

Factors Affecting the Performance of Productive Zakat Management During the Covid-19 Pandemic

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Abstract: Factors Affecting Performance in the Management of Productive Zakat During the Covid-19 Pandemic: Case Study of BAZNAS in Labuhan Batu Regency, Islamic Banking Study Program, SEBI Islamic Economics College, 2022. This study aims to establish a good result in measuring the factors that influence the performance of productive zakat management during the Covid-19 pandemic at the BAZNAS Institute of Labuhan Batu Regency. The type of research used is quantitative research with data analysis techniques using SMART Partial Least Square (PLS) and the data collection process is carried out through questionnaires. Respondents in the study were mustahik who received the benefits of productive zakat. The results of all data analysis indicate that the effectiveness factor has no significant effect on the performance of productive zakat, while the pattern of distribution and assistance has a positive and significant effect on the performance of productive zakat.

Keywords: *Performance; Covid-19; Zakat; BAZNAS; Labuhan Batu Regency*

1. INTRODUCTION

At the beginning of 2020, world economic growth experienced a decline, including in Indonesia. This is due to the outbreak that hit all regions in Indonesia, called the Coronavirus Disease outbreak. Coronaviruses are a large family of viruses that cause illnesses ranging from mild to severe symptoms. Coronavirus or better known as Covid-19 has an impact on economic growth in the form of a decline in the level of the world economy, especially in Indonesia. Then, the Large-Scale Social Restrictions (PSBB) and lockdown policies became the policies implemented by the government. So, in this case, several economic activities cannot run smoothly.

In Islam, the limitations experienced by mustahik can be overcome by the existence of zakat because zakat is a socio-economic potential that can form a community to work together to act as a guarantor institution and a provider of reserve funds for the Muslim community. Zakat is not only used for consumptive needs but is empowered productively. Because with this utilization pattern, it will help the mustahik not only in the short term but for their needs in the long term.

But in this case, the role of zakat is not the only instrument that can be expected in meeting the needs of people affected by Covid 19, according to Yudhira (2020) optimizing zakat can be designed to meet short-term and long-term needs. However, these short-term needs are urgently needed during pandemic conditions such as conducting food aid programs, health, and other consumptive programs. While the long-term can be done for educational and economic programs. However, in the short-term zakat, infaq, and alms can overcome the Covid 19 pandemic by distributing direct cash assistance to the community to help each other, not only by the government. As explained in the RI Law No. 23 of 2011 concerning the management of zakat, where article 25 explains that zakat must be distributed to mustahik following the provisions of Islamic law, and article 27 explains zakat can be utilized for productive businesses in the context of handling the poor and improving the quality of the people.

Research by Asnani (2008) explains that productive zakat allows the recipient to run a business that can produce something. In this case, someone who receives zakat does not only receive funds but is used as capital to develop the business that is being run so that later the business can meet the needs of daily life. It can be interpreted that productive zakat is zakat that develops and creates something new.

The results of research conducted by Mulkan syahriza, Pangeran harahap, 2019) that productive zakat assistance provided by the North Sumatra Zakat House through an independent program for mustahik in the target area of Dwikora Village, Medan Helvetia District can increase two factors of mustahik's welfare. So that the productive zakat distributed by the North Sumatra Zakat House is considered to be quite effective in improving the welfare of mustahik.

Based on the financial data report of the BAZNAS Zakat Institution in Labuhan Batu Regency, North Sumatra, the collection and distribution of zakat funds to mustahik is recorded as follows:

Table 1.1 Data on the Amount of Collection & Distribution of Zakat Funds

Year	Amount of Collection	Distribution Amount
2019	Rp. 2.002.123.03	Rp. 2,522,256,639
2020	Rp. 2.056.078.095	Rp. 1.391.062.083
2021	Rp. 2,018,473,506	Rp. 515,663.948

Source: Financial report of BAZNAS Labuhan Batu Regency

From the description of the data, the Labuhan Batu Regency BAZNAS Institute has several fundamental challenges in collecting ZIS funds: ZIS funds from *aghniya* which are still low and still dominated by the government employees (ASN), PEMKAB, and other Agencies, especially in current conditions, where the current situation is The economy and income are decreasing due to the impact of the covid-19 pandemic and the lack of human

resources in mastering IT (Information Technology) regarding the management of ZIS to the public.

In the implementation of the productive zakat distribution program, there are several problems in the field, such as external factors in the form of weather and a place of business that is not permanent because the stall is missing. Also, internal factors come from the mustahik themselves, namely low motivation in entrepreneurship, indiscipline in the use of productive zakat funds, and the desire to get instant results. In addition, factors originating from zakat institutions include an immature program planning process, inadequate and inadequate supporting human resources, and the absence of an appropriate program success measurement tool. Therefore, it is important to know the effectiveness of distributing an analysis of the implementation of a program.

In this case, to form a good business result, it is necessary to know what factors can affect the performance of productive zakat management, especially during the Covid-19 pandemic. These factors will be used as research variables to be carried out by researchers, namely in the form of effectiveness, a pattern of distribution, and assistance. The effectiveness of distribution describes the achievement of zakat distribution in a certain period, either in the short, medium, or long term. To optimize the distribution of zakat, the zakat amil must manage it well, namely by preparing distribution planning, implementation strategies, implementation of control, and good reporting. Thus, mustahik feels the benefits and blessings of zakat. The more effective the distribution, the greater the benefits of zakat felt by mustahik.

Effectiveness is defined as the achievement or success of a goal following the plans and needs required, both in the use of data, facilities, and time. Meanwhile, Gibson revealed that effectiveness can be measured from several criteria, namely: clarity of goals to be achieved, clarity of strategy for achieving goals, solid policy analysis, and formulation processes, careful planning, preparation of appropriate programs, availability of facilities and infrastructure, monitoring systems and educational control. The distribution of zakat funds is one element or aspect of zakat management. Law Number 23 of 2011 concerning zakat management defines zakat management as an activity of planning, implementing, and coordinating the collection, distribution, and utilization of zakat. Zakat management aims to improve the effectiveness and efficiency of services in zakat management, increase the benefits of zakat to realize community welfare, and reduce poverty (Law No. 23 of 2011 concerning zakat management, 2011).

The measurement of effectiveness in the distribution of zakat refers to the Sharia Enterprise theory which was initiated by Iwan Triyuwono. As for what is meant by Sharia Enterprise, namely seeing the importance of accountability. According to Iwan, in the Sharia Enterprise theory, the main responsibility is to Allah SWT which is known as vertical accountability and the next form of accountability is to humans and the natural environment called horizontal accountability. Thus, measuring the effectiveness of zakat funds that have been distributed in an effort to fulfill accountability both vertically to

Allah SWT and horizontally to humans and the natural environment. (Kartini et al., 2021) .

Then, the role of the companion is a strategic role that is carried out by the facilitator as a liaison with the community who runs a business with outside parties. Based on research conducted by (Ningsih, nd) the role of companions in increasing the business owned by mustahik in Dumai is very necessary. The need for this assistance is based on the needs of mustahik. In this case, the mentoring process is carried out to increase motivation for BAZNAS mustahik Dumai City.

Based on research conducted by Nugrahani (2017) entitled the role of productive zakat in economic empowerment of mustahik, a case study of the Dompot Dhuafa Republika Yogyakarta Amil Zakat Institution. Explains that the role of productive zakat in the economic empowerment of mustahik in the Dompot Dhuafa Republika Amil Zakat Institute has a very positive effect. This is evidenced by the existence of a livestock village program and excellent intitute as well as the holding of socialization, counseling, and training in collaboration with fostered partners who are being empowered.

BAZNAS Labuhan Batu Regency is a zakat management institution in Labuhan Batu Regency. Various work programs are carried out by BAZNAS in Labuhan Batu Regency to improve the mustahik economy. One of the programs carried out is the economic empowerment of mustahik through productive zakat. The productive zakat can be managed to increase mustahik's income. Labuhan Batu Regency BAZDA was established based on the provisions of Law Number 38 of 1999. The Regency BAZDA after the enactment of Law Number 23 of 2011, Labuhan Batu Regency BAZDA changed its name to Labuhan Batu Regency BAZDA. Since then, the official institution that functions to manage zakat in the Labuhan Batu Regency area is BAZNAS, Labuhan Batu Regency.

Thus, BAZNAS was formed to realize its function and role as an amil zakat institution in managing zakat funds for 8 groups of zakat recipients, namely the indigent, poor, amil, converts, riqob, slave, gharim, sabilillah, ibn sabil, as explained in Surat At-Taubah verse 60. This study aims to determine the effectiveness of productive zakat distribution through revolving fund assistance which is not yet efficient and in practice does not touch the community. As an effort to improve the welfare of mustahik in the distribution of zakat funds and zakat proceeds which can be used to improve the physical and spiritual well-being of the community, especially those affected by COVID-19.

2. LITERATURE REVIEW

1. Definition of Zakat

Zakat according to etymology is sacred, growing, and blessing. According to the terminology, zakat is a certain level of property given to those who are entitled to receive it under certain conditions (M. Ali Hasan, 1997: 01). Zakat is a certain right that is obligated by Allah SWT to the Muslims which is intended for them. In the Qur'an, it is mentioned that those included

in the 8 groups of asnaf, as a sign of gratitude for the blessings of Allah SWT and to get closer to Him and to clean themselves and their wealth.

According to Imam Maliki defining zakat that a zakat is a form of obligation in issuing a special portion of special assets that have reached the nishab (quantity limit that requires zakat) to people who are entitled to receive it provided that ownership is full and reaches haul, not goods. mining, and not agriculture. According to the Shafi'i school, zakat is an expression for the release of wealth or growth in a special way, while the Hambali school says zakat is a right that must be issued from special assets for special groups (Wahbah Al-Zuhayly, 1995: 83-85).

Zakat is one of the pillars of Islam and is a religious obligation imposed on wealth according to certain rules (Mohammad Daud Ali, 1988:9). Hafidhuddin explained that zakat according to sharia terminology is the name for a certain number of assets that have reached certain conditions that are required by Allah to be issued and given to those who are entitled to receive it with certain conditions. In the Indonesian Ministry of Religion's zakat guidebook, it is stated that zakat is something that is given by people as the right of Allah SWT to those who are entitled to receive it, including the poor, according to the provisions of the Islamic religion.

Zakat serves as a source of socioeconomic funds for Muslims. This means that the utilization of zakat managed by the Amil Zakat Agency is not only limited to certain activities based on conventional orientation but can also be used for economic activities of the people such as in poverty alleviation programs and unemployment by providing productive zakat to those who need it. as venture capital.

Zakat has a strategic role in poverty alleviation and economic development. Zakat is a financial source that is different from other financial sources because zakat does not have any repercussions except pleasure and hoping for a reward from Allah SWT. Zakat can be used as a source of finance and state income that can be used as social security for people who need help with clear rules.

The government is obliged to distribute zakat to mustahik and the government has the right to use zakat funds for the interests of the urgent people. As is the case in a pandemic condition like this where it is not only the government that has a big role in overcoming the problem of the global crisis of the corona outbreak, but we also play a role in protecting the Indonesian economy. By preparing short-term strategies such as providing assistance and long-term strategies such as education on the use of technology to deal with this pandemic.

2. Conditions for Compulsory Zakat

In issuing zakat, several requirements must be met and they have been determined by Islamic law. The intended requirements are the conditions that must be met in terms of the obligatory zakat (people who give zakat) and in terms of the conditions for assets that can be issued zakat. This condition is divided into two, namely mandatory requirements and legal sharia.

❖ The obligatory conditions for zakat are:

- a. Independent
A slave is not obliged to pay zakat, because he does not own anything, everything he has belongs to his master.
- b. Islam
A non-Muslim is not obliged to pay zakat. As for the apostates, there are differences of opinion. According to Imam Shafi'I, an apostate person is required to pay zakat on his wealth before he apostates. Meanwhile, according to Imam Hanafi, an apostate is not subject to zakat on his wealth because his act of riddah (turning away from Islam) has invalidated the obligation.
- c. Baligh and sensible
Small children and crazy people are not subject to zakat on their wealth, because they are not subject to the khitab of orders.
- d. These assets are assets that must be paid zakat, such as naqdaini (gold and silver) including al-auraq al-naqdiyah (securities), mining goods and inventions (rikaz), merchandise, plants, and fruits as well as livestock.

❖ **The conditions for the validity of zakat are as follows:**

- a. There is the intention of muzakki (people who issue zakat).
- b. Transfer of ownership from muzakki to mustahik (people who receive zakat).

3. Legal Basis of Zakat

a. In the Qur'an

In the Qur'an, many verses explain the obligation to pay tithes. There are 30 times in the Qur'an, 27 of which are mentioned together in one verse to establish prayer along with the obligation to pay zakat.

أَقِيمُوا الصَّلَاةَ آتُوا الزَّكَاةَ ارْكَعُوا الرُّكُوعَ

Meaning: "And establish prayer, pay zakat and bow with those who bow ." (Surat al-Baqarah [2]:43)

أَمْوَالِهِمْ تُطَهَّرُهُمْ وَاللَّهُ لِي

Meaning: "Take zakat from some of their wealth, with that zakat you clean and purify them and pray for them. Verily, your prayer (becomes) peace of mind for them, and Allah is All-Hearing, All-Knowing." (Surat At-Taubah [9]:103)

b. In Hadith

It was narrated from Ibn Abbas ra that the Prophet Muhammad SAW sent Muradh ra to Yemen and advised him "Invite them to testify that there is no god but Allah and (I) Muhammad is the messenger of Allah and when they follow your invitation, tell them that Allah has ordered them to perform the five prayers. during the day and night, and if they obey you in doing that, tell them that Allah has ordered them to pay alms (zakat) from their wealth which is taken from the rich among them, and give it to the

poor among them (Narrated by Bukhari No. 1316), book of zakat) (Abdullah, 2019) .

c. In National Law

The payment of zakat for Indonesian Muslims has long been implemented as an encouragement of experience and refinement of their religious teachings, although the implementation and empowerment are still traditional, gradually in its development it has begun to be realized that the majority of Muslims are actually a potential source of funds but have not been utilized and managed properly. good, integrated, and optimal to improve the welfare of the people. Therefore, in the course of history, on September 23, 1999, the Indonesian nation had a law in the form of Law Number 38 of 1999 concerning Zakat Management, whose implementation and technical guidelines were regulated in the Decree of the Minister of Religion Number 581 of 1999 which was completed by a decree Minister of Religion No. 373 of 2003 and the Decree of the Director General of Community Guidance Number D-29 of 2000. In its development, the Zakat Law was further refined, namely Law Number 23 of 2011 concerning Zakat Management.

4. Effectiveness Factor

According to the Big Indonesian Dictionary, effective means achieving the right goals or choosing the right goals from a series of alternatives or choices of ways and making choices from various other options. According to Gibson, effectiveness is the achievement of agreed goals and objectives to achieve common goals. The level of goals and objectives shows the level of effectiveness and will be determined by the level of sacrifice that has been made.

Effectiveness is defined as the achievement or success of a goal following the plans and needs required, both in the use of data, facilities, and time. Meanwhile, Gibson revealed that effectiveness can be measured from several criteria, namely: clarity of goals to be achieved, clarity of strategy for achieving goals, solid policy analysis, and formulation processes, careful planning, preparation of appropriate programs, availability of facilities and infrastructure, monitoring systems and educational control.

According to Martani and Lubis effectiveness is the main element of activity to achieve predetermined goals or objectives. In other words, an organization is said to be effective if the predetermined goals or objectives are achieved. Effectiveness can also be interpreted as an achievement or success of a goal in accordance with the plans and needs required, both in the use of data, facilities, and time.

Based on some of the definitions above, it can be concluded that effectiveness is a form of success of an activity that is tailored to the objectives. In other words, an activity can be said to be effective if the activity can be completed at the right time and achieve the expected goals. Meanwhile, Gibson revealed that effectiveness can be measured from several criteria as follows:

1. Clarity of goals to be achieved.

2. Clarity of strategy for achieving goals.
3. A solid process of analysis and policy formulation.
4. Careful planning.
5. Proper programming.
6. Availability of facilities and infrastructure
7. Educational supervision and control system.

The effectiveness of distribution describes the achievement of zakat distribution in a certain period, either in the short, medium, or long term. To optimize the distribution of zakat, the zakat amil must carry out good management by preparing distribution planning, implementation strategies, implementation of control, and good reporting. Thus, mustahik feels the benefits and blessings of zakat. The more effective the distribution, the greater the benefits of zakat felt by mustahik.

5. Distribution Pattern Factor

According to the Big Indonesian Dictionary (KBBI) distribution means the process, namely the way of distributing. Thus, the distribution of zakat is a process of distributing zakat to those who are entitled. The target of zakat is as stated in the Qur'an letter At-Taubah verse 60 which consists of the poor, the poor, the Amil, Muallaf, Riqob, Ghorimin, Ibn sabil and Fii sabilillah which means "Indeed, zakat is only for the poor, the poor, the zakat collectors, the converts who are persuaded by their hearts, too (free) slaves, people who are in debt, for the way of Allah and for those who are on their way, as a statute ordained by Allah, and Allah is All-Knowing, All-Wise."

The distribution of Zakat can be categorized into two areas, namely: distribution and utilization. Following BAZNAS Regulation No. 3 of 2018 concerning Distribution and Utilization. Meanwhile, what is meant by distribution is the distribution of zakat to mustahik in consumptive form. Meanwhile, what is meant by utilization is the optimal use of zakat without reducing its value and usefulness in the form of a productive business to create efficiency to achieve the general benefit.

6. Mentoring Factor

The role of the companion is a strategic role that is carried out by the facilitator as a liaison with the community that runs a business with outside parties. In this case, to be a good companion, one must always have good relations with various parties related to business activities. In addition, the role of the companion can also be used as a facilitator to build good relationships with various parties so that a good pattern of interaction is obtained. The role of a companion has three main roles, namely as a facilitator, educator, and community representative.

Based on the explanation above, it can be concluded that the existence of a mentoring strategy will be more effective in the community empowerment process so that it can be developed and will affect the level of welfare of the people who have received assistance.

7. Productive Zakat Performance

Performance is a result of individual or institutional work. One form of professionalism that will realize maximum performance is in the form of sound

management in all aspects, be it human resources, strategic planning, operations, and finance. Performance is a result of the work function/activities of a person or group in an organization which is influenced by various factors to achieve organizational goals within a certain period.

Productive zakat is the provision of zakat that can make the recipients produce something continuously with the zakat assets they have received. Where the wealth or zakat funds given to mustahik are not spent, but developed and used to help their business so that with these efforts they can meet the needs of life continuously. Namely zakat assets that have been managed, and developed in such a way that they can bring benefits that will be used in meeting the needs of the mustahik in the long term gradually so that they can be separated from the mustahik zakat group.

Productive zakat is an activity of managing zakat funds by providing assistance intended for productive business activities so that it can have a long-term impact on mustahik. One example of productive utilization of zakat can be done by providing productive financing (business capital) to mustahik, providing training and assistance in business activities, as well as providing educational scholarships to students.

There are two kinds of productive zakat distribution, namely traditional productive zakat and creative productive zakat. Traditional productive zakat is zakat given in the form of productive goods. For example, livestock, sewing machines, carpentry tools, and so on. Giving zakat in this form can encourage people to create a business or provide jobs for the poor. While the creative productive category is all the utilization of zakat which is realized in the form of capital that can be used to build a social project or to help or increase the capital of a trader and small entrepreneur.

According to (Antonio, 2001: 160), productive financing is financing aimed at meeting production needs in a broad sense, namely to increase business both productive businesses, trade, and investment. Based on the type of need, productive financing is divided into two, namely:

1. Working capital financing, namely financing to meet the needs of increasing production quantitatively (amount of production) and qualitatively (improvement of quality or quality of production) as well as for trading purposes or increasing the utility of place from a place.
2. Investment financing, is financing to meet the needs of capital goods (capital goods), as well as facilities that are closely related to investment.

From the various kinds of productive zakat, it is expected that direction and wisdom in the management of productive zakat can be successful following the intended goals and targets. The purpose of the direction and policy of zakat management is everything related to the efforts of the government or managers to utilize the results of zakat collection to the right target according to the taste and taste of syara. This is also regulated in the RI Law No.23 of 2011 CHAPTER III concerning the management of zakat which consists of the first part, namely articles 21-24 regarding the collection, and the second part namely articles 25-26 regarding distribution...

In social life, the management and distribution of zakat for the poor must include:

- a) Development of agricultural infrastructure and facilities as the foundation of the people's economic welfare.
- b) The development of the industrial sector is directly oriented toward improving the welfare of the people at large.
- c) Organizing skills and vocational education centers to overcome unemployment.
- d) Providing business capital to mustahik is the first step in establishing a business.
- e) Life insurance for the invalid, the elderly, orphans, and those without jobs.
- f) Procurement of health facilities and infrastructure for every citizen or people in need.
- g) Procurement of facilities and infrastructure that is closely related to the welfare of the lower middle-class people.

3. RESEARCH METHODOLOGY

In this study, the data analysis method used PLS (Partial Least Square) which is an analytical method that can be applied to all data scales so that it does not require many assumptions and the sample size does not have to be large. The software used in this research is SmartPLS version 3.0. PLS is a variant-based SEM statistical method designed to solve multiple regression when specific problems occur in the data. The tests carried out in this study are as follows:

1. **Model Specifications**, Path analysis of the relationship between variables, namely:
 - a) **Outer Model**
It is a specification of the relationship between latent variables and their indicators, also known as outer relations. By defining the characteristics of the construct with its manifest variable.
 - b) **Inner Model**
Is a specification of the relationship between latent variables / structural models, also called inner relations. By describing the relationship between latent variables based on the substantive theory of research without losing its general nature. That is, latent variables and indicators or manifest variables on a zero mean scale and the unit variance are equal to one so that the location/constant parameters can be removed from the model.
2. **Measurement Model/ Outer Model**
 - a) **Convergent Validity**
The correlation between the score of the reflection indicator and the score of the latent variable. In this case, a loading of 0.5 to 0.6 is considered sufficient for the number of indicators per construct is not large, which ranges from 3 to 7 indicators.
 - b) **Discriminant Validity**

The measurement of reflexive indicators is based on cross-loading with other variables. If the cross-loading value on the relevant variable is the largest compared to the cross-loading on other latent variables, it is said to be valid.

c) Composite Reliability (Cr)

In Cr, which is an indicator that measures a variable, it has good composite reliability if it has composite reliability of 0.7, although it is not an absolute standard.

3. Inner Model

The goodness of fit model is measured by using R-square dependent latent variable with the same interpretation as Q-square regression predictive relevance for structural capital which measures how well the observed values are generated by the model and also parameter estimates. The value of Q-square 0 indicates that the model has predictive relevance, on the other hand, the value of Q-square 0 indicates that the model lacks predictive relevance. The Q-square calculation formula is as follows:

$$Q^2 = 1 - (1 - R_1^2) (1 - R_2^2) \dots (1 - R_p^2)$$

Note: R_1^2 and R_2^2 = R-square of endogenous variables in the equation model.

4. RESULTS AND DISCUSSION

1. Getting to know the National Amil Zakat Agency (BAZNAS) of Labuhan Batu Regency

Before the enactment of Law Number 23 of 2011 concerning zakat management, Labuhan Batu Regency had a special institution that functions to manage zakat in the Labuhan Batu Regency area. The institution is called BAZIS (Badan Amil Zakat Infaq and Sadaqah). This institution is in charge of managing zakat, infaq, and shadaqah in the Labuhan Batu Regency area. During its journey, BAZIS Labuhan Batu Regency changed its name to BAZDA (Regional Amil Zakat Agency) Labuhan Batu Regency.

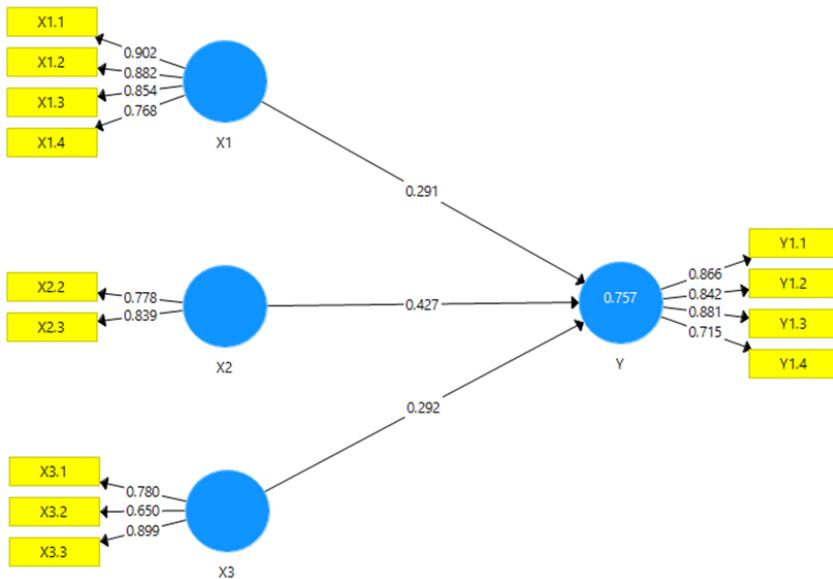
Labuhan Batu Regency BAZDA was established based on the provisions of Law Number 38 of 1999. The Regency BAZDA after the enactment of Law Number 21 of 2011, Labuhan Batu Regency BAZDA changed its name to Labuhan Batu Regency BAZNAS. Since then, the official institution that functions to manage zakat in the Labuhan Batu Regency area is BAZNAS, Labuhan Batu Regency.

BAZNAS Labuhan Batu Regency is one of the zakat management institutions in the North Sumatra Province which was formed based on the Decree of the Director General of Islamic Community Guidance No. DJ.III/499 of 2016 concerning the establishment of the District/City National Amil Zakat Agency in Indonesia. The existence of BAZNAS in Labuhan Batu Regency has a strategic position regarding zakat management in the Labuhan Batu Regency area. With the enactment of Law Number 23 of 2011, as well as Government Regulation Number 14 of 2014 concerning the implementation of Law Number 23 of 2011 concerning zakat management, Regency/City BAZNAS throughout Indonesia, including Labuhan Batu Regency BAZNAS,

are required to be more optimal in carrying out their duties, duties and functions.

2. Data analysis

Figure 4. 1Evaluation of the Outer Reflection Construct Model



Source: Data processed using PLS, 2022

Based on the picture above, it can be seen that all variables and indicators X1, X2, X3, and Y produce loading factor values for all indicators above 0.5. That way all indicators are declared valid and no retesting is held.

Validity test

The theory of validity test journals in this study uses two stages, namely Convergent Validity and Discriminant Validity.

➤ Convergent Validity

Convergent validity is used to prove that the statements on each latent variable in this study can be understood by the respondents in the same way as the researcher intended. The acceptable convergent validity is the loading factor value of 0.5 (Hair et al., 1998). The first PLS-SEM model measurement is the outer model, namely the outer model is a reflective measurement and the measurement is assessed using reliability and validity. Outer loadings are a value that contains a loading factor to show the magnitude of the correlation between the manifest variable and the latent variable. Individual reflection size is said to be high if it is correlated 0.7 with the construct to be measured. The results of factor loading in this study can be seen in the following figure:

Table 4. 1Outer Loading

	Effectiveness	Channeling Pattern	Accompaniment	Productive Zakat Performance
X1.1	0.902			
X1.2	0.882			
X1.3	0.854			
X1.4	0.768			
X2.2		0.778		
X2.3		0.839		
X3.1			0.780	
X3.2			0.650	
X3.3			0.899	
Y1.1				0.886
Y1.2				0.842
Y1.3				0.881
Y1.4				0.715

Source: Data processed using PLS, 2022

In Table 4.1 it can be seen that this test produces a loading factor value on all indicators above 0.5. Thus, all indicators are declared valid. After testing the loading factor, the next step in convergent validity is to look at the AVE value, which is a value that describes the magnitude of the variance or diversity of the manifest variables contained in the latent construct. That way, the greater the variance or diversity of the manifest variables that can be obtained by the latent construct, the greater the representation of the manifest variable to the latent construct. The AVE value is said to be valid if the AVE value is more than 0.5 (Yamin & Kurniawan, 2011). The following are the results of the AVE which can be seen in the following table:

Table 4. 2Test Results of Average Variance Extracted (AVE)

Variable	AVE
Effectiveness	0.727
Channeling Pattern	0.654
Accompaniment	0.613
Productive Zakat Performance	0.687

Source: Data processed using PLS, 2022

Based on table 4.2, it is known that the AVE root for the productive zakat performance variable is 0.687, the AVE root for the effectiveness variable is 0.727, the AVE root for the distribution pattern variable is 0.654

and the AVE root for the mentoring variable is 0.613. Thus, it can be concluded that each variable can explain each indicator. So for further testing of discriminant validity.

➤ **Discriminant Validity**

Discriminant Validity is carried out through two stages, namely through Fornell-Larcker Criterion and Cross Loadings. Fornell-Larcker Criterion is a variable correlation with the same variable and other variables. The correlation value of a variable with the same variable must be greater than the value of a variable with other variables. The results of the Fornell-Larcker Criterion test are as follows:

Table 4. 3 Fornell-Lacker Criterion Test Results

	Effectiveness	Channeling Pattern	Accompaniment	Productive Zakat Performance
Effectiveness	0.853			
Channeling Pattern	0.611	0.809		
Accompaniment	0.480	0.684	0.783	
Productive Zakat Performance	0.692	0.805	0.724	0.829

Source: Data processed using PLS, 2022

The results of the submission based on table 4.3 show that the value of each variable with the same variable is greater than the value of the variable with other variables. The value of the effectiveness variable with effectiveness is 0.853 which shows it is greater than the effectiveness variable with other variables. The value of the Distribution Pattern variable with the Distribution Pattern is 0.809 which shows it is greater than the other variables. The value of the mentoring variable with mentoring is 0.783 which shows it is greater than the other variables. The value of the Productive Zakat Performance variable with the Productive Zakat Performance is 0.829 which shows it is greater than the other variables.

After testing the Fornell-Larcker Criterion, the next stage of Discriminant Validity is testing cross-loadings. Cross Loading is comparing the correlation value of the indicator with its variables and variables from other blocks. The value of the indicator with the relevant variable must be greater than the value of the indicator with other variables. This shows that these variables predict the size of their block better than other blocks. The results of the Cross Loadings test are as follows:

Table 4. 4Cross Loading Test Results

	Effectiveness	Channeling Pattern	Accompaniment	Productive Zakat Performance
X1.1	0.902	0.496	0.369	0.650

X1.2	0.882	0.497	0.442	0.582
X1.3	0.854	0.577	0.506	0.627
X1.4	0.768	0.522	0.308	0.487
X2.2	0.422	0.778	0.492	0.602
X2.3	0.558	0.839	0.608	0.696
X3.1	0.315	0.545	0.780	0.469
X3.2	0.394	0.467	0.650	0.550
X3.3	0.405	0.587	0.899	0.653
Y1.1	0.564	0.584	0.659	0.866
Y1.2	0.627	0.691	0.705	0.842
Y1.3	0.550	0.819	0.720	0.881
Y1.4	0.572	0.532	0.199	0.715

Source: Data processed using PLS, 2022

The results of the test based on table 4.4 show that the value of each indicator with the relevant variable is greater than the value of the indicator with other variables. The value of the effectiveness indicator with the effectiveness variable is 0.902; 0.882; 0.854 and 0.768 which show greater than the value of the effectiveness indicator with other variables.

The value of the distribution pattern indicator with the distribution pattern variable is 0.778 and 0.839 which shows that it is greater than the value of the distribution pattern indicator with other variables. The value of the mentoring indicator with the mentoring variable is 0.780; 0.650 and 0.899, which indicate that they are greater than the value of the mentoring indicator with other variables. The value of the productive zakat performance indicator with the productive zakat performance variable is 0.866; 0.842; 0.881 and 0.715 which show a greater value than the productive zakat performance indicator with other variables.

Reliability Test

A reliability test is a test conducted to determine the level of confidence (reliability) in a question item in measuring the variables studied. The reliability test in this study was measured using internal consistency reliability. It can be said to be reliable if the value of Cronbach's alpha and composite reliability is more than 0.7. However, if Cronbach's alpha value is below 0.7 while the composite reliability value is above 0.7, then it is still said to be reliable (Yamin & Kurniawan, 2011). The results of testing Cronbach's alpha and composite reliability are as follows:

Table 4. 5Cronbach's Alpha Test Results and Composite Reliability

Variable	Cronbach's Alpha	Composite Reliability	Information
Effectiveness (X1)	0.874	0.914	Reliable
Channeling Pattern (X2)	0.474	0.791	Reliable
Mentoring (X3)	0.673	0.824	Reliable

Productive Zakat Performance (Y)	0.848	0.897	Reliable
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Source: Data processed using PLS, 2022

The results of the test based on table 4.5 show that the composite reliability value for each variable is above 0.7, so it can be said that the construct and its instruments are reliable.

➤ **Evaluation of the Structural Model (Inner Model)**

Inner model analysis or structural model testing is done by looking at the direct and indirect effects between variables. The analysis of the inner model begins with PLS in, starting by looking at the R Square for each endogenous latent variable. Its interpretation is the same as the interpretation of the regression. The R² result of 0.67 indicates a "good" model, 0.33 which indicates a "moderate" model, and 0.19 which indicates a "weak" model for endogenous latent variables in the structural model (Ghozali, 2014).

Table 4. 6 Values of R-Square

Variable	R Square	Adjusted R Square
Y	0.757	0.736

Source: Data processed using PLS, 2022

Based on the table above, it can be seen that the results of the R Square of productive zakat performance are 0.757. This shows that the percentage of productive zakat performance can be explained by the effectiveness factor, distribution pattern, and assistance of 75.7% while the remaining 24.3% can be explained by other factors outside this research. Thus, these results indicate that this research model is included in the good category.

➤ **Hypothesis Testing Results Through Path Coefficient (Path Coefficient) and T-Statistic (BootStrapping)**

In testing the hypothesis, it can be done by comparing the t count with the table. With a comparison of t arithmetic and t table can be used to determine whether or not there is an influence between variables. The calculated t value was obtained using the bootstrapping method with the SmartPLS software. Testing using bootstrapping also aims to minimize an abnormality problem for the researcher.

For the size can be seen the value of t-statistics and probability values. To test the hypothesis by using statistical values, for alpha 5%, the t-statistic value used must be above 1.96. So that the criteria for accepting or rejecting the hypothesis are that H1 is accepted and H0 is rejected when the t-statistic > 1.96 (Ghozali, 2014). To reject or accept the hypothesis that is using probability then H1 is accepted if the P value < 0.05. Hypothesis testing is done by looking at the output path coefficient (path coefficient) and bootstrapping results (t-statistics) as follows:

Table 4. 7 Path Coefficient Test Results and T-Statistics

Variable	Original Sample (O)	T Statistics (O/STDEV)	P Values
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Effectiveness _> Productive Zakat Performance	0.116	1.127	0.260
Distribution Pattern _> Productive Zakat Performance	0.766	11.237	0.000
Mentoring _> Productive Zakat Performance	0.610	4.783	0.000

Source: Data processed using PLS, 2022

Table 4.8 Comparison of T-Statistics and T-Table

Variable	T-Stats	T-Table	Information
Effectiveness	1.127	1.96	Influential Insignificant
Channeling Pattern	11.237	1.96	Significant Influence
Accompaniment	4.783	1.96	Significant Influence

Source: Data by researcher, 2022

Effect of Effectiveness Factor (X1), Distribution Pattern Factor (X2), Mentoring Factor (X3) on Productive Zakat Performance (Y). Based on the hypothesis test above, it can be concluded that:

1. Hypothesis 1: Based on table 4.7, shows that there is a positive influence between the X1 variable (Effectiveness) and the Y variable (Productive Zakat Performance) with the original sample coefficient value of 0.116 but not significant. This is because the magnitude of the T-Statistic value for the X1 variable to the Y variable is below 1.96, which is 1.127 and the Probability Value is worth more than 0.05, which is 0.260. So, it can be concluded that H1 is acceptable.
2. Hypothesis 2: Based on table 4.7 shows that there is a positive influence between the X2 variable (Distribution Pattern) and Y variable (Productive Zakat Performance) with the original sample coefficient value of 0.766 and significance. This is evidenced by the large value of T Statistics for the X2 variable to the Y variable above 1.96, which is 11.237 and the Probability Values is less than 0.05, which is 0.000. So, it can be concluded that H2 is acceptable.
3. Hypothesis 3: Based on table 4.7 shows that there is a positive influence between the X3 variable (Assistance) and Y variable (Productive Zakat Performance) with the original sample coefficient value of 0.610 and significant. This is evidenced by the magnitude of the T Statistic value for the X3 variable to the Y variable above 1.96, which is 4.783 and the Probability Value is worth less than 0.05, which is 0.000. So it can be concluded that H3 is acceptable.

Discussion

Based on the test results, the researcher uses SmartPLS in processing the data, thus indicating that the effectiveness variable has no significant effect on the performance of productive zakat. Then the variable pattern of distribution has a significant effect on the performance of productive zakat and

the last variable of assistance has a significant effect on the performance of productive zakat. The following is an explanation of these points.

1. Effect of Effectiveness Factors on Productive Zakat Performance

Based on the validity test and reliability test using the SmartPLS test tool. It can be seen that the effectiveness factor variable is reflectively shaped with 4 questions from 4 indicators.

The following are the results of the Outer Model Variable Effectiveness table:

Table 4.9 Results of Effectiveness Statements on Productive Zakat Performance

Variable	Statement	Outer Model Measurement
(X1.1)	After receiving productive zakat funds, the business run by mustahik is as expected.	Getaway
(X1.2)	The Labuhan Batu Regency Baznas Institution has carried out the socialization of the productive zakat fund assistance program well.	Getaway
(X1.3)	The productive zakat fund assistance program can cope with the economy during the Covid-19 pandemic	Getaway
(X1.4)	representative, and accountable community institutions.	Getaway

Source: Data processed using PLS, 2022

Based on table 4. 9 effectiveness variables are proxied by four statements distributed on a Likert scale to mustahik at the Labuhan Batu Regency Baznas institution. In this study, the four indicators passed in the measurement of the outer model, namely Effectiveness (X1.1), (X1.2), (X1.3), and (X1.4).

Based on the hypothesis testing that the proposed H1 is accepted and H0 is rejected. Table 4.9 shows that the t statistic for the construct of the effectiveness factor on the performance of productive zakat is below 1.96, with a value of 1.127 so the effect given by the effectiveness factor on the performance of productive zakat is not significant. The coefficient value of the latent variable of the effectiveness factor in table 4.9 is 0.116, which means that there is a positive effect of 11.6% on the construct of productive zakat performance. Thus, it can be seen that H0 is rejected and H1 is accepted.

2. The Effect of Distribution Pattern Factors on Productive Zakat Performance

Based on the validity test and reliability test using the SmartPLS test tool. It can be seen that the distribution pattern factor variable is reflectively shaped with 2 questions from 2 indicators.

The following are the results of the Outer Model Variable Distribution Pattern table:

Table 4.10 Results of Distribution Pattern Statements on Productive Zakat Performance

Variable	Statement	Outer Model Measurement
(X2.2)	Productive zakat fund assistance during the Covid-19 pandemic is very useful for small business actors to get business capital.	Getaway
(X2.3)	In my opinion, the application for business capital from productive zakat funds at the Baznas Institution for small business capital assistance is better and the process easier.	Getaway

Source: Data processed using PLS, 2022

Based on table 4. 10 distribution pattern variables are proxied by two statements distributed on a Likert scale to mustahik at the Labuhan Batu Regency Baznas institution. In this study, the two indicators were declared to have passed the measurement of the outer model, namely the distribution pattern (X 2.1) and (X 2.2).

Based on the hypothesis testing that the proposed H2 is accepted and H0 is rejected. Table 4.10 shows that the statistical t value for the distribution pattern factor construct on the performance of productive zakat is above 1.96, with a value of 11.237 so the influence given by the distribution pattern factor on the performance of productive zakat is proven to be significant. The coefficient value of the latent variable of the distribution pattern factor in table 4.10 is 0.766, which means that there is a positive effect of 76.6% on the construct of productive zakat performance. Thus, it can be seen that H0 is rejected and H2 is accepted.

3. The Influence of Mentoring Factors on Productive Zakat Performance

Based on the validity test and reliability test using the SmartPLS test tool. It can be seen that the mentoring factor variable is reflectively shaped with 3 questions from 3 indicators.

The following are the results of the Outer Model Table of Mentoring Variables:

Table 4.11 Results of Mentoring Statements on Productive Zakat Performance

Variable	Statement	Outer Model Measurement
(X3.1)	Recipients of productive zakat are given training in entrepreneurship according to religious law.	Getaway
(X3.2)	After the family's economy was prosperous, I was willing to become a muzakki at the Labuhan Batu Regency Baznas Institute.	Getaway
(X3.3)	Recipients of productive zakat are supervised by amil parties from the start of	Getaway

	funds being distributed to mustahik until the business is running.	
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Source: Data processed using PLS, 2022

Based on table 4. 11 mentoring variables are proxied by three statements distributed on a Likert scale to mustahik at the Labuhan Batu Regency Baznas institution. In this study, the three indicators were declared to have passed the measurement of the outer model, namely Mentoring (X 3.1), (X 3.2), and (X3.3).

Based on the hypothesis testing that the proposed H3 is accepted and H0 is rejected. Table 4.11 shows that the t-statistical value for the construct of the facilitation factor on the performance of productive zakat is above 1.96, with a value of 4.783 so that the influence given by the mentoring factor on the performance of productive zakat is proven to be significant. The coefficient value of the latent variable of the mentoring factor in table 4.11 is 0.610 which means that there is a positive effect of 61% on the construct of productive zakat performance. Thus, it can be seen that H0 is rejected and H3 is accepted.

5. CONCLUSION

This study was conducted to see whether the variables of effectiveness, distribution pattern and assistance affect the performance of productive zakat. From the results of this study, it was concluded that the variables of effectiveness, distribution pattern, and assistance had a significant effect on the performance of productive zakat at the BAZNAS Institute in Labuhan Batu Regency, North Sumatra.

The conclusion can be seen as follows:

- 1) The effectiveness variable has no significant effect on the performance of productive zakat at the BAZNAS Institute in Labuhan Batu Regency. If the effectiveness is further improved, the performance of productive zakat on the welfare of mustahik will increase significantly.
- 2) The distribution pattern variable is very influential and significant in the performance of productive zakat at the BAZNAS Institute in Labuhan Batu Regency. If the distribution pattern is further improved, the performance of productive zakat on the welfare of mustahik will increase significantly.
- 3) The mentoring variable is very influential and significant in the performance of productive zakat at the BAZNAS Institute in Labuhan Batu Regency. If the assistance is further improved, the performance of productive zakat on the welfare of mustahik will increase significantly.

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