



## SOCIAL ENTREPRENEURSHIP INTEGRATION FOR PRODUCTIVE ZAKAT EMPIRICAL STUDY OF PROGRAM DESA BERDAYA RUMAH ZAKAT INDONESIA

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### ABSTRACT

The purpose of this study was to explore the value attributes developed in the distribution of zakat in economic empowerment programs with a social entrepreneurship approach at zakat institutions in Indonesia. The method used is a single case study in the Rumah Zakat Indonesia (RZ) Empowered Village Program. Research data were collected through a literature study, observational interviews, and interviews. The analysis technique uses descriptive analysis. The results of the study conclude that there are three value attributes developed by RZ in the economic empowerment programme, namely innovation attributes, organizational leadership attributes, and resource and network mobilization attributes. Furthermore, the researcher proposed eight research propositions as recommendations for further research. This study implies that the use of a social entrepreneurship approach in the distribution of zakat will increase the effectiveness of poverty alleviation. This study contributes to the literature on the distribution of zakat with a social entrepreneurship approach.

**Keywords:** Social entrepreneurship, Social transformation, Zakat distribution

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### INTRODUCTION

The phenomenon of social entrepreneurship has received increasing attention in an effort to address various social challenges, including poverty discussion (Pless, 2012; Mohd & Abd, 2014). This approach combines entrepreneurial principles with social goals to create sustainable change (Mair & Marti, 2006). In the context of zakat institutions, the social entrepreneurship approach becomes relevant because zakat not only functions as an instrument of economic redistribution but also has the potential to empower people economically (Toor & Nasar, 2004; Ryandono & Wijayanti, 2019).

Zakat institutions in Indonesia have a strategic role in encouraging social transformation through economic empowerment programs. However, in its implementation, there are still challenges, such as the lack of innovative strategies and programmes (Susilowati & Setyorini,





2018). The Desa Berdaya program run by Rumah Zakat (RZ) is one example of an initiative that uses a social entrepreneurship approach in productive zakat distribution. The program aims to increase the independence of Mustahik through various community-based programs covering the economic, education, health, and environmental sectors of poverty (Shirazi & Amin, 2010 Sarea, 2012).

To date, several studies have tried to link between social entrepreneurship and zakat institutions, but there is still a gap expressed in terms of understanding as well as implementation especially on economic empowerment programs (Alvord et al., 2004; Bahri et al., 2019). This research attempts to close the gap by analysing the value that is sought in the process of socially distributing zakat. This research was conducted using a case study on the RZ Empowered Village Programme to find out what are the factors that support the success of the programme and formulate a research proposition that is expected to provide recommendations for the development of similar programmes in the future.

The results of this research are expected to make a significant contribution to improving the existence of zakat institutions as empowered social agents that can be effective in overcoming poverty. In addition, it is hoped that this research can contribute to the development of a zakat distribution model based on social entrepreneurship in a systematic and sustainable manner.

## **LITERATURE REVIEW**

### **Social Entrepreneurship and Social Transformation.**

Social entrepreneurship is defined by Mair and Marti, as cited by Pless, (2012), as a process that involves the use of innovation and the combination of resources to capitalise on opportunities, catalyse social change, and meet social needs. It focuses on solving social problems and driving social change (Chatterjee et al., 2021). Social entrepreneurship organisations are characterised by their commitment to finding solutions to social problems and driving sustainable social transformation as part of their organisational mission (Alvord et al., 2004; Hervieux & Voltan, 2018; Gupta et al., 2020). According to Donenfeld, (1940), social entrepreneurial organisations act as social change agents with the mission of creating social change by (1) adopting the mission of creating and sustaining a social mission, (2) recognising and exploiting new opportunities to fulfil that mission, (3) continuously innovating, adapting and learning, (4) acting boldly without being constrained by resources, and (5) demonstrating high accountability to the constituents they serve for the results achieved.

Alvord et al., (2004), divide it into three perspectives in interpreting social entrepreneurship, namely: (1) the first perspective, social entrepreneurship is defined as combining business activities with social goals. In this perspective, entrepreneurs take advantage of their business capabilities in creating business opportunities for social purposes. (2) the second perspective views social entrepreneurship as a business activity run by a non-profit organization to support the organization's social goals (Zainon et al., 2014). (3) the third perspective is the use of social entrepreneurship values as an innovation in overcoming social problems (Noruzi & Westover, 2011). In the third perspective, a social entrepreneur focuses attention on innovation and social order in catalyzing social transformation (Dees, 1940). A social entrepreneur tries to produce social change gradually, by integrating with the existing social system to catalyze social change on a large and long-term scale (Sen, 2007). In this tradition, a social entrepreneur must be able to understand the basic problems he faces and the structure of the existing social order. In this way, a social entrepreneur can develop a new





paradigm in encouraging the birth of social change in a stronger social structure (Alvord et al., 2004).

The researcher understands, however, that the three perspectives of social entrepreneurship as described above can be used as approaches in solving social problems. However, in this study, the researcher focuses on the latter perspective where social entrepreneurship is an effort to provide innovative solutions to social problems through the mobilization of ideas, resource capacities, and social structures needed in transforming sustainable social change.

### **Development Studies Theory, Organizational Theory and Social Movement Studies in Social Transformation**

The study of social transformation cannot be separated from three main theories as references, namely development studies theory, organisational theory, and social movement theory (Alvord et al., 2004). Development studies focus on how innovation is needed to face economic, social, and political challenges in carrying out social transformation (Korten, 1980; Uvin et al., 2000). Organizational theory is used to identify the characteristics of social entrepreneur organizations that can be seen from the vision and mission, strategy, organizational architecture, and the ability to learn from experience in carrying out social transformation (Alvord et al., 2004). Meanwhile, social movement theory is used to understand how the characteristics of the attributes needed in the process of social transformation are used.

This study integrates three theories to examine the practice of social entrepreneurship in economic empowerment programs. The researchers utilized innovation attributes (Alvord et al., 2004), organizational leadership attributes (Korten, 1980), and resource mobilization attributes (Korten, 1980) to identify social entrepreneurship practices in the economic empowerment program of Rumah Zakat Indonesia. Innovation attributes are applied to identify the characteristics of innovations developed by the organisation that contribute to the success of social transformation. Organisational leadership attributes help to assess how the leadership characteristics fostered by the organisation support the implementation of social transformation. Lastly, resource mobilisation and network attributes are used to explore how social entrepreneurship organisations leverage and mobilise resources and networks to facilitate social transformation.

### **Social Entrepreneurship Zakat Institutions and Social Transformation**

Zakat is an Islamic financial instrument to overcome the problem of poverty. Zakat institution is an organization whose function is to collect and distribute zakat to those who are entitled to receive it. Based on this function, institutions are agents of social change who have the responsibility to carry out social transformation (Nafik H.R, 2012). The distribution of zakat should use a strategy that can empower mustahiq (zakat recipients) to be able to transform themselves into muzakki (zakat payers). Today's zakat distribution program should be more emphasise the pattern of empowerment in the form of productive zakat. This characteristic is considered more effective in building Mustahik's independence (Ryandono & Wijayanti, 2019). Various studies that have been conducted argue that the distribution pattern of productive zakat is the right strategy in empowering the community to create social change (Makhrus & Mukarromah, 2020; Suarni, 2019; Bahri et al., 2019).

Meanwhile, the social entrepreneurship approach in the distribution of productive zakat is considered to be the right strategy choice in the process of transforming mustahiq into muzakki (Nafik H.R, 2012; Rijal et al., 2018; Widiastuti et al., 2019; Ryandono & Wijayanti,





2019). The distribution of zakat with an empowerment pattern with a social entrepreneurship approach is believed to have a positive impact in the long-term and sustainable, which in turn will be able to deliver zakat recipients to a better life (Suarni, 2019). According to Furqani et al., (2018), this kind of empowerment process requires zakat institutions to be able to build mustahiq independence, increase their participation, maximize networks, and grow mustahiq's confidence in the strengths they have in transforming themselves into a better state.

## **METHODOLOGY**

This research uses a qualitative approach with a single case study design (Yin, 2018) to explore the practice of social entrepreneurship in zakat-based economic empowerment. This study is based on the interpretivism paradigm (Bryman, 2008), which focuses on the subjective understanding of social phenomena through interactions and meanings given by participants.

Data were collected through observation, in-depth interviews, and literature review. Observations were conducted in three Desa Berdaya programme implementation locations that have successfully established community-owned enterprises (BUMMAS), namely Bligo Village, Magelang District; Sidomulyo Berdaya Village, Purworejo District; and Candibinangun Pakem Village, Bantul District, Yogyakarta. Interviews were conducted with seven key respondents, consisting of one Volunteer Inspiratif regional coordinator for Desa Berdaya, four Volunteer Inspiratif, and three group leaders of economic empowerment programme beneficiaries.

Data analysis was conducted in three stages. The first stage was content analysis of news, reports, articles, and videos about the Desa Berdaya programme to understand how the programme contributes to social transformation. The second stage was in-depth observation and interviews to confirm the preliminary findings and identify the value attributes developed by Rumah Zakat as a social entrepreneurship institution. The third stage is the development of research findings into research propositions to provide a new understanding of the implementation of social entrepreneurship-based economic empowerment programmes.

The analysis technique used was thematic analysis (Braun & Clarke, 2006) with the help of NVivo software to organise, code, and analyse the data systematically. The validity of the research results was enhanced through source triangulation (Patton, 2002), by comparing the results of interviews, observations, and secondary documents.

The results of this research are expected to contribute to strengthening the existence of zakat institutions as social empowerment agents that are more effective in alleviating poverty. In addition, this research is also expected to be a reference for the development of a more systematic and sustainable social entrepreneurship-based zakat distribution model.

## **RESULTS AND DISCUSSION**

### **Transformation of Rumah Zakat into a Social Entrepreneurial Institution**

Rumah Zakat (RZ) is the only zakat institution in Indonesia that has declared itself a world-class philanthropic organisation with the main vision of social empowerment. This is clearly stated in RZ's vision for 2020, namely "Professional Empowerment-Based International Philanthropy Institute". RZ has been around for more than 20 years since it was first established in 1998 when it was named Dompot Sosial Umul Quro (DSUQ). At the beginning of its establishment, DSUQ was still a traditional institution. DSUQ, which has now changed its





name to RZ, has recorded four institutional transformations. The 2006 period became the first period of RZ's transformation. This period became the most important phase for RZ because of the "Transformation from Traditional Corporate to Professional Corporate". In this first transformation, RZ transformed into a professional zakat institution with a mission to build community independence through productive empowerment. Carrying out social empowerment programs that focus on four main areas, namely Edu Care, Health Care, Youth Care, and Eco Care which are summarised in the Integrated Community Development (ICD) concept as community-based integrated community development and empowerment concept.

The second phase of RZ's transformation occurred in 2010. RZ has further established its identity as a professional international philanthropic institution with the vision of "Becoming an NGO (Non-Government Organization) in the Field of Philanthropy and Social Empowerment with a Global Standard". In this phase, RZ transformed by calling itself a World-Class Social NGO. This transformation is a manifestation of RZ's commitment to perfecting itself as an international Non-Government Organization (NGO). In this phase, the transformation is marked by the implementation of more professional work culture values by carrying out brand values, trusted, progressive, and humanitarian. Trusted is defined as running a business professionally, transparently, and reliably. Progressive is defined as always daring to innovate and educate to get more benefits. Humanitarianism is meant to facilitate all humanitarian efforts sincerely and universally for all human beings. Transformation of the empowerment program with the title "Arranging Indonesian Smiles". The empowerment project is carried out by focusing on three main program focuses, namely health (Healthy Smile), education (Senyum Champion), and a decent life (Senyum Mandiri) while maintaining the concept of Integrated Community Development (ICD) with the main target of increasing the Human Development Index (IPM). and the Human Development Index (HDI).

In 2016, RZ entered the third phase of institutional transformation by declaring itself an Entrepreneurial Institution with the vision of an 'International Philanthropic Institution Based on Professional Empowerment.' In this phase, RZ continues to uphold its trusted brand values, which are progressive and humanitarian. RZ also developed the 'Menata Senyum Indonesia' programme by launching the BIG SMILE movement, encouraging community involvement in self-empowerment and environmental improvement. The empowerment programme, which is part of the Integrated Community Development (ICD) scheme, focuses on four main areas: Smile of Health, Smile of Champion, Smile of Independence, and Smile of Sustainability. This area-based integrated empowerment programme is aligned with the Millennium Development Goals (MDGs) and aims to achieve eight key targets: eradicate poverty and hunger, ensure primary education for all, promote gender equality and empower women, reduce child mortality, improve maternal health, combat HIV and AIDS, ensure environmental sustainability, and build global partnerships for development.

The fourth phase of RZ's transformation was carried out in 2020 to strengthen RZ's steps as an Entrepreneurial Institution with the vision of "A Professional Empowerment-Based International Philanthropy Institution". RZ formulates two main strategies to support the achievement of the organisation's vision, namely, Entrepreneurial Mindset and Innovative Culture. Entrepreneurial Mindset is an effort to build amil competence with entrepreneurial mindset characteristics that are creative and adapt quickly to information developments. Innovative Culture is a strategy to create a work environment that supports the development of innovative ideas. RZ develops four main values as a working foundation for all amil, namely synergy, inspiration, trustworthiness, and professionalism with a collaborative, progressive, trusted, and humanitarian work culture. In this phase, the social empowerment program also underwent a significant transformation. The Indonesian Smile Arrangement Program was replaced with the Empowered Village program. Empowered Village is a concept of community







empowerment within the village scope with an integrated approach through four main programs, namely education program, environment initiative, economic empowerment, health program, and seasonal program.

According to the annual report released by RZ in 2019, it was stated that during the four years since the concept of the Empowered Village, as a model for community social empowerment programs was implemented, it had shown significant results. It is recorded that no less than 124 Community-Owned Enterprises (BUMMAS) have been operating and have significantly increased the income of all their members. A total of 1620 villages spread across 30 provinces, 74 cities, and 212 regencies in Indonesia have been successfully empowered, and 41% of mustahik have succeeded in improving their welfare through economic empowerment programs, and 21.4% have moved out of the poverty line.

### **Innovation Attribute Characteristics**

The researcher succeeded in identifying the value attributes developed by RZ in implementing the economic empowerment program with a social entrepreneurship approach. The value attributes developed by RZ are grouped into three classifications, namely innovation attributes, organisational leadership attributes, and resource and network mobilisation attributes. In identifying the three characteristics of these attributes, the researcher bases the analysis on the periodisation of institutional transformation carried out by RZ for the period 2006 - 2020. The characteristics of the innovation attributes carried out by RZ as described in Table 1 show that the characteristics of the innovations of the economic empowerment program carried out by RZ have the same pattern and are carried out consistently. The characteristics of RZ's economic empowerment innovation can be seen in four main characteristics, namely; (1) economic empowerment program in the form of business capital assistance or business support facilities focused on strengthening business actors or prospective micro business actors who are members of one business group, (2) the economic empowerment program is directed at strengthening the type of business or business field following the existing potential in the target area, (3) the pattern of mentoring and coaching is carried out in a structured, sustainable manner and, (4) the pattern of economic empowerment is carried out simultaneously or integrated with empowerment programs in other fields, namely the fields of education, health, and the environment. All empowerment programs are packaged in one concept known as Integrated Community Development (ICD). A summary description of the characteristics of the RZ innovation attributes is presented in Figure 1 of the following:



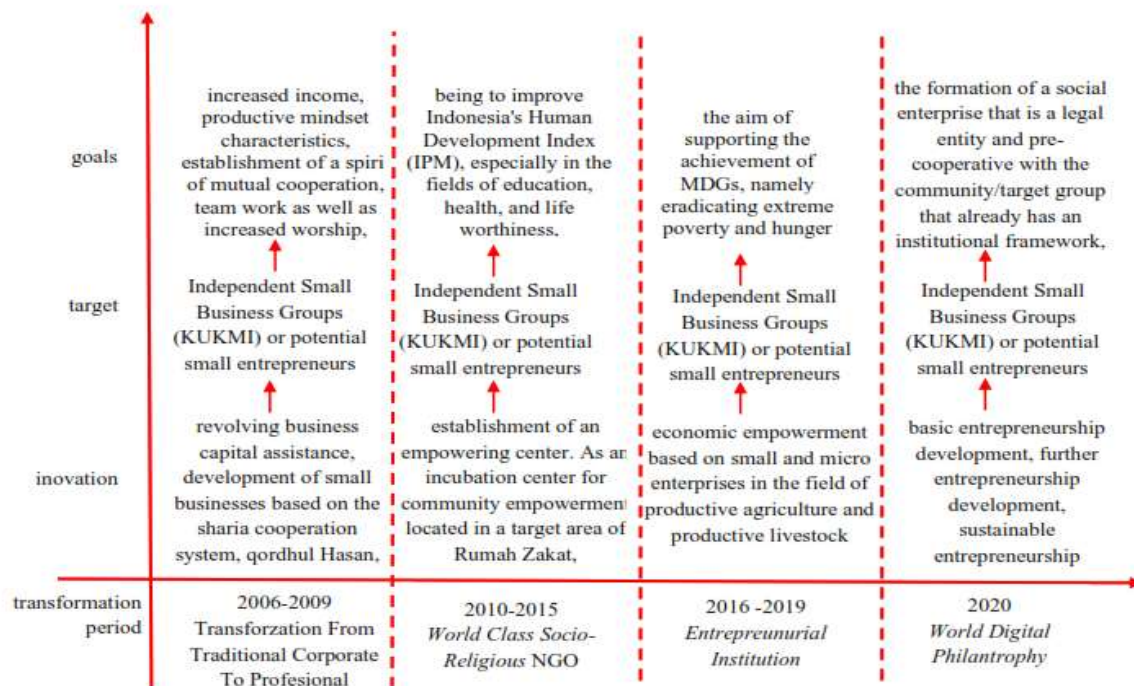


Figure 1: The process of transformation and innovation of economic empowerment programs  
Source: research data processed, 2021

The characteristics of innovation in the economic empowerment programme have been going on for more than 15 years since the first transformation of RZ. In 2019, RZ reported that the economic empowerment program had succeeded in bringing as many as 253,211 families receiving services out of the poverty line. A total of 124 BUMMAS (Community-Owned Enterprises) consisting of 48 micro-business enterprises, 44 microfinance enterprises, and 32 agri-business enterprises have been operating and developing. The existence of BUMMAS has brought significant changes to people's lives, especially its members. The presence of BUMMAS Microfinance has been able to break the debt chain from moneylenders and the community's dependence on middlemen. In addition, socially BUMMAS has grown a new social system in the community in solving problems faced through well-established collective values. Economically, BUMMAS has had a significant impact in the form of increasing income for its members.

The success of the RZ economic empowerment programme cannot be separated from the innovation in the form of the concept of the Empowered Village. Empowered Village as an empowerment model based on the target area in one village based on local potential mapping in the fields of health, education, economy, and the environment. This empowerment model is also known as Integrated Community Development (ICD). Implementing this integrated empowerment program has given birth to positive energy in the form of enthusiasm from social groups to actively participate in transforming themselves out of poverty. ICD is an empowerment innovation model that solves a village problem precisely according to need.

The economic empowerment program for communities who are members of the Independent Small Business Group (KUKMI) is not only in the form of business capital assistance or business support equipment. Still, it is accompanied by continuous coaching and mentoring by trained Inspirational Volunteers. This volunteer is a facilitator who plays a strategic role not only as a companion but also as an environmental activator, empowerer,





community advocate, and empowerment surveyor. Mentoring and coaching carried out in stages starting from basic entrepreneurship, advanced entrepreneurship to sustainable entrepreneurship is considered to have a major contribution to the success of economic empowerment. The contribution of inspiring volunteers is very important in the success of the economic empowerment programme. This was also confirmed by the statement of Eko Putro Sandjojo, Minister of Villages, Development of Disadvantaged Regions and Transmigration for the period 2016 to 2019 in his testimony quoted from the 2019 Annual Report of the Zakat House:

*"The Empowered Village initiated by Rumah Zakat is very good, so it helps the government's program in alleviating poverty in villages, the key to building a developed village is not only money but also needs assistance"*

The existence of inspiring volunteers has a very strategic role in the success of the empowerment program. In an interview with Anantiyo Widodo as the coordinator of the Volunteer Inspiration area, he explained how the role of Volunteers of Inspiration was to assist as quoted below:

*"As long as I am assisting the Empowered Village program, in my opinion, there are three elements that can determine the success of the program, namely, firstly, the success of Indonesia in mapping local potentials, secondly, Indonesia's ability to establish synergy with various village elements, and thirdly, Indonesia's ability to change mindsets. ) citizens to make changes. I am sure that when these three things are successfully implemented, the program will also be successful"*

Furthermore, Anantiyo explained how the stages of implementing the Empowered Village program were from beginning to end. He explained:

*"Inspiration volunteers are given the task of assisting for three years. In the first year, our task was to map local potentials, build synergies with various village elements such as village officials and various groups and communities in the village. At this stage, our target is to get accurate data about local potentials that can be developed and to be able to equalize perceptions about the concept of the Empowered Village. Furthermore, in the second year, our focus is to intervene in empowerment programmes for groups of economic actors in the village. The form programmes include training, capital assistance, equipment, production, and marketing assistance. Meanwhile, in the third year, our task is focused on how to strengthen institutions for groups of economic actors. Our target in this third year is the formation of BUMMAS, a Community Owned Enterprises"*





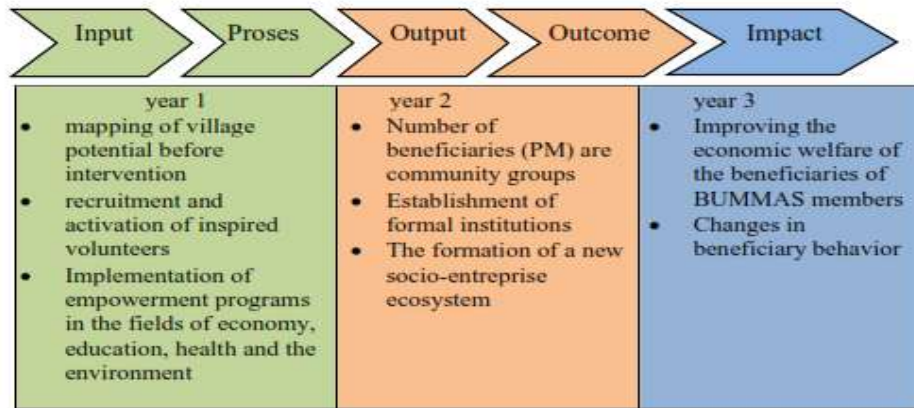


Figure 2: Empowerment framework for the Empowered Village program  
 Source: data processed, 2021

Based on the description of the characteristics of the innovation attributes of the RZ economic empowerment program above, three research propositions can be formulated as presented in the Table 1 following:

Table 1: Proposition Characteristics of Innovation Attributes

Descriptions	Innovation Characteristics	Proposition Description
Proposition 1	Community-based economic empowerment model	The economic empowerment program will be successful if it is carried out with a community-based approach by utilizing the potential of the local economy.
Proposition 2	Integrated Empowerment Models	The economic empowerment program will be successful if it is carried out with an integrated approach with other area-based fields.
Proposition 3	Continuous Coaching And Mentoring Model	The economic empowerment program will be successful if it is accompanied by intensive and sustainable assistance and guidance.

Source: processed data, 2021

### Characteristics of Organizational Leadership Attributes

Leadership growth has become RZ's strategy to continue to be sustainable and develop with the changing times. The leadership that continues to change periodically proves that RZ is a modern organisation that prioritises regeneration. The vertical growth of the organisation is marked by the addition of representative offices in all provinces in Indonesia and has even expanded overseas. Currently, RZ has representative offices in 30 countries in the world, including America, Europe, the Middle East, and Asia. This proves that RZ is a dynamic entity (not stable). This condition is also proof of RZ's good credibility in the eyes of the public, as currently, no less than 500 thousand more donors entrust their donations through RZ. The high level of public trust in RZ is always balanced with policies to improve the quality of the





organisation's services. The commitment to always provide excellent service is realised through the four work culture values developed by RZ. A collaborative, progressive, trusted, and humanitarian work culture is the spirit of every individual at RZ in producing the best performance. A work culture that always puts forward the spirit of collaboration, the spirit of presenting new creative ideas and ideas, always upholding professionalism, with universal values has brought thousands of poor households out of the poverty line.

The success of this economic empowerment program cannot be separated from the characteristics of the organisation's leadership in empowering human and organisational resources to achieve the set targets. Researchers identified three main characteristics of organisational leadership attributes developed by RZ in supporting empowerment programs. The characteristics of organisational leadership attributes include growing leadership characteristics, organisational work culture characteristics, and continuous learning characteristics. In detail, the characteristics of organisational leadership attributes are presented in Figure 3 of the following:

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Inspiration volunteers are one of the elements that are required to be able to carry out the right leadership model in organising members of the beneficiary group. Dedi Runanto, an Inspirational Volunteer for Empowered Villages in Sidomulyo, Purworejo Regency, told how he built the spirit of the villagers to rise from the economic downturn and succeeded in establishing BUMMAS, a Waste Bank with more than 200 family members.

*"... the key is friendship. At first, I made friends with the head of the Community Association (RW), the head of the Neighborhood Association (RT), and community leaders. In the early years of my first year, I did mentor almost every day, I planned to meet up. The purpose is only to explain the concept of the Empowered Village. Alhamdulillah, from the gathering, village elements and residents welcomed it well. Until finally formed BUMMAS Garbage Bank."*

The success of changing the mindset of villagers to be empowered cannot be separated from the persistence and sincerity of Inspiration Volunteers. They act expecting anything in return for what they do. They feel happiness and satisfaction when they see the people they work with are progressing. No material motivation encourages volunteers to carry out mentoring tasks. Their only motivation is the spirit of spreading kindness in society. This is as expressed by Dedi Runanto:





*“...every day I go to the village. I thought that if I didn't go to the village, what would I do at home? I think being a volunteer is a happy job. I am willing to do all of this because by doing this I get happiness”*

The sincerity of the volunteers was acknowledged by Harimawan, the head of the beneficiary group from Kaigono Village, Purworejo Regency:

*“...to be honest, my economic condition was very poor at first. I thank the volunteers. From the volunteers, I was mentored, given capital, given training, and helped to open access to the service. Alhamdulillah now I and other friends are getting better little by little. Anyway, their volunteers are amazing”*

<u>Leadership</u>	<u>Organizational work</u>	<u>Continuous</u>
carry out the institutional transformation, Placing Human Resources as an important asset of the organization, the organization develops vertically and	Collaborative, Progressive, Trusted, Humanitarian	commitment to always improve the capacity of human resources

Figure 3: Characteristics of Organizational Leadership Attributes

As an organisation with a growing leadership model, RZ recognises the existence of human resources as the most important asset. Efforts to ensure that the organisation is always supported by qualified, competent, creative, and responsive human resources have become the commitment of RZ management. A targeted and sustainable human resource development program is RZ's strategy in meeting human resource needs. Training programs and various policies for developing the quality of human resources have made the principle of continuous learning an obligation for every individual who is a member of RZ. The three characteristics of organisational leadership are one of the factors that support the success of the economic empowerment program. Based on the description above, the proposed research proposition is as follows:





Table 2 :Proposition Characteristics of Organizational Leadership Attributes

Descriptions	Characteristics Attributes of Organizational leadership	Proposition Description
Proposition 4	Leadership grows	The leadership characteristics of the growing organization will support the success of the economic empowerment program.
Proposition 5	Organizational work culture	Belief in organizational work culture values can support the success of economic empowerment programs.
Proposition 6	Continuous Learning	The principle of continuous learning in the organization will support the success of the economic empowerment program

### Characteristics of Resource and Network Mobilization Attributes

RZ's success in carrying out economic empowerment cannot be separated from its success in mobilising resources and networks. Collaborative as a developed work culture value has fostered the commitment of all elements of the organisation to open the widest possible space in establishing and collaborating with other elements. RZ fully understands that community social problems are so complex that they require active participation from all components of society.

The researcher succeeded in identifying the pattern of resource and network mobilisation carried out by RZ. There are two models of mobilization approach that are carried out by RZ to support the success of the economic empowerment program, namely vertical mobilisation and horizontal mobilisation. Vertical mobilisation is RZ's ability to optimally mobilise potential resources that exist internally and externally to the organisation to support the realisation of the various achievement targets that have been set. The success of carrying out vertical mobilisation is marked by the success of RZ in carrying out institutional expansion. Currently, the institutional expansion of RZ has spread to 30 provinces in Indonesia, with the number of donors reaching more than 500 thousand people. In addition, in 2019, RZ succeeded in developing an international funding network spread across 30 countries in the world, including America, Europe, the Middle East, and Asia. In addition, RZ's success in garnering support from external parties as partners is also very impressive. RZ groups external partners into four categories. First, the CSR partners comprise 42 national and international companies, such as the State Gas Company (PGN), Pertamina, Telkom, Indosat, and others. The two shopping charity partners, namely RZ partners, market products resulting from entrepreneurship assistance. Currently, there are no less than 12 partner companies that have collaborated with RZ, such as LAZADA and Blibli, Tokopedia, Shopee, and others. The three ZIS partners and payment channels, namely partners in facilitating the ease of paying zakat, there are more than 80 partners who collaborate with RZ such as OVO, Traveloka, GOPAY, Kitabisa.com, and others. The last is a media partner, namely RZ's partner in penetrating communication to the public, it is recorded that at least 30 print and electronic media have collaborated with RZ.

Horizontal mobilisation is RZ's ability to mobilise and optimise the potential or strengths that exist in the social community that is the target object of the empowerment







program. The success of the economic empowerment program cannot be separated from the presence of volunteers called inspirational volunteers. In 2018 there were more than 2767 inspiring volunteers involved in economic empowerment. Inspirational volunteers are the spearhead of the program's success because through them RZ can effectively mobilise community resources to be used optimally in supporting the success of the program. In summary, the characteristics of resource mobilisation and network attributes are presented in Figure 4 below:

<u>Vertical mobilization</u>	<u>Horizontal mobilization</u>
1) establishment of Integrated Community Development (ICD) 2) inspiring volunteer team 3) establish a Volunteer campus and Youth Development Center (YDC), 4) organize training and motivation 5) establish strategic partnerships with community components 6) take an active role in international events 7) organize Corporate Gathering programs, 8) Organizing the Zakat Culture Event (GBZ) 9) do a campaign let's share happiness 10) establish partnerships with marketing companies 11) cooperate with various media, both print, electronic and online media.	1) develop the organizational structure according to the demands of the situation. 2) carry out institutional expansion in a sustainable manner 3) develop information technology systems in a sustainable manner 4) technology development to donate

Figure 4: Characteristics of Resource and Network Mobilization Attributes

The success of the economic empowerment program cannot be separated from the success of RZ in mobilising the potential and opportunities of the organisation's internal and external resources. Internal mobilisation has resulted in a profile of zakat institutions with international reputations. Horizontal mobilisation is the determinant of RZ's success in gathering support from various components of society, corporate, and government nationally and internationally. At the village level, the ability of RI to establish synergy with various village components in supporting the Village program is a challenge in itself. The diversity of characters, the level of public education, and public scepticism towards the program are the main challenges faced by Indonesia. This is as described by Jarot, a Berdaya Village volunteer in Candibinangun Pakem village, Bantul Regency, Yogyakarta, as follows:

*“In the early days of this program, our toughest challenge during our mentoring was to build the cohesiveness of the business group. It is very difficult to match their vision, especially to build a vision of a mindset to move forward. I understand, considering their level of education is not high. Besides that, in the beginning, I also had difficulty collaborating with existing village elements, especially the local village government. I think this is because I am not a native here, so it takes longer to establish communication with them. But thank God, now everything is going well,*





*Sambirembé village has now become one of the empowered villages with the concept of the Mina Padi village tourism village”*

Horizontal mobilisation at the village level is the most important element that must be developed, especially by RI. RI's ability to establish synergy with elements of villages, communities, and various existing business groups or communities is challenging for Indonesia. So ideally, the companion RI is a person who comes from a local village. This is to facilitate efforts to gather support for the program. Based on the description above, the research proposition can be formulated as described in Table 3 below:

Table 3 : Proposition Characteristics of Resource and Network Mobilisation Attributes

Descriptions	Characteristics Attributes of Resource and Network Mobilisation	Proposition Description
Proposition 7    vertical mobilisation		The ability to mobilise opportunities and the internal potential of the organisation in a structured and consistent manner can affect the success of economic empowerment programmes.
Proposition 8    Horizontal mobilisation		The ability to mobilise the potential and opportunities of the organisation's external resources can affect the success of economic empowerment programmes

Source: processed data, 2021

## CONCLUSION AND RECOMMENDATIONS

This research has successfully identified the characteristics of the value attributes developed in the best practice of social empowerment with a social entrepreneurship approach. Three characteristics of the value attribute as recommended by Dees, (1940) consist of innovation attributes, organisational leadership attributes, and network resource mobilisation attributes. The three characteristics of the practice of social empowerment with a social entrepreneurship approach have been identified. The innovation attribute in the economic empowerment program consists of three characteristics. First, the characteristics of community-based economic empowerment and local economic potential have a greater chance of success. This is due to a stronger encouragement of participation from the community. Second, integrating economic empowerment programs with empowerment programs in other fields such as health, education, and the environment can be a factor in strengthening success in realising social transformation. The three patterns of mentoring and guidance that are directed and sustainable will foster strong motivation to transform themselves into a better state.

Organisational leadership is a value attribute that has been identified in this study. The leadership model that is adaptive to the times is an important factor in realising organisational





sustainability. The support of competent Human Resources (HR) and a professional organisational culture have shown a strong correlation to the process of social transformation.

Commitment to building collaborative work with various components of society is a basic need for organisations that contribute positively to realising economic independence. Likewise, the success of building economic independence results from the organisation's ability to mobilise all the potential or strengths that come from internal and external to the organisation. The ability to optimally mobilise resources and networks has shown a strong significance to the success of organisations in carrying out economic empowerment.

This study has also developed research findings into eight research propositions, therefore further research is needed so that this proposition gains a solid scientific basis to be implemented in other zakat institutions. Considering that in this case study, researchers only focus on economic empowerment programs, they have not provided a comprehensive picture regarding the issue of social transformation. Further studies are needed to discuss the process of social transformation from various empowerment programs in other fields, such as health, education, and the environment. Finally, the researcher hopes that the results of this study will have implications for strengthening the existence of zakat institutions as social empowerment organisations in Indonesia.

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