|  |
| --- |
| **JURNAL RISET BISNIS DAN MANAJEMEN** https://journal.unpas.ac.id/index.php/jrbm/index |

**THE MEDIATING ROLE OF FINANCIAL MANAGEMENT**

**IN ENHANCING MANAGERIAL PERFORMANCE**

**IN ZAKAT MANAGEMENT INSTITUTIONS**

**Idel Waldelmi** **1, Azhar Affandi2, Fatkhurahman3, Murnawati4**

Universitas Lancang Kuning1,3,4

Univeritas Pasundan2,4

1 idelwaldelmi@unilak.ac.id
Jl. Yos Sudarso KM. 8, Kota Pekanbaru, Riau, 28266, Indonesia

Jl. Tamansari No.6-8, Kota Bandung, Jawa Barat 40116, Indonesia

|  |  |  |
| --- | --- | --- |
| **Abstract** |  | **Article Info** |
| This study aims to analyze the influence of social entrepreneurship, organizational culture, and leadership on financial managers and its impact on managerial performance. Financial management in zakat management institutions (LAZ) faces unique challenges, particularly in maintaining transparency and accountability in financial reporting, which are key demands from donors and stakeholders. This research confirms the position of financial management in improving manajerial Performance in zakat collection institutions. Employing quantitative methods, data were collected from 210 administrators of zakat institutions. Data analysis techniques using SEM. The findings indicate that financial management is influenced by social entrepreneurship, organizational culture, and leadership, which collectively impact managerial performance. This research contributes scientifically to the refinement of financial management models for social institutions and practically to more effective managerial performance.**Keywords:** social entrepreneurship; organizational culture; leadership; financial management; managerial performance |  | History of ArticleReceived: 9/3/2025Revised: 8/7/2025Accepted: 21/7/2025Published: 18/8/2025 |
| Jurnal Riset Bisnis dan ManajamenVolume 18, No. 2, August 2025,Page 311-322ISSN 1979-0600 (Print)ISSN 2580-9539 (Online) |

**INTRODUCTION**

The mechanism of zakat distribution in Lembaga Amil Zakat (LAZ) in Indonesia is carried out systematically, starting from the process of identification and data collection of mustahik based on eight groups of zakat recipients or asnaf (Fakir, Miskin, Amil, Mu'allaf, Riqab, Gharimin, Fisabilillah, Ibnu Sabil), as mentioned in Al-Qur'an Surah At-Taubah verse 60 (At-Taubah ayat 60 n.d.). According to Law No. 23 Year 2011 on Zakat Management and BAZNAS Regulation No. 3 Year 2018 on Guidelines for the Distribution and Utilization of Zakat, Infaq, and Sadaqah, after data collection, LAZ prepares a zakat distribution program according to the type of zakat (maal or fitrah), the amount of funds, and the needs of each asnaf. Distribution is carried out in the form of direct assistance (cash or goods), as well as through economic and social empowerment programs. This process is carried out with the principle of accountability, through periodic evaluation and reporting (BAZNAS 2018). In addition, a community-based empowerment approach is increasingly prioritized by LAZ to help mustahik become independent (Puskasbaznas 2020); (Nasution 2021). Zakat Management Institutions (LAZ) play a pivotal role in managing zakat, collecting funds from zakat payers and educating the public about the obligation and benefits of zakat for recipients and society at large (Yunita, 2024) . They distribute collected zakat to eligible recipients based on the categories (asnaf) specified in Islamic law (Cahya, 2020). Additionally, they develop various programs to improve the welfare of mustahik (Isman, 2023), empowering communities through training and providing tools to foster economic independence and reduce poverty (Firmansyah & Yuliana, 2022). LAZ operations are characterized by transparent and accountable zakat management, including clear financial reporting, regular audits, and public disclosures of fund utilization (Wulaningrum & Pinanto, 2020).

Managerial performance is measured based on the concept of shari'ah enterprise theory which prioritizes awareness of divinity where humans as natural processors will always be aware. This theory places it as a new side in the world of management which is in the form of material and spiritual balance (E. Latifah 2020). Managerial performance is seen from financial performance which is measured using two assessment references, namely an assessment based on financial performance and an assessment based on non-financial performance. In this study using an assessment based on non-financial performance, looking at customers, management, learning growth and sensitivity to market risk (Makatita 2016).

The phenomenon of managerial performance in Lembaga Amil Zakat (LAZ) includes aspects that reflect how LAZ managerial faces challenges and opportunities in zakat management. Zakat institutions use Business Intelligence (BI)-based digital dashboards to monitor zakat income, program expenditure, and work unit performance in real time. It also applies Standard Operating Procedure (SOP) for all stages from collection, recording, mustahik validation, to reporting. Mobile/web applications to pay zakat online such as E-wallet and QRIS for ease of transactions (BAZNAS 2022). Transparency and Accountability More LAZs are focusing on improving transparency and accountability in zakat management. Human Resource Development Focuses on developing the competence and capacity of human resources within LAZ. LAZ prepares and publishes financial reports and program reports on a regular basis (quarterly, semester, or annually), either through the official website or social media. uses zakat management applications (such as SIMZAKAT or internal platforms) that allow muzaki to view the status of their zakat payments and receipts (Khomsiyah, K., & Yusrianti 2018); ( BAZNAS Institute 2022); (Andriyani 2021).

Previous research has identified some aspects that influence the administrative capabilities of the Charity Collection Agency (LAZ). Research (Arifin 2022) proves that transformational leadership style positively influences administrative capabilities at LAZ. Efficient and visionary leadership plays a significant role in enhancing administrative capabilities. Leaders who are able to inspire and motivate staff and have a clear vision can encourage better performance. Research (Fitriani 2021) reveals that the adoption of digital technology, such as zakat management applications, contributes positively to the performance of LAZ Management. The use of information technology and innovation in zakat management can increase the efficiency and effectiveness of LAZ operations. .

 The concept of financial management of Lembaga Amil Zakat (LAZ) is that LAZ collects, manages, and distributes zakat, infaq, and sadaqah (ZIS) funds in a transparent, accountable, and effective manner (Afandi, 2022) ; (Ahmad, 2023) ; (Aleraig, 2023) . The purpose is to maximize the benefits received by mustahik (zakat recipients) and fulfill the mandate of the muzaki (zakat givers) (Hudaefi 2023). Expand the discussion on external partnership strategies undertaken by Lembaga Amil Zakat (LAZ) to improve the capacity, efficiency, and sustainability of zakat management, such as: Partnership with Sharia Financial Institutions to improve efficiency in fund collection and expand zakat payment channels. Partnership with Companies (CSR and Philanthropy) to optimize CSR funds that are in line with LAZ programs in the form of social collaboration (BAZNAS 2022); (LAZIZMU 2021).This will build greater trust and attract more donors to contribute (Yusup, 2021) . Stable and effective financial management supports the sustainable operation of LAZ in the long run (Rini, 2021) . With good fund management, LAZ can ensure that the funds collected are used for sustainable programs and the institution can continue to run its mission (Mahomeda, 2024) . LAZ uses a special system/application to record, manage and report zakat, infaq and sadaqah funds separately and in accordance with sharia accounting principles (PSAK 109). It also prepares digital financial reports automatically through a dashboard that is integrated with operational activities ( BAZNAS Institute 2022); (IAI 2011).

Social entrepreneurship is a form of entrepreneurship that focuses on creating social value by addressing existing social problems, while still paying attention to financial sustainability (Akhter 2023). Social entrepreneurship allows LAZ to not only rely on donations or donations of an uncertain external nature, but also create more stable and sustainable sources of income (Pananjung 2023). Through businesses that are already established or managed by LAZ, such as social businesses or business units, the institution can generate additional funds that can then be used to contain social programs (Hamid 2024). Organizational culture refers to the values, norms, attitudes, habits, and behaviors that develop in an organization and are accepted and carried out by its members. In the context of Lembaga Amil Zakat (LAZ), organizational culture plays an important role in shaping the way of work, ethics, and the way the institution interacts with stakeholders (muzaki, mustahik, donors, and society (Azwari 2023). Leadership at Lembaga Amil Zakat (LAZ) plays a very important role in determining the direction, effectiveness, and desirability of the operational institution (Razak, 2024). As a social institution responsible for the management of zakat, infaq, and sadaqah (ZIS), good leadership should reflect religious values and high ethical principles, and have a clear vision to achieve greater social goals (Saptono 2023).

 Financial management acts as a mediating variable, which adds theoretical value (novelty) because it explains the mechanism of how and why variables such as social entrepreneurship and organizational culture can impact managerial performance. An integrative approach combining social entrepreneurship, leadership, and digital financial management in the context of LAZ managerial performance has not been extensively or even comprehensively studied. This research demonstrates that an integrative approach combining social entrepreneurship, leadership, and financial management significantly contributes to improving the managerial performance of Zakat Management Institutions (LAZ). This finding is distinctive because it highlights the context of small-scale, community-based LAZs, which have unique characteristics and challenges in terms of transparency, accountability, and financial digitalization. Thus, this study not only develops a new conceptual model but also provides practical contributions relevant to strengthening LAZ governance at the local level.

**METHOD**

Although there have been many studies that discuss the influence of governance on the performance of zakat institutions, studies that specifically analyze the mediating role of financial management in the context of digitalization, transparency, and strategic partnerships are still very limited. Therefore, this study offers a new approach in explaining the improvement of LAZ managerial performance through more efficient, accountable, and sustainable financial channels. The type of research used in this research is descriptive and verification. The population in this research is 30 LAZ obtained 7 caregivers in each LAZ: 210 people (Teachers, supervisors, leaders or directions or chairmen, secretaries, treasurers, leaders of Fundraising aspects and leaders of Distribution aspects). The population is 30 LAZ from 30 LAZs all obtained as an illustration. From each LAZ obtained 7 (7) people (Teachers, supervisors, leaders or directions or chairmen, secretaries, treasurers, leaders of Fundraising aspects and leaders of Distribution aspects). Consisting of 12 districts or cities, namely Pekanbaru city; Kampar, Bengkalis, Pelalawan, Kuantan Singingi, Dumai, Rokan Hulu, Rokan Hilir, Indragiri Asal, Indragiri Hilir, Kepulauan Meranti and Siak. There are also a number of samples taken in this research 210 caregivers (Teachers, supervisors, leaders or directors or chairmen, secretaries, treasurers, leaders of Fundraising aspects and leaders of Distribution aspects) from 30 LAZ scattered in 12 districts or cities in Riau Province, namely Pekanbaru City; Kampar, Bengkalis, Pelalawan, Kuantan Singingi, Dumai, Rokan Hulu, Rokan Hilir, Indragiri Asal, Indragiri Hilir, Kepuluan Meranti and Siak.

 The data collection techniques used in this study included questionnaires, observation, and documentation. Questionnaires were distributed directly to respondents using a five-point Likert scale (1 = not good to 5 = very good), which was considered effective for measuring attitudes and perceptions (Sugiyono, 2019; Joshi et al., 2015). Observations were conducted through direct observation to obtain contextual data that supported the questionnaire results (Moleong, 2017). Meanwhile, documentation was used to examine relevant documents and records as secondary data sources to strengthen the validity of the findings.

Data analysis and interpretation in this study used qualitative and quantitative methods as statistical tools. The qualitative method involved describing the data by grouping and tabulating it, then providing explanations. Meanwhile, the quantitative method involved analyzing the relationships between the variables studied using Structural Equation Modeling (SEM). SEM analysis requires data with a measurement level of at least interval. Structural Equation Modeling has a primary objective in its analysis and uses Lisrel software. The first objective is to determine whether the model is plausible or fits the data, or in simpler terms, whether the model is accurate based on the available data. The second objective is to test various hypotheses that have been previously established. Construct validity was tested using Average Variance Extracted (AVE) with the criterion AVE ≥ 0.5, while reliability was tested using Composite Reliability (CR) and Cronbach’s Alpha, each with a minimum threshold of ≥ 0.7. The test results showed that all indicators met the validity and reliability criteria, thus the instrument was deemed suitable.

**RESULTS**

To be able to explain the characteristics of responding based on the education that has been undertaken by the respondent until completion, this can also be seen from respondents who are able to quickly or slowly complete education. The profile of this response is seen based on education, that the response is that the Laz manager in the province has a Bachelor's degree (S1), namely 57.0%, or 122 respondents, while for respondents who manage Laz in Riau, 21.1% or 44 respondents with a high school / vocational high school education level and the smallest respondents are also active in Laz management in Riau with a figure of 5.3% or 11 respondents. Higher education tends to be associated with better understanding of managerial and zakat concepts. However, the variation in education levels shows the importance of further training and continuing education for all parties involved in zakat management. While lower education can be a challenge, it is not an insurmountable obstacle, provided there is support through appropriate capacity building programs. The way the sample is selected and the distribution of positions within LAZ will be very important to avoid bias and ensure that the data obtained can be better generalized. This will provide additional credibility to the research results and allow for a more precise interpretation of the role of each position in the management of zakat in LAZ. Unbalanced sample selection may affect the results and data analysis, so it is necessary to arrange a proportional distribution of positions to describe the entire organizational structure. The responses in giving Javanese showed an evenly distributed answer based on the field, namely 14.3% each or a total of 30 respondents from responding to a total of 210 respondents. For more details can be seen in the following table:

Table . Characteristics of respondents

|  |  |  |  |
| --- | --- | --- | --- |
| No | Respondent characteristics | Information | Rate (%) |
| 1 | Education | Senior High School | 21.10% |
|   |   | Diploma | 5.30% |
|   |   | Bachelor | 57.90% |
|   |   | Post Bachelor | 15.80% |
| 2 | Years of service | < 5 | 35.00% |
|   |   | 5 to 10 | 35.00% |
|   |   | > 10 | 30.00% |
| 3 | Position | Mentor | 14.30% |
|   |   | Supervisor | 14.30% |
|   |   | Chairman / Leader / Director | 14.30% |
|   |   | Secretary | 14.30% |
|   |   | Treasurer | 14.30% |
|   |   | Chairman Field Fundraising | 14.30% |
|   |   | Chairman Field Distribution | 14.30% |

Source: Processed data, 2024

The validity test is useful for determining how carefully a tool performs the function of a measuring instrument. High validity means having a small different error, thus providing confidence that the data collected is reliable data. Testing the questionnaire used a structural approach using the confirmatory factor analysis method (confirmatory factor analysis - CFA). Social Entrepreneurship consisting of 20 indicators with 6 dimensions which are declared valid because the rcount value is greater than the r critical value of 0.300. Organizational Culture consisting of 22 indicators with 5 dimensions which are declared valid because the rcount value is greater than the r critical value of 0.300. Leadership consisting of 20 indicators with 6 dimensions which are declared valid because the calculated number is greater than the critical number, which is 0.300. Financial Management which consists of 22 markers with 6 formats is claimed to be valid because the calculated number is greater than the critical number, which is 0.300. Managerial Ability which consists of 24 markers with 8 formats is claimed to be valid because the calculated number is greater than the critical number, which is 0.300.

After the validity test of the Statement in the questionnaire used in this research, the next step was to try the reliability test. The results of the reliability test above received a reliability figure for the reliability coefficient figure of the research instrument greater than 0.700, which means that all research constructs, are claimed to be reliable or meet the requirements. Because the validity test and reliability test report that all elastics are valid and reliable, it means that the instrument (questionnaire) used is valid and reliable. The normality test is tried to identify the normality of the distribution of data. Whether it is reasonable or not is observed from the analogy between the information held and the information that is normally distributed which has the same mean and standard deviation. The results of the normality test use Kolmogorov-Smirnov, Shapiro-Wilk presented through the chart above, in the form of a multivariate method, prove that it meets the assumption of normality, where the probability figure Asymp. Sig (2-tailed) received is greater than the official significance level (0.05) for all elastics. Thus, it can be concluded that the information to be processed is information that has a reasonable distribution.

After analyzing the research instruments and scaling analysis and descriptive analysis, the data that has been collected is then used to analyze and test the formulation of hypothesis testing based on Structural Equation Modeling.



Figure . Relationship Structure of All Research Variables

The LISREL estimation results, for each of the research dimensions, need to be explained further. This explanation is necessary because each variable is measured indirectly, but is formed by a number of indicators that need to be examined for their function in forming these variables. The calculation results obtained show that the Financial Management Variable is influenced by Social Entrepreneurship, Organizational Culture and Leadership both partially and simultaneously. Based on the correlation value and path coefficient obtained from the calculation results with Lisrel 8.8, it can be seen the magnitude of the direct and indirect effects of Social Entrepreneurship, Organizational Culture and Leadership on Financial Management as follows:

Table . Direct and Indirect Influence of Social Entrepreneurship, Organizational Culture

and Leadership Variables on Financial Management

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Variables | Path Coefficient | Influence Direct | Influence No Direct | Total Influence |
| Social Entrepreneurship | Culture Organization | Leadership | Total No Directly |
| Social Entrepreneurship | 0.3872 | 14.99% |   | 5.73% | 3.20% | 8.93% | 23.92% |
| Culture Organization | 0.4561 | 20.80% | 5.73% |   | 5.69% | 11.41% | 32.22% |
| Leadership | 0.3219 | 10.36% | 3.20% | 5.69% |   | 8.89% | 19.25% |
| Total Influence Direct | 46.18% | Total Influence No Direct | 29.23% |  |
| Total Influence of X on Y | 75.38% |
| epsilon | 24.62% |

Source: Data processing results (2023)

Based on the table above, Financial Management is influenced by direct and indirect effects. The direct effect of varying Social Entrepreneurship is 14.99% while the indirect effect alone through Organizational Culture and Leadership is 5.73% and 3.20%, respectively. The variable direct effect of Organizational Culture on Financial Management is 20.80% while the indirect effect alone through Social Entrepreneurship and Leadership is 5.73% and 5.69% respectively. The variable direct effect of Leadership on Financial Management is 10.36% while the indirect effect alone through Social Entrepreneurship and Organizational Culture is 3.20% and 5.69% respectively.

Based on the results of the calculation of the total effect in part, the varied Organizational Culture has the greatest influence value on financial management which is 32.22%. Initial assumptions can be explained that in an effort to improve financial management in amil zakat institutions must be supported by a strong and good Organizational Culture. Even so, the influence of other variables on financial management looks quite large, namely social entrepreneurship and leadership which have an influence value of 23.92% and 19.25% respectively.

Table . Results of the Test of the Influence of Social Entrepreneurship, Organizational Culture and Leadership Variables on Financial Management and their Impact on Managerial Performance

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Structural | Path coefficient | t-count | t-table | Conclusion |
| γ1 | 0, 3872 | 8.0828 | 1.9 712 | H0 is rejected, there is a significant influence of Social Entrepreneurship on Financial Management |
| γ2 | 0, 4561 | 10,7859 | 1.9 712 | H0 is rejected, there is a significant influence of Organizational Culture on Financial Management |
| γ3 | 0, 3219 | 11.3096 | 1.9 712 | H0 is rejected, there is a significant influence of Leadership on Financial Management |
| β1 | 0, 8978 | 1 1.8101 | 1.9 714 | H0 is rejected, there is a significant influence of Financial Management on Managerial Performance |

Source: Data processing results (2023)

For the path coefficient X1 on Y = 0.3872, the t-count value is 8.0828 by taking the significance level α of 5%, then the t table value or t 0.05. 211 = 1.9 712, so because t count = 8.0828 is greater than t table = 1.9 712, then H 0 is rejected or in other words, Social Entrepreneurship affects Financial Management by 0.3872 so that every increase in Social Entrepreneurship will increase Financial Management by 0.3872 units. For the path coefficient X2 on Y = 0.4561, the tcount value is 10.7859 by taking the significance level α of 5%, then the t table value or t 0.05. 211 = 1.9 712, so that because t count = 10.7859 is greater than t table = 1.9 712, then H 0 is rejected or in other words, Organizational Culture affects Financial Management by 0.4561, so that each escalation of Corporate Customs will increase Financial Management by 0.4561 basis. For the route coefficient X2 to Y = 0.3219, the t-count number is 11.3096 by citing the degree of significance α of 5%, so that the t-table number or t0.05.400 = 1.9712, so that because t-count = 11.3096 is greater than t-table = 1.9712, H0 is rejected or in other words Leadership affects Financial Management by 0.3219, so that each escalation of Leadership will increase Financial Management by 0.3219 basis. Create a route coefficient Y to Z = 0.8978, the t count is obtained as much as 11.8101 by quoting the degree of significance α of 5%, so that the t table or t0.05.211 = 1.9714, the result is because t count = 11.8101 is greater than t table = 1.9714, so that H0 is rejected or in other words Financial Management affects Administrative Ability by 0.8978 so that each escalation of Financial Management will increase Administrative Ability by 0.8978 base.

**DISSCUSSION**

The verified discussion aims to test the influence of exogenous variations consisting of Social Entrepreneurship, Organizational Culture and Leadership on the intervention variable, namely Financial Management which has an impact on the endogenous variable, namely Managerial Performance at LAZ in the Riau Province area, which will be discussed and explained in detail as follows:

Based on the analysis results, the direct influence of Social Entrepreneurship, Organizational Culture, and Leadership on Financial Management in Zakat Institutions (LAZ) was recorded at 46.18%. Meanwhile, the indirect influence of these three variables on Financial Management is 29.23%. Thus, the total direct and indirect influence of these three variables is 75.38%, while the remaining 24.62% is influenced by other factors not examined in this study. Partially, Organizational Culture has the greatest influence on Financial Management, amounting to 32.22%, consisting of 20.80% direct influence and 11.41% indirect influence. This indicates that organizational culture plays a key role in shaping accountable, transparent, and sharia-compliant financial management practices. The dimensions of organizational culture, which include norms, dominant values, rules, organizational climate, and team orientation, have proven to be an important foundation in strengthening the financial system of LAZ.

The second most influential variable is Social Entrepreneurship with a total influence of 23.92%, consisting of 14.99% direct influence and 8.93% indirect influence. These results indicate that a strong spirit of social entrepreneurship, such as social innovation, service orientation, and sustainability, can encourage more efficient and impactful financial management. Meanwhile, the Leadership variable has the smallest partial influence on Financial Management, at 19.25%, consisting of 10.36% direct influence and 8.89% indirect influence. Nevertheless, leadership still plays an important role, especially when directed toward strengthening strategic management and financial literacy among LAZ leaders. The small influence of leadership can be explained by the tendency for leaders in LAZ to focus more on social and spiritual aspects, and not yet fully oriented toward strengthening managerial and financial functions.

Academically, these findings indicate that financial management in LAZ is the result of the integration of organizational values, social entrepreneurship orientation, and effective leadership styles. This study supports the view that organizational culture is not merely a supporting element but the primary driving force in building a healthy financial system. From a managerial perspective, these results imply that efforts to improve financial management are not sufficient through technical enhancements alone but must also begin with addressing organizational cultural values and strengthening social entrepreneurship capacity within the LAZ environment. As a result, financial performance improvements in LAZ will be more sustainable, structured, and capable of meeting the expectations of stakeholders. Most studies are in line with the direct impact of social entrepreneurship on corporate financial and social performance (Rahim, A., 2025); (Manolopoulos et al. 2024). However, your research showing indirect effects through financial sustainability policies and programs highlights an aspect that is less explored in previous literature.

Based on the results of the verified analysis, it can be seen that social entrepreneurship has a partial and significant influence on financial management (The calculated t-value of 8.0828 is greater than the table t-value of 1.9712). The magnitude of the total influence or contribution given by social entrepreneurship to financial management is 23.92%. This is in line with the previously mentioned, there are a number of studies investigating the relationship between social entrepreneurship and financial management that can compare the findings of this study (Cheah, Yeoh, and Chandra 2023); (Kamaludin 2023); (Giones, F., & Brem 2020). Social entrepreneurship also has a greater direct influence value than the indirect influence alone on financial management, so it can be said that this variation is a dominant variable. Based on the test criteria that have been explained previously, it is known that the t-value of the social entrepreneurship variation is in the area of ​​rejection of the null hypothesis. The management of productive zakat with a social entrepreneurial perspective is expected to be able to solve poverty problems independently and sustainably. Furthermore, it was also conveyed by (Suyanto et al., 2015) that a cooperation agreement between social entrepreneurship actors can occur when each actor can make an offer (binding agreement) regarding the possible results obtained by each party (rewards).

Based on the results of the verified analysis, it can be seen that organizational culture has a partial and significant influence on financial management. The magnitude of the total influence or contribution given by organizational culture to financial management is 32.22%. This is in line with previous research organizational culture influences financial management has a mutually influential and supportive relationship in achieving organizational goals. An open, innovative, and sustainability-oriented culture can increase the effectiveness of financial management by increasing transparency, measured risk taking, and efficient use of resources. Conversely, good and efficient financial management can strengthen organizational culture by providing stability and supporting organizational values ​​through proper resource allocation (Akhtar, Senadjki, and Vija Kumaran 2025); (Banning, Reale, and Roos 2023). If the organizational culture emphasizes compliance with sharia principles in financial management, then financial management will be carried out based on ethical principles that are in accordance with the values of zakat (Gooneratne 2020). A culture that embeds a deep understanding of the values of zakat in every aspect of the organization allows managers to better understand the urgency of prudent and sharia-compliant financial management (Mahmood 2021); (Wolf-Fordham 2020).

Based on the results of the verified analysis, it can be seen that leadership has a partial and significant influence on financial management. The magnitude of the total influence or contribution given by leadership to financial management is 19.25%. The leadership variable also has a greater direct influence value than the indirect influence alone on financial management, so it can be said that this variation is a dominant variable. Leadership has a significant impact on financial management in an organization. Leaders who have a clear vision, are able to adapt to financial conditions, encourage transparency, and manage risks and resources wisely will result in effective and efficient financial management. Conversely, leadership that is less concerned with these aspects can cause major financial problems, which can be detrimental to the stability and sustainability of the organization. This is in line with (Piwowar-Sulej and Iqbal 2023); (Udin 2024).

Based on the test criteria that have been explained previously, it is known that the t-value of the leadership variation is in the area of rejection of the null hypothesis. Effective leaders have a role in setting long-term visits and strategic goals related to zakat fund management (Tipu 2022); (G. Liu 2022). It is also explained by (Sukarjati et al., 2016); (Asante 2020); (Cook 2023) that improving the leadership system such as granting power, job roles, delegating employee authority, providing work motivation or direction to employees, so that employees can and can work according to the main tasks that must be done in work, especially in financial management.

Based on the results of the verified analysis, it can be seen that financial management has a partial and significant influence on managerial performance. The results of this study are in line with (Alkaraan 2020); (Hamad 2022). The magnitude of the total influence or contribution given by financial management to managerial performance is 80.61%. The financial management variable has an Influence value that is included in the criteria of a very strong Influence on managerial performance management, so it can be said that this variation is a dominant variable in influencing or forming managerial performance. Zakat management that is fully in line with sharia principles requires a commitment to comply with Islamic values ​​in every operational step. LAZ must ensure that all zakat fund management is carried out with transparency, accountability, and trustworthiness, and uses financial instruments that are in accordance with sharia law. The implementation of sharia audits, transparent reporting, and fair and objective management are essential to ensure that zakat management is not only financially effective, but also sharia-compliant. By implementing these principles, LAZ's managerial performance will increasingly lead to quality zakat management that is in accordance with religious guidance, which will ultimately increase public trust and the effectiveness of the zakat program. Based on the test criteria that have been explained previously, it is known that the t-value of the financial management variation is in the area of ​​rejection of the null hypothesis. This means that H0 is rejected and H1 is accepted, so it can be continued that the financial management variation has a positive and significant effect partially on managerial performance.

Financial management has a positive and significant influence on managerial performance that has been and is being implemented by LAZ administrators in the Riau province, because good financial management in LAZ not only has an impact on the financial health of the organization but also contributes to effective managerial performance, allowing administrators to make the right decisions and achieve organizational goals better. Financial management managed in a system is one of the factors that influences managerial performance. According to (Azhari, 2020); (Zhang 2022); (H. Liu 2023); (Kulathunga 2020) the characteristics of the information generated by the management accounting system in managing money have influenced the improvement of managerial performance in Islamic banks. Through the analysis of descriptive data on the answers of Islamic bank managers and the results of hypothesis testing, it is proven that the management accounting system implemented by Islamic banks has been adjusted to the needs of Islamic bank managers as a whole.

**CONCLUSION**

This study concludes that simultaneously and partially, social entrepreneurship, organizational culture, and leadership have a significant effect on financial management, and financial management has a significant effect on the managerial performance of Zakat Institutions (LAZ) in Riau Province. These findings emphasize that strengthening social entrepreneurship values, implementing a conducive organizational culture, and fostering adaptive and integrity-driven leadership are essential foundations for establishing a transparent, accountable, and Sharia-based financial management system. Effective financial management has proven to be a strategic link in achieving outstanding and sustainable managerial performance within LAZ, thereby fostering innovation and enhancing public service delivery to the community.

However, this study has limitations. First, the research subjects were limited to LAZ in Riau Province, so the results can only be generalized geographically. Second, the variables used did not cover external aspects such as government regulations, the influence of digital technology, or community participation, which could also affect financial management and institutional performance. In addition, the approach used was purely quantitative, so it did not explore the qualitative dynamics in the field in depth.

Further research is recommended to expand the scope of the study, involving national and regional LAZs in various provinces to gain a more comprehensive understanding. The addition of external variables such as regulatory support, financial digitization, or human resource quality should also be considered. Additionally, a mixed-method approach combining quantitative and qualitative methods can provide deeper insights into the social and institutional contexts that influence the success of financial management and the sustainable performance of LAZ.

**REFERENCES**

Afandi, A. (2022). Fund Management through Zakah Institutions: An Education Financing Solution. *Eurasian Journal of Educational Research* 2022(100): 119–32. [https://www.scopus.com/](https://www.scopus.com/inward/record.uri?partnerID=HzOxMe3b&scp=85147316122&origin=inward)

Ahmad, K. (2023). Islamic Social Financing and Efficient Zakat Distribution: Impact of Fintech Adoption among the Asnaf in Malaysia. *Journal of Islamic Marketing* 14(9): 2253–84. [https://www.scopus.com/](https://www.scopus.com/inward/record.uri?partnerID=HzOxMe3b&scp=85137858944&origin=inward)

Akhtar, Farah, Abdelhak Senadjki, and Vikniswari Vija Kumaran. (2025). Sustainability Meets Digital Culture: The Influence of ESG on Financial Performance in Malaysian Manufacturing SMEs. *Journal of Innovative Digital Transformation* 2(1): 90–108.

Akhter, A. (2023). Research Trends in the Field of Islamic Social Finance: A Bibliometric Analysis from 1914 to 2022. *International Journal of Ethics and Systems*. [https://www.scopus.com/](https://www.scopus.com/inward/record.uri?partnerID=HzOxMe3b&scp=85179972228&origin=inward)

Aleraig, M A. (2023). Islamic Accounting Applications of Islamic Finance. *Islamic Accounting And Finance: A Handbook*: 3–41. [https://www.scopus.com/](https://www.scopus.com/inward/record.uri?partnerID=HzOxMe3b&scp=85162947253&origin=inward)

Alkaraan, F. (2020). Strategic Investment Decision-Making Practices in Large Manufacturing Companies: A Role for Emergent Analysis Techniques?. *Meditari Accountancy Research* 28(4): 633–53. [https://www.scopus.com/](https://www.scopus.com/inward/record.uri?partnerID=HzOxMe3b&scp=85082198319&origin=inward)

Andriyani, A. (2021). Inovasi Teknologi Informasi Dan Akuntabilitas Lembaga Zakat. *Jurnal Ekonomi dan Keuangan Islam* 7(2): 115–25.

Arifin, Moh. (2022). *Revitalisasi Masjid Sebagai Pusat Pemberdayaan Ekonomi Ummat Di Surabaya. Ulumuna: Jurnal Studi Keislaman 8(2): 269–83*.

Asante, A. (2020). Health Financing in Sub-Saharan Africa: From Analytical Frameworks to Empirical Evaluation. *Applied Health Economics and Health Policy* 18(6): 743–46. [https://www.scopus.com/](https://www.scopus.com/inward/record.uri?partnerID=HzOxMe3b&scp=85094977704&origin=inward)

Azhari, Maulana. (2020). *Faktor Yang Mempengaruhi Kinerja Manajerial Perbankan Syariah Di Kota Mataram. JMBI UNSRAT (Jurnal Ilmiah Manajemen Bisnis dan Inovasi Universitas Sam Ratulangi).* 7(3).

Azwari, P C. (2023). Organizational Culture, Financial Reporting Quality, And Good Governance: Evidence From Islamic Financial Institutions. *Corporate Governance and Organizational Behavior Review* 7(3): 131–43. [https://www.scopus.com/](https://www.scopus.com/inward/record.uri?partnerID=HzOxMe3b&scp=85163607822&origin=inward)

Banning, Frederik, Jessica Reale, and Michael Roos. (2023). The Complexity of Corporate Culture as a Potential Source of Firm Profit Differentials. *arXiv preprint arXiv:2305.14029*.

BAZNAS. 2018. Undang-Undang No. 23 Tahun 2011 Tentang Pengelolaan Zakat Dan Peraturan BAZNAS No. 3 Tahun 2018. (23): 2018.

BAZNAS. 2022. BAZNAS RI (2022). Zakat Outlook: Penguatan Digitalisasi Zakat Nasional. BAZNAS Research & Development. 2022.

Cahya, Ilyasa Aulia Nur. (2020). *Peran Pendayagunaan Zakat Produktif Terhadap Kesejahteraan Mustahik.* *Sultan Agung Fundamental Research Journal* 1(1): 1–11.

Cheah, Jeffrey S S, Qinni Yeoh, and Yanto Chandra. (2023). The Influence of Causation, Entrepreneurial and Social Orientations on Social Enterprise Performance in the Nascent Ecology of Social Enterprise. *Social Enterprise Journal* 19(3): 308–27.

Cook, N. (2023). Food and Food-Related Waste Management Strategies in Hospital Food Services: A Systematic Review. *Nutrition and Dietetics* 80(2): 116–42. [https://www.scopus.com/](https://www.scopus.com/inward/record.uri?partnerID=HzOxMe3b&scp=85138745278&origin=inward)

E. Latifah. 2020. *Pengantar Bisnis Islam*. Penerbit CV. SARNU UNTUNG.

Firmansyah, M Salman, and Indah Yuliana. (2022). *Pengelolaan Dana Zakat Produktif Untuk Pemberdayaan Masyarakat Pada LAZ El-Zawa. Al-Kharaj: Jurnal Ekonomi, Keuangan & Bisnis Syariah* 4(5): 1423–33.

Fitriani, Siti Zaenab. (2021). *Implementasi Undang-Undang No 23 Tahun 2011 Tentang Pengelolaan Zakat Di Lembaga Amil Zakat (LAZ) Inisiatif Zakat Indonesia (IZI).*

Giones, F., & Brem, A. (2020). Social Sustainability within Social Entrepreneurship. *Technological Forecasting and Social Change* 161: 120314.

Gooneratne, C P. (2020). Drilling in the Fourth Industrial Revolution-Vision and Challenges. *IEEE Engineering Management Review* 48(4): 144–59. [https://www.scopus.com/](https://www.scopus.com/inward/record.uri?partnerID=HzOxMe3b&scp=85087075187&origin=inward)

Hamad, MJ. (2022). *Faktor-Faktor Penting Untuk Keberhasilan Sistem Perencanaan Sumber Daya Perusahaan Berbasis Atas Atas Cloud Dan Kinerja Keuangan: Bukti Dari Pasar-Pasar Yang Berkembang*. *Jurnal Tata Kelola dan Regulasi* 11(1): 361–375.

Hamid, N A. (2024). Insights for Growth: Understanding the Drivers of ASNAF Entrepreneurial Success in Malaysia. *Edelweiss Applied Science and Technology* 8(2): 108–24. [https://www.scopus.com/](https://www.scopus.com/inward/record.uri?partnerID=HzOxMe3b&scp=85187148342&origin=inward)

Hudaefi, F A. (2023). Knowledge Discovery of Zakat Administration Worldwide from YouTube and Zoom via Text Mining. *Journal of Islamic Accounting and Business Research* 14(1): 159–80. [https://www.scopus.com/](https://www.scopus.com/inward/record.uri?partnerID=HzOxMe3b&scp=85135062754&origin=inward)

Indonesia, Ikatan akuntan. (2011). *Akuntansi Zakat, Infak Dan Sedekah*.

Isman, Ainul Fatha. (2023). *Kesejahteraan Berbasis Pemberdayaan Filantropi Zakat: Analisis Pada Aspek Ekonomi, Sosial, Pendidikan, Dan Kesehatan*. *Salus Cultura: Jurnal Pembangunan Manusia Dan Kebudayaan* 3(1): 27–36.

Joshi, A., Kale, S., Chandel, S., & Pal, D. K. (2015). Likert Scale: Explored and Explained. British Journal of Applied Science & Technology, 7(4), 396–403.

Kamaludin, Mohammed Faiz. (2023). Social Sustainability within Social Entrepreneurship. *Technological Forecasting and Social Change* 192: 122541.

Khomsiyah, K., & Yusrianti, I. (2018). *Transparansi Dan Akuntabilitas Laporan Keuangan Pada Lembaga Zakat. Jurnal Akuntansi Multiparadigma, 9(1), 32–45*. *Jurnal Akuntansi Multiparadigma* 3(1): 32–45.

Kulathunga, K.M.M.C.B. (2020). How Does Technological and Financial Literacy Influence SME Performance: Mediating Role of ERM Practices. *Information (Switzerland)* 11(6). [https://www.scopus.com/](https://www.scopus.com/inward/record.uri?partnerID=HzOxMe3b&scp=85087439913&origin=inward)

Lazizmu. (2021). Sinergi Zakat Dan CSR: Praktik Kolaborasi Untuk Kesejahteraan Sosial. *Jurnal Ziswaf* 7(1): 55–67.

Liu, G. (2022). Revealing Deeper Relationships between Knowledge Management Leadership and Organisational Performance: A Meta-Analytic Study. *Knowledge Management Research and Practice* 20(2): 251–65. [https://www.scopus.com/](https://www.scopus.com/inward/record.uri?partnerID=HzOxMe3b&scp=85114411368&origin=inward)

Liu, H. (2023). The Impact of Managerial Myopia on Environmental, Social and Governance (ESG) Engagement: Evidence from Chinese Firms. *Energy Economics* 122. [https://api.elsevier.com/](https://api.elsevier.com/content/article/eid/1-s2.0-S0140988323002037)

Mahmood, F. (2021). Corporate Social Responsibility and Firms’ Financial Performance: A Multi-Level Serial Analysis Underpinning Social Identity Theory. *Economic Research-Ekonomska Istrazivanja* 34(1): 2447–68. [https://www.scopus.com/](https://www.scopus.com/inward/record.uri?partnerID=HzOxMe3b&scp=85100982934&origin=inward)

Mahomeda, Z. (2024). Sustainable Development: Exploring the Role of Islamic Social Finance in Promoting Sustainable Development and Social Welfare. *The Future of Islamic Finance: From Shari’ah Law to Fintech*: 103–20. [https://www.scopus.com/](https://www.scopus.com/inward/record.uri?partnerID=HzOxMe3b&scp=85210112808&origin=inward)

M., & Deassy. (2024). *Tehnik analisis data kuantitatif dan kualitatif dalam penelitian ilmiah. https://ejournal.uncm.ac.id/index.php/gm/article/view/1147*

Moleong, L. J. (2017). *Metodologi Penelitian Kualitatif. Bandung: Remaja Rosdakarya.*

Makatita, Reyner F. (2016). *Pentingnya Kinerja Keuangan Dalam Mengatasi Kesulitan Keuangan Perusahaan: Suatu Tinjauan Teoritis.* *Journal of Management: Small and Medium Enterprises (SMEs)* 2(1): 137–50.

Manolopoulos, Dimitris, Helen Salavou, Andrew Papadopoulos, and Michail Xenakis. (2024). Strategic Decision-Making and Performance in Social Enterprises: Process Dimensions and the Influence of Entrepreneurs’ Proactive Personality. *Entrepreneurship research journal* 14(2): 631–75.

Nasution, Yenni Samri Juliati. (2021). *Manajemen Zakat Dan Wakaf.*

Pananjung, A F G. (2023). Islamic Entrepreneurship Application and Its Strategies: A Case Study of Bangladesh. *Strategies and Applications of Islamic Entrepreneurship*: 257–65. [https://www.scopus.com/](https://www.scopus.com/inward/record.uri?partnerID=HzOxMe3b&scp=85175220067&origin=inward)

Piwowar-Sulej, Katarzyna, and Qaisar Iqbal. (2023). Leadership Styles and Sustainable Performance: A Systematic Literature Review. *Journal of Cleaner Production* 382: 134600.

Rahim, A. (2025). Social Entrepreneurship and Financial Performance of Regulated Microfinance Institutions. *African Journal of Emerging* 7(7): 83–94.

Rini, R. (2021). Accountability Index for Zakat Management Institutions in Indonesia. *Journal of Management Information and Decision Sciences* 24(3): 1–10. [https://www.scopus.com/](https://www.scopus.com/inward/record.uri?partnerID=HzOxMe3b&scp=85104759913&origin=inward)

Saptono, P B. (2023). Obedience to Uli’l-Amr and Tax Compliance: Islamic Scholarly Perceptions. *Journal of Islamic Thought and Civilization* 13(1): 103–18. [https://www.scopus.com/](https://www.scopus.com/inward/record.uri?partnerID=HzOxMe3b&scp=85163647918&origin=inward)

Siagian. (2021). *Statistika Dasar: Konseptualisasi dan aplikasi*.

Sugiyono. (2019). *Metode Penelitian Kuantitatif, Kualitatif, dan R&D. Bandung: Alfabeta.*

Sukarjati, Endang, Maria Magdalena Minarsih, and Moh Mukeri Warso. (2016). *Pengaruh Kepemimpinan, Pengembangan Sumber Daya Manusia Dan Kepuasan Kerja Terhadap Kinerja Pegawai Kantor Dinas Pengelolaan Keuangan Dan Aset Daerah Kota Semarang. Journal of Management 2(2).*

Suyanto, Suyanto, Aluisius Hery Pratono, and Gunawan Gunawan. (2015)*. Kewirausahaan Sosial Dan Transformasi Lingkungan Di Jawa Timur: Kajian Ekonomi Sosial.*

Tipu, S A A. (2022). Organizational Change for Environmental, Social, and Financial Sustainability: A Systematic Literature Review. *Review of Managerial Science* 16(6): 1697–1742. [https://www.scopus.com/](https://www.scopus.com/inward/record.uri?partnerID=HzOxMe3b&scp=85114828899&origin=inward)

Udin, Udin. (2024). Leadership Styles and Sustainable Performance. *Multidisciplinary Reviews* 7(8): 2024171.

Wolf-Fordham, S. (2020). Integrating Government Silos: Local Emergency Management and Public Health Department Collaboration for Emergency Planning and Response. *American Review of Public Administration* 50(6): 560–67. [https://www.scopus.com/](https://www.scopus.com/inward/record.uri?partnerID=HzOxMe3b&scp=85088380465&origin=inward)

Wulaningrum, Puspita Dewi, and Amin Pinanto. (2020). *Akuntabilitas Dan Transparansi Laporan Keuangan Pada Organisasi Pengelola Zakat: Studi Komparatif Di BAZ Dan LAZ Yogyakarta. Jati: Jurnal Akuntansi Terapan Indonesia 3(1): 15–24.*

Yunita, Putri. (2024). *Analisis Maqasid Syariah Terhadap Implementasi Penyaluran Dan Penghimpunan Dana Ziswaf Pada Lembaga Amil Zakat Baitulmal Tazkia: Sharia Maqasid. MAQASID 13(1): 117–28*.

Yusup, D K. (2021). The Effectiveness of Zakat Distribution at the National Zakat Agency. *Al-’Adalah* 18(1): 55–76. [https://www.scopus.com/](https://www.scopus.com/inward/record.uri?partnerID=HzOxMe3b&scp=85188613936&origin=inward)

Zhang, W. (2022). Credit Risk Prediction of SMEs in Supply Chain Finance by Fusing Demographic and Behavioral Data. *Transportation Research Part E: Logistics and Transportation Review* 158. [https://api.elsevier.com/](https://api.elsevier.com/content/article/eid/1-s2.0-S1366554522000096)