



Enhancing Entrepreneurial Motivation through Sharia based Entrepreneurship Education: A Study on *Mustahik* of Productive *Zakat*

Rizal Fahlefi¹, Hafizhah Al Husna², Asyari Hasan³, Iza Hanifuddin⁴, and Alimin Alimin¹

¹Universitas Islam Negeri Mahmud Yunus, Batusangkar, Indonesia

²Gadjah Mada University, Sleman, DIY, 55281, Indonesia

³Universitas Islam Negeri Syarif Hidayatullah, Jakarta, Indonesia

⁴Institut Agama Islam Negeri Ponorogo, Ponorogo, Indonesia

rizalfahlefi@uinmybatusangkar.ac.id

Abstract. The research aimed to enhance the entrepreneurial motivation of *mustahik* through Sharia-based entrepreneurship education, namely entrepreneurship education based on Islamic values derived from the Qur'an and Sunnah. The research used a qualitative approach with an action research method. The re-searchers conducted multiple iterations of the action research cycle. The re-search subjects were *mustahik* as recipients of productive *zakat* in Tanah Datar Regency, West Sumatra, Indonesia. The data were collected by inter-views, observations, and surveys. The collected data were analyzed qualitatively and quantitatively. The results showed that Sharia-based entrepreneurship education can enhance the entrepreneurial motivation of *mustahik* recipients of productive *zakat* in Tanah Datar Regency, West Sumatra Indonesia. In the first cycle, the Sharia-based entrepreneurship education had an impact on enhancing the entrepreneurial motivation of 78.3% of *mustahik*, while in the second cycle there was an increase to 86.7%. *Mustahik* has started to have strong beliefs, high enthusiasm, and clear goals in entrepreneurship. *Mustahik* also began to manage their time and finances better, innovate and be creative in their business, utilize existing resources, and commit to Sharia worship.

Keywords: Sharia-based Entrepreneurship, Motivation, Recipients of *zakat*

1 Introduction

Zakat is one of the main elements for the upholding of Islamic Sharia. The task carried out by *zakat* organizations as *zakat* managers is to collect *zakat* funds from muzakki both from government agencies, the private sector and from the general public and then distribute these *zakat* funds to *mustahik*. Specifically for productive *zakat*, *zakat* organizations determine *mustahik* candidates who are eligible to receive productive *zakat* in accordance with applicable laws and regulations. Productive *zakat* is *zakat* that is distributed in the form of capital assistance given to *mustahik* to run pro-

ductive businesses such as farming, animal husbandry, trading and other productive businesses.

The productive *zakat* given by the *zakat* organization in Tanah Datar Regency to the *mustahik* has apparently not succeeded in increasing and developing the *mustahik*'s economy to the maximum. Only a small number of productive *zakat* recipients are successful in running their businesses, while the majority of other productive *zakat* recipients do not experience significant business development. The hope is that the businesses carried out by productive *zakat* recipient *mustahik* can develop well so that they can improve their welfare.

Economic empowerment through productive *zakat* funds still faces many obstacles, especially obstacles originating from the productive *zakat* recipients themselves. Awareness of the use of *zakat* funds is still not accompanied by a level of seriousness regarding economic and religious-oriented business governance. Lack of experience and lack of long-term planning as well as minimal practice of worship means that *zakat* funds managed by *mustahik* do not have a significant impact on improving their economy. This in turn affects the level of welfare of the *mustahik* who should play an important role in improving the economic level so that the *zakat* funds received can be efficient and effective.

Based on these conditions, entrepreneurship education, especially sharia-based, needs to be given to *mustahik*, in order to create *mustahik* who are able to empower and develop. According to Shetty & Thanuja [1], education in general plays an important role in developing an entrepreneurial mindset. An education that equips a person with the knowledge needed to be a successful entrepreneur will empower him or her to identify opportunities, take risks and create solutions.

Entrepreneurship education is education provided through training prospective entrepreneurs including the process of identifying, developing and realizing a vision. The vision could be an innovative idea, an opportunity, or simply a better way to do something. The final result of this process is the creation of a new business, which is formed under conditions of risk and a fairly large time period [2]. Entrepreneurship education is considered an effective method for developing and encouraging entrepreneurship [3]. If an individual wants to become an entrepreneur, he or she must use the individual's will and ability to look for opportunities, be able to build and run a business successfully [4].

Several previous studies show that entrepreneurship education can increase interest and motivation in entrepreneurs. According to the results of research by Nuryanto [5], entrepreneurship education is one of the external factors that have a significant effect on entrepreneurial interest. The results of other studies also show that entrepreneurship education is able to foster entrepreneurial interest in individuals. This interest can ultimately lead to strong motivation in individuals to become entrepreneurs [6]. In addition, other studies also show that entrepreneurship education has a significant influence on entrepreneurial motivation [7, 8], entrepreneurial motivation [9], entrepreneurial character and entrepreneurial intention [10].

In this research, researchers used Sharia-based entrepreneurship education. Entrepreneurship education when viewed from an Islamic perspective, the training provided regarding entrepreneurship is carried out based on Islamic values that are well

explored in the Qur'an, al-Hadith and also Sirah Nabawiyah [11]. Entrepreneurial motivation is not only influenced by entrepreneurship education, but can also be accompanied by an individual's Muslim entrepreneurial character as research by Azid and Hikmah [12]. Muslim entrepreneurs must have and apply the characteristics possessed by the Prophet Muhammad SAW in entrepreneurship, such as the nature of piety, resignation, remembrance, and gratitude as well as being honest in trading, and fond of giving alms and giving tithes [11, 13]. Furthermore, Islamic entrepreneurship is an aspect of life contained in muamalah problems [14]. With the nature and character that comes from Islamic education contained in individuals, it is hoped that they will be able to form muamalah activities such as entrepreneurship according to Sharia that are beneficial to the people.

Based on the description above and the literature review, it can be concluded that Sharia-based entrepreneurship education is very important and effective for developing and encouraging entrepreneurship. This research aimed to enhance the entrepreneurial motivation of *mustahik* as recipients of productive *zakat* in Tanah Datar Regency, West Sumatra, Indonesia through Sharia-based entrepreneurship education, namely entrepreneurship education based on Islamic values.

2 Methods

The research used a qualitative approach with an action research method. The research subjects were *mustahik* as recipients of productive *zakat* in Tanah Datar Regency, West Sumatra, Indonesia. The data were collected by interviews, observations, and surveys. The collected data were analyzed qualitatively and quantitatively.

Before taking action, researchers first conducted a preliminary study (diagnosing). Researchers explore as much data as possible about the understanding of entrepreneurship possessed by *mustahik* and its realization in the business they run. Then proceed with the action. The researchers conducted multiple iterations of the action research cycle. The research was conducted in two cycles, namely the first cycle and the second cycle. Each cycle consisted of 4 stages, namely action planning, action taking (intervention), evaluating, and reflecting.

3 Results and Discussion

This research is an action research on the *mustahik* community receiving productive *zakat* from BAZ of Tanah Datar Regency, especially *mustahik* who are engaged as traders. The action is carried out in the form of Sharia-based entrepreneurship education. The purpose of this education is to make *mustahik* become entrepreneurs who are able to increase their productivity so that *mustahik* have the opportunity to achieve success as hoped and aspired by BAZ Tanah Datar.

Before taking action, researchers first conducted a preliminary study (diagnosing). Researchers explore as much data as possible about the understanding of entrepreneurship possessed by *mustahik* and its realization in the business they run. In general, the data collected in the context of this need analysis are as follows:

- a. *Mustahiks* do not have confidence, perseverance, and commitment in running their business. This is shown by the attitude of *mustahiks* who have not focused on the type of business they are running and are looking for side businesses that have a negative impact on their main business which is starting to grow.
- b. *Mustahiks* do not have high motivation and enthusiasm for business. This is shown by the attitude that tends to surrender to circumstances and leave it entirely to fate before making efforts.
- c. *Mustahiks* do not have good time management. This is shown by their lack of discipline in working and their inability to manage time between trading as their main activity and side jobs as additional work.
- d. *Mustahiks* do not have innovation and creative ideas in business. This is shown by the attitude of the *mustahik* who runs a business as it is as it has been inherited by his parents or as he has done for years, without any effort to make a new breakthrough.
- e. *Mustahiks* have not been able to utilize existing resources, potential, and opportunities to develop their business. This is shown by the attitude of *mustahiks* who tend to ignore the resources, potential and opportunities they have, so that these opportunities are wasted.
- f. *Mustahiks* are not ready to compete or compete in business, so they tend to withdraw from the competition.
- g. *Mustahiks* do not have good financial management and capital management. This is shown by the attitude of the *mustahik* who spend the proceeds of the business for the daily consumptive needs of the family excessively without considering the capital for the purchase of the next item.
- h. *Mustahiks* have not maintained a balance between work and worship. This is shown by the attitude of *mustahik* who have not carried out worship, especially not praying regularly in accordance with religious guidance.

Based on the data in the preliminary study, the researchers started the first cycle by doing action planning. Researchers formulated Sharia-based entrepreneurship education materials needed by *mustahik*. Based on the need analysis conducted, the Sharia-based entrepreneurship education material for each *mustahik* has a different emphasis according to the data that shows the initial condition of each *mustahik*. Next, researchers proceed to the action taking stage. The research team as facilitators and educators provide motivation, positive and directive input and exchange ideas with *mustahik* in order to direct *mustahik* to have an attitude as a true entrepreneur who also practices sharia teachings. The education material is tailored to the condition of the *mustahik* which is generally contributive and initiative, for example an overview of opportunities that have not been realized by the *mustahik* and as well as innovation and creation in business that have escaped the attention of the *mustahik*. After being given Sharia-based entrepreneurship education, the team evaluates to determine the development of *mustahik*. Based on the evaluation conducted, data was obtained that sharia-based entrepreneurship education had an impact on increasing the entrepreneurial motivation of 78.3% of *mustahiks*. As a reflection of the process that has been done, it is determined that the next action (second cycle) needs to be taken.

The steps taken in the second cycle were essentially the same as those in the first cycle. The second cycle began with action planning including the formulation of materials needed by the *mustahik* as a continuation of the previous material. In this second cycle, the entrepreneurship education is emphasized on aspects that are still not understood by the *mustahik*. Based on the evaluation in this second cycle, it was found that there was an increase in entrepreneurial motivation in 86.7% of the *mustahik*.

In the final stage of the research, an overall reflection was conducted on the implementation of Sharia-based entrepreneurship education and the results achieved. This research obtained the following findings:

1. *Mustahik* gave a positive response to the Sharia-based entrepreneurship education provided. The material provided seems to open the hearts and eyes of the *mustahik* to various things related to the business they are running.
2. *Mustahik* began to have a clear vision in the business they were doing.
3. *Mustahik* already has the motivation and enthusiasm to try, although the motivation and enthusiasm still need to be improved.
4. *Mustahik* has started to manage time well.
5. Some of the innovations and creations suggested have begun to be implemented and developed, although some of them are still difficult for *mustahiks* to understand and apply.
6. The resources and potential owned and the opportunities available have begun to be well utilized by the *mustahik*.
7. For the ability and readiness to compete, further education is still needed for *mustahik*.
8. Financial management and capital management have begun to show progress.
9. For obedience to worship, a special program is still needed.
10. *Mustahik* hopes that similar education will be provided continuously because basically *mustahik* realize their shortcomings and ignorance in various matters related to the business they run and still lack understanding and practice of religious teachings.

Several obstacles also were found in the implementation of the action, as follows:

1. The low human resources of *mustahik* make it very difficult to be motivated and given input.
2. The type of business is less potential and the location of the business is less strategic so that it is difficult to empower.
3. *Zakat* funds provided by BAZ as additional business capital are still small, so that the lack of capital is an obstacle in empowering *mustahik* businesses.
4. Sharia-based entrepreneurship education is carried out with an individual approach, so that the factor of *mustahik* residence which is spread across several regions is an obstacle for researchers in taking action.

Although there were some obstacles in taking action, the results showed that Sharia-based entrepreneurship education can enhance the entrepreneurial motivation of *mustahik* recipients of productive *zakat* in Tanah Datar Regency. The enhancing in their entrepreneurial motivation is expected to be the beginning of an increase in their

welfare, as shown by the results of research by Ramadian, Mashudi, and Witarsa [15] that there is a positive and significant effect of entrepreneurial motivation on the level of economic welfare.

4 Conclusion

Based on the results of the study, it can be concluded that Sharia-based entrepreneurship education can enhance the entrepreneurial motivation of *mustahik* recipients of productive *zakat* in Tanah Datar Regency, West Sumatra Indonesia. In the first cycle, the Sharia-based entrepreneurship education had an impact on increasing the entrepreneurial motivation of 78.3% of *mustahik*, while in the second cycle there was an increase to 86.7%. *Mustahik* has started to have strong beliefs, high enthusiasm, and clear goals in entrepreneurship. *Mustahik* also began to manage time and finances better, make innovations and creations in the business they are engaged in, utilize existing resources, and are committed to the teachings of Sharia.

Mustahik as recipients of productive *zakat* have different characteristics, so *mustahik* need education and direction both individually and collectively in order to manage the *zakat* funds entrusted by BAZ properly. Sharia-based entrepreneurship education is a form of education with motivation, input and ideas in order to direct *mustahik* to have an attitude as an entrepreneur who practices the teachings of Sharia. The educational material provided becomes an inspiration for *mustahik* so that they begin to have vision, motivation, innovation and creation, management, ability to utilize resources, and commitment to sharia teachings.

Through this paper, the researcher also makes the following recommendations. BAZ as an institution that collects and distributes *zakat* also needs to educate and provide direction to *mustahik* continuously. The local government as the executor of government at the local level needs to provide support for education programs for *mustahik*, both moral and material support.

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