibility and public participation.

In the distribution dimension, LazisMu UMY develops impact-oriented programs such as educational scholarships for students, business capital assistance for communities around the campus, and free health services as previously described. The essence of all these programs is not merely channeling financial assistance but creating real transformation through a comprehensive empowerment approach. This strategy not only strengthens organizational branding but also builds sustainable public trust through the demonstration of measurable and significant social impact.

Competent Human Resource Development Strategy

Human resources play a crucial role as the frontline in implementing good governance principles. LazisMu UMY makes strategic investments in human resource development through a selective recruitment process that emphasizes the balance between technical competencies such as accounting and communication, as well as moral integrity and religious commitment. The current human resource composition is dominated by graduates of Islamic Economics studies, complemented by the participation of internship students from various disciplines, creating a complementary diversification of skills.

Furthermore, the institution implements continuous training and development programs that include the provision of standard operational procedures, aspects of zakat management, and understanding of contemporary zakat jurisprudence. This foundation is strengthened by the establishment of an organizational culture based on Islamic values, where the work environment is developed with the principles of trustworthiness, honesty, and the practice of mutual encouragement towards goodness (*amar ma'ruf nahi munkar*), thereby creating a conducive work ecosystem for the implementation of professional and accountable governance.

Implications and Impact

The comprehensive implementation of good governance has yielded significant and multidimensional impacts for LazisMu UMY. At the institutional level, this implementation has resulted in increased trust among muzakki, reflected in the positive trend of growing donor numbers and the amount of funds successfully collected annually, particularly from within the UMY internal community who feel secure and confident in entrusting their zakat funds to the institution.

In operational aspects, good governance has created effectiveness and efficiency through the implementation of Standard Operating Procedures and structured work systems, making work processes smoother with minimal resource waste and potential errors. From a social perspective, the good governance approach enables empowerment programs to be designed, monitored, and evaluated more systematically, resulting in more measurable and significant social impacts on the welfare improvement of mustahik.

Institutionally, the consistency in implementing good governance has strengthened the legitimacy and reputation of LazisMu UMY, not only within the Muhammadiyah environment but also in the national Islamic philanthropy ecosystem, positioning the institution as a model of modern and trustworthy ZISWAF management best practices.

V. CONCLUSION AND RECOMMENDATION

Based on a comprehensive study, it can be concluded that the implementation of good governance at LazisMu UMY forms an integrated and holistic management model. The institution has successfully adapted internationally recognized fundamental good governance principles—including transparency, accountability, responsibility, independence, and fairness—into the practice of managing Islamic social funds without compromising sharia values. This strategy was developed through four mutually supportive main foundations: the implementation of a sound zakat governance system as an organizational foundation, the utilization of digital technology as an efficiency driver, the design of highly attractive flagship programs, and the development of professional and ethical human resource capacity.

In essence, the implementation of good governance at LazisMu UMY is not merely about fulfilling administrative requirements, but rather constitutes a continuous organizational improvement process aimed at cultivating and maintaining public trust—the most vital capital for a trust-managing institution. The success of this model's implementation can be observed through increasing donor trust, effectiveness and efficiency in daily operations, the achievement of tangible and measurable social impacts, as well as the strengthening of the institution's reputation at the national level. The management pattern implemented by LazisMu UMY deserves to serve as a reference for the governance development of other Islamic philanthropic institutions in realizing professional, accountable ZISWAF management that delivers real benefits for the welfare of the community.

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