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Mas'uliyah-Driven Financial Responsibility And Organizational Performance In West Java Culinary Micro-Enterprises: Mediating Risk Resilience

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Abstract—This research explores the vital connection between strategic management, digital financial adoption, and ethical governance within modern economic systems. It emphasizes how these elements directly influence the organizational sustainability of micro-enterprises run by Generation Z. By employing an empirical Grounded Theory Method (GTM), data was collected from key economic participants and evaluated using robust statistical tools. The primary innovation of this study revolves around the concept of mas'uliyah (Islamic personal and collective responsibility). It argues that mas'uliyah is not merely an isolated variable. Rather, it serves as the foundational Islamic value that promotes responsible financial practices and resilience. The results indicate that adopting digital tools significantly improves operational resilience. However, this is only effective when supported by strong ethical frameworks and sound spiritual governance. Ultimately, this study provides fresh perspectives on sustainable value creation. It offers strategic insights for both policymakers and business practitioners, discusses operational limitations, and suggests avenues for future research.

Keywords— *Grounded Theory Model (GTM); Islamic Financial Responsibility (IFR); Mas'uliyah; Risk Resilience; Organizational Performance*

I. INTRODUCTION

The rapid evolution of the global economy necessitates flexible frameworks that blend technological advancements with ethical and spiritual values. Modern businesses, especially those led by Generation Z entrepreneurs, face immense pressure. They must modernize their operations while preserving financial integrity and securing long-term sustainability.

Previous research has thoroughly examined digital integration and standard corporate social responsibility. However, a significant gap remains regarding how value-driven frameworks can enhance modern management practices. This is particularly true for the indigenous Islamic principle of mas'uliyah. This study does not treat mas'uliyah as an isolated or newly created metric. Instead, it positions it as the core Islamic value that embeds profound moral accountability into traditional financial systems. This perspective draws heavily from classical texts, such as Surah Al-Baqarah, verse 282.

This paper bridges this theoretical gap by presenting an empirical Grounded Theory Model (GTM). This model systematically connects operational efficiency with ethical stewardship. By merging qualitative empirical data with solid theoretical foundations, the study seeks to redefine strategic approaches for sustainable growth. Consequently, it delivers tangible contributions to both academic discussions and practical business applications for micro-enterprises.

II. METHOD

This study employs a comprehensive mixed-methods approach. It combines quantitative structural equation modeling (utilizing SmartPLS) with qualitative insights derived from the Grounded Theory Model (GTM). Within this framework, mas'uliyah is not viewed as a mere statistical covariate. Rather, it acts as the spiritual and ethical cornerstone. This cornerstone dictates responsible financial behavior, risk resilience, and the overall sustainability of Generation Z micro-enterprises.

Epistemological Grounding and Structural Pathway Logic

The theoretical foundation of this research is deeply rooted in divine economic ethics and the requirement for moral documentation found in classical jurisprudence (specifically Surah Al-Baqarah, verse 282). The logical structure operates through a coordinated, sequential design:

Exogenous Foundational Core (X1 - Mas'uliyah): This encompasses personal accountability, stewardship over stakeholder welfare (including employee and customer care), and transparent business ethics.

Independent Behavioral Translation (X2 - Islamic Financial Responsibility): This variable converts spiritual foundations into disciplined financial practices. Such practices include cash-flow control, meticulous expense management, and the integration of digital recording and payment systems.

Mediating Buffer Mechanism (M - Risk Resilience): Based on Resource-Based Theory, this acts as an adaptive mechanism. It facilitates the absorption of raw material price shocks, enhances risk anticipation, and improves operational flexibility within the food and beverage (F&B) sector.

Dependent Outcome (Y - Organizational Performance): This is evaluated through economic profitability, revenue growth under market constraints, overall business survival, and the creation of value for multiple stakeholders.

Formal Grounded Theory Model (GTM) & Empirical Research Design

To provide a clear and accessible structural layout, the conceptual framework and GTM design are systematically mapped in the hierarchical matrix below:

TABLE I. FORMAL GROUNDED THEORY MODEL (GTM) & EMPIRICAL RESEARCH DESIGN

Structural Sequence / Tier	Core Component & Construct	Theoretical Basis & Operational Indicators
Tier 1: Epistemological Base	Philosophical Grounding	Surah Al-Baqarah (2:82) & Islamic Economic Ethics (Divine accountability & moral documentation).
Tier 2: Exogenous Core (X1)	Mas'uliyah	Personal Responsibility, Stakeholder Responsibility, Business Accountability.
Tier 3: Independent Variable (X2)	Islamic Financial Responsibility	Financial Accountability, Cash-flow Discipline, Digital Recording & Payment Integration.
Tier 4: Mediating Mechanism (M)	Risk Resilience	Risk Anticipation, Market Shock Absorption, Adaptive Capacity under Resource-Based Theory.
Tier 5: Dependent Outcome (Y)	Organizational Performance	Economic Profitability, F&B Sector Operational Continuity, Holistic Stakeholder Value.

Population, Sampling Strategy, and Operational Scope

To guarantee strict empirical validity, the target demographic is restricted to Generation Z micro-entrepreneurs (aged twelve to twenty-seven). These individuals must operate within the culinary, F&B, and retail sectors. Geographically, the research covers the Ciayumajakuning administrative region in West Java. This includes the municipality of Cirebon, Cirebon Regency, Indramayu, Majalengka, Kuningan, and surrounding districts.

The classification of enterprises adheres strictly to national regulations. The focus is on micro-scale entities with initial capital up to one billion rupiahs and annual revenues capped at two billion rupiahs. A purposive and stratified sampling method is utilized to ensure a representative mix across various digital literacy levels, financial recording habits, and ethical governance standards. Data collection is conducted via structured questionnaires (using validated multi-item scales) and in-depth qualitative interviews. These are subsequently analyzed using advanced software to confirm high internal consistency, reliability, and structural validity.

Variable Operationalization and Measurement

TABLE II. VARIABLE OPERATIONALIZATION AND MEASUREMENT

Variable	Dimensions	Indicators / Operational Definition
Mas'uliyah (X1) [Spiritual & Moral Foundation]	1. Personal Responsibility 2. Stakeholder Responsibility 3. Business Accountability	Responsibility for business decisions and actions. Fulfillment of obligations to customers, employees, and suppliers. Transparent management of business funds and ethical compliance.
Islamic Financial Responsibility (X2) [Responsible Behavior]	1. Financial Accountability 2. Financial Discipline 3. Sustainable Financial Management	Fund usage accountability and financial record transparency. Cash-flow/debt management and expense control. Financial planning and risk management behavior.
Risk Resilience (M) [Mediating Mechanism]	1. Risk Anticipation 2. Shock Absorption 3. Adaptive Capacity	Preparedness against raw material price volatility. Ability to absorb market shocks and cash flow interruptions. Flexibility in operational adjustments and digital competition.

III. RESULTS AND DISCUSSION

Descriptive statistics and inferential analyses reveal a highly significant positive correlation between financial practices driven by mas'uliyah, digital literacy, and overall business sustainability. The empirical assessment validates that well-structured management frameworks drastically reduce operational risks. Furthermore, when these frameworks are integrated with ethical governance principles based on mas'uliyah, they cultivate a robust business ecosystem that can successfully navigate market instability.

The discussion places these outcomes within the context of broader economic theories and normative frameworks. It emphasizes how the ethical allocation of resources acts as a powerful catalyst for the sustainable expansion of Generation Z enterprises.

IV. CONCLUSIONS

The findings emphasize the absolute necessity of pairing technological integration with rigorous ethical governance specifically rooted in mas'uliyah to attain sustainable organizational performance. While the study provides practical recommendations for business owners and policymakers, it also recognizes limitations regarding its geographical scope and reliance on cross-sectional data. Future research should utilize longitudinal designs and expand this framework to encompass broader regional contexts, thereby further validating the proposed Grounded Theory Model.

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