

SWOT Analysis of LAZISMU in Poverty Alleviation from an Islamic Economic Perspective

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Abstract

LAZISMU (Lembaga Amil Zakat, Infaq, and Shadaqah Muhammadiyah) has shown significant performance in poverty alleviation in Indonesia from an Islamic economic perspective. Through transparent and accountable management of zakat, infaq, and shadaqah, LAZISMU is able to distribute targeted assistance to people in need. This research analyzes the performance of LAZISMU (Lembaga Amil Zakat, Infaq, dan Shadaqah Muhammadiyah) in poverty alleviation from an Islamic economic perspective using SWOT analysis (Strengths, Weaknesses, Opportunities, Threats). This method helps identify the strengths, weaknesses, opportunities, and threats faced by LAZISMU in the implementation of its social programs. The results of the analysis show that LAZISMU has strengths in its extensive network and support from the community as well as Muhammadiyah organizations, which gives it legitimacy and high trust. However, weaknesses such as limited human resources and non-optimal management are still a challenge. Great opportunities lie in the increasing public awareness of the importance of zakat and infaq, as well as government support in the economic empowerment of the people. Threats faced include competition with other amil zakat institutions and changes in government policies that may affect LAZISMU's operations. With the right approach and grounded in Islamic economic principles, LAZISMU has great potential to contribute significantly to poverty alleviation in Indonesia.

Keywords: LAZISMU; Poverty; Islamic Economics; Unemployment

Abstrak

LAZISMU (Lembaga Amil Zakat, Infaq, dan Shadaqah Muhammadiyah) telah menunjukkan kinerja yang signifikan dalam pengentasan kemiskinan di Indonesia dalam perspektif ekonomi Islam. Melalui pengelolaan zakat, infaq, dan shadaqah yang transparan dan akuntabel, LAZISMU mampu mendistribusikan bantuan yang tepat sasaran kepada masyarakat yang membutuhkan. Penelitian ini menganalisis kinerja LAZISMU (Lembaga Amil Zakat, Infaq, dan Shadaqah Muhammadiyah) dalam pengentasan kemiskinan dalam perspektif ekonomi Islam dengan menggunakan analisis SWOT (Strengths, Weaknesses, Opportunities, Threats). Metode ini membantu

mengidentifikasi kekuatan, kelemahan, peluang, dan ancaman yang dihadapi oleh LAZISMU dalam pelaksanaan program-program sosialnya. Hasil analisis menunjukkan bahwa LAZISMU memiliki kekuatan pada jaringan yang luas dan dukungan dari masyarakat serta organisasi Muhammadiyah yang memberikan legitimasi dan kepercayaan yang tinggi. Namun demikian, kelemahan seperti keterbatasan sumber daya manusia dan manajemen yang belum optimal masih menjadi tantangan. Peluang yang besar terletak pada meningkatnya kesadaran masyarakat akan pentingnya zakat dan infak, serta dukungan pemerintah dalam pemberdayaan ekonomi umat. Ancaman yang dihadapi antara lain persaingan dengan lembaga amal zakat lainnya dan perubahan kebijakan pemerintah yang dapat mempengaruhi operasional LAZISMU. Dengan pendekatan yang tepat dan berpijak pada prinsip-prinsip ekonomi Islam, LAZISMU memiliki potensi besar untuk berkontribusi secara signifikan dalam pengentasan kemiskinan di Indonesia.

Kata Kunci: LAZISMU; Kemiskinan; Ekonomi Islam; Pengangguran

INTRODUCTION

Lembaga Amil Zakat, Infaq, dan Sedekah Muhammadiyah (LAZISMU) is one of the philanthropic organizations that plays an important role in poverty alleviation in Indonesia. Founded by Muhammadiyah, one of the largest Islamic organizations in Indonesia, LAZISMU has a wide and deep network across the country. The role of LAZISMU is vital in collecting and distributing zakat, infaq, and sadaqah from the community to those in need. In the context of Islamic economics, LAZISMU seeks to implement sharia principles in every step of its management. This Sharia-compliant management includes transparency, accountability, and fair distribution. One of the main goals of Islamic economics is poverty alleviation, where wealth must be distributed fairly to achieve social welfare. According to (Alfiyan et al., 2023) Poverty is an impact of a lack of sustainability, to ensure that current actions do not reduce the environmental, social, and economic options that can be enjoyed by future generations. Thus, LAZISMU not only focuses on collecting funds but also on targeted and empowering distribution. As part of the large Muhammadiyah organization, LAZISMU has a moral and social responsibility to carry out this mandate well. LAZISMU is also committed to improving the quality of life of underprivileged people through various economic empowerment programs. (Muliadi, 2020). With a holistic approach, LAZISMU seeks to create a positive long-term impact on society. In addition, LAZISMU continues to innovate in fund management to be more effective and efficient in helping underprivileged communities.

SWOT analysis (Strengths, Weaknesses, Opportunities, Threats) is an effective tool to evaluate the position and strategy of an organization in achieving its goals. By using SWOT analysis, organizations can identify internal and external factors that affect their performance. It is hoped that the analysis will reduce or minimize the number of community members below the poverty line. (Triono & Warsita, 2019). According to (Eka & Benny, 2020) Ketika diterapkan pada LAZISMU, analisis SWOT memungkinkan kita untuk memahami The strengths, weaknesses, opportunities, and threats this

organization faces in its poverty alleviation efforts. LAZISMU's strengths, for example, can be seen from Muhammadiyah's extensive network spread across Indonesia, providing broad access and strong support from the community. However, weaknesses also exist, such as limited human resources or technology that may hinder operational efficiency. Opportunities for LAZISMU include the huge potential of zakat collection in the world's largest Muslim-majority country. However, threats such as competition with other amil zakat institutions and challenges in ensuring targeted and transparent distribution must also be watched out for. By understanding all these aspects, LAZISMU can formulate more effective and efficient strategies to achieve its goals.

The opportunity for LAZISMU in poverty alleviation is huge given the very high potential of zakat in Indonesia, the country with the largest Muslim population in the world. This potential includes the amount of funds that can be collected from zakat, infaq, and sadaqah, which if managed properly, can have a significant impact on poverty alleviation. In addition, support from the government is getting stronger with regulations that support the professional and transparent management of zakat. Increased public awareness of the importance of zakat and infaq is also a very valuable opportunity for LAZISMU to increase the amount of funds collected. (Cahyani & Nasrulloh, 2023). However, threats cannot be ignored, such as competition with other amil zakat institutions also operating in Indonesia. The challenge of ensuring targeted and transparent distribution of funds is also a threat that LAZISMU must face. Therefore, appropriate and innovative strategies are needed to maximize opportunities and overcome these threats.

From the perspective of Islamic economics, poverty alleviation by LAZISMU must be done by paying attention to the principles of justice, transparency, and sustainability. The principle of justice requires that the distribution of zakat funds be carried out evenly and fairly to those who need it. Transparency in fund management is essential to maintain public trust and ensure that every donation is used by the giver's intentions. Sustainability is key in ensuring that the assistance provided can have a long-term impact on the recipient. LAZISMU needs to ensure that the funds collected are not just distributed but also used to empower the community to be economically independent. This empowerment can be in the form of skills training, business capital assistance, or sustainable community development programs. This is in line with the concept of Islamic economics which not only provides momentary assistance, but also long-term solutions to overcome poverty. Thus, LAZISMU seeks to create a more independent and prosperous society sustainably. Through this approach, LAZISMU not only helps meet basic needs but also builds a strong foundation for the economic independence of beneficiaries.

A holistic approach to poverty alleviation is crucial for LAZISMU to achieve sustainable results. (Zakiyyah et al., 2023) The intractable problem of poverty in Indonesia is influenced by a variety of varied factors, such as differences in development that affect social, political, cultural, and geographical factors that play a role in determining poverty levels in different regions. In addition to providing direct assistance such as zakat and sadaqah, LAZISMU must also develop economic empowerment programs that focus on the long term. (Wahyuni & Sukarniati, 2018) In Indonesia, there is still a lot of poverty due to limited access to food, which results in inadequate quality

and insufficient quantity of food received, leading to malnutrition and increasing the risk of food insecurity. Such programs include skills training relevant to labor market needs. Business capital assistance is also needed to support entrepreneurial initiatives among the poor. Integrated community development can help communities to collectively move out of poverty and achieve economic independence.

LAZISMU's policies in education and health also have a significant impact on poverty reduction in Indonesia. The scholarship program for students from poor families enables children from poor families to continue their education to a higher level. This provides an opportunity for them to improve their skills and abilities needed in the future job market. In addition, health programs such as medical cost assistance and health service subsidies ensure that poor families have better access to medical care. With improved access to education and health, the quality of life of the poor improves, which directly reduces poverty. When the poor get the opportunity to improve their skills and health, their productivity increases, which has a positive impact on the economy as a whole.

The positive impact of LAZISMU's policies in alleviating poverty and improving the economy is not only limited to individual assistance, but also to macroeconomic influences. With more and more mustahiks successfully moving out of poverty and transforming into muzakki (zakat givers), LAZISMU creates a sustainable economic cycle. When mustahiks manage to increase their income through businesses supported by productive zakat, they then become part of the community group that is able to contribute back to the zakat system. This creates a multiplier effect where more funds are available to be channeled to people in need. In addition, LAZISMU's policies that focus on social and economic development also support sustainable development goals (SDGs), especially in reducing social and economic inequality in Indonesia. With a holistic and structured approach, LAZISMU acts as an important agent in encouraging inclusive economic growth and realizing more equitable social welfare.

By analyzing SWOT, LAZISMU can design more effective and efficient strategies for poverty alleviation. Identifying strengths and opportunities can help LAZISMU maximize its potential while understanding weaknesses and threats allows LAZISMU to anticipate and overcome obstacles. As a result, LAZISMU is expected to contribute more significantly to poverty alleviation efforts in Indonesia, by its Islamic economic values.

LITERATUR REVIEW

LAZISMU

It is an institution that plays an important role in managing zakat, infaq, and sadaqah in Indonesia, especially in the context of people's economic empowerment. The meaning of zakat in terms of sharia is an obligatory property that has been determined by Allah, then distributed to eight groups, these are the indigent, poor, amil, converts who have just entered Islam (Fatha & Pahlevi, 2023). LAZISMU's role in managing zakat funds effectively can make a significant contribution to reducing poverty levels. Through an approach based on Islamic principles, LAZISMU strives to distribute zakat and infaq to those in need in an appropriate manner, thus having a positive impact on reducing

poverty levels and improving the quality of life of beneficiaries. Study by (Saputra et al., 2023) Highlights LAZISMU's strategy in allocating zakat and infaq for productive economic programs that can improve community welfare, especially in marginalized areas. Study by (Suwandi & Samri, 2022) highlights that LAZISMU not only focuses on the distribution aspect of zakat funds, but also conducts various economic, educational, and health empowerment programs to help communities increase their independence. Through these programs, LAZISMU strives to create a long-term impact by empowering the community economically and socially. Thus, LAZISMU is not only a zakat management institution, but also an active agent of social change in reducing inequality and strengthening the welfare of the people in Indonesia.

Poverty

Poverty remains a major challenge in Indonesia, influenced by economic, social, and public policy factors. According to the latest data from Indonesia's Central Bureau of Statistics (BPS), the poverty rate in Indonesia is still quite high despite a gradual decline in recent years. Research by (Aisah et al., 2020) shows that poverty is often associated with large income inequalities among the population, especially in urban and rural areas. Factors such as limited access to education and health services, lack of decent jobs, and economic instability are some of the main causes that maintain high poverty levels in Indonesia. Poverty alleviation efforts require a holistic and coordinated approach. According to (irwan et al., 2019), Success in reducing poverty requires policies that focus not only on income redistribution, but also on economic empowerment through skills training programs, improved access to basic infrastructure, and promotion of informal sector investment. In addition, strengthening institutions that support inclusive growth and reducing inequality in access to social services are also needed to create a conducive environment for sustainable poverty reduction.

Poverty is a complex and multidimensional global issue, involving economic, social, and political aspects. According to the literature, poverty is often measured by the ability of individuals or households to fulfill basic needs such as food, clothing and shelter. Some theories suggest that poverty can be caused by a lack of access to education, decent work, and adequate health services. Structural theories highlight that inequities in the distribution of resources and economic opportunities are the main causes of poverty. In addition, institutional factors such as corruption and weak governance exacerbate the poverty situation in many developing countries.

The impact of poverty is far-reaching, ranging from low quality of life, increasing social inequality, to limiting human development. Various studies show that poverty often forms a cycle that is difficult to break due to lack of access to resources that can change one's economic condition. To alleviate poverty, conditional cash transfer programs and economic empowerment are widely used strategies in various countries. In addition, income redistribution policies through progressive taxes and subsidies are also effective in reducing economic inequality.

Islamic Economics

Islamic economics is a branch of knowledge that helps achieve human well-being through the allocation and distribution of scarce natural resources, in line with maqasid. It does not restrict individual freedom to create a sustainable macroeconomic and ecological balance, and promotes solidarity within families, social communities and moral networks. The Islamic Economic approach offers a unique framework in addressing the problem of poverty. According to (Bakar, 2020), principles of Islamic Economics, such as zakat, infaq, sadaqah, and distributive justice, can make a positive contribution to building a more just and economically equitable society. Study by (Arifin et al., 2021) argues that the implementation of Islamic Economics integrated with public policy can strengthen poverty alleviation efforts through local economic empowerment and fair redistribution of resources.

Islamic Economics emphasizes the importance of social justice, balance, and equitable distribution of wealth through mechanisms such as zakat, infaq, and sadaqah. The Islamic economic system also rejects the practice of usury (interest) which is considered exploitative, and encourages the use of sharia compliant business contracts such as mudharabah and musyarakah. The main goal of Islamic economics is to create sustainable prosperity and avoid excessive economic inequality.

Unlike conventional economics, which is oriented towards material growth alone, Islamic economics integrates spiritual goals in economic activity. The principle of prohibiting gharar (uncertainty) and maysir (speculation) is also a unique characteristic of Islamic Economics, ensuring transactions are conducted in a fair and transparent manner. In modern literature, Islamic Economics also focuses on ethics in business and corporate social responsibility (CSR) which are emphasized within an Islamic framework. Recent studies show that Islamic finance has grown rapidly globally, especially with the emergence of Islamic banks and halal investment products. Overall, Islamic Economics offers an alternative economic system that is more ethical and equitable than the conventional economic system.

Unemployment

The high unemployment rate is a serious problem that affects economic and social stability in Indonesia. Research by (Saputri & Susilo, 2017) highlighted that high unemployment rates can result in significant economic and social impacts, including poverty, social instability, and lack of sustainable consumption. (Rianda, 2020) Unemployment is an economic problem because increasing the unemployment rate means eliminating the production potential of goods and services that can be produced by the labor force. (Suripto & Subayil, 2020) Unemployment is often a problem in the economy because with unemployment, the productivity and income of the community will be reduced, which can lead to poverty and other social problems. Unemployment is therefore a major focus for governments and social organizations to develop policies and programs that support job creation, economic empowerment, and social welfare for society as a whole. The private sector development of investments would also accommodate more workers, which means less unemployments (Hudiwasono et al., 2024).

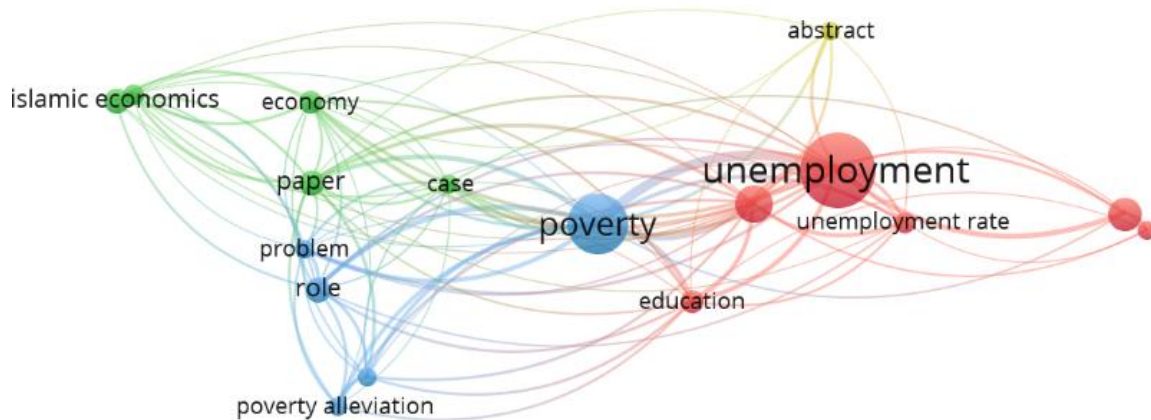
In the economic literature, unemployment is categorized into several types, each of which has different causes and characteristics. Structural unemployment occurs when there is a mismatch between labor skills and labor market needs due to changes in technology or economic structure. Frictional unemployment is temporary and occurs due to the movement of labor from one job to another. Cyclical unemployment is closely related to the economic cycle, where in times of recession the demand for labor decreases and vice versa in times of expansion. Open unemployment is a condition in which a portion of the labor force is actively seeking work but cannot find it.

RESEARCH METHOD

This research uses a literature study methodology, is conceptual, and qualitative in nature. The data collected in this field research is using secondary data. The method used to analyze in this research includes searches sourced from reports and the internet. Various information used as sources in this research are taken from books, journals, theses, and laws.

Figure 1

The results of research that has been done by other researchers



Based on Figure 1, it can be seen that research on SWOT LAZISMU or research that analyzes related to zakat in Indonesia is still small. The figure above shows that research on unemployment has been done a lot, but research on SWOT analysis of LAZISMU or zakat still looks rare. This research was conducted with the aim of knowing the strengths, weaknesses, opportunities, and threats of LAZISMU in Indonesia. This needs to be analyzed in order to find out how prospective LAZISMU's performance is in

facing poverty alleviation in Indonesia. Research mapping on moral hazard behavior in LAZISMU with bibliometrics and assisted by VOSviewer software can determine the relationship and network of existing researches

DISCUSSION

The results showed that LAZISMU has several strengths in poverty alleviation efforts from an Islamic economic perspective. One of LAZISMU's main strengths is the support of Muhammadiyah's extensive network spread throughout Indonesia, in which case it can enable effective and rapid distribution of funds to various regions. In addition, LAZISMU has high credibility in the eyes of the public, which is the result of a consistent track record in the management of zakat, infaq, and sadaqah funds (Putra, 2019). This credibility strengthens public trust, making people feel confident that the funds they donate will be managed properly and reach the right targets. This trust is very important because it is the foundation of the sustainability of philanthropic programs.

The implementation of sharia principles in every process of fund collection and distribution is also a key factor that ensures fairness and transparency. By following these principles, LAZISMU ensures that funds are received and distributed in accordance with Islamic rules and values, which emphasize honesty, fairness, and responsibility (Yaqin, 2019). This process includes regular audits and transparent reporting to the public, so the community can monitor how the funds are being used. This approach not only maintains the integrity of the organization, but also encourages greater participation from the community, as they see that their funds are actually being used to help those in need.

Another advantage is that the LAZISMU team is competent and experienced in philanthropy and Islamic economics, supporting program implementation with high professionalism. Sophisticated information technology support allows LAZISMU to manage funds and programs efficiently and accurately. Collaborative activities with various parties, including the government, private institutions, and other non-profit organizations, help expand LAZISMU's network. The impact of poverty alleviation programs. LAZISMU also has economic empowerment programs designed to create economic independence for beneficiaries, not just provide momentary assistance. In addition, strict monitoring and evaluation mechanisms ensure that the funds distributed are right on target and used effectively. Innovations in the management of zakat and infaq, including the development of digital platforms to facilitate donations and reporting, demonstrate LAZISMU's commitment to efficiency and transparency. Finally, LAZISMU's commitment to Islamic economic principles, such as social justice and equitable distribution of wealth, is a strong foundation in every step and decision taken in poverty alleviation efforts.

Looking at the weaknesses faced by LAZISMU in implementing poverty alleviation programs. First, the lack of trained and competent human resources in the field of zakat management and economic empowerment remains a significant challenge. Despite having an extensive network, coordination between LAZISMU branches in various regions has not been optimal, resulting in inefficiencies in fund distribution and program implementation. On the other hand, the lack of maximum utilization of information technology makes some administrative and reporting processes slow and

prone to errors. Obstacles in collecting accurate and up-to-date data on beneficiaries cause the distribution of funds to not always be on target. Then, there are limitations to sufficient operational funds to support various empowerment and poverty alleviation programs.

LAZISMU faces challenges in increasing public awareness and participation in long-term programs, not just one-time donations. The lack of effective promotion and socialization makes many people not fully understand the role and contribution of LAZISMU. LAZISMU has competition with other amil zakat institutions that are better known to the public, reducing the potential for receiving LAZISMU funds. Then the sometimes complicated and lengthy internal bureaucratic process also hinders the speed in executing the program. Tenth, there is a need for better managerial and leadership capacity development at the central and regional levels. Eleventh, the challenge of maintaining transparency and accountability consistently at all levels of the organization in order to continue to gain public trust.

The results showed that LAZISMU has various opportunities that can be utilized to increase the effectiveness of poverty alleviation programs. The potential of zakat in Indonesia is very large considering the significant Muslim population, so LAZISMU can increase fund collection with a more effective strategy. On the other hand, there is support from the government in the form of regulations that support zakat management providing opportunities for LAZISMU to operate better and more organized. Increased public awareness about the importance of zakat and infaq also opens opportunities for LAZISMU to educate and invite more donors. (Hakim et al., 2020). Looking at the current 4.0 era, the development of information technology provides great opportunities for LAZISMU to utilize digital platforms in various aspects of its operations. By using this technology, LAZISMU can optimize the process of collecting zakat, infaq, and sadaqah funds through user-friendly applications and websites, making it easier for donors to make contributions quickly and safely.

In addition, the digital platform enables more efficient and targeted distribution of funds, using a system that can track and document every transaction in real-time. Reporting transparency is also significantly improved, as information on the use of funds can be accessed by the public through an interactive and easy-to-understand online dashboard. This not only increases public trust in LAZISMU, but also ensures that every fund channeled is used in accordance with its intended purpose. Thus, information technology becomes a very effective tool for LAZISMU in strengthening accountability and efficiency in the management of funds for poverty alleviation. (Khoirun Nisa et al., 2023). In this case, it can provide opportunities for collaboration with the private sector and other non-profit organizations to expand the reach and impact of LAZISMU programs. The growing sharia-based economic empowerment initiative can be utilized by LAZISMU to develop sustainable programs. In this case training and skills development for beneficiaries can increase their economic independence. LAZISMU can utilize social media and online campaigns to increase public awareness and participation in their programs.

Identifying several threats that can hinder LAZISMU's success in poverty alleviation competition with other amil zakat institutions that are also active in Indonesia

can reduce the potential for fundraising for LAZISMU. Erratic economic fluctuations can affect people's ability to donate through LAZISMU consistently. When economic conditions experience instability, such as a decrease in purchasing power, an increase in inflation, or an increase in unemployment rates, people tend to be more careful in managing their personal finances. This has an impact on spending priorities, where basic needs such as food, shelter, and health are prioritized over philanthropic activities. As a result, the amount of donations received by LAZISMU can experience a significant decline.

In addition, economic uncertainty can also affect people's perceptions and confidence in their future financial stability, so they are more likely to withhold or reduce the amount of donations given. This situation requires LAZISMU to find alternative strategies in maintaining donation sustainability, such as through diversification of fund sources, strengthening awareness campaigns on the importance of donating, and increasing transparency and accountability to maintain donor trust. With an adaptive and proactive approach, LAZISMU can overcome the challenges posed by economic fluctuations and ensure that the mission of poverty alleviation continues to run effectively and sustainably.

In this case it can pose challenges in ensuring the distribution of funds that are well-targeted and transparent can reduce public trust in LAZISMU. Political instability and policies that do not support philanthropy can hinder operations and zakat collection. On the other hand, the risk of decreased public awareness about the importance of zakat and infaq can affect the amount of donations received. The risk of misuse of funds or inaccuracies in financial reports can damage LAZISMU's reputation. Changes in regulations or regulations that limit the management of zakat funds can also make it difficult for LAZISMU to carry out poverty alleviation programs effectively.

The results of the study formulated several effective strategies based on SWOT analysis to improve LAZISMU's role in poverty alleviation in accordance with Islamic economic principles. First, LAZISMU needs to take advantage of Muhammadiyah's extensive network to strengthen collaboration and coordination between branches in program implementation. Second, strengthening human resource capacity through training and development will overcome weaknesses in program management and implementation. Third, LAZISMU should utilize information technology to improve efficiency in the collection, distribution, and reporting of zakat funds (Fitria et al., 2011). Fourth, improving promotion and socialization regarding the role and contribution of LAZISMU will help attract more donors and increase public awareness. Fifth, taking advantage of collaboration opportunities with the private sector and non-profit institutions can expand the reach and impact of poverty alleviation programs. Sixth, implementing a strict transparency and accountability system will build public trust and reduce the risk of misuse of funds. Seventh LAZISMU develops sustainable economic empowerment programs with a focus on skills training and business capital assistance (Muhammad Azani, 2017). Through skills training, beneficiaries gain practical knowledge and abilities that can increase their competitiveness in the job market. These training programs cover a wide range of areas, from technical skills, entrepreneurship, to business management, designed to meet local needs and potential.

In addition to training, LAZISMU also provides essential business capital assistance for beneficiaries who wish to start or expand their small businesses. (Tatang Ruhiat, 2020). This assistance is not only in the form of funds, but also guidance and mentoring in business management, so that beneficiaries can manage their businesses more effectively and sustainably. With this support, beneficiaries can build stable and profitable businesses, which in turn will improve their living standards and reduce dependence on external assistance (Irawan, 2023). These programs are designed to create economic independence for beneficiaries, allowing them to develop a stable and sustainable source of income. With a focus on individual and community empowerment, LAZISMU seeks to create real and long-term change in poverty alleviation efforts. Eighth, regularly monitoring and adjusting strategies based on evaluation and feedback will ensure programs remain relevant and effective in the face of existing threats.

Unemployment often occurs due to a lack of access to skills training and business capital, which leaves many individuals unable to enter the formal job market. LAZISMU, through various economic empowerment programs, seeks to address unemployment by providing business capital and entrepreneurship training to the poor. One of LAZISMU's flagship programs is productive zakat, where zakat funds are used to help individuals start small businesses so that they can become economically independent.

According to the literature, this approach is effective in reducing structural unemployment, where the mismatch between workers' skills and market needs is addressed through targeted skills training. In addition, LAZISMU also focuses on empowering women and other vulnerable groups, who are often victims of unemployment. By creating independent employment, LAZISMU not only reduces unemployment, but also contributes directly to improving the welfare of the community. This approach also helps break the cycle of poverty that results from unemployment, by encouraging economic independence for beneficiaries. The literature suggests that this zakat-based program is becoming one of the important solutions in poverty alleviation in Indonesia, given LAZISMU's significant role in economic empowerment.

LAZISMU's policy in managing zakat, infaq, and shadaqah has a significant role in driving the economy while reducing poverty levels in Indonesia. As a zakat institution that focuses on community empowerment, LAZISMU implements policies that aim to allocate funds effectively to the most vulnerable groups of society. One important policy is the distribution of productive zakat which is used to help mustahik (zakat recipients) start or develop small businesses. This measure not only provides direct assistance, but also opens up income-generating opportunities for mustahik families, thus encouraging economic growth at the micro level.

LAZISMU also implements policies in the field of education and skills training aimed at increasing the capacity of human resources. The scholarship program for students from poor families, for example, enables access to better education. In addition, skills training funded from zakat helps mustahiks acquire abilities relevant to the job market or open independent businesses. With better education and adequate skills, mustahiks have a greater chance of improving their living standards and escaping poverty. In the context of health, LAZISMU policy focuses on increasing access to health services through subsidies and health assistance programs. Many poor families have

difficulty accessing basic health services, and assistance from LAZISMU in the form of medical financing or free health facilities helps ease their financial burden.

This program not only helps improve the general health of the community, but also supports the productivity of the poor, as better health allows them to work more effectively. On the other hand, LAZISMU's economic empowerment policy directly supports poverty reduction through increasing mustahik income. The small business capital assistance program, entrepreneurship training, and market access support provide opportunities for beneficiaries to develop sustainable micro-enterprises. The program targets informal sectors and communities that have difficulty accessing formal sources of funding, thus providing a real solution in increasing economic independence and reducing dependence on aid.

LAZISMU's role in empowering women is also significant in efforts to alleviate poverty and boost the economy. Many programs are specifically designed to help women from the poor, such as skills training, providing business capital, and business assistance. Women in Indonesia are often the backbone of the family, especially among poor households. By giving them access to training and business capital, LAZISMU helps these women increase family income and contribute more to the economy. Women's empowerment not only reduces poverty, but also supports the achievement of sustainable development goals (SDGs), especially in terms of gender equality and reducing economic inequality.

The economic impact of LAZISMU programs is not only felt at the micro level, but also at the macroeconomic level. With more individuals and families successfully moving out of poverty through productive zakat and economic empowerment programs, people's purchasing power increases. This increase in purchasing power encourages domestic consumption which is one of the drivers of national economic growth. In addition, when the poor turn into productive and economically independent people, they not only become beneficiaries, but can also become muzakki (zakat payers) in the future. This cycle creates a positive chain effect for the economy as a whole.

Overall, the policies and programs run by LAZISMU in alleviating poverty and encouraging the economy are very relevant to Indonesia's current development challenges. With an approach that focuses on economic empowerment, education, health, and women's empowerment, LAZISMU not only provides short-term social assistance, but also long-term sustainable solutions. These programs not only address poverty issues, but also support inclusive and equitable economic growth. With more and more parties involved in LAZISMU's programs, including donors and beneficiaries turning into muzakki, the institution continues to play a key role in building social and economic welfare in Indonesia. With a holistic approach and based on mustahik needs, LAZISMU has succeeded in creating a significant impact in improving the welfare of the poor and encouraging the economy in various regions. The success of this policy also shows the importance of synergy between zakat management and socio-economic development efforts at the national level.

CONCLUSION

The conclusion of the research on Lazismu's SWOT analysis in poverty alleviation from an Islamic economic perspective shows that Lazismu has significant strengths but also faces several weaknesses. Lazismu's main strength lies in Muhammadiyah's extensive network and high credibility in the management of zakat, infaq, and sadaqah. However, weaknesses such as limited human resources and not optimal utilization of technology can hinder the effectiveness of the program. Existing opportunities, including the huge potential of zakat and support from the government, can be utilized to improve the outcomes of poverty alleviation programs. Meanwhile, threats such as competition with other amal zakat institutions and the risk of economic instability must be watched out for. Effective strategies should include internal capacity building, utilization of information technology, and development of sustainable economic empowerment programs. Implementation of strict transparency and accountability system is also very important to build public trust. In addition, increasing promotion and socialization about the role of Lazismu can help attract more donors. By formulating and implementing appropriate strategies, Lazismu can maximize its positive impact in poverty alleviation. Overall, the SWOT analysis-based approach provides a comprehensive overview of the ways Lazismu can enhance its contribution in achieving the goals of the Islamic economy.

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