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## TRANSFORMATION OF THE ROLE OF TECHNOLOGY IN THE COLLECTION AND DISTRIBUTION OF SOCIAL FUNDS

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### Abstract

*Digitalization of zakat and waqf is an innovation that has great potential to encourage the empowerment of the people. Through literature analysis and case studies, this research explores the role of zakat and waqf in Islam, the development of their digitalization in Indonesia, and how this innovation helps in the process of empowering the Ummah. This study aims to examine the transformation of the role of technology in the collection and distribution of social funds, especially related to the digitalization of zakat and waqf in Indonesia. The formulation of this research problem is focused on how digital technology has changed the way zakat and waqf are collected and distributed, as well as its impact on the effectiveness and efficiency of this process. The method used is descriptive analysis, where data and information are collected through relevant literature studies, as well as observations of the implementation and current practices of digitalizing zakat and waqf in Indonesia. Although there are challenges, such as the need to increase digital literacy and transparency, digitalization can be an essential force in maximizing the distribution and effectiveness of zakat and waqf. Solutions and steps that can be taken to overcome these challenges are also discussed. Therefore, collaboration between the government, financial institutions and zakat and waqf management organizations is essential in realizing the full potential of this digitalization.*

**Keywords:** Digitalization, Community Empowerment, Zakat, Waqf, Innovation.

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### Introduction

In Indonesia, the potential for cash waqf is vast, from the "less" to "sufficient" category in the period of one year from 2021 to 2022, which is estimated to reach IDR 188 trillion per year. However, the recorded realization still needs to be improved, namely only around IDR 831 billion or less than 0.5%. In response to this, the Indonesian Waqf Board (BWI) has proactively launched various digital platforms such as *berkahwakaf.id*, *Sahabatbwi.com*, and *e-services*, which aim to facilitate and optimize waqf management. Furthermore, BWI took innovative steps by developing the *Cash Waqf Linked Sukuk (CWLS)* instrument, which allows the placement of waqf endowment funds in national strategic projects, with several higher education institutions such as ITS and IPB having participated as institutional wakif. As an effort to increase transparency and accountability, BWI has also released the National Waqf Index (IWN), which shows the improvement in waqf management performance in Indonesia.

Enhancing digitalization has brought significant change to the zakat and waqf sectors. Various zakat and waqf institutions have utilized technology in the collection and distribution of funds, creating innovation and empowering people (Thamrin et al., 2021). Note that BWI did a digital transformation to strengthen ecosystem development at the national level. Apart from that, (Yuliar, 2021) confirms that "a digital era funding strategy must be in line with spirit revolutionary

characterized by industry 4.0 digital-based". Thus, digitalization gives the opportunity to strengthen the zakat and waqf sectors and have more impact big on empowering people.

Zakat and waqf are two critical pillars in Islam that contribute significantly to the well-being of people. Draft significant others in Islam are infaq and sadaqah, which contribute to the well-being of people. Zakat and waqf are often highlighted in a particular way because of the difference in terms and focus. Zakat, as one of the five pillars of Islam, is obligatory worship for every Muslim to channel part of his property to those who are entitled to accept it. Waqf, temporary It is a possible form of social worship in which somebody donates part or all over his property for the interest of the public. Although No one owns the same obligations as zakat, infaq and sadaqah still give Muslims a donation in a way, volunteer a form of kindness and social solidarity. In the context of well-being, people, every type of donation. This is considered an effort To increase the well-being of the public. Zakat and waqf contribute to reducing social and economic inequality. No one can see the adjacent eye. Digital transformation noted by (Thamrin et al., 2021) in BWI and (Yuliar, 2021) in organizations, the zakat manager pointed out How the role is. This Can improved through innovation. Technology gives an opportunity to maximize the potential for zakat and waqf in building more economically inclusive and equitable.

The history and traditions of zakat and waqf in Indonesia are rooted firmly and become an integral part of life for the public. Zakat, as the fifth pillar of Islam, has been practiced since the introduction of Islam in the archipelago. Meanwhile, waqf, which is less well-known compared to zakat, has a critical role in building social and educational infrastructure, such as mosques, huts, and boarding schools. In the past, zakat collection and distribution were often carried out individually or through local religious institutions. However, with advances in technology and digital transformation, there have been significant changes in the way zakat and waqf are collected and distributed. As shown by (Thamrin et al., 2021), the Indonesian Waqf Board (BWI) has carried out digital transformation to strengthen the national waqf development ecosystem.

Meanwhile, zakat management organizations, as explained by (Yuliar, 2021), have implemented digital funding strategies that are in line with the revolutionary spirit of Industry 4.0. This includes the use of social media to communicate with donors and raise funds (Ningtias & Nadya, 2022). Zakat and waqf traditions have survived and thrived along with time, capable of adapting to changes and new challenges. Digitalization, in this matter, has opened new opportunities in the management of zakat and waqf, expanding reach and effectiveness in realizing the well-being of people. Digitalization of zakat and waqf is still the same as their evolution of them. However, just half new in history, they are in Indonesia.

Although social funds from zakat and waqf have Lots of potential in Indonesia, there is still little research that studies in a way comprehensive influencing factors awareness of majority Muslim Contributions, as well as lack of understanding about hindering obstacles to effective collection and distribution of social funds. There are some cases where, because the majority of Muslims have No awareness, potential significant social funds from zakat and waqf are Not yet fully utilized. However, people often need to understand the most efficient way To collect and distribute social funds, which causes differences between the potency available and uses that are not yet maximum.

To investigate the factors that influence the awareness of the Muslim majority in Indonesia to contribute zakat and waqf. In addition, the aim of this research is to find barriers that impede the collection and distribution of social funds from zakat or waqff. The study focuses on a deep understanding of the factors which influence Muslim community awakening as well as barriers which impede social fund collecting and distributing. The research also tries to provide new insights into how effective the collections and distributors of the social fund. This research is expected to enhance the understanding of Muslims about the importance of zaka and waqff and

help to address the challenges that may impede full utilization of the potential of such funds. With a better understanding, it is hoped to improve the efficiency and efficiency of the management of such social fund for the well-being of the society as a whole.

### **Research methods**

The research was conducted using descriptive qualitative methodology. The research will gather data from relevant literature about zakat and waqf in Indonesia. The data will be analyzed in a descriptive way, focusing on explaining and describing the factors that influence the Muslim community's awareness of giving zakat or waqf contributions as well as the challenges associated with the collection and distribution of social funds. The first step involves identifying relevant literature. Subsequently, the relevant data will be collected and analyzed thoroughly. Descriptive analysis will be carried out to provide a complete overview of the components and challenges found in the literature; the analysis results will be used to improve understanding of zakat and waqf in Indonesia, provide a new understanding of the problems that may be faced by Muslim communities, and show possible solutions to improving the collection and distribution of social funds. It is expected that these descriptive qualitative methods can provide a thorough and comprehensive overview of research topics without relying on statistical data.

### **Results and Discussion**

#### **1. "Digitalization of Zakat and Waqf: A Step Forward Towards the Modern Era"**

The history of the development of traditional waqf in the Islamic world reflects humanity's journey in giving charity and contributing to social welfare. Traditional waqf, deeply rooted in Islamic tradition, has been an integral part of the social and economic structure of Muslim societies for centuries. During the time of Rasulullah SAW, the concept of waqf was introduced and implemented. One of the most famous examples is waqf land by Uthman bin Affan for interest general (Yahaya et al., 2022). Since that moment, waqf has become an instrument important in the development of infrastructure, such as mosques, madrasas, homes, and libraries. During the period of Islamic gold, waqf played an role important in funding education and research. Many universities and centers of study founded and financed through waqfs, such as Al-Qarawiyyin University in Fez, Morocco, are recognized as the oldest university in the world (Syaifulloh & Idrus, 2019). Waqf also supports the development of infrastructure health, with the establishment of funded hospitals and clinics through waqf funds.

In the Indonesian context, waqf has become part of the traditional social and religious public since the entry of Islam. Land-land waqf lots are used for the construction of mosques, Islamic boarding schools, and social facilities. Traditional waqf in Indonesia, as in many other Muslim countries, is typically managed by the institution or individuals who are trusted by society (Saputra & Hadi, 2023). So, the historical development of waqf traditionally reflects the commitment of Muslims to contribute to the well-being of society and shows How waqf has become an instrument important in the development of social and economic Muslim society over centuries. The development of the digitalization of zakat and waqf in Indonesia shows a step in the modernization of the management of socio-religious funds. The digital era opens the door to innovation and significant changes in the way zakat and waqf are collected, distributed and reported.

The digital transformation carried out by the Indonesian Waqf Board (BWI), as explained by (Wardani Wahyu, 2020), includes three critical stages. This stage includes efforts to strengthen the national waqf ecosystem so that it becomes more flexible, developed and strengthened. In this process, BWI utilizes digital technology to maximize potency waqf. Zakat management organizations are also included in implementing digital strategies. (Yuliar, 2021) shows that

digital-era funding must be in line with the revolutionary spirit of Industry 4.0, whose main characteristic is digital-based. One example of this strategy is the use of social media, such as Instagram by Rumah Zakat Banda Aceh, to communicate with donors (Nazah, 2022).

Digitalization has also influenced how people participate in zakat and waqf. A study by (Budiansyah and El Ayyubi, 2021) revealed that factors such as quality of information, service, trust, website quality, and promotion have a significant influence on encouraging waqf participation in online waqf. The digitalization of zakat and waqf has opened up new opportunities and challenged old traditions. However, the main goal remains the same: to realize the welfare of the people. This step shows how important adaptation and innovation are in responding to challenges and opportunities in the modern era. The digitalization of zakat and waqf is a significant advancement towards the contemporary era. Zakat, waqf, infaq and alms can be included in the mobile banking feature to make it easier for people to do charity. With this feature, users can easily manage and conduct charity transactions electronically, which increases the accessibility and effectiveness of religious fundraising. In addition, matters that can be discussed include transaction security, real-time monitoring, and ease of access for an increasingly connected digital society.

In recent years, various innovations and digital platforms have emerged that make it easier to manage and distribute zakat and waqf. One example of this innovation is the implementation of digital transformation by the Indonesian Waqf Board (BWI). BWI has designed three stages of digital transformation to improve the waqf digital ecosystem. This transformation is expected to make the waqf ecosystem more flexible, developed and robust, as well as have a double impact on the national economy (Thamrin et al., 2021).

Apart from that, research by (Efendi Maika, 2020) also shows that funding strategies in the digital era must be in line with the revolutionary spirit of Industry 4.0, which focuses on digitalization. This concept has been applied by zakat management organizations in fund collection efforts. For example, Rumah Zakat Banda Aceh has used social media as a means of communication with donors. In this case, they use Instagram as the central platform for interaction with donors and collecting funds (Amaliyah et al., 2022). This social media allows them to reach a wider audience and facilitates direct interaction with donors, ultimately contributing to more effective fundraising.

Meanwhile, (Budiansyah et al., 2021) found that various factors, including the quality of information, service, trust, website quality, and promotion, influence waqf participation in online waqf. Therefore, digital platforms used for online waqf must pay attention to these factors to achieve maximum levels of participation. Various online platforms are now available to facilitate waqf, including websites and mobile applications that allow waqifs to contribute from anywhere and at any time.

All these innovations and platforms show how digitalization has opened up new opportunities in managing zakat and waqf. By utilizing technology and digital platforms, these organizations can be more effective in achieving their goals of realizing the welfare of the people. Digitalization of zakat and waqf involves the use of digital platforms and technology to make the management of religious funds more efficient. A number of innovations include mobile banking applications, technology payment electronics, real-time monitoring, crowdfunding platforms, and data analysis. Zakat and waqf organizations can apply innovation like This For optimizing fund management, achieving objective well-being of people, and improving clarity about how religious funds are used.

### **Digital Waqf Platform**

In recent years, various digital waqf platforms have emerged and offer various features that make it easier for wakifs (people who have waqf) to donate. Several popular digital waqf platforms, among others:

1. **WaqfIn:** As one of the first digital waqf platforms in Indonesia, WakafIn offers various project waqf, starting from development infrastructure until education (Nazah, 2022). This platform has a transparent system where the wakif can see development-funded projects and how the waqf is funded and used. The Indonesian National Zakat Amil Agency (BAZNAS) launched the WakafIn digital waqf platform. The purpose of the launch of this platform is to make it easier to manage waqf digitally and possibly publicly for easy and clear contributions.
2. **e-Wakaf:** This platform offers features unique from waqf share. Wakif can choose to share certain company details for endowment, and results from sharing will be distributed for activity (Nazah, 2022).
3. **My Waqf:** With a focus on projects for humanity, my waqf allows the wakif to contribute to the mission of humanity in various parts of the world. From development wells in Africa to educating children orphans in Asia, this platform offers various choice projects for wakif (Wardani & Wahyu, 2020).

The digital waqf mechanism generally involves several steps:

- **Registration:** Wakif registers on the digital waqf platform of choice.
- **Election Project:** After registration, wakif can choose the project desired waqf. \_
- **Donations:** Wakif donates various methods of available payments, such as bank transfer, card credit, or e-wallet.
- **Monitoring:** After donating, wakif can monitor the development project via the dashboard available on the platform.
- **Report:** Digital waqf platforms usually provide reports periodically about development projects and the use of waqf funds

The superiority of digital waqf is the convenience. Wakif does not need to come directly to the institution waqf; however, they can donate anywhere. Additionally, with an integrated system, digital waqf guarantees transparency and accountability in the management of waqf funds.

### **Advantages and Efficiency of Digital Waqf**

Digital waqf, as an innovation in the world of Islamic philanthropy, offers various profits and efficiency and is not owned by the conventional waqf. Following is a number of profit and efficiency from digital waqf:

1. **Ease of Access:** One superiority of the leading digital waqf is convenience. With only a number of clicks, wakif can donate For project waqf of his choice without must come directly to the institution waqf or face complicated procedures (Mudyadji, nd).
2. **Transparency:** Usually, digital waqf platforms are equipped with a system that allows wakif to monitor development projects, use of funds, and feedback from recipient benefits. This matter increases wakif trust and ensures that waqf funds are used appropriately (Kholis, 2017).
3. **Time and Cost Efficiency:** The digitalization process cuts Lots of costs in routine administration and operations required in waqf conventional. Apart from that, the process is fast to ensure that waqf funds can quickly used For the desired goal (Al Fattah & Kurniawan, 2021).
4. **Wider Achievements:** With a digital platform, waqf can reach out to the wakif of various parts of the world. This is a possible project to get funding from more diverse groups and, all at once, strengthen solidarity among global Muslims.

**5. Innovation in Forms of Waqf:** Digital waqf is possible innovation in the form of donated assets. Apart from property and money, wakif is now an endowment in the form of stocks, cryptocurrencies, or even right intellectual (Iman, Santoso, & Kurniawan, 2019).

**6. Interaction and Collaboration:** Several digital waqf platforms provide feature interaction between the wakif, the recipient benefits, and the manager's waqf. This matter creates more collaboration and synergy between all parties involved.

**7. Adaptation with the Young Generation:** Digital waqf, with its modern and innovative approach, is more in accordance with the style, life and preferences of the young generation. This matter is vital to ensure that traditional waqf is still relevant and is an ongoing development in the future.

Thus, digital waqf offers various advantages and efficiencies that make it an exciting choice for wakifs in the modern era. Through innovation and adaptation to technology, waqf can Keep going, develop and deliver a positive impact for the public.

## **2. " Impact Digitalization of Zakat and Waqf towards Empowerment People "**

Digitalization of zakat and waqf has had significant positive in empowering people. Implementing digital technology in the management and distribution of zakat and waqf has given more access to expand and improve efficiency and transparency in its management. One of the positive impacts is enhancing public participation in Zakat and Waqf. A study by (Budiansyah & El Ayyubi, 2021) shows that some factors, including quality information, service, trust, website quality, and promotion, contribute to wakif participation in online waqf. Using digital platforms makes it easier to access society and improve trust. They can participate in endowment.

Digitalization also encourages transparency and accountability in the management of zakat and waqf. For example, the Indonesian Waqf Board (BWI) is carrying out digital transformation to strengthen the national waqf development ecosystem (Thamrin et al., 2021). With digitalization, this process becomes more transparent and allows for better oversight, increasing public trust. Apart from that, the digitalization of zakat and waqf also increases fund collection capacity. For example, Rumah Zakat Banda Aceh uses social media and Instagram to communicate with donors (Rohmatillah, 2023). This makes collecting funds easier and reaches a broader audience, increasing the amount of zakat and waqf funds collected.

Thus, digitizing zakat and waqf has proven to empower the people regarding community participation, transparency, accountability, and increasing fund collection capacity. This is a significant step forward in maximizing the potential of zakat and waqf to empower the people. A case study that reflects how digitalization has helped empower people is the use of social media by Rumah Zakat Banda Aceh. In a study conducted by (Rohmatillah, 2023), it was found that Rumah Zakat Banda Aceh utilized social media, especially Instagram, to communicate with donors. This provides more comprehensive access for the community to participate in zakat, infaq, and alms (ZIS).

Digitalization through social media has also shown its effectiveness in expanding reach and increasing the number of followers, which in turn increases opportunities to collect donations (Thamrin et al., 2021). Therefore, digitalization helps increase transparency and accountability in zakat management and is also effective in raising funds. Digitalization also allows Rumah Zakat Banda Aceh to provide fast and timely information about its activities and programs. This expands reach, attracts more donors, and helps retain existing donors by giving them a better understanding of how their funds are used to empower the faithful. This case study shows that through social media, digitalization has helped Rumah Zakat Banda Aceh maximize the potential of ZIS in empowering the community. This proves that digital innovation in managing zakat and waqf can contribute significantly to empowering the people, in line with the basic principles of zakat and waqf in Islam as a tool for the social and economic welfare of the people.

### **Case Study: Implementation of Digital Waqf in Several Countries**

Digital waqf has become a global trend, with many countries adopting this model to increase the efficiency and coverage of waqf. Here are some countries that have been successful in implementing digital waqf and the lessons that can be learned from them:

**1. Malaysia:** Malaysia is known as one of the world's centers of Islamic finance. This country has developed various digital waqf platforms, such as *eWakaf*, which the government initiated. This platform allows wakifs to donate to various projects, from infrastructure development to education (Mudyadji, nd). Malaysia's success lies in a combination of government support, transparent regulations, and public awareness of the importance of waqf.

**Notes:** Support for the government and clear regulations are critical successes in implementing digital waqf. Apart from that, the education society is also crucial for increasing participation in digital waqf.

**2. United Arab Emirates (UAE):** The UAE, especially Dubai, has pioneered Islamic financial innovation. One of the initiatives is the *Smart Waqf Dubai platform*, which utilizes *blockchain technology* to increase the transparency and security of digital waqf (Wardani & Wahyu, 2020). The UAE's advantage lies in utilizing the latest technology and collaborating with the private sector to develop digital waqf solutions.

**Note:** Utilization of the latest technology, such as blockchain, can increase public trust in digital waqf. Cooperation between government and the private sector is also essential to develop innovative solutions.

**3. Indonesia:** As the country with the largest Muslim population in the world, Indonesia has great potential for digital waqf. Some platforms, such as *WakafIn* and *eWakaf*, have attracted exciting attention. Indonesia's success lies in combining private initiatives, supporting the community, and supporting regulations (Amaliyah et al., 2022).

**Notes:** Private and community initiatives can be essential in developing digital waqf. Supportive and adaptive regulation of development technology is also crucial For ensuring the continuity of digital waqf.

From studies of the case above, the withdrawn conclusion is that the success of digital waqf depends on the combination of supporting regulations, education society, the utilization of technology, and working between the government, private sector, and community. With the right approach, digital waqf can become an effective instrument To increase the public's well-being.

### **Digital Waqf Platform Development Strategy**

**1. Enhancement Security and Transparency:** Trust is the primary determinant of success from system digital waqf. For that, it is significant for digital waqf platform managers to implement system strong and reliable security, applicable to protect the platform from threat attack cyber and action possible fraud detrimental to the wakif as well as damage to platform integrity. Security robust cyber covers, however, not limited to data encryption, two-factor authentication, and monitoring sustainable security for detecting and responding to threats quickly and effectively.

Besides that, transparency in management and allocation of waqf funds become aspects that maintain importance. This matter can be realized through provision reports periodically accessed by the wakif regarding their funds, allocated and used. Report the must serve accurate, complete and easy information understood, so that the wakif can see a real impact from the contribution. Transparency This Not only strengthens wakif trust but also encourages more participation broad from the public in the waqf program.

(Pramono & Wahyuni, 2021) Emphasize that development trust does not happen in a moment but through effort and consistent sustainability in guard security and transparency. Therefore, digital waqf platforms must be committed fully To applying the highest standard in the second aspect. This is part of their core values in daily operations. However, digital waqf will develop as channel efficient philanthropy and as a strengthening medium rope friendship and trust between people.

**2. Integration with Other Payment Methods:** To give convenience to wakifs, integrating the digital waqf platform with various payment methods is a strategic and essential step. This matter aims to give diverse choices to the inner wakif to do transaction waqf, appropriate with preference

and convenience. An effective digital waqf platform must provide a bank transfer option, allowing Wakif to send funds directly from their bank account to their account waqf. Additionally, the use of card credit must be supported to facilitate wakifs who wish convenience and speed in transactions, as well as utilize feature security offered by the provider card credit.

Next, integration with an e-wallet or digital wallet has become very relevant to remember the growth of significant use of e-wallets in Indonesia. E-wallet offers convenient transactions only with some clicks via smartphone, which can increase participation waqf, especially from young circles inclined more familiar with digital technology. (Al Fattah & Kurniawan, 2021) Emphasize the importance of adapting the digital waqf platform to development technology payment to ensure that the waqf process can be done quickly, efficiently, and safely.

Additionally, the platform must ensure that every method of payment offered has fulfilled standard security strict transactions to protect the wakif from risk fraud and data theft. Data verification and encryption must be applied to guard confidential information and personal and transactional wakif finance. With various integrated and secure payment methods, digital waqf platforms increase waqf's trust and comfort and expand the reach and accessibility of waqf for the public.

**3. Education and Training:** Digital waqf indeed brings fresh air inside practice waqf; however, reality shows that not all layers of the public have the same ability to access and use digital technology. This digital divide can become a barrier for some wakifs, especially those from old circles or areas with access to limited technology. (Iman et al., 2019) confirm education and training as solutions for overcoming obstacles.

Education can be done by providing material or modules, straightforward learning and understanding the method using the digital waqf platform. This material can be video tutorials, book guides, or workshops organized by institutions waqf. Training Can integrated with religious programs or social programs so that the wakif can learn about digital waqf in more context broad and applicable.

Apart from that, it is also important to give training to recipient benefit waqf about How they can access funds or aid distributed via digital platforms. This matter includes method registration, verifying identity, and understanding rights and obligations as recipient waqf. Using simple language and being more technical in material education will be easier understood by society layman. Also, approach personalization, like using an ambassador or agent waqf that can help the wakif directly in the waqf process, becomes an effective method for increasing understanding and comfort of the wakif using the digital waqf platform.

Thus, comprehensive and continuous education and training become critical for ensuring that all layer public can be involved in digital waqf, so potency large cash waqf in Indonesia can be obtained and optimized in a way maximum.

### **3. "Challenges and Solutions in Digitalization of Zakat and Waqf"**

In the process of digitizing zakat and waqf, various challenges can appear. One main challenge is limited digital literacy among parts of society, which can limit access to the Zakat and Waqf digital platforms. This matter was confirmed by (Waldelmi et al., 2022), who found that even though Rumah Zakat Banda Aceh uses social media To communicate with donors, he still Has No access to or sufficient skills For technology optimally. Plus, it is a challenge for others to question trust and security. There is concern in circles of donor about how their funds are used and what transactions they make via a secure digital platform. Trust This needs to be built through more transparency and accountability big in the management of zakat and waqf. Several solutions can be considered to overcome the challenges in digitalizing Zakat and Waqf.

First, there needs to be a program to increase digital literacy tailored to different segments of society. For example, they held training or workshops for people with access to technology to expand their knowledge and skills in utilizing digital zakat and waqf platforms (Iman et al., 2019). Second, organizations that manage zakat and waqf must carry out their operations with high transparency to overcome trust and security issues. They need to regularly submit reports on using funds to the public and ensure that independent third parties can monitor and audit this process.

Apart from that, the use of blockchain technology can be a solution to increase trust and transparency. With this technology, all transactions can be tracked and verified, allowing donors to see how their funds are used and ensuring no misuse. Third, cooperation between the government, financial institutions, and zakat and waqf management organizations is needed to create regulations that support the digitalization of zakat and waqf. For example, the government can provide incentives or support for organizations that innovate in managing and distributing zakat and waqf. In this way, we can overcome existing challenges and exploit the full potential of digitizing zakat and waqf to empower the people.

### **Conclusion**

In conclusion, digitalizing zakat and waqf's potency greatly empowers people. While there are challenges, solutions such as increasing digital literacy and transparency can help overcome them. Looking to the future, digitalization is expected to be a significant force in maximizing the distribution and effectiveness of zakat and waqf. Therefore, collaboration between the government, financial institutions, and zakat and waqf management organizations is critical to realize the full potential of digitalization for empowering the people.

This study may have limited respondents or coverage areas, so the results should be cautiously generalized. The security and privacy aspects of digital zakat and waqf transactions can also be the subject of further research. Further research can examine how the digitalization of zakat and waqf has social and economic impacts. Further research could also look at how the public views the security of digital transactions in a charitable context. For further research, involving more parties, including financial institutions, zakat management organizations, and the government, is essential. This is needed to discover cooperation challenges and create a better framework. The result is that future research should dig deeper into the specific elements of the digitalization of zakat and waqf and evaluate how it impacts community empowerment.

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