

Model Pembangunan Keusahawanan Asnaf Luar Bandar

The Rural Asnaf Entrepreneurship Development Model

Mohd Izzat Amsyar Mohd Arif¹, Norazlina Mamat², Raudha Md Ramli³, Mohd Afandi Mat Rani⁴, Faezy Adenan⁵, Muhammad Syahrul Deen Ahmad Rosli⁶

^{1,2,3,4,5,6} Akademi Pengajian Islam Kontemporari, Universiti Teknologi MARA, Shah Alam, Malaysia

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*Perhubungan Penulis:

Mohd Izzat Amsyar Mohd Arif,
Akademi Pengajian Islam
Kontemporari, Universiti
Teknologi MARA, Shah Alam,
Malaysia
Email:
izzatamsyar@uitm.edu.my

Abstrak: Usahawan dikenali sebagai pemacu pertumbuhan ekonomi yang penting dan memberi nilai yang besar kepada ekonomi setempat. Zakat merupakan mekanisme yang digunakan untuk membantu golongan yang kurang bernasib baik dan miskin bagi memenuhi keperluan asas dan meningkatkan kualiti hidup mereka. Dengan menentukan faktor kritikal, kajian ini bertujuan untuk menyelidiki model multidimensi yang dapat digunakan dalam program pembangunan bagi memenuhi keperluan usahawan asnaf luar bandar. Kajian ini menggunakan reka bentuk penyelidikan kualitatif yang merangkumi pengumpulan data melalui kaedah perpustakaan dan analisis data secara deskriptif. melalui sorotan literatur, konsep dan tema kajian ditetapkan dan dianalisis. Dapatan kajian menunjukkan bahawa untuk menjadikan asnaf seorang sahawan yang berjaya, semua faktor kritikal mesti ditekankan, terutama di kawasan luar bandar. Di akhir kajian, dicadangkan sebuah model komprehensif bagi pembangunan keusahawanan asnaf luar bandar.

Kata kunci: Idea; pembangunan; keusahawanan; model; luar bandar; zakat

Abstract: *Entrepreneurs are known as important drivers of economic growth and add considerable value to local economies. Zakat is one of the tools used to help disadvantaged and impoverished people meet their basic needs and improve their quality of life. By defining the critical factors, this study aims to investigate a multidimensional model that can be used in development programmes to meet the needs of rural asnaf entrepreneurs. This study uses a simple qualitative research design that includes data collection through library methods and descriptive analysis. The findings from previous studies were analysed to establish the concept and theme of the analysis. Finally, it is discovered that in order to turn an asnaf into a successful entrepreneur, all of the critical factors must be emphasised, especially in rural areas. As a result, a detailed model for the growth of rural asnaf entrepreneurship is proposed.*

Keywords: *Idea; development; entrepreneurs; model; rural; zakat*

Introduction

Zakat is an effective tool for helping the poor and vulnerable meet their basic needs and improve their quality of life. Zakat may also be thought of as a mechanism for eradicating poverty through monthly fixed assistance or business capital assistance. Asnaf is also self-sufficient and capable of closing the income gap between the wealthy and the poor. According to the Rural

Development Policy Plan 2019, the rural community faces many obstacles, including a less competitive rural economy, inefficient resource usage, and a high poverty rate. As a result, the aim of this research is to find a multidimensional model that can be used in a development programs that is tailored to the needs of rural asnaf entrepreneurs.

Methodology of Study

This study is qualitative that employs descriptive analysis and data collection through library methods. This method was chosen because it is the most efficient way to obtain works of literature and data from a various book, journal articles and research proceedings. The findings of previous studies were examined to develop the concept and theme of the analysis.

Background of Study

In general, many studies have been conducted to identify the factors of successful entrepreneurs. Schumpeter (1951) describes the entrepreneur is a unique trader, who is catalyst for innovation and creativity, and holds responsibility in the operations and economic activities. Entrepreneurs, according to Zaharuddin Yahya (1995), have the capacity to see, understand, seize and build opportunities for economic benefits and profits. Therefore, Mohd & Adibah (2008) provide a more comprehensive definition of entrepreneurs, namely, individuals who are creative and innovative, who have the potential to seize opportunities and take risks in business activities by producing and developing new products (See Mohd Nor et al, 2020).

Entrepreneurs bring significant value to local economies and recognized as essential sources of economic development, which has led to the creation of new entrepreneurship initiatives (Handerson, 2002). At the national level, nations with more entrepreneurial activity have higher Gross Domestic Product (GDP). The agricultural sector, subsistence economy and low productivity define rural economic activities, making the rural economy less dynamic than in urban areas. In addition, issues such as idle land, unprofitable farm size and reliance on foreigners affects the economic growth disparities and imbalances between urban and rural areas.

The difference between urban and rural can be seen from either a geographical or a functional standpoint. The countryside, in contrast to the city or town, has less basic amenities. Due to long distances, rural communities are deprived of basic facilities such as schools, hospitals, sanitation and electricity (Hassan N. Khalid, 2012). In the meantime, the city's services and amenities are more available, affordable, and pleasant due to the shorter distance. Local areas have a greater opportunity for high demand for work in terms of workforce opportunities. The high cost of living in the city, on the other hand, forces people to search for more employment in order to make ends meet. Even though the urban population has many work prospects, the pay rate is still low (Hassan N. Khalid, 2012). However, work prospects and job opportunities in rural areas are scarce, and they do not know how to exploit the existing resources. This is due to a lack of education as well as their failure to sell their goods and services

outside of the village. A broad variety of product styles, product prices, and costs that rural entrepreneurs must pass on to their customers present obstacles to rural entrepreneurs (Amirul et al, 2017).

Rural Asnaf Entrepreneurship Programmes

A well-organized integrated development program will generate rural asnaf entrepreneurs. To this end, authorities, especially the State Religious Council, must play an important role in stimulating development and growth through effective entrepreneurial development strategies. Zakat instruments should be utilized as optimally as possible because if the program is successful, it will not only have an impact on the asnaf's living standards, but also serve as a catalyst for local economic and social growth.

To date, Izatul and Muhammad (2017) discovered that each state's zakat center in Malaysia has provided initiatives and strategies through a variety of programs and courses aimed at developing and improving asnaf capabilities in venturing into entrepreneurship. Table 1 shows a summary of the programs and schemes provided by Zakat institutions in Malaysia:

Table 1: Programs and Schemes Provided by Zakat Institutions in Malaysia

Zakat Institution	Program/Scheme offered	Zakat Assistant
Lembaga Zakat Negeri Kedah (LZNK)	Asnaf Development Program	- Self Help Support - Tailoring - Skill Center / Agriculture Project)
Lembaga Zakat Selangor (LZS)	Economic Development Program Asnaf Development Program	-Capital Assistance -Zakat Distribution Projects -Tailoring Workshop (D'Asnaf Anggun) -D'Asnaf Kraf -Mobil Entrepreneur -Pasar Rakyat Asnaf -Training Centre -Capital assistance
Majlis Agama Islam dan Adat Istiadat	Business Recovery Support	- Workshop on Living Skills Program (Sewing,

Melayu Kelantan (MAIK)		Embroidery and Automotive)		Niaga
Majlis Agama Islam Negeri Johor (MAINJ)	Self-reliance Scheme	-Asnaf Zakat Skill center -Tunas Asnaf -Jana Asnaf Niaga -Jana Asnaf Chef -Jana Asnaf Menjahit		- Gerak Asnaf Kraf - Atrium dan Café - Entrepreneurship Program - Self Development Program for Asnaf (Annual) - Asnaf entrepreneur product - Entrepreneurship training/ courses
Majlis Agama Islam Melaka (MAIM)	Human Development Program	-Business Assistance (financial) - Business Assistance (tool)		
Majlis Agama Islam Negeri Sembilan (MAINS)	Asnaf and Capital Development	- Asnaf Development Centre (Cooking and Tailoring Workshop) - Capital and Business Assistance	Majlis Agama Islam dan Adat Melayu Terengganu (MAIDAM)	-Self-Reliance Capital Assistance / Business - Entrepreneurship Courses for Asnaf
Majlis Agama Islam dan Adat Resam Melayu Pahang (MUIP)	Asnaf Development Unit	- Courses and training - Capital and tool assistance	Pusat Zakat Sabah (PZS)	- Assistance for attending Workshop / Courses / Entrepreneurship seminar) - Capital Business Assistance (Group/ Individual/ Retail/ agriculture/ livestock/ fishery/ restaurant and service) - Business equipment assistance - Assistance for initial rental of premis - Incentive Assistance/ business encouragement
Majlis Agama Islam dan Adat Melayu Perak (MAIPK)	Asnaf Empowerment Program (PROPER A)	- Capital Assistance - Courses and Training Program		
Majlis Agama dan Istiadat Melayu Perlis (MAIPS)	-	-Capital Assistance - Skill Training Assistance		
Zakat Pulau Pinang (ZPP)	Eradication of Poverty Entrepreneur Development	- Business Capital Assistance - Gerak Asnaf Catering - Gerak Asnaf Jahitan - Gerak Asnaf Tani - Gerak asnaf	Tabung Baitulmal Sarawak (TBS)	- Human Capital Development Assistance
			Majlis Agama Islam Wilayah Persekutuan (MAIWP)	Entrepreneurship Assistance Scheme - Business Assistance - Assistance for agriculture/ fishery/livestock

Source: Modification from Izzatul and Muhammad Nasri (2017)

The assistance provided by the zakat institutions as shown in Table 1 can be summarized as follows:

1. Financial assistance,
2. Training, courses and workshops and,
3. Monitoring.

However, this study realized that the designed programs are primarily short-term and not even comprehensive. In other words, asnaf entrepreneur development programs are not designed with long-term basis with holistic objectives. Furthermore, the program offered also is not tailored to meet the needs of the rural asnaf.

The Rural Asnaf Entrepreneurship Development Model

According to a study conducted by Muhammad and Zurinah (2021), entrepreneurial success can be identified when entrepreneurs have an optimum level of preparation. They will see and consider their environment more effectively and efficiently with it, allowing them to channel high potential to achieve their goals. Therefore, in the context of rural asnaf entrepreneurs, it is the authorities' responsibility to establish a comprehensive development program to encourage and promote them. According to Handerson (2002), there are three elements that local authorities or the government can concentrate on when implementing entrepreneurial development programmes in rural areas; (1) the development of individual skills (2) the creation of a community environment and; (3) the development of a support network. Any rural entrepreneur requires a diverse set of management skills. Various factors, such as educational level, work experience, business capacity and so on, can affect these skills as well.

The factors that contribute to entrepreneurial success are divided into two categories according to Zainurin et al (2019), namely micro and macro factors. Micro factors include (1) financial constraints (2) level of motivation and (3) competitiveness and productivity, while macro factors include (1) government policies and legislation and (2) local culture. Training programs can be used to add value to the level of entrepreneurial management skills and performance. A big impediment to producing effective and successful entrepreneurs is a lack of entrepreneurship education. Therefore, a focused approach is needed to strengthen and improve entrepreneurs' level of knowledge in order to boost their competitiveness (Reynolds et al. 2001). Entrepreneurs will rarely face challenges and obstacle when running their business and will be unable to compete if they lack in management skills. The business should be run by individuals who are not interested in business merely, but also keen to learn the ins and outs of entrepreneurial

knowledge so that the main objective is not only to earn income but to maximise their potential.

Although the entrepreneurs' endeavors are the source of success, they must be backed up by a strong social support system. The availability of community resources, especially start-up capital, is critical to the development of high-growth entrepreneurs. Asnaf who want to start a business will face challenges such as lack of money and capital, motivation, business experience and management skills in the early stages (Isma Addni, 2007; Zainurin et al, 2019).

A business risk is something unpredictable that can derail a business progress. Unmanaged risk can cost money, time, credibility among other things. Therefore, rural asnaf entrepreneurs must be continuously aware of the risks they face and devise the best solution and strategy for avoiding those risks or at least reducing the negative effects. To reduce the risks and challenges faced by entrepreneurs, the development of potential services or products should be accelerated from time to time, including by exposure to the use of 4.0 technology (Nurul Hidayah et al, 2020).

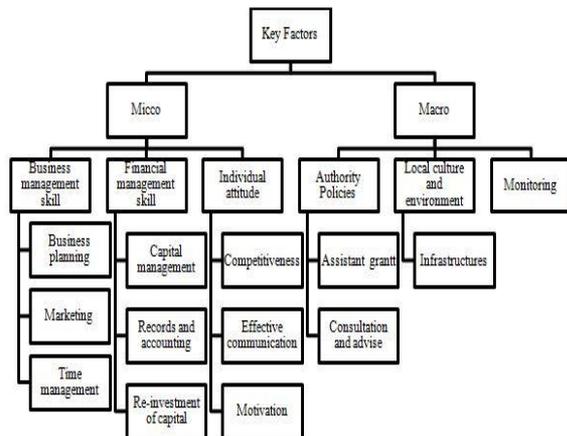
The effectiveness of support network programs is also essential to unlocking the potential of the rural asnaf entrepreneur community. An informal or formal organization that connects entrepreneurs with the social capital, business, and strategies they need to develop is referred to as a network system (Malecki, 2001). It covers aspects of capital assistance technical and equipment as well as ongoing training and guidance (Tabung Haji, 2018). A mentoring system especially among aid financiers should be introduced for this purpose to ensure the smooth operation of entrepreneurial activities. This is because, according to Handerson (2002), there is no guarantee that a business run by entrepreneurs can succeed without any obstacles and challenges, therefore a system of monitoring is needed to ensure that any problems that occur can be identified and resolved immediately.

Entrepreneurs that possess entrepreneurial skills are willing to persevere in the face of adversity and an uncertain future (Mastura & Abdul, 2008). Muhammad Adib & Nurul Ilyana (2019) discovered that in every entrepreneurship program, selecting participants based on the right and successful criteria is crucial in ensuring the success program. In this context, Hashim & Syed (2018) identified three vital characteristics of the selection of suitable asnaf participants namely asnaf zakat, productivity and willingness to manage a business.

Apart from the aforementioned characteristics, asnaf entrepreneurs must possess distinct and unique characteristics from ordinary entrepreneurs, such as self-confidence, independence and the ability to persevere without expecting and relying on others in the future. Asnaf entrepreneurs must also work hard and persevere in

the face of any difficulties and life struggles that have previously troubled them (Mohd & Adibah, 2008; Nur Laily & Dewi, 2018). Rural asnaf entrepreneurs' social skills, including verbal and non-verbal communication, should also be strengthened. This is to increase the efficiency and effectiveness of two-way communication which has an impact on the entrepreneurial activities that are carried out (Candida, 2008). Figure 1 depicts a summary of the vital factors influencing the development of rural asnaf entrepreneurship.

Figure 1: Key factors of the rural asnaf entrepreneurship development.



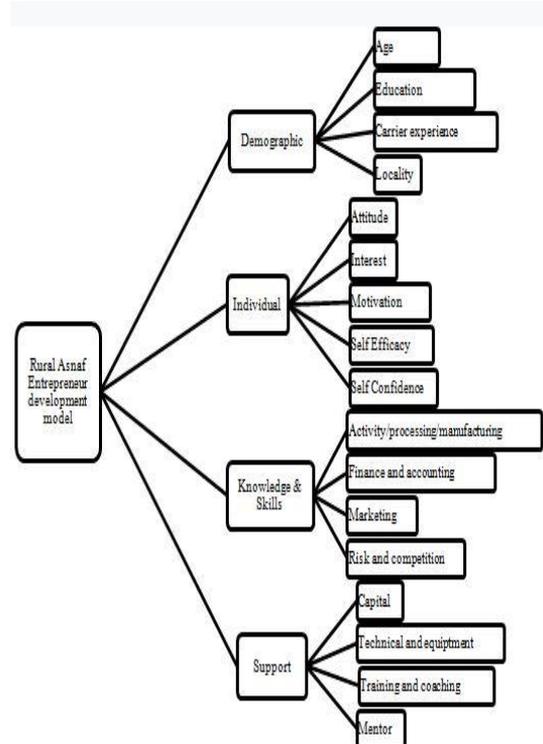
Source: Modification from Zainurin et.al (2019); Laily & Dewi (2018); Jumaat et al (2012); Tran Kieu (2016) and Isma (2007).

Rabitah and Shuhymee (2020) found a proactive initial strategy before the implementation of entrepreneurial and business activities. Therefore, through the key success factors of asnaf entrepreneurs obtained from the analysis of the literature as well as the previous studies, it is certain that a comprehensive rural asnaf development model required 4 main components:

1. Demographics
2. Individual
3. Knowledge and skills
4. Support

These four components are then developed into several sub-components that are suitable to be implemented to the asnaf entrepreneurs as shown in figure 2 below:

Figure 2: The Rural Asnaf Entrepreneurs Development Model



Conclusion

In conclusion, the development of asnaf entrepreneurs needs to be planned comprehensively to ensure its effectiveness in the long-term basis. This study found that the asnaf development programs that are being implemented now are only short-term and do not specifically touch on rural asnaf. Meanwhile, the needs of rural asnaf entrepreneurs are completely different in terms of demographics, individuals, support, knowledge, and skills. Other than that, zakat institutions are generally pioneered by people with religious backgrounds who have limited expertise in management and business aspects. Therefore, zakat institutions need to take advice from parties who have direct expertise with entrepreneurship development.

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