
	<p>Solo International Collaboration and Publication of Social Sciences and Humanities E-ISSN: 2988-3512 Vol.4, No.3, 2026, pp. 1015-1028 DOI: <a href="https://doi.org/10.61455/sicopus.v4i03.602">https://doi.org/10.61455/sicopus.v4i03.602</a></p>	
<p>Received February 08, 2026</p>	<p>Revised June 21, 2026</p>	<p>Accepted July 09, 2026</p>

# The Impact of PP-PKH on the Economic Welfare of Decile 1–2 Households through Maqasid al-Shariah-Based Economic Empowerment: Evidence from Panca Mulya Village, South Sumatera

*Muharir<sup>1\*</sup>, Saprida<sup>2</sup>, Melia Frastuti<sup>3</sup>, Rica Naysilla Chandra<sup>4</sup>, Satria Saputera<sup>5</sup>*

<sup>1,2,3,4,5</sup>Universitas Indo Global Mandiri, Palembang, Indonesia

<sup>1\*</sup>[muharir@uigm.ac.id](mailto:muharir@uigm.ac.id), <sup>2</sup>[saprida@uigm.ac.id](mailto:saprida@uigm.ac.id), <sup>3</sup>[melia\\_frastuti@uigm.ac.id](mailto:melia_frastuti@uigm.ac.id),  
<sup>4</sup>[ricanysillachandra@gmail.com](mailto:ricanysillachandra@gmail.com), <sup>5</sup>[satriasaputera0101@gmail.com](mailto:satriasaputera0101@gmail.com)

## Abstract

**Objective:** This study aims to examine the effect of the Protection and Empowerment Program through the Family Hope Program (PP-PKH) on the economic welfare of households in decile groups 1–2 in Panca Mulya Village, while investigating the mediating role of Maqasid al-Shariah-based economic empowerment in strengthening the relationship between social protection and community welfare. **Theoretical framework:** The research is based on social protection theory integrated with the Maqasid al-Shariah framework, emphasizing that empowerment grounded in Islamic values promotes sustainable welfare beyond financial assistance alone. **Literature review:** Previous studies primarily emphasize the direct impact of PKH on welfare, while limited research explores the mediating role of Islamic-based economic empowerment in strengthening program effectiveness. **Method:** This study employs a quantitative explanatory design, collecting data through questionnaires, observations, and interviews, which are analyzed using PLS-SEM with SmartPLS 3. **Results:** The findings demonstrate that PP-PKH positively influences both community economic welfare and Maqasid al-Shariah-based economic empowerment. Economic empowerment also has a significant positive effect on welfare and serves as a mediating variable, indicating that the program's effectiveness is strengthened when social assistance is accompanied by empowerment strategies rooted in Islamic economic values. **Implications:** The results suggest that social protection policies should integrate Islamic-based economic empowerment to enhance the long-term effectiveness and sustainability of poverty alleviation programs. **Novelty:** This study introduces an integrated model that links the Family Hope Program (PKH) with Maqasid al-Shariah based economic empowerment, demonstrating its mediating role in improving community economic welfare.

**Keywords:** economic well-being, economic empowerment, maqasid al-shariah, smartpls 4, low-income households.

## INTRODUCTION

Poverty and socio-economic inequality remain major challenges, particularly in developing countries. These issues continue to hinder efforts toward sustainable economic growth and social welfare improvement. According to the latest report from the World Bank in 2024, approximately 27.6% of the population in lower-middle-income countries lives below the international poverty threshold of US\$3.65 per day [1]. This condition indicates

that a substantial proportion of society in these countries still faces difficulties in fulfilling their basic needs and achieving an adequate standard of living [2]. Poverty itself is a long-standing issue that has been deeply embedded in human life since ancient times. It refers to a condition in which individuals or groups are unable to meet their minimum needs, including both food and non-food necessities required to sustain a decent standard of living [3]. Poverty remains a major issue in Indonesia's socio-economic development, particularly among communities classified within decile groups 1–2 [4]. Poverty has long been recognized as a persistent problem throughout human history and continues to affect various aspects of social welfare. This issue is not only associated with low income levels but also relates to limited access to essential needs and public services, including education, healthcare, and adequate housing [5]. This group represents the most vulnerable category, as they face significant limitations in meeting basic needs, including access to food, education, healthcare services, and decent employment opportunities [6].

From the perspective of Islamic public finance, the government, as *ulil amri* (legitimate authority), plays a central role in managing public finances based on Sharia principles, in line with the concept of *Maqasid al-Shariah* formulated by Imam Al-Shatibi [7]. According to Islamic principles, the fulfillment of basic needs is guided by the five essential objectives of *Maqasid al-Shariah*, which include the protection of religion, life, intellect, lineage, and wealth [8]. These five dimensions serve as indicators of ideal well-being because they encompass not only material needs but also moral and spiritual aspects of human life [9]. Therefore, contemporary Islamic economic perspectives emphasize that social assistance programs should not merely focus on consumption-oriented support but should also be integrated with empowerment initiatives that balance economic growth with social welfare and public benefit (*maslahah*) [10]. This condition indicates that poverty is not merely an economic issue but also a multidimensional problem influenced by low human resource capacity and limited access to public services. As a form of intervention, the government has implemented various programs aimed at reducing poverty and improving community welfare [11].

The Program Keluarga Harapan (PKH), which is categorized as a conditional social protection scheme, is designed to alleviate the financial burden faced by low-income households while simultaneously improving their quality of life through obligations related to education and healthcare services [12]. In 2022, the Indonesian government allocated approximately IDR 42.46 trillion for social assistance programs [13]. Of this amount, 17.04 percent was distributed to East Java Province, reaching a total allocation of IDR 7.24 trillion [14]. Previous studies have indicated that conditional cash transfer programs, such as PKH, contribute to improving household consumption stability and strengthening the economic resilience of low-income communities [15]. Vulnerable groups may be defined as individuals or communities experiencing specific forms of vulnerability and facing multiple limitations, including physical, psychological, and social constraints [16].

These conditions often create barriers to accessing essential services, making additional protection and support from both the government and the surrounding social environment necessary [17]. Panca Mulya Village is one of the villages located in Air Kumbang District, Banyuasin Regency, South Sumatra Province. Air Kumbang District consists of 16 villages, namely Air Kumbang Bakti, Budi Mulya, Cinta Manis Baru, Kumbang Padang Permata, Muara Baru, Nusa Makmur, Padang Rejo, Panca Desa, Panca Mulya, Rimba Jaya, Sebokor, Sebusus, Sido Makmur, Sidomulyo, Teluk Tenggirik, and Tirta Makmur. This area is characterized by socioeconomic conditions that are largely dependent on agricultural and plantation activities, making social protection programs an important instrument in maintaining community welfare and economic stability. (Kecamatan Air Kumbang, 2019) Based on the final closing results for Quarter II (January–June) during the implementation of the Family Protection and Empowerment Program–Program Keluarga Harapan (PP-PKH), Panca Mulya Village recorded 42 beneficiary groups out of a total of 1,112 beneficiary households in Air Kumbang District [18]. This figure indicates that a portion of the

community continues to experience economically vulnerable conditions and still requires social assistance support from the government. Administratively, beneficiary data have undergone verification and validation processes based on the National Integrated Socioeconomic Data (DTSEN) to ensure that assistance distribution is more accurately targeted and aligned with the socioeconomic conditions of the community [19].

The implementation of PP-PKH is not solely focused on providing cash assistance but is also intended to enhance community well-being through improved access to education, healthcare, and social protection services [20]. This program is expected to support beneficiary families in meeting their basic needs, sustaining children's educational participation, improving maternal and child health outcomes, and contributing to long-term poverty reduction efforts. Therefore, collaboration among village governments, PKH social facilitators, sub-district authorities, and local communities is essential to ensure that program implementation remains effective, transparent, and accountable.

Nevertheless, various studies have highlighted that social assistance programs alone are not always sufficient to create economic self-reliance when they are not accompanied by strong empowerment mechanisms. In addressing poverty, the government has developed policies through three main approaches. First, indirect policies aimed at ensuring the sustainability of poverty reduction efforts. Second, direct interventions targeting low-income groups [21]. Third, specific policies designed to prepare both disadvantaged communities and responsible stakeholders to ensure effective program implementation. Within this context, the Program Keluarga Harapan (PKH) represents one of the social assistance programs that offers significant potential for further academic examination. This program is designed to maintain the living standards of low-income households during periods of economic instability while also aiming to strengthen women's roles in household economic activities. One of the fundamental concepts in Islamic economics is Maqasid Sharia, which aims to enhance social welfare through the application of social justice principles and ethical values in economic transactions [22].

In the context of economic empowerment, Maqasid Sharia emphasizes comprehensive human well-being through the protection of religion, life, intellect, lineage, and wealth [23]. Therefore, the concept of welfare is not solely oriented toward material aspects but also encompasses moral and spiritual dimensions. This approach is consistent with the development of contemporary Islamic economic studies, which emphasize balancing economic growth with broader social welfare and public benefit values [24].

The novelty of this study lies in integrating the PP-PKH program with a Maqasid Sharia-based approach within an economic empowerment model for low-income communities. In addition, this study examines the role of Maqasid Sharia-based economic empowerment as a variable by applying the SmartPLS 3 approach to assess both direct and indirect relationships among variables. Another distinctive contribution of this research is its focus on households classified within deciles 1–2 at the village level, particularly in Panca Mulya Village, an area that remains underexplored in previous empirical studies [25]. This focus provides a more specific understanding of the effectiveness of social policy interventions among the most vulnerable groups. Therefore, this study is expected to contribute both theoretically and practically to the development of social protection policies that are more effective, sustainable, and equitable.

## LITERATURE REVIEW

The literature review provides the theoretical and empirical foundation for the study by examining relevant concepts, models, and previous research related to the research topic. It serves to identify the current state of knowledge, highlight existing research trends, and reveal gaps that justify the need for further investigation. A comprehensive literature review enables researchers to establish a strong conceptual framework while demonstrating how the

present study differs from and contributes to existing scholarship. This section discusses theories that explain the relationships among the variables under investigation and presents previous studies that are directly related to the research objectives. The reviewed literature should be critically analyzed rather than merely summarized, allowing similarities, differences, strengths, and limitations of earlier studies to be identified. Such analysis helps clarify the theoretical basis of the research and supports the formulation of hypotheses or research questions [25].

In this template, the literature review has been adapted and modified from relevant scholarly sources to maintain academic integrity while ensuring originality, novelty, and distinctiveness. Researchers are encouraged to synthesize previous findings instead of copying existing literature and to demonstrate how their study extends or refines prior knowledge. The discussion should conclude by identifying the specific research gap that remains unresolved and explaining how the current study addresses that gap. Consequently, the literature review functions not only as a summary of previous knowledge but also as a logical justification for the significance, originality, and expected contribution of the present research to both theory and practice [25].

## METHODOLOGY

This study employed a quantitative explanatory research design to examine the causal relationships between the Protection and Empowerment Program through the Family Hope Program (PP-PKH), Maqasid Sharia-based economic empowerment, and community economic welfare (CEW). An explanatory approach was considered appropriate because the study seeks to test the direct and indirect effects among variables through hypothesis testing, with Maqasid Sharia-based economic empowerment serving as a mediating variable. The research was conducted among beneficiaries of the Family Hope Program (PKH) who belong to the lower-income household categories (deciles 1–2) in Panca Mulya Village. The target population consisted of households actively receiving PKH assistance. A purposive sampling technique was employed to ensure that respondents met the predetermined inclusion criteria, namely active PKH beneficiaries within the designated decile groups [26].

Primary data were collected using structured questionnaires as the main research instrument and were complemented by observations, interviews, and documentation to strengthen data validity through methodological triangulation. The questionnaire was designed to measure the constructs of PP-PKH implementation, Maqasid Sharia-based economic empowerment, and community economic welfare. Data were analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM) with SmartPLS 3 software. PLS-SEM was selected because it is suitable for simultaneously examining complex relationships among latent constructs, including both direct and indirect (mediated) effects [27]. The analytical procedure consisted of two stages. First, the measurement model (outer model) was evaluated to assess construct validity and reliability through convergent validity, discriminant validity, and internal consistency reliability. Second, the structural model (inner model) was assessed by examining the coefficient of determination ( $R^2$ ), path coefficients, effect sizes, predictive relevance, and bootstrapping procedures to test the significance of the proposed hypotheses [28].

The conceptual framework of this study is grounded in social welfare theory, community empowerment theory, social protection theory, and Maqasid Sharia theory [29]. Among these, Maqasid Sharia serves as the principal theoretical perspective because it conceptualizes community welfare as a multidimensional construct encompassing the protection and enhancement of religion, life, intellect, lineage, and wealth. Consequently, economic welfare is evaluated not only in terms of material improvement but also through social, educational, health, and spiritual dimensions in accordance with Islamic principles [30].

## RESULTS AND DISCUSSION

### The Effect of PP-PKH on Community Economic Welfare among Low-Decile Communities

Compared to the community economic welfare (CEW) variable, the PP-PKH variable demonstrates a stronger positive effect on economic empowerment (EE), as evidenced by the results of the analysis conducted using the Partial Least Squares Structural Equation Modeling (PLS-SEM) approach. The path coefficient value of PP-PKH on EE was 0.824, whereas the coefficient value of CEW was only 0.061. These findings indicate that the PP-PKH variable exerts the greatest influence on economic empowerment. This relationship can be observed in the figure below.

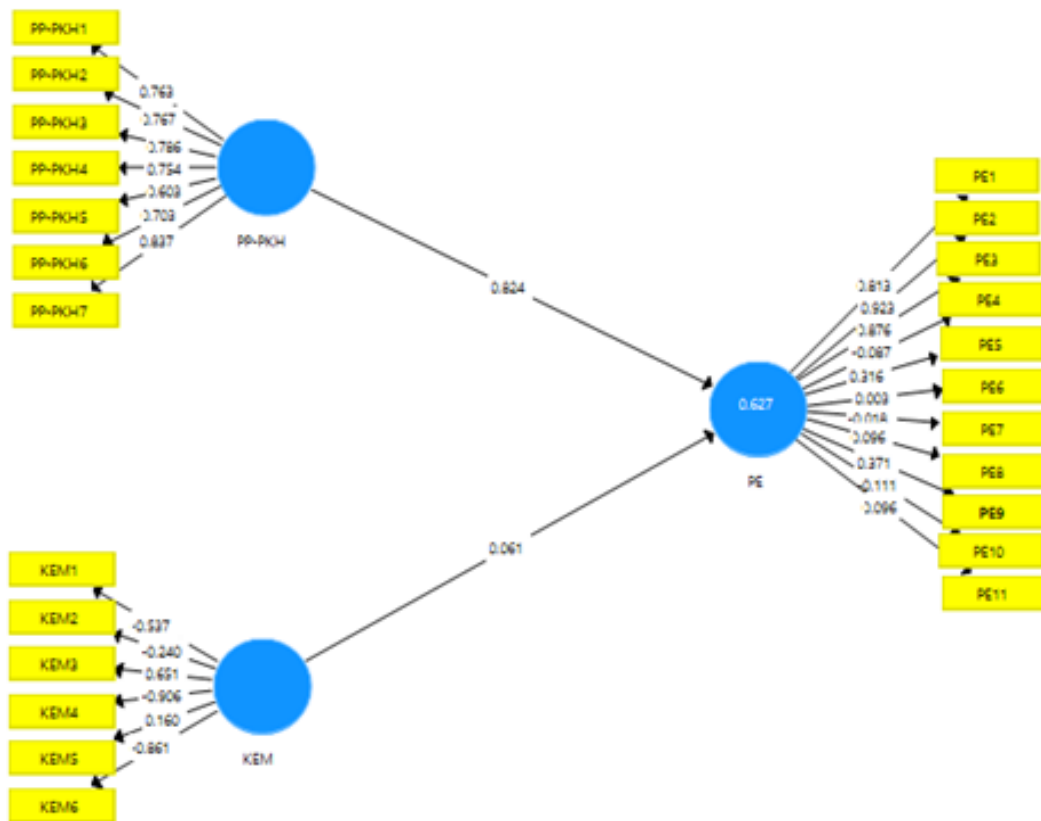


Figure 1. Latent Variables Model

These findings are consistent with the *human capital* theory proposed by Theodore Schultz, which explains that investment in education, health, and community welfare plays an important role in improving human resource quality and individual well-being. In practice, the PP-PKH program contributes to helping communities meet their basic needs, particularly access to children's education and healthcare services, thereby promoting improvements in economic empowerment (EE) conditions. These findings are also supported by various studies on social protection in Indonesia, which indicate that social assistance programs positively affect community welfare, especially among poor and vulnerable households, through improved access to basic services and strengthened household economic capacity.

Furthermore, the outer loading results indicate that the PP-PKH construct has relatively good indicators, with loading values ranging from 0.603 to 0.837. However, several indicators show low or even negative loadings in the Economic Empowerment (EE) and Community Economic Condition (CEC) variables, such as  $-0.906$  and  $-0.067$ . Therefore, the

research instrument still requires improvement to ensure that future analytical results become more valid and accurate.

Based on the findings conducted in Panca Mulya Village, the Protection and Empowerment Program through the Family Hope Program (PP-PKH) demonstrates a relatively strong influence on improving the economic welfare conditions of low-decile communities. This program represents a form of government intervention whose benefits are directly experienced by beneficiaries, particularly families that previously faced difficulties in meeting their daily basic needs. The presence of social assistance has provided communities with greater capacity to sustain their livelihoods amid unstable economic conditions.

Beneficiary households acknowledged that the assistance received has helped reduce household economic pressures. Before receiving assistance, many families experienced difficulties in fulfilling essential needs, including food consumption, children's education, and healthcare expenses. These conditions placed households in vulnerable situations and increased their exposure to various social challenges. After receiving PP-PKH assistance, household economic conditions gradually improved, although many families remain within vulnerable categories. Nevertheless, the assistance has enabled communities to meet their basic needs more effectively than before [31].

In practice, the assistance received by beneficiaries is allocated toward various household priorities. Some households use the support to purchase school supplies, pay educational expenses, buy daily necessities, and cover healthcare costs. This condition indicates that the PP-PKH program has a direct impact on improving the quality of life of poor communities. The program functions not only as cash assistance but also as a social protection instrument that prevents vulnerable communities from falling deeper into poverty [32].

Beyond its economic impacts, the existence of PP-PKH also influences the mindset of beneficiary communities [33]. Beneficiaries have gradually developed greater awareness that government assistance should be utilized wisely rather than spent on less essential needs. This shift in mindset emerges through regular social mentoring conducted by PKH facilitators. Such mentoring provides education regarding the importance of children's education, family health, and basic household financial management. PKH facilitators play an important role in helping beneficiary families become more socially independent, both administratively and through strengthening their personal and family capacities.

The findings of this study indicate that the success of the PP-PKH program is not solely determined by the amount of assistance provided but is also influenced by the quality of mentoring and the community's readiness to utilize the assistance productively. Through assistance accompanied by social education, communities have gradually demonstrated behavioral changes toward a more independent way of life. This indicates that social assistance programs can generate long-term impacts when accompanied by a sustainable community empowerment process [34].

### **The Effect of PP-PKH on Maqasid Sharia-Based Economic Empowerment**

This study shows that PP-PKH has a close relationship with community economic empowerment based on Maqasid Sharia principles. The social assistance provided not only helps fulfill household consumption needs but also encourages the development of greater economic awareness among beneficiary communities. From the perspective of Maqasid Sharia, human welfare is not solely viewed in terms of fulfilling material needs but also through the preservation of other aspects of life that support the overall well-being and social welfare of society.

**Path Coefficients**

	Original Sampl...	Sample Mean (...)	Standard Devia...	T Statistics ( O /...	P Values
KEM -> PE	0.061	-0.084	0.624	0.098	0.922
PP-PKH -> PE	0.824	0.402	0.414	1.993	0.047

**Figure 2. Bootstrapping Results of Path Coefficients**

Based on the bootstrapping results in the path coefficient analysis, the relationship between KEM and PE produced a path coefficient value of 0.061, with a t-statistic of 0.098 and a p-value of 0.922. These findings indicate that the effect of KEM on PE is positive; however, the relationship is not statistically significant because the t-statistic is below the threshold value of 1.96 and the p-value exceeds 0.05. Therefore, KEM has not demonstrated a meaningful contribution to improving PE.

From a theoretical perspective, individual capabilities and economic conditions are generally expected to support improvements in welfare and overall quality of life [35]. The enhancement of individual capabilities expands people's opportunities to achieve a higher level of well-being. Nevertheless, the findings of this study suggest that such an influence has not yet materialized significantly, which may indicate the presence of other, more dominant factors affecting PE.

On the other hand, the relationship between PP-PKH and PE yielded a path coefficient value of 0.824, with a t-statistic of 1.993 and a p-value of 0.047. These results indicate that PP-PKH has a positive and statistically significant effect on PE, as the t-statistic exceeds the threshold value of 1.96 and the p-value is lower than 0.05. This implies that better implementation of PP-PKH tends to be associated with improvements in PE.

These findings are consistent with the concept of social welfare, which emphasizes that social assistance programs can support communities in fulfilling basic needs while improving overall living standards. The Ministry of Social Affairs of the Republic of Indonesia (2021) explains that the Family Hope Program (PKH) was developed as a social protection initiative aimed at enhancing the welfare of low-income households through support in education, healthcare, and household economic activities [36]. Argues that community empowerment can be achieved when individuals and communities receive support that strengthens both their capacity and independence. Therefore, the findings of this study demonstrate that PP-PKH plays an important role in promoting improvements in PE.

Changes among beneficiary communities can be observed in the way they manage and utilize the assistance received. Some members of the community in Panca Mulya Village have begun allocating the support toward more productive activities, such as increasing capital for small businesses, purchasing business equipment, and supporting household economic activities. Although these efforts remain relatively small in scale, this condition reflects a gradual shift from consumption-oriented behavior toward more productive economic practices.

The values of Maqasid Sharia are reflected in the behavior of the people of Panca Mulya Village, who have gradually begun prioritizing essential household needs. Community members have become more attentive to their children's education, maintaining family health, and avoiding the allocation of financial resources toward activities that provide limited long-term benefits. This growing awareness indicates that economic empowerment

grounded in Maqasid Sharia principles can encourage more responsible economic behavior and foster a stronger orientation toward sustainable family welfare.

Furthermore, the Maqasid Sharia approach also influences the social life of the community in Panca Mulya Village. Social relationships among community members have improved due to the growing spirit of mutual assistance and cooperation in both economic activities and everyday life. The values of togetherness and cooperation continue to play an important role in village life, making economic empowerment initiatives more easily accepted when they are connected to religious and social values that have long been embedded within the community.

The findings of this study indicate that social assistance programs can generate more optimal outcomes when combined with value-based empowerment approaches. Government assistance should not merely be understood as a form of temporary support; rather, it should function as a mechanism for fostering public awareness and encouraging communities to improve their quality of life independently and sustainably.

### The Influence of Maqasid Sharia-Based Economic Empowerment on KEM

In the educational aspect, Maqasid Sharia-based economic empowerment has also generated positive impacts on the continuity of education among children from beneficiary families (KPM) in Panca Mulya Village. Families have gradually developed a greater capacity to meet educational expenses, thereby reducing the risk of school dropout among children [37]. In addition, parental awareness regarding the importance of education has increased, as they increasingly recognize education as a long-term investment for improving the future well-being of their families.

From a health perspective, the people of Panca Mulya Village have become more concerned about family health conditions and have started utilizing healthcare services more actively. This indicates that improvements in welfare are not only reflected in income growth but also in the overall enhancement of community quality of life. The Maqasid Sharia approach helps communities understand that genuine well-being should encompass a balance between material, social, and spiritual needs [38].

Maqasid Sharia-based economic empowerment has also fostered a greater sense of responsibility within the community. People have become more cautious in utilizing the assistance received and have gradually developed stronger motivation to improve their living standards through personal effort and hard work. Therefore, the empowerment process does not merely generate economic transformation but also contributes to changes in community character and mindset toward achieving a better quality of life. These findings can be observed from the results of data processing through the path coefficients histogram presented below:

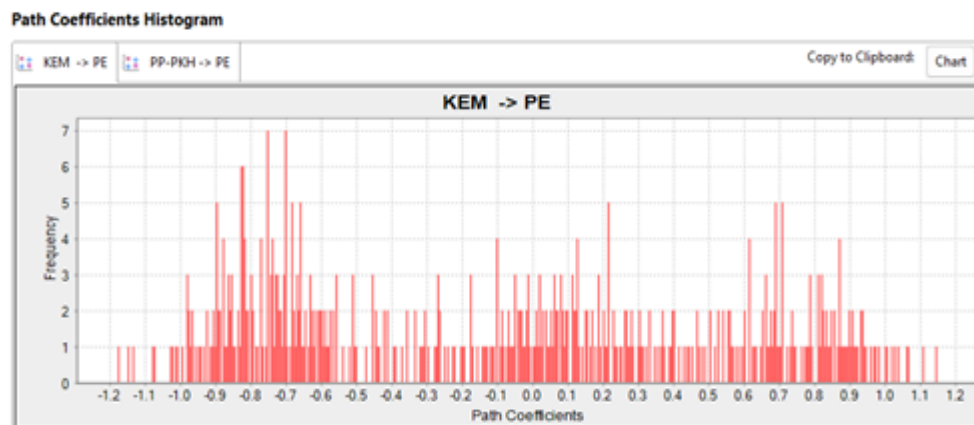


Figure 3. Histogram of Path Coefficients

The bootstrap path coefficient values generated through the resampling procedure in SmartPLS for the relationship between KEM → PE are illustrated in this histogram. As shown in the figure, the coefficient distribution ranges approximately from  $-1.2$  to  $1.2$ . However, the highest frequency is concentrated within the negative range, particularly between  $-0.9$  and  $-0.6$ . This distribution suggests that the relationship between KEM and PE tends to be negative, as indicated by the dominance of negative coefficient values, implying that increases in the KEM variable may be associated with decreases in PE.

Furthermore, the relatively wide dispersion of the histogram indicates variability in the estimation results across bootstrap samples. This condition suggests that the relationship between the variables has not yet demonstrated full stability. Therefore, additional evaluation through statistical indicators such as t-statistics and p-values is necessary to determine the significance level of the relationship more accurately.

Path coefficients are used in SEM-PLS analysis to evaluate the direction and strength of relationships between variables. As illustrated in the figure, the coefficient distribution ranges approximately from  $-1.2$  to  $1.2$ . However, the highest frequency is concentrated within the negative range, particularly between  $-0.9$  and  $-0.6$ . This pattern indicates that the relationship between KEM and PE tends to be negative, as reflected by the dominance of negative coefficient values, suggesting that increases in KEM may be associated with decreases in PE. Furthermore, the relatively wide spread of the histogram indicates variation in estimation results across bootstrap samples, suggesting the presence of differences in coefficient estimates among the resampled datasets.

The results of the data analysis above indicate that Maqasid Sharia-based economic empowerment plays a considerable role in improving KEM among low-decile communities in Panca Mulya Village, although the relationship between KEM and PE suggests that increases in KEM may not necessarily lead to improvements in PE and may even contribute to its decline [35]. Economic empowerment implemented through an Islamic values-based approach has been able to shape more structured patterns of community life, particularly in managing household economic activities. These findings suggest that community welfare is influenced not only by economic assistance but also by the community's capacity to manage and utilize available resources effectively.

Communities that have begun operating small-scale businesses independently demonstrate better economic conditions compared to their previous situation [39]. The additional income generated from these activities has helped households meet their daily needs without relying entirely on government assistance. Although the increase in income remains relatively modest, these changes provide optimism and opportunities for communities to gradually improve their living conditions over time.

### **The Role of Economic Empowerment (PE) Based on Maqasid Sharia Principles**

The findings of this study indicate that Maqasid Sharia-based economic empowerment is capable of strengthening the relationship between PP-PKH and improvements in KEM among low-decile communities. These results suggest that social assistance programs can produce more effective outcomes when beneficiaries also receive adequate guidance and economic empowerment support.

Social assistance programs essentially provide only short-term solutions when they are not accompanied by improvements in the community's capacity to manage household finances effectively. Therefore, economic empowerment becomes a crucial factor in determining the success of social assistance programs. This study found that communities with a better understanding of economic management tend to be more capable of utilizing assistance productively and sustainably.

The Maqasid Sharia approach provides clearer direction in the community empowerment process because it emphasizes the importance of maintaining balance in various aspects of life [40]. Communities are not only encouraged to increase their income but are also guided to maintain the quality of children's education, family health, social relationships, and household stability. Through this approach, the welfare achieved becomes more comprehensive and is not solely oriented toward economic aspects.

Overall, this study demonstrates that the combination of government social assistance and Maqasid Sharia-based economic empowerment can serve as an effective strategy for improving the welfare of low-income communities [41]. This approach is particularly relevant for rural communities because it aligns with local social conditions, cultural characteristics, and religious values. Therefore, PP-PKH functions not only as a social assistance program but also as a mechanism for fostering economic self-reliance and improving community quality of life in a sustainable manner.

## CONCLUSION

This study aimed to analyze the effect of the Protection and Empowerment Program through the Family Hope Program (PP-PKH) on the economic welfare of communities within deciles 1–2 through Maqasid Sharia-based economic empowerment in Panca Mulya Village. Based on the results of the analysis using SmartPLS 4 with a Structural Equation Modeling approach, the findings indicate that PP-PKH has a positive effect on community economic welfare. The assistance provided has contributed to fulfilling basic household needs, including food, education, and healthcare, thereby improving the quality of life of beneficiary communities. Furthermore, PP-PKH also has a positive effect on Maqasid Sharia-based economic empowerment [42]. These findings indicate that the program functions not only as a form of consumptive assistance but also as a mechanism for encouraging changes in community economic behavior toward more productive, independent, and welfare-oriented practices. Communities have gradually demonstrated improvements in managing assistance, reducing consumptive behavior, and utilizing support for productive economic activities. Maqasid Sharia-based economic empowerment has also been proven to have a positive effect on community economic welfare. This approach generates a more comprehensive impact because it does not focus solely on income-related aspects but also encompasses education, healthcare, and the balance between spiritual and social values. Therefore, the welfare outcomes produced through this approach tend to be more holistic and sustainable. The findings also reveal that Maqasid Sharia-based economic empowerment is capable of mediating the relationship between PP-PKH and community economic welfare. This indicates that the effectiveness of the PP-PKH program can be further optimized when supported by empowerment processes grounded in Islamic values, including the protection of religion, life, intellect, lineage, and wealth.

- 1). Theoretical Implications. From a theoretical perspective, this study strengthens the integration between social protection policy concepts and Maqasid Sharia within the discourse of economic welfare studies, thereby broadening the perspective that welfare should not be viewed solely from a material standpoint but should also incorporate spiritual and social dimensions.
- 2). Methodological Implications. Methodologically, the application of SmartPLS 4 in this study demonstrates that the Partial Least Squares-based Structural Equation Modeling approach is effective for analyzing models involving multiple variables within social policy research.
- 3). Practical Implications. From a practical standpoint, the findings suggest that the PP-PKH program should be accompanied by stronger mentoring mechanisms and economic empowerment initiatives so that social assistance functions not only as consumptive support but also as a tool for enhancing community economic independence.
- 4). Policy Implications. From a policy perspective, this study highlights the importance of synergy between social assistance programs and Maqasid Sharia-based approaches in improving the effectiveness of poverty alleviation strategies for communities within deciles 1–2 in a more sustainable manner.

## Acknowledgments

We extend our heartfelt gratitude to Universitas Indo Global Mandiri for the institutional support, academic guidance, and research facilities that made this study possible. We also express our sincere appreciation to the Government of Panca Mulya Village, Air Kumbang District, Banyuasin Regency, South Sumatra Province, as well as the PP-PKH facilitators, for their valuable assistance and cooperation throughout the data collection process. Finally, we are deeply grateful to all beneficiary families who generously shared their time and experiences, without whom this research would not have been possible.

## Author Contribution

Muharir: Conceptualization, Methodology, Supervision, Writing review & editing. Saprida: Formal analysis, Validation, Writing review & editing. Melia Frastuti: Investigation, Data curation, Writing original draft. Rica Naysilla Chandra: Investigation, Data curation, Writing original draft. Satria Saputera: Software, Formal analysis, Visualization. All authors have read and approved the final version of the manuscript.

## Conflicts of Interest

The authors declare that there are no conflicts of interest in this study. The entire research project was funded by Indo Global Mandiri University (UIGM), and the funding agency played no role in the study design, data collection, analysis, or interpretation, nor in the writing of the manuscript or the decision to publish.

## REFERENCES

- [1] N. A. W. M Ashraf Al Haq, "The Maqasid Al Shariah and the Sustainability Paradigm : Literature Review and Proposed Mutual Framework for Asnaf Development," vol. 5, no. 2, pp. 179–196, 2019, <https://doi.org/10.26710/jafee.v5i2.854>.
- [2] D. Mardianto, J. Khaerullah, S. Ulvah, and K. Karmila, "Maqashid Sharia as a Pillar of Inclusive Development : Moderation in Economic Growth Towards Poverty," vol. 5, no. December, pp. 154–181, 2025, <https://doi.org/10.18860/miec.v5i2.37557>.
- [3] E. P. Wulandari, K. Saiban, and M. Munir, "Implementasi Maqashid Syariah Dalam Pemberdayaan Ekonomi Masyarakat (Implementation of Sharia Maqashid in Community Economic Empowerment) Efriza," vol. 2, no. 1, pp. 1–15, 2022, <https://doi.org/10.21154/invest.v2i1.3661>.
- [4] A. Fathurrahman, M. Wulandari, and M. Rizki, "Maqashid Shariah Indicators Impact on Poverty Eradication in Java Island," vol. 8, no. January, pp. 147–162, 2025, <https://doi.org/10.18196/ijief.v8i1.26842>.
- [5] M. S. Wangloan, J. A. Mollet, and H. Z. Kaiwai, "The Impact of Social Assistance on the Social Welfare of PKH Beneficiary Families in Sentani District, Jayapura District," vol. 1, no. 2, pp. 81–96, 2025, <https://doi.org/10.61401/rabi.v1i2.235>.
- [6] A. Furqon and M. , Nurhayati, "Islamic Social Finance and Poverty Alleviation Keuangan Sosial Islam dan Pengentasan Kemiskinan," vol. 1, no. 5, pp. 256–264, 2024.
- [7] F. R. Inat, Fathy, Fadly, and Idrus Abubakar, "Descriptive Study of Government Expenditure & Poverty Reduction in South Halmahera, Indonesia," vol. 20, no. 2, pp. 246–259, 2024, <https://doi.org/10.21831/economia.v20i2.58027>.
- [8] D. E. Mirlana, A. K. Fatta, and A. Subagyo, "Program Keluarga Harapan dalam Upaya Peningkatkan Kualitas Sumber Daya Manusia," vol. 12, no. 1, pp. 35–52, 2024, <https://doi.org/10.33603/publika.v12i1.9836>.
- [9] A. W. Kurniawan, M. Sholahuddin, I. Rosyadi, and A. Alam, "Integrating Masalah Mursalah in Indonesia ' s Sharia Economic Product Innovation Policy : An Adaptive Regulatory Perspective," vol. 9, no. 1, pp. 17–27, 2026, <https://doi.org/10.47076/362k3630>.

- [10] A. M. Jibril, “Operationalizing Maqāsid al-Sharī’ah in Islamic Finance: Pathways to Poverty Alleviation and Sustainable Development,” vol. 5, no. 2, pp. 169–183, 2025, <https://doi.org/10.21154/joie.v5i2.12145>.
- [11] M. Dehani, D. Hernawan, and I. Purnamasari, “Evaluasi Program Keluarga Harapan ( Pkh ) Di Kecamatan Bogor Selatan Kota Bogor Evaluation Of Keluarga Harapan Program ( Pkh ) In South,” vol. 4, no. April, pp. 45–56, 2018, <https://doi.org/10.30997/jgs.v4i1.1140>.
- [12] D. Kurniasih and M. C. Anjani, “Social Welfare of Rural Communities as a Function of Social Workers’ Empowerment,” vol. 12, no. 1, pp. 124–140, 2025, <https://doi.org/10.29333/ejecs/2350>.
- [13] M. Z. Mustafar, M. Khairul, and N. Mohd, “A General Bibliometric and Conceptual Structure Approach to Global Trend on Poverty Research in Islam Using Biblioshiny,” vol. 24, no. 2, pp. 803–834, 2025, <https://doi.org/10.20885/millah.vol24.iss2.ar8>.
- [14] S. A. S. & R. Resnawaty, “Program Keluarga Harapan ( Pkh ): Antara Perlindungan Sosial,” 2016.
- [15] H. S. Arum, N. E. Rupita, H. S. Arum, N. E. Rupita, M. Albahi, and A. Info, “Maqasid Sharia As A Philosophical Foundation In Islamic Economic Policy Making,” vol. 16, no. 1, pp. 28–43, 2024, <https://doi.org/10.35891/ml.v16i1.5798>.
- [16] L. Subra, A. Kurniawan, and A. Zuliansyah, “The Role Of Productive Zakat In Improving Mustahik Welfare : A Comparative Study In Malaysia And Indonesia”.
- [17] C. S. Nisa, Faridatun, Helmi Fitriansyah and Universitas, “The Integration of Ma ṣ la ḥ ah into Islamic Economic Law through the policy of Halal and Tayyib Certification in Indonesia,” vol. 12, no. 01, pp. 258–268, 2025, <https://doi.org/10.29300/mzn.v12i1.6968>.
- [18] P. Indriyanti and W. Qarni, “The effectiveness of Bantuan Langsung Tunai ( Direct Cash Assistance ) implementation in enhancing community welfare from the perspective of Islamic economics,” vol. 10, no. 1, pp. 331–346, 2024, <https://doi.org/10.20885/jielariba.vol10.iss1.art18>.
- [19] Resdati, “The Role of the Family Hope Program ( PKH ) Facilitator in Increasing Family Development Session in Sipungguk Village,” vol. 11, no. 2, pp. 463–468, 2021.
- [20] M. M. and Suliswanto, Muhammad Sri Wahyudi and M. N. Barom, “A Maqasid -Based Welfare Index in Indonesia: An Empirical Investigation,” vol. 11, no. 1, pp. 119–146, 2025, <https://doi.org/10.21098/jimf.v11i1.2098>.
- [21] V. E. Tobing-David, I. R. Adi, and M. Nuryana, “Conditions of Sustainable Welfare : A Cross-Case Empirical Analysis of 22 Locality-Based Welfare Systems in Decentralised Indonesia,” 2024, <https://doi.org/10.3390/su16041629>.
- [22] S. R. Ningsih and W. I. Sholihah, “Pengalaman Keluarga Penerima Manfaat (Kpm) Dalam Menavigasi Kemandirian Sosial Ekonomi Melalui Program Keluarga Harapan (PKH),” vol. 14, no. 1, 2025, <https://doi.org/10.15408/empati>.
- [23] I. El Zuhri, “Policy Analysis of the Family Hope Program ( Program Keluarga Harapan ) from a Long-Term Investment Perspective for the Indonesian Government,” vol. 10, no. 12, 2024, <https://doi.org/10.22178/pos.112-2>.
- [24] M. A. Algifari and R. Andriani, “Maqasid Syariah dalam Pengembangan Ekonomi Islam ( Analisis Komprehensif dan Implementasi ),” vol. 2, no. 3, pp. 95–100, 2024.
- [25] F. A. Siregar, “Integration Islamic Social Finance And Sdgs: Perspective Maqasid Sharia Based On Scientific Mapping,” 2025.
- [26] P. H. Prayitno and S. Sahid, “Social Capital and Household Economic Welfare: Do Entrepreneurship, Financial and Digital Literacy Matter ?” 2022, <https://doi.org/10.3390/su142416970>.
- [27] M. Mukhlishin, “Integration of Maqāsid Sharia and Social Philanthropy in the Economic Empowerment of the Shrimp Pond Labor Community,” vol. 6, no. 6, pp. 1669–1687.
- [28] A. J. Septia Nur Wardani and Romi Adetio Setiawan, “The Effectiveness Of The Family Hope Program (Pkh) in Improving Welfare (A Study Of The Rena Jaya Village Community from an Islamic Economic Perspective) Efektivitas,” vol. 8, pp. 3678–3691, 2025,

<https://doi.org/10.31539/costing.v8i3.15638>.

- [29] M. Syahrullah and I. Khalid, “Analysis of the Effectiveness of the Family Hope Program ( PKH ) on Poverty Reduction in the Perspective of Islamic Economics,” pp. 1011–1026, 2023.
- [30] S. Halim, E. R. Yanti, and R. Dilena, “Community Understanding of Obligations as a Recipient of PKH Assistance in the Perspective of Islamic Law,” vol. 6, no. 2, pp. 325–342, 2024, <https://doi.org/10.37680/almanhaj.v6i2.5151>.
- [31] D. Iswanto, “The Role of Social Workers in Empowering Poor Village Communities (Study of Indonesian Conditional Cash Transfer Programme (PKH) Facilitators in Jegulo Village, Tuban Regency),” vol. 2, no. September, pp. 34–44, 2023.
- [32] A. Cinthia and R. A. Wineini, “Analysis of the Effectiveness of Social Assistance Policies in Reducing Social Inequality in Indonesia,” vol. 8, no. 2, pp. 612–620, 2026, <https://doi.org/10.36312/jihad.v8i2.612/https>.
- [33] U. S. Mekkah, “The Program Keluarga Harapan ( PKH ): For Poverty Reduction and Social Protection,” vol. 04, no. 1, pp. 2–7, 2021.
- [34] A. Malik and A. A. Wakhid, “Efektivitas Kebijakan Fiskal melalui Bantuan Program Keluarga Harapan Perspektif Maqashid Syariah,” vol. 4, no. 1, 2024, <https://doi.org/10.28918/elhisbah.v4i1.8485>.
- [35] F. Jewed and M. R. Abdullah, “Evaluating the effectiveness of social assistance programs for poverty reduction : Evidence from Baramamase Village, Indonesia,” vol. 11, no. 2, pp. 1079–1114, 2025, <https://doi.org/10.20885/jielariba.vol11.iss2.art16>.
- [36] T. Intensitas, N. Haid, and P. Dismenore, “Jurnal Manajemen dan,” vol. 5, no. 2, pp. 41–49, 2023.
- [37] N. Cahyadi, R. Hanna, B. A. Olken, R. A. Prima, E. Satriawan, and E. Syamsulhakim, “Cumulative Impacts of Conditional Cash Transfer Programs: Experimental Evidence from Indonesia,” vol. 12, no. 4, pp. 88–110, 2020, <https://doi.org/10.1257/pol.20190245>.
- [38] A. S. Ulandari, Sri Ayu, “From Poverty to Inequality : Evaluation of the Implementation of the Family Hope Program ( PKH ) and Its Impact on Social Inequality in North Sumatra,” vol. 8, no. 1, pp. 65–76, 2025, <https://doi.org/10.15575/jt.v8i1.43770>.
- [39] R. Setiawan, F. Andrianus, and R. E. Putera, “Effectiveness of Extreme Poverty Alleviation Implementation in Meranti Islands Regency,” vol. 12, no. 1, pp. 163–174, 2026, <https://doi.org/10.25299/jiap.2026.27410>.
- [40] A. A. Arsyadani and A. Wahyudi, “Poverty Alleviation from an Islamic Perspective : Study of LazisNU Ponorogo Programs,” vol. 3, no. 2, pp. 51–64, 2024, <https://doi.org/10.37680/jjief.v3i2.6188>.
- [41] S. E. Y. Mohd Suffian Mohamed Esa, Hairunnizam Wahid, “Introduction Of Transfer Introduction Of Conditional Transfer Programs Programs As New Distribution Mechanism In,” pp. 321–335.
- [42] M. Ekawaty and M. R. Hanafiansyah, “Bridging Theory And Practice In Islamic Economics: A Prisma-Based Systematic Review On Zakat, Waqf, And Islamic Social Finance For Welfare Enhancement,” vol. 3, no. 3, pp. 3125–3134, 2026.