

# The Role of Cooperative in Increasing the Economic Independence of Islamic Boarding Schools

Narendra Jumadil Haikal Ramadhan UIN Maulana Malik Ibrahim Malang, Malang, Indonesia 230106210056@student.uin-malang.ac.id

Nilla Putri Salsabila UIN Maulana Malik Ibrahim Malang, Malang, Indonesia 230106210024@student.uin-malang.ac.id

Wahidmurni UIN Maulana Malik Ibrahim Malang, Malang, Indonesia wahidmurni@pips.uin-malang.ac.id

Ni'matuz Zuhroh UIN Maulana Malik Ibrahim Malang, Malang, Indonesia zuhroh@pips.uin-malang.ac.id

#### **Abstract**

This study aims to explore (1) the role of cooperatives in increasing the economic independence of Islamic boarding schools, (2) obstacles and challenges faced in increasing economic independence, and (3) strategies in increasing economic independence. A qualitative approach with a case study research type was applied to the At-Ta'awun cooperative at the DDI Mangkoso Islamic Boarding School, Barru Regency. Data collection is done through interviews and observations, data analysis using condensation patterns, data presentation, and conclusion. Check the validity of findings using triangulation techniques and source triangulation. The results showed that (1) the cooperative has a vital role in increasing the economic independence of the Islamic Boarding School by contributing to the welfare of santri, teachers, and the surrounding community, (2) several obstacles and challenges that need to be overcome, such as difficulties in harmonising cooperative rules, limited resources, and lack of management and technology expertise, and (3)

innovative and proactive strategies, such as cooperation with other Islamic Boarding School and employee development, the cooperative continues to strive to strengthen the economic independence of the Islamic Boarding School.

Keywords: Cooperative; Economic Independence; Islamic Boarding School

#### Introduction

The importance of economic independence for an institution is a vital aspect in the context of organisational development and sustainability. (Yıldırım & Gökalp, 2016; Lloyd & Lee, 2018; Nikonenko et al., 2020). Economic independence refers to the ability of an entity to manage resources efficiently and effectively to achieve its strategic objectives without excessive dependence on external parties. (Darmadi, 2022). In the institutional context, economic independence is key in ensuring operational continuity, enhancing flexibility, and minimising risks that may arise from market fluctuations or external policy changes. Financial freedom is also reflected in the economic literature, which identifies that more self-reliant organisations tend to have higher growth and success in the long run. (Wadma, 2016; Gunarta & Utama, 2022). Furthermore, research by Vonna and Nurendra (2018) Emphasises the importance of developing core competencies that support economic independence as one of the keys to an organisation's long-term competitive advantage.

Islamic boarding schools also experience the problem of economic independence as one of the Islamic institutions in Indonesia. Study of Anshari (2016) Islamic boarding schools face significant challenges in achieving optimal economic independence. Factors such as limited diversification of income sources (Mursyid, 2011), limited access to markets and capital (Silvana & Lubis, 2021), and lack of adequate infrastructure and human resources are the main obstacles in the effort to improve the economic independence of Islamic boarding schools (Rusdan, 2023). Consequently, boarding schools tend to rely on external donations and funds, which are vulnerable to economic fluctuations and can limit the institution's ability to provide quality educational and social services that keep up with the times. (Djodi & Rahman, 2023). A survey conducted by the Ministry of Religious Affairs of the Republic of Indonesia in 2021 showed that only about 20% of the 30,000 Islamic boarding schools in Indonesia are economically independent. (Murtadlo, 2021). This identifies the dependence of pesantren on external funding sources, such as donations and government assistance.

According to Azyumardi Azra, boarding school managers must have entrepreneurial skills to be economically independent. With entrepreneurial skills, pesantren managers can identify business opportunities, create innovative products or services, and market them effectively. This will support the development of productive business units that can be an independent source of income for Islamic boarding schools. (Azra, 2019). Furthermore, Nurcholish Madjid, an Indonesian Islamic thinker, highlighted the importance of partnerships and networks in supporting the economic independence of Islamic boarding schools. Islamic boarding schools must establish partnerships with other parties, such as the government, financial institutions, or business actors, to gain access to resources and broader markets. A strong network will also facilitate the transfer of knowledge and technology needed to develop pesantren businesses. (Madjid, 1997). The economic independence of pesantren depends on three main pillars: the ability to manage natural and human resources optimally, establish cooperation with external parties, and build an entrepreneurial culture among the pesantren community. (Alifa et al., 2021).

The presence of cooperatives is a solution for pesantren to explore local economic potentials, such as producing goods and services and managing resources efficiently. By facilitating partnerships between pesantren and their surrounding communities, cooperatives create an enabling environment for sustainable economic growth. In addition, cooperatives play an important role in increasing pesantren's access to capital, training, and business networks that can improve their overall economic competitiveness. Through this approach, pesantren cooperatives not only strengthen the financial foundation of pesantren but also assist in building social networks and strengthening the integration of pesantren in the local economy so that pesantren can be economically independent. (Fadhilah & Zaki, 2019; Saputra et al., 2023; Haekal et al., 2022; Al Idrus, 2019).

This study aims to investigate the economic independence of Islamic boarding schools through a less explored approach by focusing on the role of cooperatives. Although several previous studies have reviewed the role of cooperatives in improving the economic independence of Islamic boarding schools, such as studies from Ashar (2016); Fadhilah & Irham Zaki (2019); Bakhri & Ashari (2023); Muslim et al. (2023) and Fadhilah & Irham Zaki (2019), this study offers a fundamental addition regarding sustainable entrepreneurial management to improve the social welfare and economic independence of Islamic boarding schools.

#### **Research Method**

This research uses a qualitative method to gain meaning and understanding through data collection from participants' words, descriptions, and behaviour. The results of qualitative research contain quotations from some data in the form of interview results, field notes and other visual data. (Sugiyono, 2017). Primary data from this research comes from interviews conducted with trusted informants. In this case is the Head of Unit II of At-Ta'awun Cooperative. The object of research was carried out at At-Ta'awun Cooperative Campus II DDI Mangkoso Islamic Boarding School, Kiru-Kiru Village, Soppeng Riaja Sub-District, Barru Regency, South Sulawesi. To ensure data validity, researchers used triangulation techniques by comparing data from various sources such as observations, interviews, and related documents.

## **Results and Discussion**

The Role of Cooperative in Improving the Economic Independence of Islamic Boarding Schools

The research findings show that the At-Ta'awun Cooperative of DDI Mangkoso Islamic Boarding School has a vital role in the sustainability of the pesantren. In addition to fulfilling the needs of the santri, the cooperative also had a crucial role in the economic independence of the pesantren. This is in line with the study of Hikmawati et al. (2020) and Fitra & Rasyid (2016) Boarding school cooperatives have developed in line with the growth of the boarding schools in which they operate. The role of the at-Ta'awun cooperative in advancing the economy at the DDI Mangkoso boarding school is considered crucial because the at-Ta'awun cooperative is one of the economic entities that support economic activities at the boarding school.

Based on an interview with Mazied Mubarak Mabette, the Head of Unit II of At-Ta'awun Cooperative, it is found that the presence of At-Ta'awun Cooperative allows the pesantren to achieve a better level of economic independence and reduces dependence on external assistance. The pesantren, which previously experienced difficulties in providing salaries to dormitory supervisors and teachers, can now offer proper compensation thanks to the existence of the At-Ta'awun cooperative. The cooperative invites all teachers and coaches in the Pondok

Pesantren to engage in economic activities by becoming investors and investing their capital as shares. Thus, the investments coming from teachers help expand At-Ta'awun's economy, and the profits are distributed to all teachers and coaches who participate as investors. This allows the lodge to provide adequate wages to dormitory coaches and teachers without having to continue to rely on donors. According to Marwini & Salam (2020), a cooperative can help pesantren optimally develop local resources and potential and strengthen their internal economic foundation. According to Khariri (2021), this reflects the commitment of pesantren to become economically independent, which can increase the sustainability and independence of these educational institutions.

Based on an interview with one of the Santri, it is known that the Cooperative provides various products and services essential to Santri's needs. From food, learning equipment, and toiletries to prayer equipment so that Santri can quickly obtain the items they need at affordable prices. This cooperative makes it easy for Santri to fulfil their daily needs without looking outside the boarding school environment, thus providing comfort and efficiency in their daily activities, reducing distractions in the learning process, and allowing Santri to focus more on academic activities. Research from Vuković (2022) shows that cooperatives contribute indirectly to improving the quality of student education, and research from Sulaiman et al. (2018) shows that the purpose of the cooperative is to make it easier for santri to fulfil their daily needs. In addition, the profits obtained from the At-Ta'awun Cooperative are directed to improve boarding school facilities that support the needs of Santri, creating a more optimal learning environment.

The surrounding community also benefits from the presence of the cooperative, as residents are involved in providing goods for sale, such as food and other items. Residents leave their merchandise, such as jalangkote, bakwan, and soya milk, to be sold at the Cooperative. This creates a harmonious relationship between the pesantren and the surrounding community. Thus, there is a good relationship between the boarding school and the surrounding community that has the potential to provide wider benefits, such as increased cooperation in various fields, exchange of knowledge and skills, and support in the development of facilities and programmes at the boarding school. Research from Julaicha & Badriyah (2022) Shows that cooperatives not only increase the economic independence of pesantren but also create jobs for the surrounding community to increase community prosperity.

Thus, the cooperative's income not only helps improve infrastructure and physical facilities but also contributes directly to improving the quality of life and developing the potential of Santri and teachers, as well as increasing the prosperity of the community around the boarding school. This is a reflection of the role of the cooperative in improving the economic independence of the boarding school.

Obstacles and Challenges in Improving the Economic Independence of Islamic Boarding School

Several challenges need to be overcome to strengthen the economic independence of the pesantren through the At-Ta'awun Cooperative and ensure its success. One significant obstacle is the difficulty in implementing uniform cooperative rules across the three different campuses of the DDI Mangkoso Islamic Boarding School. The boarding school consists of three campuses, each with different structures and needs, making it difficult to harmonise the cooperative rules across the boarding school. In addition, limited resources, in this case, competent labour, limited infrastructure and facilities, lack of management expertise and technology adoption in managing cooperatives effectively are also obstacles for the pesantren.

The research of Rusdan (2023) Shows that some pesantren still face limitations in infrastructure, technology, resources, and technical expertise in improving their quality. The lack of management expertise is also a significant obstacle. Pesantren that do not have personnel trained in cooperative management may affect the efficiency and effectiveness of their operations. So, it is essential to develop economic management skills. (Sa'adah & Rahman, 2024). Pesantren that have not utilised technology such as management software, financial information systems, or e-commerce platforms to support their cooperatives may result in delays in decision-making, lack of transparency, and difficulties in meeting increasingly complex market demands. (Hamzah et al., 2022).

Cooperative Strategy in Improving the Economic Independence of Islamic Boarding School

According to the Head of Unit II, the Cooperative's strategy is to adopt an innovative and proactive approach by studying economic models from established Islamic boarding schools. In this case, the Cooperative collaborates with Pondok Pesantren Sunan Drajat Lamongan and has also invited Umi Waheeda, the head of

Al-Ashriyyah Nurul Iman Islamic boarding school, Bogor, to provide seminars and training to cooperative members. The cooperative also recruits individuals with unique expertise in economics, places them in various business units, and prioritises the training and development of employees to improve their skills and capabilities. This helps strengthen the cooperative's internal capacity amid evolving economic dynamics. Research from Majid (2014) and Munir et al. (2021) Says that cooperatives must improve themselves to fulfil viable and accountable criteria.

The cooperative also continuously innovates to improve the economic aspects of the boarding school. The cooperative continues to develop marketing and promotional strategies by utilising careful market research to recognise consumer trends and preferences, allowing the cooperative to reach a broader market segment. The approach involves marketing its products through ecommerce, such as TikTok, Instagram, TokoPedia, and Shopee. Young entrepreneurs also use social media to expand their market share when developing their businesses. (Wahidmurni, 2017).

The cooperative also expands its segments by focusing on retail, such as At-Ta'awun mart and laundry, catering, bakery, and mineral water businesses. They realise that customer satisfaction is crucial in maintaining market share. (Yuliamir & Rahayu, 2021), so the cooperative pays excellent attention to improving product quality and differentiation.

The main priority of a cooperative is to build cooperation with local businesses through mutually beneficial partnerships to expand the distribution network and increase the accessibility of the products offered. (Amelia & et.al, 2023; Munir et al., 2021). The active participation of the Cooperative management is a crucial element to achieving the success of the Cooperative in achieving better economic goals. (Sulaiman et al., 2016). By continuously striving to improve and innovate, At-Ta'awun Cooperative has become an inspiring example for other pesantren in their efforts to empower the local economy.

## Conclusion

At-Ta'awun Cooperative has a vital role in increasing the economic independence of Pondok Pesantren DDI Mangkoso. Through the various services and products provided, the cooperative not only fulfils the needs of Santri at affordable prices but also makes a real contribution to improving the welfare of

teachers and the surrounding community. The positive impact is seen in the improvement of infrastructure, physical facilities, quality of education, and general welfare around the pesantren. Nonetheless, some challenges must be overcome, such as difficulties in harmonising cooperative rules across different campuses, limited resources, and lack of management and technological expertise. However, with innovative and proactive strategies, such as cooperation with other pesantren, employee development, and the use of technology, At-Ta'awun Cooperative strives to strengthen the pesantren's economic independence. As such, At-Ta'awun Cooperative is an inspiring example for other pesantren in their efforts to empower the local economy by demonstrating that cooperatives can be one of the critical instruments in achieving such goals.

# References

- Al Idrus, S. (2019). Manajemen Kewirausahaan: Membangun Kemandirian Pondok Pesantren. Media Nusa Creative.
- Alifa, H. L., Zahara, A. W., & Makfi, M. M. (2021). Peran Pondok Pesantren Dalam Mencetak Wirausaha Industri Modern (Studi Di Pondok Pesantren Aswaja Lintang Songo). At-Thullab: Jurnal Mahasiswa Studi Islam, 2(2), 538–548. https://doi.org/10.20885/tullab.vol2.iss2.art12
- Amelia, & et.al. (2023). Peran Koperasi Syariah Berbasis Pesantren Dalam Mengembangan Jiwa Enterpreneurship. *Jurnal Ekonomi Dan Bisnis Islam*, XIII(2), 174–193.
- Anshari, A. (2016). Strategi Rekonstruksi Ekonomi Pesantren Masa Depan. Ittihad, 14(25), 20–34. https://doi.org/10.18592/ittihad.v14i25.859
- Ashar, S. (2016). Koperasi Pesantren Bir Aly Sebagai Sarana Pemberdayaan Ekonomi Koperasi Pesantren Bir Aly Sebagai Sarana Pemberdayaan Ekonomi (Studi Kasus Pondok Pesantren Robithotul Ulum Jatirejo Mojokerto). TA'DIBIA: Jurnal Ilmiah Pendidikan Agama Islam, 6(2), 103–112.
- Azra, A. (2019). Pendidikan Islam: Tradisi dan Modernisasi di tengah Tantangan Milenium III. Prenada Media.
- Bakhri, M. S., & Ashari. (2023). Manajemen Kemandirian Pesantren Berbasis Koperasi di Pondok Pesantren Sidogiri. *Jurnal Ilmiah Promis*, 4(September), 100–112. https://doi.org/https://doi.org/10.58410/promis.v4i2.733
- Darmadi. (2022). Strategi Manajemen Sumber Daya Manusia Dalam Meningkatkan

- Keunggulan Kompetitif. Equator Journal of Management and Entrepreneurship, 10(2), 85–92. https://doi.org/10.56445/jme.v2i1.52
- Djodi, W. S., & Rahman, T. (2023). Model Penguatan Kemandirian Ekonomi Pesantren Melalui Pengembangan Potensi Produk Halal di Pesantren An-Nasyiin Pamekasan. Al Maal: Journal of Islamic Economics and Banking, 4(2), 176. https://doi.org/10.31000/almaal.v4i2.7142
- Fadhilah, Y., & Irham Zaki. (2019). Implementasi Peran Koperasi Dalam Pemberdayaan Dan Kemandirian Pondok (Studi Kasus Pada Pondok Pesantren Mukmin Mandiri Sidoarjo). JESTT: Jurnal Ekonomi Syariah Teori Dan Terapan, 6(2), 305–318. https://doi.org/https://doi.org/10.20473/vol6iss20192pp305-318
- Fadhilah, Y., & Zaki, I. (2019). Implementasi Peran Koperasi Dalam Pemberdayaan Dan Kemandirian Pondok (Studi Kasus Pada Pondok Pesantren Mukmin Mandiri Sidoarjo) Yunan. 6(2), 305–318.
- Fitra, T. L., & Rasyid, A. (2016). Peran Kopontren terhadap Perekonomian Masyarakat Sekitar Pondok Pesantren. *Jurnal lqtisaduna*, 2(2), 159–172. http://journal.uin-alauddin.ac.id/index.php/lqtisaduna/article/view/3116
- Gunarta, N. A., & Utama, M. S. (2022). Pengaruh Pertumbuhan Ekonomi, Kemandirian Keuangan Daerah Terhadap Struktur Ekonomi Dan Kesejahteraan Masyarakat Provinsi Bali. E-Jurnal Ekonomi Pembangunan Universitas Udayana, 11(3), 807. https://doi.org/10.24843/eep.2022.v11.i03.p01
- Haekal, Muhsin, M., & Yusuf, I. (2022). Manajemen Pembiayaan Pendidikan Islam. CV Media Sains Indonesia.
- Hamzah, M., Febrianto, A., Yakin, A., Nurbayah, S., & Riyantoro, S. F. (2022). Penguatan Ekonomi Pesantren Melalui Digitalisasi Unit Usaha Pesantren. 8(01), 1040–1047.
- Hikmawati, Semaun, S., & Damirah. (2020). Peran Koperasi Pondok Pesantren Ddi Lilbanat Parepare Dalam Meningkatkan Kesejahteraan Guru Dan Santri. BANCO: Jurnal Manajemen Dan Perbankan Syariah, 1(2), 36–58. https://doi.org/10.35905/banco.v1i2.1303
- Julaicha, S., & Badriyah, M. (2022). Peran Koperasi Konsumsi Pondok Pesantren Dalam Pemberdayaan Masyarakat. LIKUID: Jurnal Ekonomi Industri Halal, 2(1), 43–57. https://doi.org/10.15575/likuid.v2i1.15302
- Khariri, M. R. (2021). Pemberdayaan Ekonomi Masyarakat Melalui Koperasi Pondok Pesantren (Studi Kasus Koperasi Pondok Pesantren Mahasiswa Al-Hikam Malang). Ekonmi Islam Universitas Brawijaya, 10(2).
- Lloyd, P., & Lee, C. (2018). A review of the Recent Literature on the Institutional Economics Analysis of the Long-Run Performance of Nations. *Journal of*

- Economic Surveys, 32(1), 1–22. https://doi.org/10.1111/joes.12186
- Madjid, N. (1997). Bilik-bilik pesantren: sebuah potret perjalanan (1st ed.). Paramadina.
- Majid, F. (2014). Entrepreneurial cooperative development strategies. Kuwait Chapter of Arabian Journal of Business & Management Review, 3, 270–278. https://doi.org/10.12816/0018678
- Marwini, M., & Salam, A. N. (2020). Model Pengembangan Koperasi Pondok Pesantren (Kopontren) Berbasis E-Money Sebagai Upaya Akselerasi Ekonomi Syariah Di Indonesia. AL-ARBAH: Journal of Islamic Finance and Banking, 1–20.
- Munir, M., Prajawati, M. I., & Basir, S. (2021). Strategies of Sustainable Cooperative Partnerships. *International Journal of Financial Research*, 12(3), 157–161. https://doi.org/10.5430/ijfr.v12n3p157
- Mursyid. (2011). Dinamika Pesantren Dalam Perspektif Ekonomi. *Millah*, 11(1), 171–187. https://doi.org/10.20885/millah.vol11.iss1.art8
- Murtadlo, M. (2021). Pemberdayaan Ekonomi Pesantren, Wider Mandate. Badan Litbang Dan Diklat Kementrian Agama RI. https://balitbangdiklat.kemenag.go.id/berita/pemberdayaan-ekonomipesantren-wider-mandate
- Muslim, S., Rokiyah, & Mundzir, H. (2023). Pemberdayaan Koperasi Pondok Pesantren Sebagai Wujud Efektifitas Kemandirian Ekonomi. *Jurnal Pengabdian Mandiri*, 2(2), 571–578.
- Nikonenko, U., Medynska, T., Bilotskyi, O., Baran, M., & Shevchuk, I. (2020). Analysis of institutional factors as part of the component of economic freedom as a background of improvement of structural proportions in the context of improving governance. Business Management and Education, 18(2), 206–225. https://doi.org/10.3846/bme.2020.12421
- Rusdan. (2023). Penguatan Kemandirian Ekonomi Pesantren Menuju Indonesia Emas 2045. *Jurnal El-Hikam*. https://ejournal.iainh.ac.id/index.php/elhikam/article/view/361%oAhttps://ejournal.iainh.ac.id/index.php/elhikam/article/download/361/214
- Sa'adah, N., & Rahman, T. (2024). Efektivitas Pengelolaan UMKM Dengan Pendekatan 3 Pilar (Santripreneur, Pesantrenpreneur, Sociopreneur) di Sekitar Pondok Pesantren Darussalam Al-Faisholiyah Sampang. *Jurnal At-Tamwil*, 6(1), 16–32. https://doi.org/https://doi.org/10.33367//at.v6i1.1488
- Saputra, A. A., Daud, & Kadarsih, S. (2023). Peran Koperasi Pondok Pesantren (Kopontren) Jarinabi Mart dalam Meningkatkan Ekonomi Pondok Pesantren Jarinabi. *Jurnal Ilmiah Ekonomi Islam*, 9(03), 4038–4047.

- Silvana, M., & Lubis, D. (2021). Faktor yang Memengaruhi Kemandirian Ekonomi Pesantren (Studi Pesantren Al-Ittifaq Bandung). *Al-Muzara'ah*, 9(2), 129–146. https://doi.org/10.29244/jam.9.2.129-146
- Sugiyono. (2017). Metode Penelitian Kualitatif, Kuantitatif dan R&D. Alfabeta CV.
- Sulaiman, A. I., Chusmeru, C., & Masrukin, M. (2018). Strategy of Cooperative Islamic Boarding School As Economic Empowerment Community. *INFERENSI: Jurnal Penelitian Sosial Keagamaan*, 12(1), 25–44. https://doi.org/10.18326/infsl3.v12i1.25-44
- Sulaiman, A. I., Masrukin, M., Chusmeru, C., & Pangestuti, S. (2016). Pemberdayaan Koperasi Pondok Pesantren sebagai Pendidikan Sosial dan Ekonomi Santri. Jurnal Pendidikan Dan Pemberdayaan Masyarakat, 3(2), 109. https://doi.org/10.21831/jppm.v3i2.11303
- Vonna, R. D., & Nurendra, A. M. (2018). Penyusunan Core Competency Pada Perusahaan Berbasis Nilai Keislaman. SCHEMA (Journal of Psychological Research, 68–77.
- Vuković, N. M. (2022). Educational Role of the Student Cooperative. *Reflexia*, 2(2), 37–42. https://doi.org/10.32591/refl.2022.02037v
- Wadma, S. (2016). Hubungan Kinerja Keuangan Terhadap Pertumbuhan Ekonomi, Pengangguran, dan Kemiskinan. *Jurnal Warta Dharmawangsa*.
- Wahidmurni. (2017). Overcoming business obstacles: A case study of young entrepreneurs in Malang. Pertanika Journal of Social Sciences and Humanities, 25(August), 145–154.
- Yıldırım, A., & Gökalp, M. F. (2016). Institutions and Economic Performance: A Review on the Developing Countries. *Procedia Economics and Finance*, 38(October 2015), 347–359. https://doi.org/10.1016/s2212-5671(16)30207-6
- Yuliamir, H., & Rahayu, E. (2021). Strategi Pemasaran, Kepuasan Konsumen Dan Kinerja Bisnis Di Kartika Jaya Kabupaten Kendal, Jawa Tengah. *Jurnal Pengabdian Masyarakat Waradin*, 1(1), 48–62.