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**The Impact of Organzational Support and Entrepreneural Characteristic on Successful of Mustahik Empowerment Program : Evidence from Non-Government Zakat Organization in Indonesia**

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|  | **Abstract**  **This study aims to determine whether organizational support and entrepreneurial characteristics possessed by mustahik affect the success of the mustahik empowerment program. This study also aims to determine whether the mustahik empowerment program is able to alleviate poverty. This research was conducted with a quantitative approach with SEM analysis. The population in this study were the mustahiks who received empowerment programs from non-governmental zakat organizations with a total sample of 60 mustahiks. The results of this study found that there was a positive and significant relationship between organizational support and the mustahik empowerment program. This study also found a positive relationship between entrepreneurial characteristics and the mustahik empowerment program, but it was not significant. Meanwhile, the mustahik empowerment program has a positive and significant relationship to the success of alleviating poverty.**  **Keywords: Organizational Support, Mustahik Empowerment Program, Entrepreneuers Characteristic, Poverty Alleviation and Non-Government Zakat Organization**    **Type of paper: Research Paper**  **@** IJIEF 2021 published by Universitas Muhammadiyah Yogyakarta, Indonesia  All rights reserved |

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# Introduction

Broadly speaking, the problems faced by Muslim countries are chronic absolute poverty, high unemployment, inequality in income distribution, low levels of primary sector productivity, increased inequality in living standards, less than optimal fulfillment of public facilities (education and health) and worsening balance sheets. payment, and the worst case is foreign affairs and the weakening of the institutional structure, as well as a system of values and customs that have faded due to external influences.(Affandi & Astuti, 2014).

Shaikh (2017) also noted that most of the poverty is in Africa, Asia and most of the Muslim majority countries are on this continent. Half of poverty accounts for a quarter of the total global population. Naveed & Ali (2012), their study in Pakistan concluded that 58.7 million people live in multidimensional poverty, with 46 per cent of the rural population and 18 per cent of the urban population. Furthermore, Raimi, Patel & Adelopo (2014) identified double-digit poverty rates in nine predominantly Muslim countries, namely Pakistan (24%), Afganistan (53%), Indonesia (18%), Iran (18%), Banglades (45%), Sudan (40%), Yaman (45%), Aljazair (23%), Mesir (20%) dan Nigeria (70%). The total number of people suffering from poverty in these countries is over 335 million. The causes of poverty in these countries are linked to ineffective government policies leading to increased income inequality and unfulfilled citizen expectations.

Affandi & Astuti, (2014) In his paper, he noted that the poverty rate gap that occurs between Muslim-majority countries and Muslim minorities is very reasonable, because the majority of Muslim countries are former colonies of Western colonial countries. During the colonial period, human resources were underestimated, resulting in a sluggish national economy. Indonesia is the largest Muslim country in the world and poverty is a major issue that is always being discussed from year to year. Poverty seems to be a scourge that has always haunted the government. Why not, in a country that is rich in natural resources, there are still many people who live below the poverty line as described in table 1.

Table 1. Number of poor people in Indonesia

|  |  |  |
| --- | --- | --- |
| Tahun | Jumlah Penduduk Miskin (jiwa) | |
| Kota | Desa |
| 2010 | 232 989,00 | 192 354,00 |
| 2011 | 263 594,00 | 223 181,00 |
| 2012 | 277 382,00 | 240 441,00 |
| 2013 | 326 853,00 | 296 681,00 |
| 2014 | 308 826,00 | 275 779,00 |
| 2015 | 356 378,00 | 333 034,00 |
| 2016 | 372 114,00 | 350 420,00 |
| 2017 | 425 770,00 | 392 154,00 |
| 2018 | 400 995,00 | 370 910,00 |
| 2019 | 458 380,00 | 418 515,00 |
| 2020 | 475 477,00 | 437 902,00 |

Sumber: BPS, 2020

All the programs that have been taken by the government have not been optimally felt by the community. Various efforts and policies that have been made to reduce poverty. For this reason, as the largest community state, it is fitting to create a policy of its own to get out of poverty.

Viewed from an Islamic perspective (Al-Qur'an and Sunnah), there are clear indications that Islam hates poverty and aims to eliminate it from society. Therefore, Islam hates and prohibits begging but encourages entrepreneurship (Abdul-Majeed Alaro & Alalubosa, 2018). However, there is a condition where a person is in such a disadvantage that he is unable to make ends meet. This is where in fact Islam has established a social support mechanism to overcome the problem of poverty, namely by encouraging every Muslim to help his brother who needs it.

Islam has many institutions capable of overcoming poverty in society. One such instrument is zakat. Zakat, as an instrument of poverty alleviation, is currently collected by the governments of several Muslim countries. Libya, Malaysia (different sultanates), Pakistan, Saudi Arabia, Sudan and Yemen collect zakat through government initiatives. Although Bahrain, Bangladesh, Egypt, Iran, Iraq, Jordan, Kuwait, Qatar, Indonesia and Oman have established special public institutions, the payment of zakat to government agencies in these countries is on a voluntary basis. (Aziz & Mohamad, 2016). Indonesia as the largest Muslim population certainly has great potential in the field of zakat. A study conducted by Puskas Baznas 2019 shows that the potential for zakat in Indonesia in 2019 reaches 233.8 trillion. In this case, the income zakat indicator becomes the sector with the highest zakat value at 139.07 T, then money is 58.76T, agricultural zakat is 19.79 and farm zakat is 9.51 T. According to data from the Islamic financial report (2014: 35) the estimated potential for collecting zakat in Indonesia, it contributes to GDP of 3.89% or 217 trillion.

The level of poverty in Indonesia is almost evenly distributed in every province, but the severity of poverty in each province is different. Different levels of poverty in each province are caused by many things such as the rate of economic growth, the rate of inflation, openness to investment and others. Riau Province has 12 districts / cities with the center of government is Pekanbaru city which is the largest city in Riau province, as well as a city of trade and services, including cities with high growth, migration and urbanization and the largest Muslim population of 85, 94% (BPS) . One of the patterns used to alleviate poverty from this instrument is to empower the duafa. The empowerment program is carried out to help the duafa to be able to pursue their own life properly and independently. Qardhawi (2015) explained that the role of zakat is not only limited to poverty alleviation. However, empowering zakat can solve other problems. In overcoming these community problems, zakat management is carried out in a productive direction by providing empowerment to people who are entitled to receive zakat.

The poor community empowerment program in Pekanbaru, mostly uses this concept. In empowering the poor, there are two patterns used, namely group empowerment and individual empowerment. The group empowerment model is a model where coaching is carried out in groups and the business that is carried out is also a group business or joint venture. Meanwhile, the individual empowerment model is a model where coaching is carried out jointly but they run their respective businesses. To make the program successful, zakat institutions provide technical and non-technical support. Technical support in the form of providing business capital, training or courses, mentoring teams and business equipment. Meanwhile, the non-technical assistance provided is in the form of motivation and entrepreneurship training. Technical support aims to make it easier for mustahik in running a business, while non-technical support aims to strengthen and give enthusiasm in doing business.

In carrying out this program, of course zakat institutions experience various obstacles. The obstacle faced during the implementation of the empowerment program is the lack of assistants to assist and evaluate the planned program, as a result the mustahik walk alone without maximum assistance. Even though mentoring is very important in every empowerment program. The problem of assistant personnel is also inseparable from the budget provided, where the budget for economic programs is not too much so that its use must also be as efficient as possible. The result is that the amount of business capital assistance for mustahik is also relatively small and the operational costs for the mentoring team are also limited.

Apart from the above problems, another problem related to mustahik empowerment in the economic field is the mustahik's endurance in running a business. Mustahik sometimes have difficulty marketing their business results, which makes them frustrated and this can affect the mustahik's endurance in running a business, as a result the business they are running is not what they want. The endurance of these mustahiks is of course related to the entrepreneurial characteristics they have. Entrepreneurial characteristics are an attitude that an entrepreneur must have so that in any condition they will always survive and innovate to find solutions to the problems they face so that the business that is carried out will be successful (Nair and Pandey, 2010; Lumpkin and Dess, 1996). The purpose of this study is to determine whether the support provided by zakat institutions to mustahik and entrepreneurial characteristics have an influence on the success of empowerment programs in the economic sector and how is the impact on poverty alleviation of the mustahik.

## Background (Sub-section)

The section consists of backgroud of the study. The content of manuscript must be contained Introduction, Literature Review, Methodology, Results & Analysis, and Conclusion & Recommendation.

## Objective

The section consists of objective of the study.

1. **Literature Review**

**2.1. Theortical Framework and Hypothesis Development**

***Zakat and Poverty Alleviation***

Poverty is a complex phenomenon and includes various aspects of life, both from economic, social and even policy conditions. The concept of poverty has been developed by many experts and academics. According to the Islamic Development Bank, defining poverty by referring to the definition of the International Labor Organization (ILO) is the limitation in contributing effectively in a society. Furthermore, they lack food and clothing for their families, do not have sufficient education and health insurance. Neither do they have land where they can produce food nor do they have jobs and access to loans. Poverty also means insecurity, incapacity and being wasted in the community. In addition, poverty is also very vulnerable to violence and it is not uncommon to live in a precarious condition. Lack of access to clean water and sanitation (Department of Islamic Economics and Finance, Bank Indonesia and Department of Sharia Economics, University of AIrlangga, 2016).

According to the United National Development Program, poverty is measured using the education index, health index, and the standard of daily living. Several studies use the cost of basic necessities, food energy intake, and subjective evaluation to measure poverty. Researchers at the 10th African Economic Conference discuss new gaps in poverty measurement. They believe that measuring poverty based on national average income does not accurately reveal the distribution of wealth to eradicate the threat of poverty (Ahmed, Johari, Wahab. 2017).

Poverty generally indicates a level of income below a certain poverty line. People are called poor if they have an average expenditure per capital per month below the poverty line. The higher the poverty line, the more the population is classified as poor. The poverty limit used by each country varies. This is due to differences in location and living standards.

In the case of Indonesia, BPS uses the poverty limit of the amount of rupiah spent per capital per month to meet the minimum needs for food and non-food. For the minimum dietary requirement, the standard 2,100 calories per day is used. Meanwhile, spending on non-food minimum needs includes expenses for housing, clothing, and various goods and services. In other words, BPS uses the basic needs approach as an inability to meet basic needs. The basic needs approach is one of the main approaches to measuring absolute poverty in developing countries. It is an attempt to determine the absolute minimum resources necessary for long-term well-being, usually in the form of consumer goods (Atkinson, 2003).

In the Islamic perspective, poverty includes two aspects, namely material aspects and non-material aspects. A person is said to be poor in terms of the world (material), it is not necessarily that he is poor in the spiritual aspect (afterlife). Materially poor people are those who cannot meet basic needs properly such as food, housing, clothing, health facilities and educational facilities. Meanwhile, spiritually poor people are those who do not have the minimum spiritual wealth such as religious knowledge (ukhrawi) and general (worldly) knowledge which is required in republication and taqarrub to Allah SWT. by prioritizing moral values (Madjid, 2011).

Zakat is an instrument to overcome social problems that often occur in developing countries, especially problems of poverty and income inequality. Mahuyudin and Abdullah (2011) see zakat as a tool for the Islamic economic system with the aim of eradicating poverty among Muslims and fulfilling the social welfare of Muslims. He argued that the receipt of zakat, especially the poor and needy, must achieve the minimum quality of life from which it is received.

Beik (2010) emphasizes that the basic purpose of zakat is to solve social problems such as poverty, unemployment, natural disasters, forests, unfair income distribution and others. Therefore the zakat distribution system is a solution to the problem of poverty and assistance for poor people regardless of race, color, and ethnicity. Sadeq (2002) in his research found that zakat institutions help eradicate poverty which brings untold suffering.

Poverty will encourage someone to beg as it is condemned by Islam. Thus the problem of poverty is not expected to become a serious problem in Islamic economics. Likewise, there is a consensus among scholars that a higher priority for zakat is the eradication of poverty. The same thing was also stated by Abdullah, Derus and Malkawi (2015) that zakat is a very effective way to help poor people get rid of poverty so that the collection and disbursement of zakat must be made effective. The main objective of zakat is to achieve socio-economic justice. With regard to the economic dimension of zakat, it aims to achieve beneficial effects on several dimensions such as aggregate consumption, saving and investment, the aggregate supply of labor and capital, poverty alleviation and economic growth (Wahab & Rahman, 2011).

***Organizational Support***

Organizational support is perceived as an effort made by the organization to improve the performance of its employees. According to Rhoades and Eisenberger (2002), organizational support can be in the form of policies, norms, culture, legal, moral and financial. Organizational support is a global belief by employees as a form of company appreciation for employee performance. Organizational support theory emphasizes three aspects, firstly based on acceptance norms, perceived organization support (POS) must provide assurance and attention to organizational welfare to achieve organizational goals. Second, attention, approval and respect connotes fulfilling social-emotional needs, leading workers to be able to join organizations and transforming status into social identities. All three POS must reinforce employees' belief that reward and organizational recognition will improve their performance (Roades and Eisenberger, 2002).

In the context of empowering the poor, organizational support can be in the form of financial and non-financial assistance. In financial terms, this can be in the form of providing funds to purchase various purposes as well as for business capital. Providing assistance in the form of funds can be carried out by non-profit organizations such as zakat organizations and other NGO organizations that are concerned with social problems and can also be carried out by the government. Support made by the government can be in the form of pro-poor policies.

Empirical studies show that organizational support has a significant impact on the success of a program, such as research conducted by Lee et al (2010), where organizational support has a positive and significant impact on enterprise resources planning. The same thing was found by Afzali et al (2014) that organizational support has a significant effect on empowerment. On the other hand, organizational support will also provide comfort to employees so that they will follow the company's wishes (Paille et al., 2010).

Meanwhile, research conducted by Muhammat et al (2013) shows that the success of Asnaf's business in Malaysia is influenced by capital and knowledge. Capital is a very important thing in starting a new business (start-up business), this is one of the biggest obstacles for the needy and poor in building their business (Hadisumarto and Ismail, 2010). What is no less important in these findings is knowledge, where the knowledge of the asnaf related to the business they run is more important than the training they take part in (Ghosh et al, 2011). However, different findings were conveyed by Voegtlin et al (2015) that training has a relationship with empowerment. From the description above, the following research hypothesis can be formulated:

|  |  |  |
| --- | --- | --- |
| ***H1*** | ***=*** | ***Organizational support provided to empowerment program participants has a positive effect on empowerment programs for the poor in the economic field*** |

***Enterpreneur Characteristics***

One of the principles of empowerment is the ability of empowering agents to develop an entrepreneurial spirit. This is very important because it is related to independence in running a business, moreover, this empowerment focuses on empowerment in the economic field. The target of empowerment in the economic sector is how clients are able to increase family income through business. Dowling and Schmude as well as Fritsch and Muller said that entrepreneurship is very important in personal and economic development (Cubico et al., 2011). The same thing was expressed by Brannback and Carsrud (2015) that entrepreneurship is a significant factor in creating national wealth, not only creating individual wealth. Entrepreneurs themselves do not have a single definition because they are complex which are interrelated with various phenomena. However, to give an idea of what entrepreneurship is, there are several definitions including those presented by Brannback and Carsrud, an entrepreneur is defined as someone who tries to exploit opportunities with the aim of creating wealth in the economic field.

Meanwhile, the European Commission defines Entrepreneur as a mindset and process for creating and developing economic activities by combining decision making on risk, creativity and / or innovation with management through new and existing organizations (Cubico et al., 2011). Meanwhile, Drucker (1984) emphasizes more on economic entrepreneurship associated with innovation, so that entrepreneurship is defined as an opportunity that is sought and exploited to satisfy one's wants and needs. A simpler definition is conveyed by O'Brien et al., (2017), according to them an entrepreneur is someone who organizes, manages a risk in running a business.

To become a successful entrepreneur, there are several characteristics that must be possessed, namely Drive and Energy Level, Self Confidence, Setting Challenging but Realistic Goals, Long-term Involvement, Using Money as a Performance Measure, Persistent Problem Solving, Taking Moderate Risk, Taking Initiative and Seeking Personal Responsibility, Making Good Use of Resources (Dingee et al., 1997). Meanwhile, Lumpkin and Dess (1996) stated that the keys to the success of an entrepreneur are autonomy, innovation, risk-taking, proactiveness and competitive agressiveness. The same thing was conveyed by Tagraf and Akin (2009), where an entrepreneur today has characteristics in the form of risk taking, autonomy, having control of his own and having success confidence despite each kind of ambiguity.

In a study, it was explained that the entrepreneurial spirit is a factor that makes a pretty good contribution in running his business, such as a study conducted by Ahmad which compared the courage to take risks of an entrepreneurial CEO with a company CEO, where the level of courage to take risks of an entrepreneurial CEO is better than that of a company CEO. . This finding is supported by the findings of Sarwoko et al (2013) that the characteristics of an entrepreneur influence the success of the business he is running as well as findings from Leutner et al (2014), Wahab and Al-Damen (2015). Based on the description above, the development of the next hypothesis can be described as follows:

|  |  |  |
| --- | --- | --- |
| ***H2*** | ***=*** | ***Entrepreneurial characteristics possessed by mustahik have a positive influence on the success of empowerment programs in the economic field.*** |

***Mustahik Empowerment***

Empowerment is one of the efforts to alleviate poverty by giving efforts to less fortunate people to improve their standard of living. In the Big Indonesian Dictionary, there are several meanings of empowerment. First, empowerment is defined as the ability to do something or the ability to act. Second, empowerment also means strength or energy (which causes a move). Third, empowerment is defined as reason, effort or effort. In terms of empowerment, it can be interpreted as an effort to provide power or power to the weak (powerless) and reduce power (disempowered) to those who are too powerful so that there is a balance (Djohani, citied by Anwas, 2013). Empowerment can also be interpreted as a way in which people, organizations and communities are directed to be able to control or rule over their lives (Rappaport, 1984).

Meanwhile, World Bank (2002) defines that empowerment is an expansion of the assets and abilities of the poor to participate in, negotiate with, influence, control and hold the responsibility of institutions that affect their lives. Poverty includes multidimensional life, poor people need assets and abilities at the individual level such as health, education and housing and at the collectivity level in the form of the ability to organize and mobilize collectively to solve problems. Empowerment of the poor can be carried out by the government or by the community. The Indonesian government through PNPM Mandiri has empowered the poor by facilitating them with various activities including mentoring, training and direct grants. Besides being held by the government, empowerment of the poor (mustahik) is also carried out by zakat institutions through the mustahik empowerment program through economic activities.

To see the level of success of the empowerment program, it can be seen from several aspects. The first is the impact aspect. The impact aspect arising from empowerment is the indicator of increasing family income. At the business level, the indicator can be seen from the net income of the business, while at the household and individual levels there is a change in annual income. Second, it is seen from the Outcome aspect, where the indicator can be seen from how much wages the community gets. Third, seen from the aspect of outputs, the indicator is how much community participation in empowerment, how many alumni training is used by other parties and how many products are produced. The four aspects of the activity, from the aspect of this activity, what is seen is the commitment of the manager in the empowerment program (Merkel, 2014).

The ultimate goal of empowerment is the creation of economic independence for the mustahik which in turn has implications for their escape from poverty. Empirical studies show that economic empowerment can help overcome family financial problems, as in research conducted by Lessy (2013), in general economic empowerment in collaboration with one BUMN as a provider of funds has succeeded in improving the family economy.

Other researchers have also shown that empowering the poor through productive zakat has led poor families to fulfill their basic needs on their own. This study uses the human development index (HDI) approach, one of the topics discussed is the income index. Even though the results are still below the average expectation, they have been able to provide hope for a better life (Nurzaman, 2016). By using a logistic regression approach, it shows that household expenditure after receiving zakat allocation has increased, meaning that there is an economic impact resulting from zakat (Azzam et al, 2014). In other studies, it was found that the contribution of zakat funds in alleviating poverty was not as expected. From 1,195 samples, zakat funds were only able to increase family monthly income by 8.94 percent. Even so, the existence of zakat has been able to contribute in reducing poverty up to 16.79 percent (Beik, 2013). Based on the explanation above, the research hypothesis can be formulated as follows:

|  |  |  |
| --- | --- | --- |
| ***H3*** | ***=*** | ***Empowerment of the poor through economic activities has a positive effect in alleviating poverty for mustahik*** |

1. **Methodology**

This study was analyzed using the SEM approach, in which SEM the recommended data is a minimum of 100-200 samples (Hair et al, 2006). However, component-based SEM has developed, namely SEM-Gesca. SEM-GeSCA is a breakthrough to overcome the problem of research data (Hwang and Takane, 2004), it can be used to manage non-linear data (Hwang and Takane, 2010) to sample size (Chumney, 2013). Analysis using SEM-GeSCA is also better in terms of consistency, standard error and parameter estimate (Afthanorhan et al., 2016).

This research was conducted in Pekanbaru, where the samples involved in this study were mustahiks who received empowerment programs from three zakat institutions in Pekanbaru, namely Dompet Dhuafa Riau, Rumah Zakat Riau and Swadaya Ummah Pekanbaru. The variables involved in this study consisted of five latent variables, namely organizational support, entrepreneurial characteristics, mustahik motivation, mustahik empowerment programs and poverty alleviation (see figure 1). The organizational support variable uses the Roadess and Eissenberger theory with four manifest variables, namely capital support, technical support, mentoring and training. Meanwhile, the entrepreneurial characteristics variable uses the concept offered by Dingee et al (1997), where nine manifest variables are involved, namely Drive and Energy Level, Self Confidence, Setting Challenging but Realistic Goals, Long-term Involvement, Using Money as a Performance Measure. , Persistent Problem Solving, Taking Moderate Risk, Taking Initiative and Seeking Personal Responsibility, Making Good Use of Resources.

To see the level of success of the empowerment program, it can be seen from several aspects (Merkel, 2014). namely the impact aspect, outcome aspect and output aspect. Meanwhile, the poverty alleviation variable uses the concept of M. Shabri Abdul Madjid with two manifest variables, namely financial and non-financial. To obtain research data, a questionnaire with a Likert scale of 1 - 5 was used. This study used quantitative analysis with the data analysis technique used was Component Based-SEM with GeSCA (Generalized Structural Component Analysis) or SEM-GeSCA software.

**Figur 1 : Conceptual Framework**

e1 e2 e4 e5

X4

X3

X1

X2

H1

X17

H3

X18

H2

X16

X15

X14

X13

X12

X11

X10

X9

X8

X7

X5

X6

e5

E6 e7 e8 e9 e10 e11 e12 e13 e14 e15 e16

Note :

X1 = Capital Support X5 = Drive and Energy Level X12 = Taking Initiative

X2 = Technical Support X6 = Self Confidence X13 = Good Use Of Resources X3 = Accompaniment X7 = Realistic X14 = Dampak

X4 = Training X8 = Long Term Involvement X15 = Ouput

X9 = Money as Performance Measure X16 = Outcome

X10 = Problem Solving X17 = Financial

X11 = Taking Moderate Risk X18 = Nonfinancial

1. **Results and Analysis**

***Mustahik Demographic***

The results of this study indicate that the empowerment program carried out by non-governmental zakat organizations is dominated by female mustahik who reach 50 people as many as 83.33 percent. Meanwhile, male mustahik only reached 10 bodies or 16.67 percent. This indicates that non-governmental zakat organizations prioritize female mustahik. Meanwhile, the education level of mustahik is mostly dominated by those who have education up to high school of 32 mustahik or reaching 53.33 percent. Meanwhile, the mustahik who had a low level of education (SMP and SD) reached 25 people or 41.67 percent. In Table 2 it is also shown that zakat houses have the most number of mustahik who are empowered, reaching 29 people or 48.33 percent, followed by Swadaya Ummah at 26.67 percent and then Dompet Duafa at 25.00 percent.

**Table 2. Mustahik Demographic**

|  |  |  |  |
| --- | --- | --- | --- |
| No | Keterangan | Jumlah | Persentase |
| 1 | Jenis Kelamin |  |  |
|  | Pria | 10 | 16.67 |
|  | Wanita | 50 | 83.33 |
| 2 | Tingkat Pendidikan |  |  |
|  | SD | 6 | 10.00 |
|  | SMP | 19 | 31.67 |
|  | SMA | 32 | 53.33 |
|  | Perguruan Tinggi | 3 | 05.00 |
| 3 | Organisasi Pemberdaya |  |  |
|  | Swadaya Ummah | 16 | 26.67 |
|  | Rumah Zakat | 29 | 48.33 |
|  | Dompet Duafa | 15 | 25.00 |

**Source : Authors Calculation, 2021**

***Fit Model Evaluation***

In the SEM-GSCA analysis, the first step taken is evaluating the fit model or Fit Model Evaluation. There are several values that must be observed, namely FIT, AFIT, GIF and SRMR. The results of this study show that the FIT value is 0.488, meaning that the variance in this study is able to explain 48.80 percent. Meanwhile, the GFI value is 0.988, already exceeding the required standard, which is> 0.90.

Tabel 3. Fit Model Evaluation

|  |  |
| --- | --- |
| **Model Fit** | |
| **FIT** | 0.488 |
| **AFIT** | 0.469 |
| **GFI** | 0.988 |
| **SRMR** | 0.166 |
| **NPAR** | 39 |

***Outer Model Evaluation***

The second step in the SEM-GSCA analysis is to carry out an outer model evaluation consisting of loading estimate, alpha and AVE. The recommended loading estimate value is> 0.50, the recommended AVE is at least 0.5 and an alpha value of 0.6. Table 4 shows that all loading estimate values are above 0.50, meaning that all indicator variables used in the study truly reflect the variable construct.

Table 4. Outer Model Evaluation

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Variable | Loading | | | AVE & Alpha |
| Estimate | SE | CR |
| Organizational Support | | | | |
| X1 | 0.319 | 0.186 | 1.71 | AVE = 0.590  Alpha = 0.692 |
| X2 | 0.874 | 0.042 | 20.97\* |
| X3 | 0.883 | 0.039 | 22.69\* |
| X4 | 0.845 | 0.058 | 14.52\* |
| Entrepreneural Characteristic | | | | |
| X5 | 0.719 | 0.098 | 7.34\* | AVE = 0.462  Alpha = 0.847 |
| X6 | 0.636 | 0.074 | 8.63\* |
| X7 | 0.615 | 0.103 | 5.97\* |
| X8 | 0.804 | 0.067 | 12.06\* |
| X9 | 0.750 | 0.071 | 10.53\* |
| X10 | 0.720 | 0.074 | 9.75\* |
| X11 | 0.684 | 0.086 | 7.99\* |
| X12 | 0.679 | 0.076 | 8.99\* |
| X13 | 0.451 | 0.113 | 4.01\* |
| Mustahik Empowerment | | | | |
| X14 | 0.870 | 0.040 | 21.86\* | AVE = 0.717  Alpha = 0.810 |
| X15 | 0.773 | 0.105 | 7.37\* |
| X16 | 0.894 | 0.039 | 22.91\* |
| Poverty Alleviation | | | | |
| X17 | 0.877 | 0.033 | 26.42\* | AVE = 0.664  Alpha = 0.491 |
| X18 | 0.747 | 0.134 | 5.58\* |

CR\* = significant at .05 level

***Inner Model Evaluation***

The inner evaluation model is the last step in the SEM-GSCA analysis. At this stage is the stage to see the relationship between exogenous variables and endogenous variables. The results of this study indicate that the success of the mustahik empowerment program carried out by non-governmental zakat institutions is influenced by organizational support. The amount of influence can be shown from the resulting coefficient value of 0.484 with a CR value of 2.81. Therefore the hypothesis proposed in this study can be accepted or accepted as H1. Meanwhile, mustahik's entrepreneurial characteristics have a positive but insignificant effect. This can be seen from the CR value of 1.77 with the estmate path coefficient of 0.323. Therefore, the hypothesis proposed in this study is rejected (H2 rejected). Another result in this study is that the empowerment program carried out by non-governmental zakat organizations is able to alleviate poverty, with a magnitude of influence of 0.504. For this reason, the hypothesis proposed in this study can be accepted (H3 Accepted).

Table 5. Inner Model Evaluation

|  |  |  |  |
| --- | --- | --- | --- |
| Relationship | Path Coefficients | | |
| Estimate | SE | CR |
| ORGANIZATIONSUPPORT->MUSTAHIKEMPOWERMENT | 0.484 | 0.172 | 2.81\* |
| ENTREPENEURCHARACTERISTIC->MUSTAHIKEMPOWERMENT | 0.323 | 0.183 | 1.77 |
| MUSTAHIKEMPOWERMENT->POVERTYALLEVIATION | 0.504 | 0.099 | 5.09\* |

CR\* = significant at .05 level

***Discussion***

The mustahik empowerment program carried out by the zakat institution aims to alleviate poverty. The results of this study indicate that the support provided by the zakat institution in the form of capital assistance, mentoring and training has a positive and significant effect. The results of this study are consistent with research conducted by Lee et al (2010), Afzali et al (2014) and Paile (2020). This indicates that the organizational support theory developed by Rhoades and Eisenberger (2002) can also be applied to non-profit organizations such as zakat. Paille et al (2010) argue that organizational support will provide a sense of comfort to employees so that they follow the company's wishes. In the context of mustahik empowerment, the support provided by the zakat institution to mustahik provides a sense of comfort. They get attention from zakat institutions in various forms of attention and of course this provides its own motivation for mustahik to seriously run this empowerment program.

Meanwhile, the entrepreneurial characteristics possessed by mustahik have had a positive impact on the success of the empowerment program, even though the impact has not been significant. The results of this study are in line with the findings made by Sarwoko et al (2013), Leutner et al (2014) and Wahab and Al-Damen (2015). For this reason, serious attention is needed from zakat management organizations that have empowerment programs to pay attention to the problem of mustahik character in carrying out empowerment programs. Meanwhile, the mustahik empowerment program carried out by non-government zakat institutions has succeeded in eradicating poverty. The results of this study are in line with research conducted by Trianto et al (2018) and Taufiq et al (2018). This result implies that the existence of non-governmental zakat institutions is able to play a very important role in helping alleviate poverty.

1. **Conclusion and Recommendation**

The main objective of this study is to develop a theoretical model to predict and explain the success factors of mustahik empowerment in poverty reduction using the concept of organizational support and mustahik characteristics. Correspondingly, the measurement model proves that the theoretical concept has a satisfactory level of validity and reliability, while the structural model also shows the appropriate results. Overall, these findings have important implications for academics and practitioners. For academics, our results show that organizational support is a success factor in empowering mustahik in reducing poverty. With capital support, technical support, mentoring and training will provide comfort and a sense of conduciveness during the empowerment process, which has implications for the success of mustahik empowerment. For practitioners and the government, an important theme is that the existence of non-governmental zakat institutions is able to help alleviate poverty. Therefore, regulators and the government are expected to give full attention and facilitate them in collecting zakat.

Like other studies, this study also has a number of limitations. First, this study only uses mustahik non-government zakat institutions in Pekanbaru and it is possible that the results only apply to poverty alleviation in Pekanbaru. Second, this study does not provide the external factors that are tested such as social and religious support, intensity of mustahik empowerment and mustahik business independence. Therefore, future research should focus on incorporating these variables into the research framework. Finally, this study only focuses on non-government zakat institutions, further research is needed to compare it with government zakat institutions

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