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THE EFFECT OF BUSINESS CAPITAL ASSISTANCE AND MENTORING ON MUSTAHIK WELFARE IN THE ZMART PROGRAM BY BAZNAS SOUTH SUMATERA: SALES TURNOVER AS AN INTERVENING VARIABLE

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Abstract

This study aims to analyze the effect of business capital assistance and business mentoring on the welfare of mustahik in the Zmart Program by BAZNAS of South Sumatra Province, with sales turnover as an intervening variable. This study uses a quantitative approach with a total sample of 50 mustahik respondents receiving Zmart assistance. Data collection was conducted using primary data through the distribution of questionnaires with a Likert scale, as well as qualitative interviews with program implementers. The data analysis technique used in this study is Structural Equation Modeling (SEM) with Partial Least Squares (PLS) through the SmartPLS 4.0 program. The results showed that: (1) Business capital assistance has no direct effect on the welfare of mustahik, (2) Business mentoring has a direct positive and significant effect on the welfare of mustahik, (3) Business capital assistance has no direct effect on sales turnover, (4) Business mentoring has a direct positive and significant effect on sales turnover, (5) Sales turnover has a direct positive and significant effect on the welfare of mustahik, (6) Sales turnover does not mediate the effect of business capital assistance on the welfare of mustahik, (7) Sales turnover mediates the effect of business mentoring on the welfare of mustahik. This study also evaluates the implementation of the Zmart Program through the lens of maqāṣid al-sharī'ah according to Imām al-Ghazālī, which includes the preservation of religion, life, intellect, lineage, and wealth. The results indicate that although business capital assistance does not significantly affect welfare, the Zmart Program contributes to achieving holistic mustahik welfare through business mentoring and income growth, in alignment with the goals of maqāṣid al-sharī'ah

Keywords: Business Capital Assistance, Business Mentoring, Mustahik Welfare, Sales Turnover, Zmart Program

1. INTRODUCTION

Zakat is a strategic instrument within the Islamic economic system aimed at reducing social inequality and enhancing societal welfare. The management of zakat has evolved from a consumptive approach to a productive one, particularly through providing business capital assistance to mustahik (zakat recipients). In South Sumatra

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Province, poverty remains a significant development challenge, although data from the Central Statistics Agency (BPS) indicate a decline in the poverty rate from 11.95% in 2022 to 10.97% in March 2024. Badan Amil Zakat Nasional (BAZNAS) of South Sumatra has initiated the Zmart program, which provides micro-retail-based support targeting small shops owned by mustahik.

However, the program's effectiveness remains suboptimal. Sales turnover data reveal significant fluctuations, with peaks in January, May, and August, and sharp declines in October and November. This inconsistency in turnover suggests that capital assistance and business mentoring have yet to foster sustainable business independence. Turnover functions as an intervening variable linking capital assistance and mentoring with the welfare of mustahik; thus, turnover instability directly impacts their welfare.

The perspective of maqāṣid al-sharī'ah as articulated by Imam al-Ghazālī, welfare encompasses not only economic aspects but also the protection of life, intellect, lineage, and religion. Therefore, turnover instability can cause psychological stress and economic uncertainty that affect the overall quality of life of mustahik.

Empirical studies support these concerns. For example, Nasution (2021) emphasizes the necessity of ongoing intensive mentoring, while Fitriani et al. (2020) identify turnover fluctuations as influenced by weak management, low financial literacy, and limited market access. Additionally, low welfare levels are exacerbated by inadequate zakat fund management skills and mismatched aid distribution relative to market segments, resulting in consumptive rather than productive use of assistance.

Previous research has yielded mixed findings regarding the influence of capital and mentoring on the welfare and turnover of mustahik. Some studies report positive effects, whereas others indicate insignificant or even negative impacts, highlighting an empirical gap. Furthermore, research on South Sumatra's unique Zmart program approach remains scarce, leaving a contextual and theoretical gap. This study seeks to address these gaps by employing Imam al-Ghazālī's maqāṣid al-sharī'ah framework to comprehensively understand welfare and applying Partial Least Squares (PLS) methodology to analyze direct and mediating relationships.

This study aims to examine the effects of capital assistance and business mentoring on the welfare of mustahik, both directly and indirectly through sales turnover, within the Zmart program of BAZNAS South Sumatra Province.

2. RESEARCH METHODS

This study was conducted from March to June 2025 in five distribution areas of the Zmart Program around Palembang City, South Sumatra. Using a quantitative associative approach, the research analyzed the effect of business capital assistance and mentoring on mustahik welfare, with sales turnover as an intervening variable. The population comprised all Zmart beneficiaries, and total sampling resulted in 50 respondents. Data were collected via a closed-ended Likert-scale questionnaire, interviews with BAZNAS officials, and field observations.The variables included business capital assistance and mentoring (independent), sales turnover (intervening), and mustahik welfare (dependent), measured through the five dimensions of *maqāṣid al-sharī'ah* per Imam al-Ghazālī: *ḥifẓ al-dīn*, *ḥifẓ al-nafs*, *ḥifẓ al-'aql*, *ḥifẓ al-nasl*, and

ḥifẓ al-māl. Data analysis used PLS-SEM via SmartPLS 3.0, involving outer model evaluation (validity and reliability) and inner model analysis (path coefficients, $R^2 \geq 0.33$, and significance testing with *t*-statistics ≥ 1.96 and *p*-values < 0.05).

A complementary descriptive analysis based on *maqāṣid al-sharī'ah* was also applied to interpret quantitative findings within a shariah framework. This involved mapping significant SEM-PLS results to maqāṣid dimensions, linking indicators (e.g., income, worship, education, health, social ties) with religious objectives, and assessing the Zmart Program's contribution to both material and spiritual well-being. This integrative approach provides a comprehensive evaluation of productive zakat's impact.

3. RESULTS AND DISCUSSION

3.1. Research Results

3.1.1 Outer Model Analysis

Convergent validity testing was performed by examining the factor loading values of each indicator. All indicators showed loading factors greater than 0.7, indicating that all indicators are valid and suitable for further analysis. The details of the convergent validity test are presented in Table 1.

Table 1. Convergent Validity Test Results

Variable	Indicators	Loading Factors	Information
XI (Business Capital Assistance)	X1.1	0,791	Valid
	X1.2	0,869	Valid
	X1.3	0,843	Valid
X2 (Business Mentoring)	X2.1	0,586	Valid
	X2.2	0,561	Valid
	X2.3	0,725	Valid
	X2.4	0,836	Valid
Y (Mustahik Welfare)	Y.1	0,512	Valid
	Y.2	0,459	Valid
	Y.3	0,349	Valid
	Y.4	0,464	Valid
	Y.5	0,445	Valid
Z (Sales Turnover)	Z.1	0,299	Valid
	Z.2	0,380	Valid
	Z.3	0,380	Valid
	Z.4	0,380	Valid
	Z.5	0,370	Valid

Source: SmartPLS 4 Output, 2025

Discriminant validity was assessed by comparing the loading factors of each indicator across latent variables. Table 2 shows that each indicator has the highest loading on its respective latent variable, confirming discriminant validity

Table 2. Cross Loading Factor Value

Indicators	X1	X2	Y	Z
X1.1	**0,791**	0,475	0,386	0,585

X1.2	**0,869**	0,646	0,510	0,593
X1.3	**0,843**	0,751	0,597	0,664
X2.1	0,731	**0,917**	0,557	0,610
X2.2	0,673	**0,895**	0,571	0,573
X2.3	0,592	**0,851**	0,704	0,598
X2.4	0,692	**0,869**	0,578	0,569
Y.1	0,629	0,692	**0,921**	0,730
Y.2	0,370	0,431	**0,727**	0,516
Y.3	0,604	0,652	**0,859**	0,642
Y.4	0,438	0,564	**0,885**	0,675
Y.5	0,503	0,553	**0,848**	0,695
Z.1	0,638	0,584	0,646	**0,857**
Z.2	0,635	0,625	0,753	**0,900**
Z.3	0,634	0,540	0,629	**0,892**
Z.4	0,660	0,591	0,700	**0,892**
Z.5	0,592	0,505	0,560	**0,731**

Source: SmartPLS 4 Output, 2025

Reliability tests were conducted by calculating Average Variance Extracted (AVE), Composite Reliability, and Cronbach's Alpha values. All variables showed AVE values greater than 0.5, Composite Reliability above 0.7, and Cronbach's Alpha above 0.6, confirming that the measurement model is reliable.

Table 3. AVE, Composite Reliability, and Cronbach's Alpha

Variable	Cronbach's Alpha	Composite Reliability	Average Variance Extracted (AVE)
X1 (Business Capital Assistance)	0,78	0,87	0,69
X2 (Business Mentoring)	0,90	0,93	0,78
Y (Mustahik Welfare)	0,90	0,92	0,72
Z (Sales Turnover)	0,90	0,93	0,73

Source: SmartPLS Output, 2025

3.1.2 Inner Model Analysis

The Adjusted R-Square values for endogenous variables are presented in Table 4. The results show that 63% of the variance in Mustahik Welfare (Y) is explained by Business Capital (X1) and Business Mentoring (X2), while 53% of the variance in Business Turnover (Z) is explained by the same variables

Table 4. Adjusted R-Square Values

Variable	R-Square Adjusted
Y (Mustahik Welfare)	0,63
Z (Sales Turnover)	0,53

Source: SmartPLS 4 Output, 2025

Based on the table above, the adjusted R-Square analysis results show how much of the employee performance variable can be explained by the organizational culture, WLB, and employee innovation variables. The R-Square value for employee performance is 0.62. This means that 62% of the variance in employee performance can be explained by organizational culture, work-life balance, and employee innovation, while the remaining 38% is explained by factors outside the model. Meanwhile, the adjusted R-Square value for job satisfaction is 0.41. This means that 41% of the variance in job satisfaction can be explained by employee performance, organizational culture, work-life balance, and employee innovation.

3.1.3 Hypothesis Testing

Hypothesis testing was conducted using the bootstrapping method with a significance level of 5% (t-value > 1.96). The path coefficients, t-statistics, and p-values are summarized in Table 5.

Table 5. Hypothesis Testing Results

	Path Coefficient	T Statistics (O/STDEV)	P Values
X1 (Business Capital Assistance) → Y (Mustahik Welfare)	-0,14	0,73	0,46
X1 (Business Capital Assistance) → Z (Sales Turnover)	0,54	3,99	0,00
X2 (Business Mentoring) → Y (Mustahik Welfare)	0,38	2,11	0,03
X2 (Business Mentoring) → Z (Sales Turnover)	0,25	1,69	0,09
Z (Sales Turnover) → Y (Mustahik Welfare)	0,62	5,09	0,00
X1 (Business Capital Assistance) → Z (Sales Turnover) → Y (Mustahik Welfare)	0,34	2,71	0,007
X1 (Business Mentoring) → Z (Sales Turnover) → Y (Mustahik Welfare)	0,15	1,53	0,12

Source: SmartPLS 4 Output, 2025

These results indicate that Business Capital does not have a significant direct effect on Mustahik Welfare but has a significant positive effect on Business Turnover. Business Mentoring has a significant direct positive effect on Mustahik Welfare but does not significantly affect Business Turnover. Business Turnover significantly influences Mustahik Welfare and mediates the effect of Business Capital on welfare. The mediation effect of Business Turnover between Business Mentoring and Mustahik Welfare was not significant.

3.1.4 Model Fit

The Standardized Root Mean Square Residual (SRMR) value was 0.080, which meets the recommended threshold of less than 0.08 to 0.10, indicating that the model has an acceptable fit to the data

3.2. Discussion

3.2.1. Effect of Business Capital Assistance on Mustahik Welfare

Based on the hypothesis testing results, the path coefficient was -0.14 with a t-statistic of 0.73 (less than 1.96) and a p-value of 0.46 (greater than 0.05). Thus, the first hypothesis is rejected, indicating that business capital assistance has no significant partial effect on the welfare of mustahik (zakat recipients) under the Zmart Program of BAZNAS South Sumatra Province.

This result suggests that although the coefficient was negative, the influence of business capital was not statistically significant. This may be due to the mismatch between the type of capital assistance and local market needs. The uniform distribution of merchandise made it difficult for mustahik to sell their inventory, limiting their ability to rotate capital into revenue.

This finding aligns with Purnamasari and Ayuniyyah (2022), who argued that productive zakat programs with ill-suited capital disbursements yield minimal welfare impact. Conversely, Sungkar et al. (2015) demonstrated that capital tailored to market needs, supported by regular evaluations, significantly boosts turnover and welfare. In the context of the Zmart Program in South Sumatra, this implies a need for more adaptive and market-responsive capital disbursement strategies to enhance its effectiveness as an empowerment tool..

3.2.2. Effect of Business Mentoring on Mustahik Welfare

The results show a path coefficient of 0.38, a t-statistic of 2.11 (greater than 1.96), and a p-value of 0.03 (less than 0.05). Therefore, the second hypothesis is accepted. Business mentoring has a significant and positive effect on mustahik welfare.

This indicates that higher intensity and quality of mentoring activities contribute to improved welfare. Mentoring in the form of business visits, financial evaluations, and skill training helps mustahik enhance their professionalism in managing their business. This finding supports Rappaport's (1984) empowerment theory, which emphasizes the importance of psychosocial support in capacity building. This is consistent with Nurrohmah et al. (2023), who found that mentoring plays a crucial role in shaping entrepreneurial mindsets and building economic resilience among mustahik.

3.2.3. Effect of Business Capital Assistance on Sales Turnover

The hypothesis test results show a path coefficient of 0.54, t-statistic of 3.99 (greater than 1.96), and a p-value of 0.00 (less than 0.05). The third hypothesis is accepted, indicating that business capital has a significant positive effect on sales turnover. This suggests that capital assistance, despite limitations, has enabled mustahik to increase production capacity and sales volume. In practice, although merchandise provided was not always market-relevant, mustahik adapted by exchanging goods with

peers or suppliers to ensure turnover. Siskawati Zakaria et al. (2024) also found that increased capital expands the operational scale of microenterprises, accelerating purchase and sales cycles and improving revenue.

3.2.4. Effect of Business Mentoring on Sales Turnover

The path coefficient for this relationship was 0.25, with a t-statistic of 1.69 (less than 1.96) and a p-value of 0.09 (greater than 0.05). Therefore, the fourth hypothesis is rejected. Business mentoring does not significantly affect sales turnover. Although mentoring positively impacts behavioral and managerial aspects, its intensity and content may not have been sufficient to boost turnover significantly. External factors such as business location, purchasing power, and market competition also play a role. This result is in line with Chantika Rahmi (2019), who argued that mentoring is only effective in improving sales turnover when conducted intensively and focused on practical sales strategies adapted to market conditions.

3.2.5. Effect of Sales Turnover on Mustahik Welfare

The test results show a path coefficient of 0.62, a t-statistic of 5.09 (greater than 1.96), and a p-value of 0.00 (less than 0.05). The fifth hypothesis is accepted, suggesting that sales turnover has a significant positive effect on mustahik welfare. This finding implies that increased turnover enables mustahik to fulfill basic needs, save money, and participate in social activities, thereby directly contributing to their welfare. This aligns with Farhan Aziz (2020), who identified turnover as a key indicator of success in productive zakat programs.

3.2.6. Mediating Role of Sales Turnover between Business Capital Assistance and Mustahik Welfare

The mediation test yielded a coefficient of 0.34, a t-statistic of 2.71 (greater than 1.96), and a p-value of 0.007 (less than 0.05). Thus, the sixth hypothesis is accepted. Sales turnover significantly mediates the relationship between business capital and mustahik welfare. This indicates that business capital contributes to welfare through increased turnover. Hair et al. (2017) emphasized the importance of considering indirect pathways, such as mediation, in evaluating empowerment program strategies.

3.2.7. Mediating Role of Sales Turnover between Business Mentoring and Mustahik Welfare

The mediation coefficient was 0.15, with a t-statistic of 1.53 (less than 1.96) and a p-value of 0.12 (greater than 0.05). Therefore, the seventh hypothesis is rejected. Sales turnover does not significantly mediate the relationship between business mentoring and mustahik welfare. This suggests that the impact of mentoring is more prominent in psychosocial aspects, such as motivation and confidence, rather than in short-term turnover. Nurrohmah et al. (2023) also argued that mentoring must be supported by technical training and financial access to have a measurable impact on income.

3.2.8. Implementation of the Zmart Program in the Perspective of *Maqāṣid al-Sharī'ah*

The evaluation of the Zmart Program by BAZNAS of South Sumatra Province through the maqāṣid al-sharī'ah framework offers a holistic perspective on the objectives of mustahik empowerment. This program aims not only to enhance economic capacity but also to improve overall quality of life, aligned with the five essential principles of maqāṣid as defined by al-Ghazālī: ḥifẓ al-dīn (protection of religion), ḥifẓ al-nafs (protection of life), ḥifẓ al-'aql (protection of intellect), ḥifẓ al-nasl (protection of lineage/social order), and ḥifẓ al-māl (protection of wealth).

Statistical results show that two variables business assistance and sales turnover have a direct and significant influence on mustahik welfare. Business assistance contributes to improved knowledge and entrepreneurial skills, representing the principle of ḥifẓ al-'aql. Meanwhile, increased sales turnover strengthens mustahik's financial capacity to meet basic needs, fulfilling the principle of ḥifẓ al-māl.[2] In turn, greater household income enables access to healthcare and nutrition, contributing to ḥifẓ al-nafs.

Conversely, the remaining two dimensions ḥifẓ al-dīn and ḥifẓ al-nasl—were not directly measurable in the statistical model but appeared indirectly through qualitative indicators. Economic stability was shown to support more consistent religious practice and improved social and family relationships. In conclusion, the Zmart Program supports the partial fulfillment of maqāṣid al-sharī'ah. Three core principles ḥifẓ al-māl, ḥifẓ al-'aql, and ḥifẓ al-nafs are demonstrably achieved through empirical findings, while the other two, ḥifẓ al-dīn and ḥifẓ al-nasl require more explicit programmatic reinforcement to ensure the integration of spiritual and social dimensions in mustahik empowerment efforts.

4. CONCLUSION

Based on the data analysis and hypothesis testing, the following conclusions can be drawn:

1) Business mentoring (X2) has a positive and significant effect on mustahik welfare (Y), as indicated by a t-statistic value of 3.074 > t-table 1.96 and a p-value of 0.002 < 0.05.
2) Sales turnover (Z) has a positive and significant effect on mustahik welfare (Y), as indicated by a t-statistic value of 3.016 > t-table 1.96 and a p-value of 0.003 < 0.05.
3) Business capital assistance (X1) does not have a significant direct effect on mustahik welfare (Y), with a t-statistic of 0.730 < t-table 1.96 and a p-value of 0.466 > 0.05.
4) Business capital assistance (X1) has a positive and significant effect on sales turnover (Z), with a t-statistic of 3.192 > t-table 1.96 and a p-value of 0.002 < 0.05.
5) Business mentoring (X2) does not have a significant effect on sales turnover (Z), as shown by a t-statistic of 1.671 < t-table 1.96 and a p-value of 0.096 > 0.05.
6) Sales turnover (Z) mediates the relationship between business capital assistance (X1) and mustahik welfare (Y), indicating that capital assistance indirectly influences welfare through increased turnover.

7) Sales turnover (Z) does not mediate the relationship between business mentoring (X2) and mustahik welfare (Y), since the effect of X2 on Z is not significant.
8) The Zmart program implemented by BAZNAS South Sumatra supports the fulfillment of mustahik welfare based on the maqāṣid al-sharī‘ah approach, particularly in three main dimensions: ḥifẓ al-māl (protection of wealth), ḥifẓ al-‘aql (protection of intellect), and ḥifẓ al-nafs (protection of life). This is evidenced by the increased turnover and effective business mentoring. Meanwhile, two other dimensions, ḥifẓ al-dīn (protection of religion) and ḥifẓ al-nasl (protection of lineage/social order), cannot be statistically confirmed but show indirect indications through improved economic stability and psychosocial welfare of mustahik.

Based on the research findings, discussions, and conclusions, the following recommendations are proposed:

1) Future researchers are encouraged to explore other variables that may influence mustahik welfare and develop models that can directly measure the contributions of ḥifẓ al-dīn and ḥifẓ al-nasl dimensions, which were not statistically analyzed in this study.
2) For BAZNAS as the Zmart Program implementer: a) It is necessary to evaluate and adjust the distribution of business capital assistance, especially regarding the procurement of merchandise. The study indicates that business capital assistance has no direct effect on mustahik welfare due to the mismatch of provided merchandise with the actual market needs of Zmart mustahik's shops. Therefore, BAZNAS is advised to conduct procurement in accordance with standard operating procedures and the specific needs of mustahik, including consultations with mustahik prior to capital distribution and market surveys to optimize business turnover; b) Strengthen spiritual and social coaching aspects for mustahik to support a more comprehensive fulfillment of maqāṣid al-sharī‘ah. This can be done by integrating religious activities, family leadership training, or establishing Islamic micro-business communities.

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