

Barriers and Enablers in Implementing SDGs Through Community Empowerment Programs

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ABSTRACT

This article discusses the effectiveness of the implementation of community empowerment programs managed by Lazismu East Java in supporting the achievement of the Sustainable Development Goals (SDGs) through the management of zakat, infaq, shadaqa, and partnership (ZISKA). With a qualitative case study approach, this study identifies internal and external factors that affect Lazismu's performance, including human resources, institutional networks, stakeholder support, and applicable regulations. Although Lazismu has enormous potential in fund management and organizational networks, the implementation of empowerment programs still tends to be pseudo-community empowerment, namely empowerment that is symbolic and has not touched the root of the community's structural problems. Additional issues encompass insufficient resources, inadequate monitoring and evaluation of initiatives, and suboptimal management of socio-economic and technological impacts. This report recommends that Indonesia implement internal reforms, enhance institutional capacity, and employ macrosocial workers to develop more effective, sustainable, and structurally oriented empowerment models that facilitate inclusive growth.

Keywords: SDGs, Barriers, Faith Based Organisations, Lazismu, Community Empowerment

1. Introduction

Islamic philanthropic institutions in Indonesia are playing an increasingly significant role in addressing development challenges. Lazismu as the official zakat and charity body of Muhammadiyah has taken the mandate to contribute to the SDGs through its community programs. Lazismu, as the official body of zakat and charity of Muhammadiyah, plays an important role in overcoming development challenges in Indonesia by aligning its programs with the Sustainable Development Goals (SDGs).

The institute does a good job of managing zakat, infaq, and shadaqah (ZIS) funds to help projects in areas like education, health, economic empowerment, social welfare, and protecting the environment. This directly relates to Sustainable Development Goals 2, 3, 4, 13, 15, and 16 (Aunillah & Hidayah, 2024). Syamsuri, S., Jakiyudin, A. H., & Cahyani (2024) say that the legal system, especially Presidential Regulation No. 111/2022, helps Islamic charities like Lazismu reach the Sustainable Development Goals (SDGs) by including them in national and regional development plans and encouraging mixed financing models. Despite the implementation of these

measures, challenges persist, such as enhancing the efficiency of zakat collection and distribution. Currently, it exerts minimal influence on economic development or other Sustainable Development Goal indicators (Muttaqin et al., 2023). Lazismu's strategic initiatives additionally endorse social justice and welfare, aiding the government in combating poverty and fostering equitable growth. Stakeholders' involvement greatly improves the institution's role, which is necessary for Indonesia to reach the bigger Sustainable Development Goals (Nasrulloh, 2019). Lazismu has made progress in combining its charitable work with the Sustainable Development Goals (SDGs). To get the most out of their work, they need to improve how they monitor, evaluate, and optimize their resources. In fact, Lazismu assists the government in achieving social welfare and emphasizes alignment with the values of Pancasila rather than specifically dealing with internal and external factors that affect its effectiveness in relation to the goals of the SDGs. This article examines the internal and external factors that affect the effectiveness of Lazismu East Java in aligning the practice of the ZISKA utilization program with the SDG goals, in the perspective of macro social work analysis.

2. Literature Review

2.1. The Sustainable Development Goals and the Empowerment of Communities

The Sustainable Development Goals stress the importance of working together across sectors, being open to all, and being sustainable. Faith-based groups are becoming more important partners in reaching these goals, especially in communities that don't get enough help (Brodjonegoro, 2018). To reach the Sustainable Development Goals (SDGs), communities need to be empowered. This is shown by programs that encourage people to get involved in their communities and help them grow. The Sustainable Development Goals and Giving Power to Communities For instance, the Mentari Sehat Indonesia (MSI) community stresses the importance of internalizing noble values to improve empowerment practices. This fits with the SDG's focus on social equality and community welfare (Naredia & Supriyanto, 2024). The Participatory Rural Appraisal (PRA) approach also stresses how important it is for local governments to work together to reach the SDGs, especially when it comes to fighting poverty and economic inequality (Triatmanto & Natsir, 2019). The Lendu International Art Camp is an example of a community-based arts program that shows how creative projects can help with health, education, and long-term economic growth, which are all part of the SDGs (D. Ibrahim et al., 2023). Also, efforts to reintegrate kids outside of school through empowerment activities show how community-based solutions can help with educational problems, which is important for reaching SDG 4 (Quality Education) (Paramata et al., 2024). In the end, experiences from rural South Africa show that community-driven efforts in tourism and handicrafts can help reduce poverty and promote long-term growth. This shows how flexible empowerment strategies can be in different situations (Pretorius, R. W., & Nicolau, 2019).

Triatmanto et al.(2018) implementation of the Sustainable Development Goals (SDGs) through Participatory Rural Assessment (PRA) improves community empowerment, especially in local government efforts, by aligning policies with community needs, although there are still challenges in achieving optimal sustainable economic development.

2.2. Problems with putting Islamic Philanthropy into action

Even though zakat and other charitable acts are motivated by religion, weak governance, poor planning, and a lack of public trust can make it hard for programs to work (Latief, 2010). There are many problems with Islamic charity that make it hard to succeed and last. These problems include getting young people involved and using technology in humanitarian work. There are

several problems that need to be fixed in order to make Islamic charity work better. On the other hand, young people are in charge of technology and social media in philanthropy and volunteering, which lets them get involved for a short time instead of getting a stable job. Suryana (2024) documents the involvement of youth in professional roles within humanitarian institutions, such as:

- i. Challenges in engaging youth participation Career instability: Many young volunteers lack consistent employment opportunities, resulting in their limited engagement in humanitarian activities.
- ii. Young individuals may be disinclined to engage in long-term commitments if they possess limited knowledge or understanding of Islamic charity.
- iii. The need for Professional Development with institutional reform is needed to provide career development opportunities for young people in philanthropy.

In addition to the relay of human resources in driving Islamic philanthropic institutions, the challenge of adapting to technology and technology integration is still a central issue in the last 10 years, the rapid development of information technology has become a necessity that must be faced by Islamic philanthropic institutions. Laylo (2023) Islamic philanthropy have problems because their distribution systems don't work well. Many traditional ways of giving zakat have problems like not being clear enough for the public or the media to talk about and not having enough resources to go around. Also, using AI solutions to promote Islamic philanthropy could make things run more smoothly with the help of AI and blockchain technologies.

However, their implementation is accompanied by challenges, including the necessity for training and adequate infrastructure. Another challenge and problem for Islamic philanthropic institutions is financial management. Thaidi et al. (2019) explains that Islamic philanthropic institutions face high operational costs, first is that the initiatives of Islamic microfinance institutions often incur high costs due to extensive fieldwork, which can limit their reach. Second, the integration of Waqf and Microfinance, although integrating this system can empower the community, is still under-discussed and requires systematic exploration, especially companion human resources.

The implementation of Islamic philanthropy presents several challenges that hinder its potential to alleviate poverty and reduce social inequality effectively. Even though Islamic philanthropy is based on a lot of Islamic teachings, it often has trouble with management and integration, which makes it less effective in a wide range of socio-economic settings. One of the biggest problems with Islamic philanthropy is making sure that resources are used effectively. Poor management of expected Islamic charitable donations makes it much harder to reach social goals like reducing poverty (Purwatiningsih & Yahya, 2019). Also, combining Islamic social finance with traditional economic systems is very hard. Integrated models of Islamic social and commercial finance are better at fighting poverty than models that aren't integrated. This shows how important it is to connect different financial systems (Iskandar et al., 2021).

This implies that Islamic charitable efforts may be more impactful if various social and financial groups collaborated and enhanced their mutual understanding. Despite these challenges, potential exists for the growth and enhancement of Islamic philanthropy through strategic reforms and technological advancements. The complexity of implementation requires careful navigation to ensure sustained success.

2.3. Faith Based Organisations (FBOs) and The Ability Institutional

FBOs operate at the intersection of faith and professionalism. To ensure their enduring impact, institutions require robust human resources, effective governance, and financial stability (Anheier & Leat, 2006). FBO, especially those that focus on Islamic philanthropy, are very important for solving social and economic problems and making institutions stronger. These groups use their religious roots and the trust of their communities to carry out charitable projects that aim to reduce poverty, give power to people who are less fortunate, and promote social justice. For a long time, faith-based organizations (FBOs) have been very important in helping people around the world with social development, healthcare, education, and humanitarian aid. Because they have strong ties to their communities, moral authority, and a dedication to service, they often work with people who are on the fringes of society and in difficult situations. However, the effectiveness and sustainability of FBOs depend heavily on their institutional capacity.

Institutional capacity refers to the internal systems, structures, and resources that enable an organization to fulfil its mission, manage resources, and deliver services effectively. For FBOs, strong institutional capacity means having sound governance structures, skilled leadership, transparent financial management, and the ability to monitor and evaluate their programs.

It is very important to develop this skill because it makes the organization accountable, builds trust among funders and stakeholders, and helps the organization adapt to changing needs. Even though they have a lot of benefits, many FBOs have trouble with professionalization, getting resources, and keeping their programs going. To effectuate a more significant impact, they must address these issues through investments in training, strategic partnerships, and their internal processes. Hoffstaedter (2011) states in his book that FBOs play an important role in addressing the needs of society by leveraging their moral authority and transnational networks, which can enhance service delivery and community engagement in ways that may be difficult for secular organizations to achieve. The FBO's recognition as a legitimate partner in social services reflects a shift towards a post-secular approach, recognizing the importance of religious communities in promoting the public good and facilitating social cohesion (Nistor, 2019). In addition, the historical neglect of religion in development studies has led to a limited understanding of how faith affects the experience of poverty and motivation for help, necessitating a more integrated perspective that appreciates the contributions of diverse religious traditions (Clarke, 2008). FBOs must improve their institutional capacity to provide services effectively and promote long-term community growth (Clarke et al., 2008; Jennings & Clarke, 2008).

Faith-based organizations (FBOs) are very important to Islamic charity work because they combine religious beliefs with social welfare programs. Research shows that Islamic charitable practices, which are based on historical events and Islamic teachings, have a big effect on social justice programs in communities (Nurul Huda et al., 2023). Groups like Muhammadiyah in Indonesia have changed how they do humanitarian work by incorporating religious values into how they run their businesses. This has expanded their outreach and influence (Ulfahadi, 2023). There are a lot of problems with putting Islamic charity into action that have to do with culture, the law, and the economy. The main problems are the differences in culture and the fact that charitable acts depend on the situation. To get young people from different cultures involved in Islamic charitable work, these problems must be solved. Through a deep understanding of diverse cultures, the youth can adopt more inclusive and effective approaches to philanthropic practices (Shofiyyah et al., 2023). Additionally, Nurul Huda et al.(2023) said obstacles associated with regulatory frameworks and societal perceptions significantly hinder the ability of Islamic

philanthropic organizations to function effectively. In places like Indonesia, it's important to know a lot about the local cultures and government rules to make the most of humanitarian donations.

Islamic charities often have problems that make them less effective, which makes their problems even worse. Poor management of current resources has been linked to the lack of use of funds set aside for programs to reduce poverty and improve social welfare (Hadiyati et al., 2024). Firdaus looked at zakat and sadaqa as examples of problems in disaster management, pointing out problems like unclear rules and not having enough resources for recovery after a disaster (Firdaus et al., 2025). Without clear best practices and ways to hold people accountable, these groups have a hard time quickly gathering resources and dealing with emergencies (S. Siddiqui, 2022).

Faith-based organizations (FBOs) are very important for improving the capacity of institutions in many areas, especially in global governance, trauma support, and getting people involved in their communities. They use their unique religious beliefs and ties to their communities to deal with tough problems like gun violence and humanitarian crises. Religious groups often get more people involved and achieve longer-lasting results than non-religious groups (Ojiemudia et al., 2024). The Sant' Egidio community shows how FBOs can broaden their mission to include a wide range of issues, from fighting poverty to protecting the environment. This makes them more powerful on the world stage (Nadziak, 2025). In addition, capacity building in theological colleges in Indonesia highlights the importance of strengthening organizations through effective management practices, which is essential to prepare religious leaders to navigate contemporary challenges (Kurniawan et al., 2024). Despite challenges such as conflicts between religious views and human rights, faith-based organisations (FBOs) have the potential to significantly impact global governance through the establishment of partnerships and the enhancement of public awareness (Zhang, 2024). In the end, improving the institutional capacity of FBOs can help create solutions that are culturally appropriate and have a big effect on civil society (Dzinamarira et al., 2024).

2.4. Macro Social Work in Implementation of Islamic Philanthropy

Macro social work to put Islamic Philanthropy into action Islamic charitable practices like zakat, sadaqa, and waqf have a lot of potential to help people in need and improve society. Macro social work makes the most of Islamic charitable work by focusing on solutions at the policy, community, and organizational levels. We want to look at how macro social work and Islamic charity are related, talk about how to put these ideas into practice, point out some of the biggest problems, and go over some recent research and case studies in this area. Islamic philanthropy significantly contributes to addressing social inequity and enhancing community health, particularly in countries with a predominantly Muslim population.

Macro social work operates at the systemic level, playing a crucial role in ensuring that resources are effectively utilised and directed towards those in greatest need (Khan, 2022). Recent interest has emerged in employing Islamic charitable methods to achieve enduring social transformation. This necessitates the engagement and expertise of macro social workers. Macro social work encompasses advocacy for policies, organisational development, and community engagement. Macro social workers can engage in Islamic charity work by:

- i. Advocate for legal and policy frameworks that facilitate (Al-Khater & Al-Emadi, 2020).
- ii. Assist religious groups, non-governmental organisations, and government groups work together (Mohamed, 2021).
- iii. Encourage openness and responsibility in how funds are given out (Rahman et al., 2023).
- iv. Support community groups learn how to use and manage charitable resources more effectively (P. Ibrahim & Ghazali, 2021)

The four above can then be looked at in more detail, showing that a clear and supportive policy framework is needed for Islamic philanthropy to work on a large scale. Macro social workers can collaborate with policymakers to develop regulations that facilitate the transparent collection and distribution of zakat (Al-Khater & Al-Emadi, 2020). In addition, it also involves the community to ensure that philanthropic programs are responsive to local needs. Macro social workers can mobilize local actors, conduct needs assessments, and encourage community ownership of initiatives (P. Ibrahim & Ghazali, 2021). Then, the need for training and technical support for local organizations is essential for effective fund management. Establishing a monitoring and evaluation system helps track results and ensure accountability (Rahman et al., 2023).

Although, often faced by Islamic philanthropic institutions are the problems of institutional regulation, transparency, adaptation to local cultural values. This is in line with A. Siddiqui (2019) that complex legal environment and lack of institutional coordination can hinder the effective dissemination of philanthropic resources. Moreover, Asmak et al. (2023) It also states that the importance of transparency and accountability to ensure that funds are distributed ethically and efficiently remains a challenge, especially in areas with weak governance structures. Also, philanthropic institutions must have cultural sensitivity as a step to balance Islamic values with contemporary social work ethics requires cultural competence and sensitive program design (Mohamed, 2021). A study in Indonesia found that combining zakat with government social security programs makes them better at fighting poverty (Rahman et al., 2023). In the same way, partnerships between NGOs and religious groups in Malaysia have led to new waqf-based health and education programs (Asmak et al., 2023; P. Ibrahim & Ghazali, 2021).

Islamic philanthropy macro social work strategies focus on improving social welfare through community involvement, good governance, and creative resource management. The Muhammadiyah Organization in Malang City shows how a well-organized social welfare movement can help solve a range of social problems through education, health care, and community empowerment.

This shows how important it is for government and non-governmental organizations to work together (Sukmana et al., 2024). Also, the creation of an Islamic charitable model based on the ideas of *maslahah* on Islamic campuses shows that zakat and waqf can help fight poverty and make education more accessible by managing and using productive assets in a professional way (Zaenurrosyid et al., 2024). In addition, the influence of Islamic social finance in countries outside ASEAN shows how digitalization supports social welfare initiatives by increasing transparency and efficiency. Overall, the synthesis of this approach underscores the need for culturally relevant practices that are aligned with Islamic values to effectively address the needs of communities and improve welfare outcomes (Al-Krenawi et al., 2024; Makhrus et al., 2024). It also demonstrates that macro social work is very important for helping Islamic charities. By pushing for good policies, building up the capacity of organizations, and getting people involved in their communities, macro social workers can make zakat, alms, and waqf more effective at promoting sustainable development.

3. Methodology

A qualitative case study method was utilised, drawing on data from Lazismu East Java. The data sources included semi-structured interviews with managers and stakeholders, field visits, and the analysis of annual reports and planning documents. This study employs a qualitative approach, utilising case study methodology to comprehensively examine a specified system, which may encompass one or multiple cases. The data is sourced from various relevant contexts (Cresswell,

2009; Denzin & Lincoln, 2009; Miles et al., 2014; Neuman, 2014; Yin, 2018). We used thematic analysis to group challenges and conditions that help. The study aims to understand the social and environmental factors that affect community empowerment programs in the Lazismu KP Management Board in East Java Province, Lazismu Surabaya City, Lazismu Malang City, and Lazismu Jember Regency.

4. Finding and Discussion

The results of this study show that support and obstacles as well as challenges in carrying out community empowerment occur both internally and externally at Lazismu. Because of this, running Lazismu in East Java is a special treatment. According to interviews with research subjects and stakeholders of the Lazismu East Java Representative Office, support for the East Java Lazismu Representative Office in carrying out community empowerment programs includes:

4.1. Assistance from internally:

- i. Skilled human resources: The East Java Lazismu Representative Office has staff and volunteers who are knowledgeable about zakat and community development. This skill makes it possible to plan and carry out specific projects.
- ii. Lazismu's vision is in line with the Sustainable Development Goals, especially when it comes to reducing poverty, improving education, healthcare, and food security. A clear and unified vision makes it easier for the internal organization to reach the Sustainable Development Goals (SDGs).
- iii. Institutional Infrastructure: Lazismu has a large network of connected places all over East Java. Muhammadiyah and its charitable branches help with and give money to SDG projects.
- iv. Good management of zakat, infaq, and sadaqa money: Lazismu is known for having a strong system of accountability in its financial management. These builds trust among the public and donors, which makes it easier to get long-term financial support for SDG programs.

4.2. Assistance from externally:

- i. Working with governments and international organizations: Lazismu can get more resources and knowledge by teaming up with local governments, relevant ministries, and international organizations like the UNDP to create projects that help the Sustainable Development Goals (SDGs).
- ii. Community and Donor Support: The residents of East Java exhibit considerable trust in the East Java Lazismu Representative Office, positioning it as an effective channel for donor contributions. This assistance facilitates the East Java Lazismu Representative Office in implementing community empowerment programs.
- iii. Support legislation: National laws like the Zakat Law (Law No. 23/2011) make zakat-based empowerment programs work better, which makes institutions like Lazismu more effective.

To take part in efforts to reach the Sustainable Development Goals, the SWOT analysis shows that the East Java Lazismu Representative Office has the following problems:

4.3. Internal Problems:

- i. Limited Resources: The East Java Lazismu Representative Office has skilled staff, but it often has trouble with money and people. This makes it hard for the office to get to all parts

of East Java, especially in remote areas where immediate empowerment programs are needed.

- ii. Expanding SDGs-Aligned Programs: Some Lazismu programs may need to be changed or improved to better meet the goals of each SDG, such as gender equality and fighting climate change, even though they are currently aligned with the SDGs.
- iii. Program Monitoring and Evaluation: A full monitoring and evaluation framework is necessary to make sure that results are in line with the goals of the Sustainable Development Goals. This will make it easier to carry out the program successfully. Limitations in this area make it hard to accurately judge how well current programs are working.

Lazismu has trouble keeping its programs going because staff members leave, there isn't enough formal training in community service, and the company's own branding isn't strong enough. Execution of the program is usually short and not very well organized.

4.4. External Problems:

- i. Social and Economic Inequality: East Java has a lot of social and economic inequality, which means that some areas need more help than others. Lazismu must develop a solution that addresses the specific needs of the local area.
- ii. Natural disasters and climate change: East Java is susceptible to events such as floods and droughts. The identified issues may adversely affect the economic stability of the community and impede Lazismu's ability to implement its empowerment program.
- iii. The Covid-19 outbreak has made poverty and inequality worse, making it harder for Lazismu to carry out programs that are in line with the Sustainable Development Goals, especially in the areas of health, education, and poverty reduction.
- iv. Competition with Other Zakat Institutions: There are a lot of active zakat institutions in East Java, both government and private. This makes Lazismu must constantly fight for public trust and resources.

Lazismu must compete with older, more established zakat organizations. Limited access to and recognition of government-supported businesses. There aren't clear rules in regulatory frameworks about how to include faith-based groups in initiatives for sustainable development goals. Lazismu uses Muhammadiyah's large network of schools, hospitals, and youth groups to reach more people and build trust, even though these are difficult times. Working with local businesses, mosques, and colleges makes the group more credible and gives it more chances to get funding. ZIS projects are still in the early stages of aligning with SDG indicators, but there is hope that they will make progress in the future. To be able to scale and replicate, successful models need strategic planning, measuring their effects, and building their capacity. The researcher calls this a "pseudo-community empowerment" program, which means it doesn't really meet the requirements of a community empowerment program. This article talks about what happened when the Lazismu East Java Representative Office put the ZISKA utilisation Program into action.

The understanding of the substance of community empowerment in carrying out ZISKA distribution programs is not fully understood, this is because the basic concepts, indicators and roles of stakeholders in community empowerment are not understood in detail by the Lazismu Management Board in this study so that the program part also implements according to what is known and understood.

Furthermore, the researcher further analyzed that the results of this study revealed that the implementation of the ZISKA utilization program for community empowerment by Lazismu East Java reflects the complex dynamics between institutional potential and structural limitations, both

from the internal side of the organization and external factors that affect the effectiveness of interventions. Internally, the existence of human resources (HR) who have competence in zakat management and community development, an accountable ZIS (zakat, infaq, and shadaqah) governance system, and a wide structural network of Muhammadiyah, show that Lazismu has a strong institutional foundation. This is in line with the theoretical framework of institutional capacity put forward by Anheier dan Leat (2006), that the capacity of faith-based institutions is greatly influenced by the quality of governance, resources, and structures that support the sustainability of the program. This support is strengthened by the Muhammadiyah Business Charity (AUM) network spread throughout East Java including schools, hospitals, universities, and mosques which are strategically used as distribution channels for the program. In line with that, Sukmana et al. (2024) emphasized that the Muhammadiyah Organization model is an example of effective macro social work practices in overcoming welfare problems through the integration of education, health services, and community empowerment. Thus, social capital and organizational structure are important enablers in the success of the community empowerment agenda that is integrated with the SDGs.

However, this internal support does not necessarily result in a transformative empowerment impact. This research shows that the understanding of Lazismu management of the concept of community empowerment is still limited to the practical and administrative levels. As a result, the programs implemented tend to be caritative, fragmented, and short-term tending to produce *pseudo-community empowerment forms*. These findings corroborate the argument Khan (2022) which emphasizes the importance of integrating *macro social work* approaches in Islamic philanthropic practices, which not only include the distribution of social funds, but also emphasizes policy advocacy, institutional strengthening, and community-based empowerment.

Furthermore, limitations in the development of programs that are adaptive to all SDGs indicators, weak monitoring and evaluation systems, and lack of formal training in empowerment approaches, are the main inhibiting factors. In this context, Rahman et al. (2023) emphasizing that a structured evaluation system based on SDGs indicators is crucial to ensure program effectiveness and accountability. Otherwise, then the orientation of the intervention will only be symbolic and will not reach the root of the structural poverty problem.

In addition to internal challenges, various external obstacles also limit the effectiveness of Lazismu's empowerment program. Socio-economic inequalities between regions, vulnerability to natural disasters such as floods and droughts, as well as the impact of the Covid-19 pandemic which exacerbated gaps in access to health services, education, and social protection, require Lazismu to formulate a more contextual program strategy. This is in line with the study Pretorius dan Nicolau (2019), which suggests that community-based and locally based approaches to empowerment are better able to address structural challenges in a sustainable manner.

The limitations of regulations and legal frameworks are also an important highlight in this discussion. Although the existence of Law No. 23 of 2011 provides legitimacy for the empowerment-based zakat program, Siddiqui (2019) noted that policy implementation is often not accompanied by operational technical guidance, so that zakat institutions experience confusion in aligning programs with the national development agenda. As also stated by Mohamed (2021), The main challenge for Islamic philanthropic institutions is how to bridge religious values with the framework of modern development policies without losing its Islamic essence.

Furthermore, this study highlights how limitations in technology adoption and digital transformation impact ZISKA's distribution efficiency. In fact, as shown by Laylo (2023), The use

of technologies such as blockchain and artificial intelligence (AI) in the zakat distribution system can increase transparency, efficiency, and accountability of institutions. The low utilization of this technology indicates that there is still a gap between institutional capacity and the demands of contemporary institutional innovation.

Despite being faced with various challenges, Lazismu's strategic potential remains significant. Public trust in Muhammadiyah, collaboration with international partners such as institutions under the auspices of the United Nations, and partnerships with local governments provide a strong foundation to expand social impact. However, this potential will not be optimal if it is not accompanied by strengthening internal capacity, restructuring program approaches, and transforming management approaches from charity-based to empowerment-based. Study by Ibrahim dan Ghazali (2021) emphasizing the importance of investment in strategic management training, human resource professionalization, and monitoring system development as the key to the sustainability of SDGs-oriented Islamic philanthropy programs.

Thus, to avoid being trapped in the *pseudo-community empowerment model*, Lazismu needs to carry out internal reforms by reformulating an intervention model based on community needs analysis, digital data integration, and strengthening cross-sector networks. In addition, the involvement of macro social workers is critical to ensure that programs not only touch the surface of the problem but also respond to the structural roots of social inequality at the local and regional levels. Good practices from campus philanthropy models and *maslahah*-based educational institutions (Zaenurrosyid et al., 2024) can be an important reference in developing an inclusive and sustainable empowerment strategy.

5. Conclusion

This study concludes that the implementation of community empowerment programs by Lazismu East Java has significant institutional strengths but has not been fully utilized to produce transformative and sustainable impacts in the context of achieving the Sustainable Development Goals (SDGs). Internal support in the form of competent human resources, an accountable ZISKA management system, and Muhammadiyah's structural network provide strong institutional capital. On the external side, strategic partnerships with governments and international partners and regulatory support provide great opportunities to expand the reach of the program. However, limitations in conceptual understanding of community empowerment, weak SDGs-based monitoring and evaluation systems, and lack of optimal use of technology and institutional innovation have caused most Lazismu programs to tend to be charitable and do not fully reflect participatory and sustainable empowerment. These findings indicate a symptom of *pseudo-community empowerment*, where programs run without a strong theoretical and practical framework regarding the active role of the community, indicators of success, and social transformation.

In this context, it is important for Lazismu to revitalize the approach through the integration of *macro social work* frameworks, strengthening institutional capacity, and developing systems that can combine Islamic values with inclusive and transparent modern development governance. It is necessary to reformulate institutional strategies that align program interventions with SDGs indicators, strengthen community needs mapping, and build cross-sector synergy with state and non-state actors. With these steps, Lazismu has the potential to become a major actor in Islamic philanthropy that not only plays a role in distributing social funds, but also as a driver of inclusive, just, and sustainable social change. Lazismu East Java holds untapped potential to serve as a strategic faith-based partner in achieving the SDGs. Addressing internal capacity gaps and

enhancing collaborative networks can elevate its contributions to national and global development agendas. The findings call for integrated policy support and institutional reform to enable FBOs like Lazismu to thrive.

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