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From Ritual to Economic Empowerment: The Institutional Transformation of Masjid Raya Al-Falah Sragen as an Islamic Social Enterprise Ecosystem

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Abstract

Mosques can function as community institutions that respond to social, economic, educational, and religious needs, and their institutional transformation merits study because the way a mosque combines these functions shapes how it funds and sustains its social mission. This study examines the integration of religious, social, service, and economic functions at Masjid Raya Al-Falah Sragen through the Islamic Social Enterprise (ISE) framework. It uses a qualitative case study design, with data collected over one month, from June 22 to July 23, 2026, through observation, semi-structured interviews, and document analysis. Participants included mosque leaders, administrators, and staff responsible for business operations, hospitality, food provision, cleaning, and community empowerment. The analysis proceeded through data condensation, coding, thematic classification, interpretation, and triangulation. The findings indicate that Al-Falah has the main characteristics of an ISE. Its Mosque-Owned Business Entity (BUMM) manages the Hydromart, Market, and Ayam Al-Barakah units, BankZiska provides qardhul hasan financing to micro-entrepreneurs, and the mosque offers travelers free food and drinks, Wi-Fi, and rest areas around the clock. These activities share the mosque's institutional resources and follow a common socio-religious mission, which ties the business units, financing, and hospitality services into a single interconnected system. Based on this single case, the study contributes an original conceptual framework, the Integrated Mosque-Based Islamic Social Enterprise Ecosystem, which describes how worship, Islamic education, hospitality, social welfare, economic empowerment, and business operations connect to create religious, social, service, and economic value. Testing in other mosques is needed before the framework can be generalized.

Keywords: *Mosque; Islamic Social Enterprise; BUMM; Bankziska; Islamic Hospitality; Community Empowerment; Value Ecosystem.*

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Introduction

Since the time of the Prophet Muhammad (PBUH), the mosque has served functions beyond prayer (Tandos, 2025). It was one of the main institutions that built the Muslim community. At the Prophet's Mosque (Masjid Nabawi) in Medina, Muslims prayed, studied, received religious instruction, held consultations, and handled social affairs (Tandos, 2025). Activities there covered governance and discussions of ideology, politics, economics, social issues, the judiciary, and military affairs (Ali Iskandar, 2019). In Indonesia, mosques helped spread Islamic teachings and shape the community's social order.

Indonesia, a Muslim-majority country, has 318,779 mosques across many regions, according to the Mosque Information System of the Ministry of Religious Affairs of the Republic of Indonesia (Ministry of Religious Affairs of the Republic of Indonesia, 2026). Windari and Nafita Amelia Nur (2021) describe the historical relationship between the Great Mosque of Tuban and Sunan Bonang, a figure known as one of the Wali Songo. Their study found that the mosque supported education, the management and distribution of zakat and infaq, social services, and community economic activities alongside worship (Windari & Nafita Amelia Nur, 2021)

As Muslim communities developed, mosques took on broader roles as venues for Islamic education, da'wah, social services, community solidarity, and economic empowerment (Tandos, 2025; Windari & Nafita Amelia Nur, 2021). Yet mosque management in many regions faces challenges, such as dependence on community donations, which can limit a mosque's ability to develop programs and sustain its institutional activities (Fahmi, 2022; Fahmi & Zulhamdi, 2023). Fahmi (2022) calls for a renewed management model based on the Islamic Social Enterprise (ISE) approach, which builds organizational independence and sustainability and extends the benefits a mosque provides. Fahmi and Zulhamdi (2023) found that 61 mosques had begun developing business units to diversify their revenue sources. These findings suggest that productive business activities can strengthen the financial independence of mosques and give social and religious programs a more sustainable footing. This perspective treats economic activity as an instrument for the mosque's social and religious mission. Mosque transformation changes how an organization manages and connects its

economic, social, and religious resources to create community benefit, a process that requires more than adding business units.

Mosque administrators face two challenges: limited funding sources and limited organizational capacity to manage resources and carry out institutional functions. Pahlevi et al. (2025) explain that mosque governance relates to financial management practices and organizational performance. Effective mosque management requires sound financial management, a clear division of responsibilities, and oversight mechanisms. Zakiy et al. (2025) show that sharia governance relates to the performance of zakat management organizations, with board structure, competence, and oversight as the main channels. Economic activities, social services, education, and community empowerment require clear institutional arrangements, a proportionate division of tasks, and coordination among administrators so that administrators can direct resources toward the mosque's social and religious goals. In this discussion, institutional transformation refers to changes in organizational structure, decision-making patterns, resource management, and working relationships across divisions. These changes appear in how a mosque develops its organizational capacity, manages economic activities alongside social and religious services, and runs sustainable community empowerment programs.

The ISE concept offers a framework for understanding the relationship between economic activities and social mission in Islamic institutions. Fahmi and Zulhamdi (2023) demonstrate that the Mosque-Based Islamic Social Enterprise can transform mosque management through business units that contribute to mosque income and community welfare. Their study identifies business units at several mosques in Indonesia and shows that mosque-based economic activities can expand a mosque's institutional functions. Holle (2024) shows that ISE practices at mosques in Indonesia can target financial inclusion and community empowerment through zakat, infaq, and sadaqah. These findings indicate that mosque economic activities can function as social instruments. Some studies, however, treat business units as the main focus of analysis.

Later studies show that mosque transformation requires a perspective broader than the presence of business activities. Mulauddin et al. (2025) propose a mosque transformation model that integrates Islamic social finance, digitalization, and multi-stakeholder collaboration to strengthen community

economic empowerment. Zainon et al. (2023) show that managing an ISE involves sharia principles, humanity, governance, and the creation of benefits for stakeholders. Building on ISE development, Yasmeen (2026) constructs an Islamic social entrepreneurship framework that combines Islamic principles with social entrepreneurship concepts. The framework contains five ISE dimensions: ethics, social responsibility, collaboration, innovation, and sustainable social impact. On governance, Kamaruddin and Auzair (2023) develop an Islamic accountability measurement instrument that accounts for the social and economic character of Islamic organizations. They also show that financial management, including internal control, strengthens ISE accountability and public trust. This perspective indicates that measuring the success of Islamic social institutions requires examining how they allocate revenue and resources and direct institutional activities toward their social mission, rather than merely assessing their ability to generate revenue. An ecosystem perspective helps explain how economic units, social services, education, hospitality, religious guidance, and institutional sustainability are interconnected.

Masjid Raya Al-Falah Sragen merits study as a case of changing mosque management through the ISE approach. The mosque holds congregational worship, Qur'anic education, Islamic study sessions, and a 24-hour service for travelers. It empowers micro, small, and medium enterprises (MSMEs), channels financing through BankZiska, and runs businesses under the Mosque-Owned Enterprise (Badan Usaha Milik Masjid, BUMM). Through these programs, a single institution performs religious, social, educational, service, and economic functions. The number of programs, however, does not prove the existence of an integrated ISE ecosystem. This study analyzes the role of institutional structure, resource management, and mission orientation in connecting these programs. Studies of mosques in other regions address the integration of religious functions, economic sustainability, and community empowerment, so the relevance of this case extends beyond the local context. Holle (2024) examines ISE activities at Jogokariyan Mosque in Yogyakarta and Sabilillah Mosque in Malang in relation to financial inclusion and poverty alleviation. Fahmi (2022) explains that the ISE approach suits the transformation of mosque management, through business development that supports sustainable financing and the achievement of a social mission. This view provides the basis for examining the relationship between business

activities and the social-religious mission across mosques. Applications can differ depending on institutional characteristics and community needs.

From an ecosystem perspective, connections among actors, activities, and resources form an essential element of shared value creation (Adner, 2017). The experience of Masjid Raya Al-Falah Sragen could serve as a source of learning for the development of mosque management at national and international levels. That potential lies in adapting three principles: integrating the religious mission with business activities, managing resources sustainably, and using business proceeds to support services and community empowerment. The model remains unproven as a universal one and cannot be applied uniformly across countries. Differences in governance, resource capacity, socioeconomic conditions, and institutional environments require attention.

This study focuses on management structure, resource mobilization, program linkages, and the use of business proceeds in forming mission-based value integration mechanisms within the ISE ecosystem. It identifies conceptual principles that other mosques in Indonesia and in international contexts could adopt and test.

Qisom et al. (2024) studied Masjid Raya Al-Falah Sragen. They examined the management of flagship programs through a service-excellence lens and found that a personal approach and equal rights in service contributed to congregant loyalty. Their study provides an important basis for understanding Al-Falah's service quality and centers on service excellence. This study takes a different position and analyzes the relationships among service, da'wah, economic activity, food provision, empowerment, and social activity at the institutional level. Instead of repeating the service excellence analysis, it asks a broader question: how does Masjid Raya Al-Falah integrate its functions and resources so that economic activity supports the social-religious mission and produces multidimensional value for the community?

Earlier studies have addressed important dimensions of mosque management but have not fully explained how those dimensions connect. Fahmi (2022) and Fahmi and Zulhamdi (2023) stress the role of business units in ISE-based mosque transformation. Holle (2024) examines mosque social entrepreneurship in relation to financial inclusion and poverty alleviation. Qisom et al. (2024) study service excellence at Masjid Raya Al-Falah Sragen. None of these studies explains how business units, social financing, Islamic

education, hospitality, and welfare programs link under a single institutional mission. This study analyzes the mechanisms of cross-function integration, resource mobilization, and the use of economic activity to support the mosque's social-religious mission.

From an Islamic hospitality perspective, serving congregants and travelers forms an important part of a mosque's institutional character. Stephenson (2014) explains that Islamic hospitality encompasses the relationship between host and guest and the values underpinning hospitality practice, going beyond the material side of service. Oktadiana et al. (2016) show that Muslim travelers need halal food, prayer facilities, suitable accommodation, communication, interaction, and social and cultural support. At Masjid Raya Al-Falah, the concept takes a different form because hospitality sits within the mosque and connects to worship and da'wah. The 24-hour traveler service, free meals and drinks, resting places, Wi-Fi, and other facilities count as part of mosque-based social value creation, beyond service alone.

This study aims to analyze how Masjid Raya Al-Falah Sragen builds institutional mechanisms that integrate economic activity, congregant services, da'wah, Islamic education, hospitality, and community empowerment. It answers three questions: (1) How does the mosque organize its resources and institutional functions? (2) How do BUMM, BankZiska, hospitality, da'wah, and services connect in creating value? (3) How can this pattern of integration be conceptualized as a mosque-based Islamic Social Enterprise ecosystem? Theoretically, the study expands the discourse on Mosque-Based Islamic Social Enterprise beyond a focus on business units to encompass cross-functional integration. In practical terms, it offers mosque administrators a reference for building economic independence while maintaining their orientation toward da'wah, social services, and community empowerment.

Methods

This study uses a qualitative approach with a case study design. The case is the management of Masjid Raya Al-Falah Sragen, with a focus on BUMM, BankZiska, hospitality services, food provision, cleanliness, education, da'wah, and social programs. Masjid Raya Al-Falah is located on Jalan Sukowati, Kebayan 3, Central Sragen, Sragen Regency, Central Java. The researcher selected it through purposive sampling because it performs

religious, social, service, and economic functions within a single institutional setting.

The researcher collected data through observation, semi-structured interviews, and documentation. Informants came from mosque leaders or the mosque board (*takmir*), executive managers, BUMM and BankZiska managers, business unit staff, hospitality and food provision managers, cleaning staff, and implementers of education and da'wah programs. Interviews and institutional data also provided information on how BankZiska operates and who benefits from it.

The researcher chose informants through purposive sampling based on their involvement, knowledge, and experience in managing or implementing mosque programs. The study involved 12 informants: two from mosque leadership and management, two from BUMM or its business units (the BUMM chair and treasurer), two from BankZiska (the chair and an administrator who also serves as treasurer), one each from hospitality, food provision, cleanliness, and education and da'wah, and two from congregants or beneficiaries. This composition yields information from different positions and experiences of mosque activities. The researcher judged the adequacy of information by its relevance to the research focus. Documentation covered operational data and sales reports from several BUMM units for July 2026. The researcher limited the use of financial data because cost recording formats differ across units, so not every unit can be compared on a net profit basis.

Data analysis adapted the framework of (Jenkins et al., 2023; Matthew B. Miles & Johnny Saldaña (Arizona State University), 2014), which has three activities. The first is data condensation. The researcher selected, focused, simplified, and grouped interview, observation, and documentation data according to the research focus: mission, resources, governance, economic activity, hospitality, empowerment, education, da'wah, service infrastructure, value creation, and value circulation. Thematic coding formed part of this activity. The second is data display. The researcher presented thematic categories in narrative form and compared them across functions and units to identify functional relationships and examine management patterns. The third is conclusion drawing and verification. The researcher formulated tentative findings, compared them with data from other sources and techniques, and checked whether the interpretations matched the empirical evidence. Based on the emerging patterns, the researcher developed a conceptual model. The

model is inductive because it derives from thematic patterns that recur in the data, and it describes a single case without serving as a basis for statistical generalization.

The researcher checked data credibility through source triangulation and technique triangulation. In source triangulation, the researcher compared accounts from mosque leaders and board members, business unit and BankZiska managers, service providers, and congregants or beneficiaries to see where information agreed and where it differed regarding program implementation and relationships among functions. In technique triangulation, the researcher compared interview results with observations of mosque activities and supporting documents, such as operational records and sales reports. When information conflicted, the researcher reexamined the data against the available context and evidence before drawing a conclusion. This procedure follows discussions on data validity in qualitative research (; Sugiyono, 2022).

Results and Discussion

Integration of Mosque Institutional Functions

The findings show that Masjid Raya Al-Falah operates as a set of interconnected activities. These activities form functional relationships among five dimensions: worship, Islamic education and da'wah, hospitality, social welfare, and economic empowerment. BUMM generates economic resources, and BankZiska converts Islamic social finance into productive financing. Hospitality widens community access to the mosque, and education and da'wah strengthen the social and religious capital that sustains the other activities.

Table 1. Integration of Institutional Functions at Masjid Raya Al-Falah Sragen

Function	Program /Unit	Main Resources	Linkages	Value for the Community
Worship	Daily and Friday prayers	Mosque facilities, religious staff	Hospitality, education, social welfare	Fulfillment of religious needs

Islamic education	Study sessions, Baitul Qur'an, UMKM Pejuang Nafkah	Ustaz (religious teachers), learning spaces, media	BankZiska, community networks	Knowledge and capacity development
Hospitality	24-hour service, food, drinks, Wi-Fi, lockers	Facilities, personnel, donations	Worship and social welfare	Access, comfort, inclusion
Social welfare	Free meals, iftar service, humanitarian aid	Food, social funds, volunteers	Hospitality and worship	Fulfillment of basic needs
Economic empowerment	BankZiska	Islamic social funds, managers, community networks	Education and mentoring	Access to capital and productive capacity
Economic sustainability	BUMM	Business assets, labor, management	Operations and da'wah	Generation of internal resources
Operational infrastructure	Cleaning and kitchen	Human resources and facilities	All functions	Continuity of services
Digital connectivity	Social media and live streaming	Digital infrastructure	Education and da'wah	Wider reach

The main implication of these findings is that the transformation of Al-Falah is marked not primarily by the number of new programs but by the integration of its functions. Economic activity provides resources, Islamic social finance is used for productive empowerment, hospitality opens access

to the mosque, while education and da'wah strengthen social relations and Islamic values.

BUMM as an Internal Resource Generation Mechanism

BUMM manages several economic units, including Al-Falah Hydromart, Al-Falah Market, and Ayam Al-Barakah. These units are positioned not merely as commercial enterprises but as part of the mosque's mechanism for generating internal resources. July 2026 operational data can be summarized as follows.

Table 2. Operating Performance of BUMM at Masjid Raya Al-Falah Sragen

BUMM Unit	Recorded Sales/Revenue	Recorded Costs	Interpretable Result
Al-Falah Hydromart	IDR 4,491,500	IDR 2,025,000	Provisional surplus of IDR 2,466,500
Al-Falah Market	IDR 4,022,000	Cost of goods sold (COGS) IDR 3,123,400; compensation IDR 1,000,000; operating costs IDR 496,000	The recorded components yield a negative balance of IDR 597,400; the report classification needs confirmation
Ayam Al-Barakah	IDR 2,757,000	Cost data incomplete	Net profit cannot be determined

Source: internal operational data, July 2026.

The data call for careful interpretation of the business units' financial performance. For Ayam Al-Barakah, the data support only the recorded sales of IDR 2,757,000 from 45 chickens and do not support a conclusion on net profit. For Al-Falah Market, subtracting all listed cost components from sales yields a negative balance of IDR 597,400. The figure therefore cannot count as a positive profit until BUMM confirms the format of its internal reports.

According to the managers, the surplus or proceeds from business activities go to mosque operations and da'wah. BUMM works as a mechanism for generating internal resources and an institutional cross-subsidy.

From an ISE perspective, BUMM matters because it changes the function of profit. Profit serves as a means to raise the mosque's capacity to carry out its social and religious mission.

This relationship can be illustrated as follows:

BUMM economic activity → resource generation → internal allocation → operations/da'wah/social programs → community value creation.

BankZiska as a Bridge between Islamic Social Finance and Economic Empowerment

BankZiska is one of the most important empirical findings in Al-Falah's empowerment ecosystem. Its financing mechanism uses qardhul hasan, an interest-free loan. The program charges no administrative fees, requires no collateral, and imposes no late-payment penalties.

Each partner can borrow up to IDR 2,000,000. Financing above this limit needs approval from the board. The mechanism uses a joint liability system (*tanggung renteng*), with groups of five to ten members who do not come from the same family line.

BankZiska targets adults who run supermicro, ultramicro, micro, or small businesses, or who work as smallholder farmers. The program aims at people vulnerable to high-interest loans. Beneficiaries must be able to repay the financing, attend religious study sessions (*taklim*) or mentoring, and obtain a recommendation from a mosque or community figure, an ustaz, an imam, or a leader of a community group or study circle.

BankZiska therefore operates as more than a financing program. Its empowerment mechanism can be summarized as follows:

Islamic social funds → qardhul hasan → access to productive capital → joint liability → mentoring and religious guidance → productive capacity → economic empowerment.

Interview data indicate that about 50 street vendors around the mosque receive BankZiska financing. This figure comes from interviews and is not an audited official statistic. The study uses it as an indication of program reach and does not treat it as the prevalence of beneficiaries.

BankZiska also faces constraints. The joint liability system runs into problems when one group member pays late. Public communication is limited, since BankZiska has social media accounts but no dedicated manager. Information spreads mostly through direct contact and word of mouth (*getok tular*).

Even so, combining financing with religious mentoring shows a key characteristic of ISE: economic empowerment goes together with building social and spiritual responsibility.

Islamic Hospitality as Social Infrastructure

Masjid Raya Al-Falah runs a 24-hour service for congregants and travelers. The service includes a resting area, mattresses and beds, free food and drinks, Wi-Fi, lockers, and access to the mosque's basic facilities.

The mosque provides food every day as part of its hospitality system. Breakfast consists of rice-based dishes, lunch includes side dishes and eggs, and the afternoon menu varies among eggs, vegetables, soup, soto, and rawon. Staff begin preparing meals for Monday and Thursday fasting at around 14:00. Warm drinks such as Teh Tarik, Teh Jumbo, and Teh Jahe are available around the clock.

These practices align with the concept of Islamic hospitality, which emphasizes both service and the ethical relationship between provider and recipient. In the ISE context, Al-Falah's hospitality extends beyond comfort and builds social relationships among the people it serves.

The mechanism can be summarized as follows:

24-hour service → wider access → comfort and fulfillment of basic needs → more interaction → stronger social relations → stronger mosque ecosystem.

Hospitality therefore creates social and relational value that revenue figures do not capture.

Cleanliness as Supporting Infrastructure for the Ecosystem

Five staff members clean the mosque every day in shifts, each responsible for different areas and service hours. Indoor cleaning covers the main hall, the veranda, restrooms, ablution areas, and other interior facilities. Outdoor cleaning covers the yard, waste management, and the surrounding grounds.

The service also includes maintaining drinking glasses, tea, water, and other food provision facilities. On 18 July 2026, donors and Muhammadiyah mosque organizations joined a communal cleaning activity.

Cleanliness serves a structural function and generates no direct economic value. Hospitality needs a clean environment, worship needs adequate facilities, and the 24-hour service needs ongoing facility maintenance.

Cleanliness therefore functions as supporting infrastructure for value creation in the mosque-based ISE ecosystem.

Worship, Education, and Da'wah as the Core of the Mission

The transformation toward ISE preserves the religious identity of Masjid Raya Al-Falah. Worship remains the core of the institutional mission. Education and da'wah activities strengthen this function: evening study sessions from Monday to Thursday, UMKM Pejuang Nafkah on Saturdays, Ahad Pagi, study sessions for Muslim women, and Baitul Qur'an activities.

Baitul Qur'an includes TPA (Qur'an learning for children), *tahfiz* (Qur'an memorization), *halaqah* (study circles), and literacy programs. The mosque also extends da'wah through social media and live streaming. Its social programs include charitable assistance (*santunan*), zakat, waqf, humanitarian activities, and social fundraising.

Education and da'wah matter because they supply social and religious capital to the other functions. Economic activity therefore operates within the same value framework as the mosque's mission.

Institutional Mechanisms in the Perspective of Islamic Social Enterprise and Institutional Theory

The findings on BUMM, BankZiska, hospitality services, cleanliness, education, and da'wah show how roles divide in the management of Masjid Al-Falah. Each unit carries different activities and responsibilities, and each ties its work to institutional needs. From an Islamic Social Enterprise (ISE) perspective, economic activity supports the social and religious mission. BUMM runs businesses for income and also funds mosque operations, da'wah, and social services. This orientation matches the ISE-based approach to mosque transformation, which places business activity within social-religious interests (Fahmi, 2022; Fahmi & Zulhamdi, 2023).

BankZiska operates under several internal rules. It caps financing at IDR 2,000,000 per partner and requires groups of five to ten people. Prospective recipients must also obtain a recommendation from a community or religious figure. The program offers financing without interest, administrative fees, collateral, or penalties. These rules guide recipient selection, fund disbursement, and the assignment of group responsibility. The research data do not link these rules to state regulations or to any formal legal

process. In this context, BankZiska's rules serve as internal operational guidelines for running the financing program.

Religious values and social customs also shape how BankZiska operates. The principle of qardhul hasan and the prohibition of riba underpin the financing, and attention to vulnerable business owners reflects concern for the community's economic conditions. The requirement to attend religious mentoring shows that the relationship between managers and recipients goes beyond a financing transaction. Trust grows through recommendations from community figures, *taklim* sessions, and joint liability (*tanggung renteng*) among group members. These practices relate to the three pillars of Institutional Theory: regulative, normative, and cultural-cognitive. The three pillars explain how rules, religious values, and shared understanding influence organizational behavior and community acceptance of an institution (Scott, 2014).

The activities of each unit show how functions divide. BUMM manages economic activity, and BankZiska gives access to financing for people who need business capital. Religious mentoring and joint liability accompany the program through guidance and peer oversight. Hospitality services relate to community use of mosque facilities, and the cleanliness, education, and da'wah divisions provide services tied directly to social-religious activities. In practice, BankZiska's public communication remains a constraint, because limited information dissemination can restrict the program's reach to prospective recipients. Another problem arises in joint liability when one member's late payment affects the obligations of the other group members

Comparison with the Mosque Management Literature

Developments in mosque management across countries show mosques expanding their role as social institutions that contribute to community welfare. The form of this expansion varies with the social environment, governance, resource availability, and the needs of the local Muslim community. In Singapore, Abdul Malee and Mohd Balwi (2021) examine mosque sustainability through three dimensions: environment and facilities, social, and finance and economics. Their study treats mosque sustainability as a multidimensional issue that covers building maintenance, worship, facility management, community services, and financial capacity.

In Southeast Asia, research in Indonesia and Malaysia discusses the development of mosques' economic functions. Sahad et al. (2022) use a systematic review with the SALSA framework and identify five mosque

management models in the literature of both countries. Malaysian studies focus more on organizational management models, and Indonesian studies tend to position the mosque as a microfinance institution. This difference shows varied approaches to developing institutional capacity, through stronger organizational governance or through financial instruments for community economic empowerment.

Mohamed Imtiyaz et al. (2022) discuss a microfinance design based on cash waqf to support micro enterprises in Selangor. They conducted semi-structured interviews with three practitioners from waqf institutions and mosque administration and identified needs for regulatory adjustment, approval from relevant authorities, and training for stakeholders. The proposed model needs several adjustments and institutional approvals before implementation. The study focuses on design and implementation challenges and offers no evidence of widespread cash waqf-based microfinance in Malaysian mosques.

Management practice at Masjid Raya Al-Falah Sragen links several institutional functions in daily activities. BUMM runs economic activity through business units, and BankZiska provides microfinance based on interest-free *qardhul hasan*, without collateral or administrative fees. The financing program comes with joint liability (*tanggung renteng*) and religious mentoring for beneficiaries. The mosque also offers 24-hour hospitality services, including food, drinks, Wi-Fi access, and resting facilities, and it holds education, da'wah, and social service activities. Economic activity and social financing run alongside religious and social services.

Mosque management practices differ in the aspects each study emphasizes. The Singapore study stresses institutional sustainability through environmental, social, and financial dimensions. Malaysian literature addresses organizational governance and regulatory readiness in developing waqf-based financing, and the Al-Falah case shows the relationships among business units, social financing, religious mentoring, and community service. These differences relate to the institutional conditions and resources each mosque holds. At Al-Falah, the relationships among functions form a mosque-based Islamic Social Enterprise ecosystem, with economic activity tied to the social and religious mission. The Al-Falah case therefore contributes a practice in which business unit management and social financing run together with community service within one institutional framework.

Conceptual Framework of the Integrated Mosque-Based Islamic Social Enterprise Ecosystem

This conceptual framework uses the Islamic mission as its orientation and the mosque's resources as initial capital. An institutional mechanism connects the two with service functions. The mechanism consists of governance, operational rules, sharia principles, community trust, and accountability, and it supports BUMM, BankZiska, hospitality, education and da'wah, social welfare, and operational infrastructure. The ecosystem targets economic, social, and spiritual value, along with institutional sustainability. Mosque administrators adjust the ecosystem based on community feedback, program evaluation, and financial and service performance.

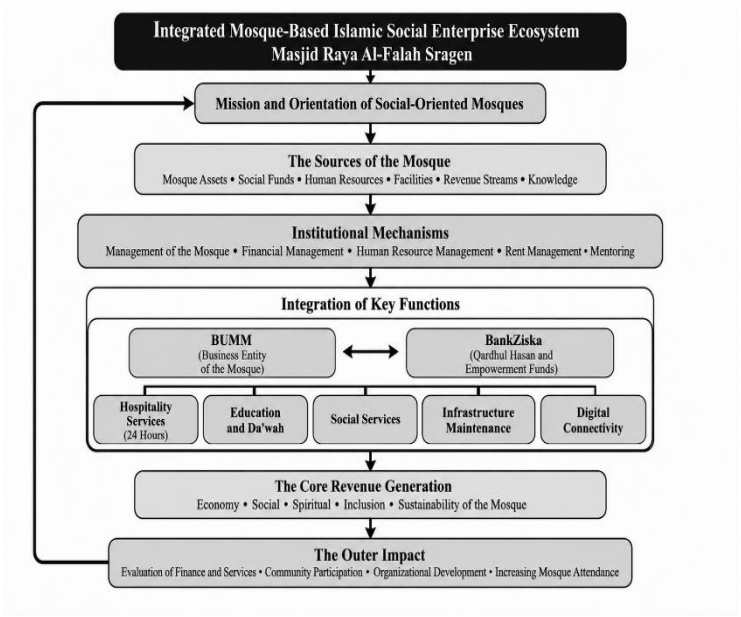

Figure 1. Conceptual Framework of the Integrated Mosque-Based Islamic Social Enterprise Ecosystem

From a Collection of Programs to an Integrated ISE Ecosystem.

The main finding of this study is that institutional integration best explains the transformation of Masjid Raya Al-Falah.

Table 3. Institutional Transformation of Masjid Raya Al-Falah Sragen

Conventional Orientation	Transformation at Al-Falah
The mosque serves mainly as a place of worship	The mosque serves as a social-religious ecosystem
Programs run separately	Functions connect with one another
Funds cover operating costs	Funds and business activities form a resource ecosystem
Business aims at revenue	Business serves as an instrument for achieving the mission
Congregants receive services	Congregants and the community act as stakeholders
Aid tends to be consumptive	Aid targets productive capacity
Hospitality serves as an additional service	Hospitality serves as infrastructure for social access

These findings extend the perspectives of Fahmi (2022) and Fahmi and Zulhamdi (2023). Both studies establish the importance of business units in the concept of mosque-based ISE. This study finds that business units alone cannot account for the transformation. The explanatory weight lies in how the resources these units generate connect to the functions of worship, education, service, welfare, and empowerment.

The findings also complement Holle (2024), who shows the role of mosque ISE in financial inclusion. At Al-Falah, BankZiska converts social finance into productive financing, accompanied by mentoring and group responsibility. Mulauddin et al. (2025) stress the integration of Islamic social finance, digitalization, and pentahelix collaboration in mosque transformation. The Al-Falah case shows that integration can also occur within the institution, through the relationships among business units, social finance, hospitality, education, da'wah, and social programs.

BUMM as an Internal Cross-Subsidy Mechanism

BUMM shows a mechanism that can be understood as internal cross-subsidy. Economic activity generates resources that fund other functions, which create social or religious value but earn no direct income.

The relationship can be summarized as follows:

BUMM → economic resources → internal allocation → social-religious functions → community value.

This framework shows that profit alone cannot measure the success of an ISE. A business unit with limited profit can still hold strategic value if it provides services, builds networks, creates jobs, or sustains social and da'wah programs. BUMM's success indicators should therefore cover two dimensions: economic performance and contribution to the institutional mission.

BankZiska as an Integration of Economic and Spiritual Empowerment

BankZiska shows the character of an ISE most clearly, because it combines economic activity with Islamic social finance, group responsibility, and religious mentoring.

The use of *qardhul hasan* distinguishes the program from conventional interest-based microfinance. At the same time, joint liability (*tanggung renteng*) creates a social mechanism that builds accountability among members.

These findings align with Zainon et al. (2023) on the importance of Islamic values, governance, stakeholder relationships, and social objectives in managing an ISE. BankZiska at Al-Falah contributes more than capital. The program connects:

capital → responsibility → social relations → religious mentoring → productive activity → empowerment.

Financing therefore serves as a tool for building capacity and does not end in itself.

Islamic Hospitality as a Value Creation Mechanism

Qisom et al. (2024) show the importance of service excellence in managing the flagship programs of Masjid Raya Al-Falah. This study extends those findings by placing hospitality within the ISE ecosystem framework.

The 24-hour service creates an entry point for the public into the mosque ecosystem. Travelers who come to pray can also receive food, a place to rest, and access to information, and then interact with the mosque community. The value of hospitality therefore lies in access, comfort, social relationships, and community involvement.

This shows that value creation in mosque-based ISE has multiple dimensions. Economic value is one form, alongside religious, social, service, and empowerment value.

Institutional Transformation of the Mosque

The transformation found in this study changes the mosque's institutional logic.

First, the mosque shifts from a single-function orientation to a multifunctional ecosystem.

Second, programs once understood as separate activities become part of functional relationships.

Third, the mosque treats economic activity as an instrument for achieving its social and religious mission.

Fourth, the mosque treats the community as congregants, partners, service recipients, financing recipients, business actors, volunteers, and stakeholders.

The claim the evidence supports is that Masjid Raya Al-Falah shows the characteristics of a mosque-based Islamic Social Enterprise ecosystem. The study makes no categorical claim that the institution has become an ISE in the formal sense.

The Integrated Mosque-Based Islamic Social Enterprise Ecosystem Model

Based on thematic coding, cross-unit comparison, and data triangulation, this study proposes the Integrated Mosque-Based Islamic Social Enterprise Ecosystem model.

The model consists of the following sequence:

Islamic Mission and Values

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Mosque Resources

(human resources + Islamic social funds + facilities + community networks)

↓

Institutional Governance Mechanism

(planning + organizing + implementation + oversight)

↓

Integrated Functions: Worship, Islamic Education and Da'wah, Islamic Hospitality, Social Welfare, Empowerment and Economic Sustainability

↓

Integrated Programs and Services

↓

Multidimensional Value Creation

(religious + social + economic + service value)

↓

Recirculation of Resources and Institutional Strengthening

↺

Strengthening of the Mosque's Mission and Resources

The model's main strength is its value circulation mechanism. Economic activity generates resources, those resources support social and religious functions, those functions strengthen community trust and relationships, and those relationships can expand the mosque's participation, networks, and resources.

The ecosystem therefore works as a circular, mutually reinforcing system. The model extends the discussion of mosque-based ISE, where many earlier studies emphasized business units. This study contributes by showing that researchers can analyze the character of an ISE through relationships among functions and the circulation of value, beyond the presence of businesses or the level of financial independence.

Conclusion and Suggestion

The transformation of Masjid Raya Al-Falah Sragen centers on the integration of its institutional functions. BUMM generates internal resources, and its proceeds support operations and da'wah. BankZiska drives economic empowerment through interest-free *qardhul hasan* with no administrative fees or collateral, backed by joint liability (*tanggung renteng*) and religious mentoring. The 24-hour hospitality service opens community access to the mosque and creates social and relational value. Food provision, cleanliness, digital media, education, and da'wah form the infrastructure that keeps the ecosystem running. These activities support one another within a single ecosystem. The findings answer the research objective: ISE at Masjid Raya Al-Falah works through the connection among economic activity, Islamic social financing, community services, and religious functions under one institutional governance.

This study proposes the Integrated Mosque-Based Islamic Social Enterprise Ecosystem, which explains the relationships among the Islamic mission, mosque resources, institutional governance, worship, education, hospitality, social welfare, and economic empowerment. The model produces financial, religious, social, service, and empowerment value. Other mosques can use it as an initial reference framework and adapt it to their organizational capacity, local economic potential, congregants' needs, and resources.

Mosque administrators should link business unit performance to the achievement of the social-religious mission. First, each BUMM unit should keep orderly operational and financial records so that evaluations of business development, costs, and contributions to mosque needs stay transparent. Second, BankZiska should record beneficiaries, repayment progress, the sustainability of recipients' businesses, and constraints in applying joint liability. Third, administrators should maintain religious mentoring and beneficiary assistance as defining features of the program while evaluating their benefits and continuity. Fourth, administrators should evaluate hospitality and social services through feedback from congregants and service users, to improve service quality within the mosque's resource capacity. Fifth, administrators should clarify the division of responsibilities and reporting lines among units so they can monitor the relationships among economic activity, social financing, and religious services. Administrators can carry out these steps in stages according to organizational capacity, keeping business funds and social funds accountable and keeping worship and da'wah as the mosque's top priorities.

This study has several limitations. The financial data come mainly from July 2026 and so do not describe long-term performance. The study did not measure changes in income or business sustainability among BankZiska recipients over time. Without quantitative measures of recipient welfare, it cannot assess the size of the program's economic impact. Because the study examines a single case, its findings cannot be statistically generalized to all mosques. The findings also reflect the institutional characteristics of Masjid Raya Al-Falah, so the study cannot confirm that the model fits mosques with different organizational conditions, resources, and socioeconomic environments.

Future research can use a multi-case study to compare several mosques that apply ISE, focusing on variation in governance, business unit

management, social financing, and program integration mechanisms. Researchers can also develop an impact instrument that combines economic, social, religious, service, and empowerment indicators. A quantitative approach can measure BankZiska's impact by tracking changes in income, turnover growth, business sustainability, and recipients' ability to meet basic needs before and after financing. Combining qualitative and quantitative approaches can deepen understanding of the management mechanisms and impact of mosque-based ISE programs and test the Integrated Mosque-Based Islamic Social Enterprise Ecosystem model in broader contexts.

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