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by STIE Widya Wiwaha

Improving Performance of Zakat Institution in Poverty Alleviation: Balanced Scorecard Approach

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Abstract. *The purpose of this study is to develop a performance improvement model of Zakat Institution in Indonesia (OPZIS) using four balanced scorecard perspectives in poverty alleviation. The model is examined by using Structural Equation Modeling (SEM) analysis. Respondents of this study was 100 employees of 11 Zakat Institution, 100 muzzaki and 100 mustahiq. The results of this study prove that the Balanced Scorecard approach as a strategic management model can improve Zakat Institution performance. The quality of Zakat Institution performance is influenced by the organization's ability to grow and become a learning organization with training and support from supervisors. Good internal processes are created by employee satisfaction and loyalty, which ultimately affects the quality of customer service. Good quality customer service will affect customer satisfaction, which in turn, customers become more loyal and affect Zakat Institution financial performance. High financial performance will increase the contribution of Zakat Institution in poverty alleviation. This is because Zakat Institution is able to properly channel the funds to those entitled to receive it, namely the poor.*
Keywords: *Performance, Zakat Institution, Balanced Scorecard, Poverty Alleviation*

Abstrak. *Tujuan dari penelitian ini adalah untuk mengembangkan model peningkatan kinerja Lembaga Zakat (OPZIS) dengan ini menggunakan empat perspektif Balanced Scorecard dalam pengentasan kemiskinan. Model diuji dengan menggunakan analisis Structural Equation Modeling (SEM). Responden penelitian ini adalah 100 pegawai dari 11 Lembaga Zakat, 100 muzzaki dan 100 mustahiq. Hasil penelitian ini membuktikan bahwa pendekatan Balanced Scorecard sebagai model manajemen strategis dapat meningkatkan kinerja Lembaga Zakat. Kualitas kinerja Lembaga Zakat dipengaruhi oleh kemampuan organisasi untuk tumbuh menjadi organisasi pembelajaran dengan pelatihan dan dukungan dari pengawas. Proses internal yang baik diciptakan oleh kepuasan dan loyalitas karyawan, yang pada akhirnya mempengaruhi kualitas layanan pelanggan. Kualitas layanan pelanggan yang baik akan mempengaruhi kepuasan pelanggan yang pada akhirnya pelanggan menjadi lebih loyal dan mempengaruhi kinerja keuangan Lembaga Zakat. Kinerja keuangan yang tinggi akan meningkatkan kontribusi Lembaga Zakat dalam pengentasan kemiskinan. Sebab, Lembaga Zakat mampu menyalurkan dananya dengan baik kepada yang berhak menerimanya, yaitu fakir miskin.*
Kata Kunci: *Kinerja, Lembaga Zakat, Balanced Scorecard, Pengentasan Kemiskinan*

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Introduction

The Long-term Development Plan in the Special Province of Yogyakarta (DIY) in 2005-2025, launched an effort to achieve community welfare, 4 determined commitments namely *pro-growth, pro poor, pro job* and *pro-environment*. Based on data from the Central Bureau of Statistics, regarding the profile of poverty levels in 2014, the province of DIY ranks 24 or includes the top 10 provinces that have the worst poverty rates in Indonesia. The number of poor people in DIY reaches 532,590 people (14.55%). This is one of the considerations of determining the main target for regional development for 2015 is to reduce the percentage of the number of poor people. (Maryatmo, 2013).

Zakat is a worship that has a strategic social function in an effort to improve the welfare of the community. If it is managed by Amil Zakat, Infaq and Sadaqah who are strong, trustworthy, professional, trustworthy and properly distributed, in accordance with the provisions of the Islamic religion and the principles of proper management, then it is able to tackle community poverty. Empirically, it has been proven in history that during the reign of Umar bin Abdul Aziz, zakat managed by Amil Zakat can reduce poverty levels in a short time (Fithriyyah, 2010).

According to Hafidhuddin (2014), if coordinated properly, the potential for zakat in Indonesia is very large. The potential for receiving Zakat funds in DIY is around Rp. 138,479,750,000 but in reality, the receipt of zakat in DIY is around Rp. 5,371,000,000 or 3.89% (BAZDA DIY Province, 2014). This great potential will not be realized if there is no enthusiasm and commitment of cooperation from all parties, both from the policy makers, Zakat Institution and the general public.

One of the efforts to maximize the potential of zakat and poverty alleviation, the Indonesian government established the Amil Zakat Agency based on the Republic of Indonesia Law No. 38 of 1999 concerning

Management of Zakat, which was updated with Law number 23 of 2011. The series of zakat management activities included planning, organizing, implementation and supervision of the distribution and utilization of zakat. Management of zakat as recommended in verses of the Koran and As-Sunnah is left to the Zakat Institution. This institution is expected to explore the potential and distribute funds in the form of zakat, infaq and shodaqoh (ZIS) to the community to improve the economic welfare of the people.

Based on the results of previous research, it shows that there are several problems faced by Zakat Institution that result in sub-optimal performance (Sulastiningsih and Wikaningtyas, 2013). The Zakat Institution problems include the low image of Zakat Institution, because the muzakki have doubts about the mental quality and managerial abilities in organizational management of Zakat Institution Human Resources (HR). The next problem is that the Zakat Institution office tends to be unrepresentative and amil tends to only carry out its obligations during certain months, for example in the month of Ramadan, and finally the empowerment of zakat recipients has not been carried out intensively. Based on these problems, it is necessary to have a study to develop a model with a specific approach so that it can maximize the ability of Zakat Institution in managing ZIS funds and empowerment of ZIS recipients as an effort to reduce poverty.

One approach that is considered effective in improving performance is strategic management based on the balanced scorecard. The balanced scorecard approach includes a broad perspective, namely the perspective of growth and learning, internal processes, customers and finance, resulting in a strategic plan that is comprehensive, coherent, balanced and measurable.

Literature Review

Balanced Scorecard (BSC)

BSC is an approach developed in the 1990s by Robert Kaplan and David Norton. BSC looks at organizational performance from four perspectives for

financial and non-financial aspects, namely: (1) The Learning and Growth Perspective, (2) The Business Process Perspective, (3) The Customer Perspective, and (4) The Financial Perspective. The following is the explanation of the meaning of the four perspectives:

1. The Learning and Growth Perspective.

   This perspective measures factors related to technology, employee development, systems and procedures, and other factors that need to be updated to improve quality in the long run.

2. The Internal Process Perspective

   This perspective identifies critical factors in an organization's internal processes by focusing on developing new processes that are customer needs.

3. The Customer Perspective

   The customer perspective measures performance from a customer perspective such as customer satisfaction, customer retention, customer profitability, and market share.

4. The Financial Perspective

   This perspective looks at performance from the perspective of the profitability of achieving financial targets, so that it is based on sales growth, return on investment, operating income, and cash flow.

   Growth and learning perspective related to factors that can increase employee satisfaction, including technology optimization, improvement of systems and procedures and employee development. Factors affecting employee satisfaction include: supervisor support, team work, working environment and training.

   The internal process perspective is related to continuous improvement of internal processes in order to improve process quality. The quality of this process is reflected in the quality of services provided to customers. Parasuraman et al. (1985) defines the concept of perceived service quality as an attitude related to service excellence and perceived service quality as

indicated by the level of perception and level of expectation of employees. Parasuraman et al. (1985) while developing the SERVQUAL model to measure service quality and suggesting 10 determinants and not being dependent on each other. SERVQUAL consists of five dimensions: tangible, responsiveness, reliability, assurance and empathy.

The customer perspective measures performance from a customer perspective such as customer satisfaction and customer loyalty. According to Robbin & Judge (2008), satisfaction is the level of one's feelings after comparing the performance or the results he feels with his expectations. The level of satisfaction is a function of the difference between the perceived performance and expectations. If the performance is below expectations, then the person is disappointed, if the performance is as expected, then the person is satisfied and if the performance exceeds expectations, then the person is very satisfied.

Hypothesis Development

Zakat Institution as a public organization is directly related to the provision of services and goods to meet the wants and needs of the community, in this case the public (zakat payers and zakat recipients) are customers who must be served well. The need to meet customer satisfaction becomes important, so it is necessary to instill a mindset of the Zakat Institution managers about how to increase customer satisfaction, namely the community. Zakat Institution performance must be seen broadly by identifying the success of organizations in meeting the needs of the community by using approaches in performance measurement that are modified so that it is appropriate to be used to properly assess the performance of public accountability.

In terms of language, the word zakat means growth and development. The scholars say zakat is part of the assets with certain conditions that Allah SWT requires to be handed over to those who are entitled to receive certain

conditions (FOZ, 2012). ZIS has a very significant role and benefits in poverty alleviation and community empowerment. This is proven by the establishment of mosques of various scales, schools, madrassas, Islamic boarding schools, orphanages, universities, hospitals, polyclinics and others. Development and education facilities for the community mostly use ZIS funds. The awareness of Muslims to fulfill the obligation of zakat and the optimization of zakat management institutions will greatly assist the alleviation and empowerment of the poor (FOZ, 2012).

Budiman (2002) states several obstacles that arise related to zakat management issues, namely: 1) lack of public awareness in paying zakat, 2) lack of institutional support to the maximum collection of zakat, 3) the public's limited view of the concept of Zakat Fiqh more appropriate, 4) there is an assumption in some communities that paying zakat is an unproductive step and 5) there is no uniform concept of zakat management among existing zakat institutions.

The financial perspective looks at performance from the perspective of profitability and achievement of financial targets, so that it is based on sales growth, return on investment, operating income, and cash flow. Zakat Institution as a non-profit organization needs to conduct financial management effectively. Niven (2003) states that although public organizations are not profit oriented organizations, the existence of a financial perspective on the BSC for public sector organizations is still important. No organization can operate successfully and fulfill customer demands without financial resources. Mardiasmo (2009) states that, value for money is a concept of financial management in public sector organizations that is based on three main elements, namely: economy, efficiency and effectiveness. The research hypothesis is formulated based on the theoretical background and literature review (Table 1).

Table 1 Research Hypothesis Formulation

1	H.1.1	There is a positive and significant relationship between supervisor support and employee satisfaction (job satisfaction).
2	H.1.2	There is a positive and significant relationship between teamwork and employee satisfaction (job satisfaction).
3	H.1.3	There is a positive and significant relationship between the work environment and the ethical work climate with job satisfaction.
4	H.1.4	There is a positive and significant relationship between training (training) with employee satisfaction (job satisfaction).
5	H.1.5	There is a positive and significant relationship between employee satisfaction (job satisfaction) with employee loyalty.
6	H.2.1	There is a positive and significant relationship between employee satisfaction (job satisfaction) and service quality.
7	H.2.2	There is a positive and significant relationship between employee satisfaction (job satisfaction) with physical evidence (tangibles).
8	H.2.3	There is a positive and significant relationship between employee satisfaction (job satisfaction) with responsiveness (responsiveness).
9	H.2.4	There is a positive and significant relationship between employee satisfaction (job satisfaction) with reliability (reliability).
10	H.2.5	There is a positive and significant relationship between employee satisfaction (job satisfaction) with guarantees (assurance).
11	H.2.6	There is a positive and significant relationship between employee satisfaction (job satisfaction) with empathy (empathy).
12	H.3.1	There is a positive and significant relationship between service quality and muzakki satisfaction.
13	H.3.2	There is a positive and significant relationship between service quality and mustahiq satisfaction.
14	H.3.3	There is a positive and significant relationship between muzakki satisfaction and muzakki loyalty.
15	H.3.4	There is a positive and significant relationship between mustahiq satisfaction and mustahiq loyalty
16	H.4.1	There is a positive and significant effect between muzakki loyalty and financial return.
17	H.4.2	There is a negative and significant effect between mustahiq loyalty and financial return.

Hypotheses 1.1 until 1.5 relate to the growth and learning perspective which consists of supervisor support, team work, working environment and training.

Hypotheses 2.1 until 2.6 relate to an internal process perspective consisting of tangible, responsiveness, reliability, assurance and empathy.

Hypotheses 3.1 until 3.4 relate to customer perspective, namely customer satisfaction and loyalty.

Hypotheses 4.1 until 4.2 are related to financial perspective, namely customer loyalty and financial return.

Methods

This study was a cross sectional study using a survey method. The population in this study were muzzaki and mustahiq from 11 Zakat Institution in DIY. The sampling technique used was convenience sampling, and the number of final samples that could be used in this study were 100 Zakat Institution employees, 100 muzzaki and 100 mustahiqs.

This research questionnaire uses a Likert scale with alternative choices of answers 1 to 5 (answers strongly agree/very satisfie /very loyal = 5, agree/satisfied/loyal = 4, enough = 3, disagree/dissatisfied/not loyal = 2 and strongly disagree/very dissatisfied/very disloyal = 1). Instrument testing is done through validity and reliability testing.

Research hypothesis testing using Structural Equation Modeling (SEM). The next steps are carried out seven (7) stages in modeling with SEM, namely: 1) Development of theoretical models, 2) Development of Flow Charts, 3) Conversion of flowcharts into structural equations and measurement models, 4) Selecting the type of input matrix and estimation of the proposed model, 5) Assessing structural model identification, 6) Assessing Goodness of fit criteria, 7) Interpretation and modification of models. The BSC approach used in this study resulted in the stages of analysis in developing the model, namely: (1) a growth and learning perspective, identifying the influence of supervisor support, work environment, teamwork and training on employee job satisfaction and identifying the effect of job satisfaction on employee loyalty. (2) internal process perspective by identifying the influence of employee loyalty on service quality. (3) customer perspective, identify the effect of service quality on customer satisfaction (muzzaki and mustahiq), identify the effect of customer satisfaction on customer loyalty. (4) financial perspective by identifying the effect of customer loyalty on financial performance.

Results and Discussion

The number of samples in this study were 11 Zakat Institution in the province of DIY, out of 11 Zakat Institution selected 100 Zakat Institution employees, 100 muzakki people and 100 mustahiq people. Table 2 presents the Zakat Institution data that are the object of research.

Table 2 Zakat Institution Data as Sample

No.	Zakat Institution	Address
1	Badan Amil Zakat Kota Yogyakarta	Komplek Balai Kota Yogyakarta
2	Rumah Zakat Indonesia	Jalan Veteran Yogyakarta
3	PKPU Yogyakarta	Cokrodiningratan, Jetis, Yogyakarta
4	Inisiatif Zakat Indonesia	Jalan Prof Dr. Sarjito Yogyakarta
5	LAZ NU	Jalan Bantul Yogyakarta
6	LAZIS Muhammadiyah	Jalan KH Ahmad Dahlan Yogyakarta
7	LAZIS SYUHADA	Komplek Masjid Syuhada Yogyakarta
8	LAZIS Dompet Salahudin	Masjid Komplek UGM
9	LAZIS Portal Infaq	Jalan Bantul Yogyakarta
10	LAZIS Dompet Dhuafa Yogyakarta	Jalan Kiyai Mojo Yogyakarta
11	LAZ DPU Darut Tauhid	Jalan Nya Ahmad Dahlan Yogyakarta

Based on data collected, it can be concluded in general about the profile of respondents. Based on formal education, the majority of muzzaki respondents have a college education. While others have a senior high school education, postgraduate and diploma. Next, based on formal education, the profile of the majority of respondents mustahiq educated diploma. The rest have bachelor degree, senior high school and postgraduate educational backgrounds (Table 3).

Table 3 Profile of Muzakki & Mustahiq based on Formal Education

Formal Education	Muzzaki	Percentage (%)	Mustahiq	Percentage (%)
Senior High School	26	26,00	16	16,00
Diploma	18	18,00	41	41,00
Bachelor	37	37,00	38	38,00
Postgraduate	19	19,00	5	5,00
Total	100	100,00	100	100,00

Next is the respondent's profile based on work background. The majority of muzzaki respondents have jobs as entrepreneurs, while other respondents work as civil servants, private employees and others. Whereas

for the majority of respondents mustahiq work as others, then the remaining mustahiq respondents work as entrepreneurs, private employees and civil servants (Table 4).

Table 4 Profile of Muzakki & Mustahiq based on Occupation

	Muzakki			Mustahiq	
Work	Amount	Percentage	Work	Amount	Percentage
Entrepreneurs	39	39,00	Entrepreneurs	21	21,00
Civil Servants	29	29,00	Civil Servants	9	9,00
Private Employees	22	22,00	Private Employees	12	12,00
Others	10	10,00	Others	58	58,00
Total	100	100,00	**Total**	100	100,00

Validity and Reliability Testing

Research instruments for growth and learning perspectives to determine the effect of supervisor support, team work, working environment and training on employee satisfaction and the effect of employee satisfaction on employee loyalty used a questionnaire consisting of 27 items. The results of the validity and reliability analysis of the 27 items produce a loading factor value above 0.05%, so that it is declared valid and reliable. The research instrument for internal process perspective to determine the effect of employee loyalty on service quality: tangible, assurance, responsive, reliability and empathy is a questionnaire consisting of 22 items. The results of the validity and reliability of the 22 items showed a loading factor value above 0.05%, so that it was declared valid and reliable. Customer perspective research instrument to determine the effect of service quality on customer satisfaction and the influence of customer satisfaction on customer loyalty using a questionnaire consisting of 23 items.

The results of the validity and reliability of the 23 items indicate that each has a loading factor above 0.05%, so that it is declared valid and reliable. The research instrument for financial perspective to determine the effect of customer loyalty mustahiq on financial return was used a questionnaire containing 8 items. The results of the validity and reliability of the 8 items, each of which has a loading factor above 0.05%, so that it is declared valid and

reliable. The financial perspective research instrument to determine the effect of muzzaki customer loyalty on financial return was used an 8 items questionnaire. The results of the validity and reliability of the 8 items, each of which has a loading factor above 0.05%, so that it is declared valid and reliable.

Hypothesis Testing

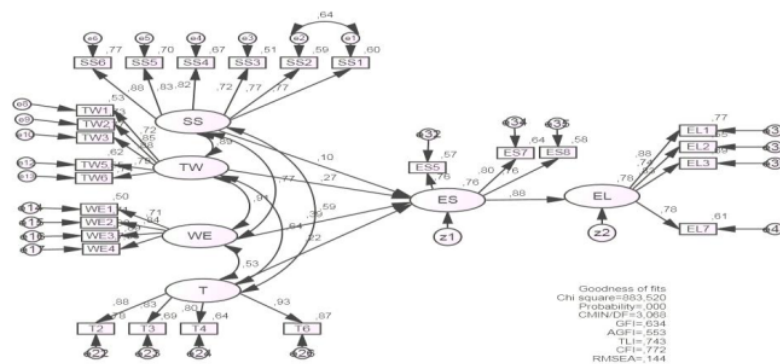The first hypothesis test is the perspective of growth and learning. The model for growth and learning perspective is illustrated in Figure 1.

Figure 1 Growth and Learning Perspective

The results show that based on this first hypothesis there are 3 significant variables namely supervisory support, training and employee satisfaction (Table 5).

Table 5 Hypothesis Testing: Growth and Learning Perspectives

No	Exogenous	Endogenous	CR	p-value	Conclusion
1	Supervisor supp.	Employee satisfaction	0,449	0,029	Significant
2	Working environment	Employee satisfaction	1,395	0,163	No
3	Team work	Employee satisfaction	0,607	0,544	No
4	Training	Employee satisfaction	2,188	0,029	Significant
5	Employee satisfaction	Employee loyalty	7,981	0,000	Significant

It is known that working environment and team work do not affect employee satisfaction. While the supervisor support and training variables have a positive and significant effect on employee satisfaction and employee

satisfaction has a significant positive effect on employee loyalty. This shows that hypothesis 1.1, hypothesis 1.4 and hypothesis 1.5 are proven. While hypotheses 1.2 and 1.3 are not proven.

The second hypothesis is related to the perspective of internal processes. Structural models for internal process perspectives are presented in Figure 2.
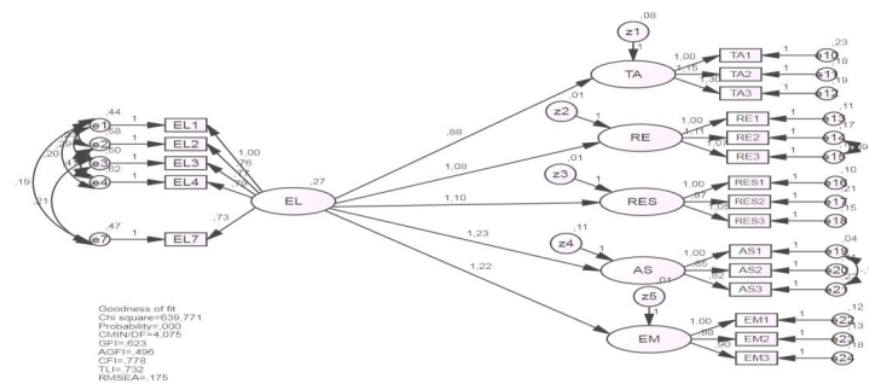

Figure 2 Internal Process Perspective

Hypothesis test results indicate that all results are significant (Table 6). Based on the SEM analysis, it is known that there is a positive and significant effect between employee loyalty to service quality which includes five dimensions. These dimensions are tangible, reliability, responsiveness, assurance and empathy. In other word the results of this analysis support the proposed hypotheses.

Table 6 Hypothesis Test Results: Internal Process Perspective

Exogenous	Endogenous	CR	p-value	Conclusion
Employee loyalty	Tangible	5,745	0,000	Significant
	Reliability	7,000	0,000	Significant
	Empathy	7,081	0,000	Significant
	Responsible	7,096	0,000	Significant
	Assurance	7,023	0,000	Significant

Furthermore, hypotheses 3.1 to 3.4 were tested using SEM analysis, so that the 3A model was obtained, namely mustahiq's customer perspective.
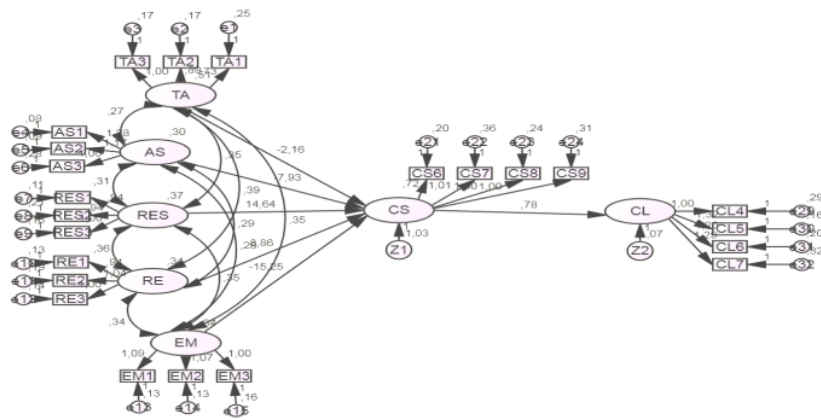
Figure 3A. SEM Model: Mustahiq's Satisfaction

Hypothesis test results for Mustahiq's Customer Perspective show all results are statistically significant (Table 7).

Table 7 Hypothesis Test Results: Mustahiq's Customer Perspective

No	Exogenous	Endogenous	CR	p-value	Conclusion
1	Tangible	Customer satis	0,518	0,000	Significant
2	Reliability	Customer satis	0,615	0,000	Significant
3	Empathy	Customer satis	0,569	0,000	Significant
4	Responsible	Customer satis	0,789	0,000	Significant
5	Assurance	Customer satis	0,509	0,000	Significant
6	Customer satis	Cus. Loyalty	0,521	0,000	Significant

Next hypothesis testing is about Muzzaki's Customer Perspective. Hypothesis test results indicate that the overall test for the relationship between variables is significant (Table 8).

Table 8 Hypothesis Test Results: Muzzaki's Customer Perspective

No	Exogenous	Endogenous	CR	p-value	Conclusion
1	Tangible	Customer satis	0,576	0,000	Significant
2	Reliability	Customer satis	0,678	0,000	Significant
3	Empathy	Customer satis	0,798	0,000	Significant
4	Responsible	Customer satis	0,758	0,000	Significant
5	Assurance	Customer satis	0,689	0,000	Significant
6	Customer satis	Cus. Loyalty	0,595	0,000	Significant

Based on SEM analysis results, it is known that there is a positive and significant influence between service quality variables on mustahiq and muzakki satisfaction (Figure 3A & 3B). Likewise, there is a positive and significant effect between muzakki and mustahiq satisfaction on muzakki loyalty and mustahiq loyalty. In other words, the results of this analysis support the proposed hypothesis (Figure 3A & 3B).
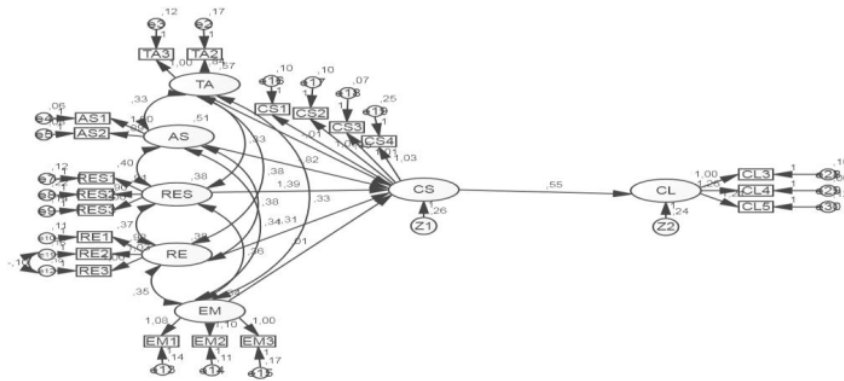

Figure 3B SEM Model: Muzzaki's Satisfaction

Furthermore, hypotheses 4.1 and 4.2 were tested using SEM analysis, so that model 4 was obtained, namely the financial perspective of muzakki and mustahiq. The results of the SEM analysis are presented in table 9.

Table 9 Comparison of Hypothesis Test Effect of Customer Loyalty on Financial Return

No	Statistics	Muzakki	Mustahiq
1	CR	2,202	-4,968
2	p-value	0,028	< 0,001
3	Estimate	0,228	-0,502

Based on the results of the analysis of model 4, it is known that the value of goodness of fit between the groups mustahiq and muzaki is almost the same, but for the results of testing the hypothesis shows different values. In the muzaki group the influence of customer loyalty on financial return is significantly positive (estimate = 0.228), while the mustahiq group is

significantly negative (estimate = -0.502). The results of this analysis support the proposed hypothesis. This shows that the more loyal muzaki group, the return obtained is also higher, while in the mustahiq group; the more loyal the return obtained actually decreases.

Conformity Test and Statistical Test

Based on the results of hypothesis testing for the four perspectives of BSC model. Result can be concluded that the Zakat Institution performance improvement model in the province of DIY is stated as a fit model with the following considerations and Figure 5 presents a summary of the model and the results of hypothesis testing:

First, X^2-Chi Square Statistics, the smaller the value of X^2, the better the model, and accepted based on the probability with a cut-off value of $p < 0.05$ and $p > 0.01$ and for the four BSC models have a chi square value below 0.05, with an average value of 0.048

Second, CMIN/DF (The Minimum Sample Discrepancy Function Devided with Degree of Freedom) is a statistical square X2 divided by Degree of Freedom so that it is called relative X^2, the less than 2, the better the fit level. CMIN / DF values for all four models are less than 2.

Third, AGFI (Adjusted Goodness of Fit Index) is a criterion that takes into account the weighted proportion of the variance in the sample covariance matrix. Models with a minimum AGFI value of 0.9 can be said to be good models. The AGFI values of the four models are above 0.9, with an average value of 0.910.

Fourth, CFI (Comparative Fit Index) has a range of values of 0-1, which is getting closer to 1, indicating the highest level of fit. The CFI values for all four models are above 0, with an average CFI value of 0.918.

Fifth, TLI (Tucker Lewis Index) is an incremental index that compares a model that is tested against a baseline model. The model is said to be good if

the TLI is at least 0.9. The TLI values of all four models are above 0.9 with an average TLI value of 0.909.

Sixth, RMSEA (The Root Mean Square Error of Approximation) is an index used to compensate for chi-square in large samples. RMSEA is said to be good if the value is less than 0.05, reasonable if it is smaller than 0.08 and outside that value, RMSEA means bad and has not been fulfilled for testing absolute fit indices/measure. The RMSEA values of the four models are above 0.08 with an average RMSEA value of 0.073.
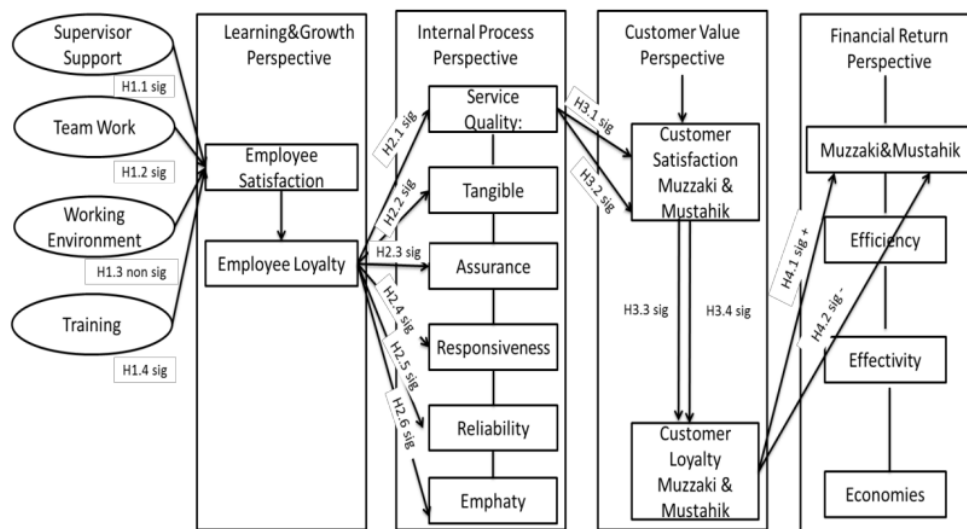
Figure 4 Zakat Institution Performance Improvement Model in DIY Province

Discussion

The first results of this study about growth and learning perspective indicate that the working environment and team work have no effect on employee satisfaction. While supervisor support and training variables have a positive effect on employee satisfaction and ultimately a positive effect on employee loyalty. Factors that influence employee behavior, between individual factors, situational/social and interpersonal factors and

organizational factors. Situational factors namely the relationship between superiors and subordinates, it can be demonstrated through the influence of work groups and supervisor support or influence of supervisors. While organizational factors consist of ethical climate, operational environment and training (Podsakoff, 2000).

Maslow's hierarchy of needs states that a person has five levels of needs namely physiological, security, affection, appreciation and self-actualization. Maslow believes that lower levels of need need to be satisfied first, before higher levels can motivate (Tsourela, Mouza & Paschaloudis, 2008). Job satisfaction has two intrinsic and extrinsic dimensions. Intrinsic job satisfaction is one's sense related to his work, while extrinsic job satisfaction is one's sense related to work situations. Job satisfaction is also mentioned as the difference between what is expected and what is felt by someone at work. An indication of job satisfaction is usually associated with work discipline, absenteeism, employee turnover and loyalty. Employee dissatisfaction has a positive effect on deviations. Employee response due to dissatisfaction occurs, can be constructive and destructive. Constructive reactions such as giving voice and waiting for conditions of improvement/loyalty. Destructive reactions such as neglect and exit (Tsourela, Mouza & Paschaloudis, 2008; Baylor, 2010). At individual-level, high levels of work engagement showed high levels of job satisfaction and this relationship was stronger when supervisor emotional support at group-level was high. Ways to enhance emotional supervisor support include training supervisors in providing support and enhancing communication between employee and supervisors (Pohl & Galletta, 2017).

The second research result about internal process perspective shows a positive influence between employee loyalty to service quality which includes five dimensions, there are tangible, reliability, responsiveness, assurance and empathy. These results are consistent with previous research which revealed that employee satisfaction significantly influences service quality and

customer satisfaction, which in turn affects organizational profit (Rachel et al., 2013). Other research that is consistent with current results shows that organizational can improve customer satisfaction and loyalty through efficient operations, employee loyalty and engagement, and service quality (Lee, Lee & Kang, 2012).

The third result about customer perspective shows that there is a positive influence between service quality on mustahiq and muzakki satisfaction. Next, the results also showed a positive effect between satisfaction with muzakki and mustahiq loyalty. These results are consistent with previous research which states that service quality has a strong effect on customer satisfaction. Customer satisfaction has a positive effect on customer loyalty (Akbar et al., 2009). Previous results indicated that reliability, responsiveness, assurance and empathy significantly influenced customer attitudes in terms of satisfaction and loyalty (Loke et al., 2011). Consistent with this result other previous studies stated that service quality influences the customer satisfaction (Saidani & Arifin, 2013). Other consistent results state that SERVQUAL as the most often used approach for measuring service quality has been compared to customers' expectations before a service encounter and their perceptions of the actual service delivered. The results imply that the quality performance of dimensions has a strong impact on customer satisfaction. Also, price, speed of installation and speed of delivery have been found as new dimensions (Mosahab, Mahamad & Ramayah, 2010).

The fourth result relates to a financial perspective which shows that, when muzzaki is getting more loyal, the return obtained is also higher, but when mustahiq is more loyal, the return obtained actually decreases. Customer loyalty, will increase the level of trust, then will provide recommendations to other parties or other prospective customers. These results are related to the results of previous studies which state that customer loyalty explains levels of relative revenue growth and profitability, and relatively high customer loyalty engenders a competitive advantage (Smith &

Wright, 2004). This will have a positive impact on revenue growth, ultimately improving financial performance (Mulyadi, 2005). Other results of a previous study found that neither customer satisfaction nor loyalty has a significant impact on financial performance (Keisidou et al., 2013). Another study states that product quality, recognition of customers' financial needs and acceptance of prices by a customer have an impact on customer satisfaction, which then influences customer loyalty and this in return influences additional purchases of potential customers (Belás & Gabčová, 2016).

Conclusion

This study uses the Balanced Scorecard approach in developing a model for improving Zakat Institution performance by using four perspectives, namely the growth and learning perspective, the internal process perspective, the customer perspective and the financial perspective. The results showed that based on the perspective of growth and learning, supervisor support and training had a major influence on increasing job satisfaction which in turn resulted in strong loyalty from Zakat Institution employees. However, the results show that the work environment and teamwork have no effect on job satisfaction. Based on the perspective of internal processes, the results of the study show that strong employee loyalty has an effect on improving the quality of services provided. The results of the research based on the customer perspective show that service quality plays an important role in the satisfaction and loyalty of muzakki and mustahiq. Finally, based on a financial perspective, the results show that customer satisfaction and loyalty have an influence on financial performance. This is because customers who are satisfied and loyal to Zakat Institution believe that Zakat Institution is able to channel funds properly and empower the poor to become independent and no longer depend on ZIS.

The results of this study contribute to Zakat Institution and government. The advice given is as follows: For Zakat Institution, it is better

to: (1) Implement the BSC in the strategic management system by paying attention to each performance perspective in the BSC and strategic steps in implementing BSC-based strategic management, (2) Although the work environment and team work variables do not affect satisfaction employee work, but this needs to be explored further, because it is possible to influence the behavior of Zakat Institution employees who are less favorable to the organization and (3) because it is proven that supervisor support and training variables have a significant positive effect on employee satisfaction, then Zakat Institution is recommended to increase supervisor support and quality training for Zakat Institution employees.

The government should facilitate Zakat Institution to implement a BSC-based strategic management model, because this model can improve the performance of Zakat Institution so that it can increase Zakat Institution contribution in helping to accelerate poverty alleviation programs.

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