

THE ENTREPRENEURS IN BREED: THE CASE OF ACEHNESE DAYAH, INDONESIAN TRADITIONAL ISLAMIC BOARDING SCHOOL

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ABSTRACT: The combination of entrepreneurial spirit and religion has been widely discussed. However, the integrated school program combines lessons on business management, marketing, and entrepreneurial skills with religious studies. This article explores this topic in a natural setting, contributing to the academic discussion on how participants, equipped with both knowledge and practical skills, require sufficient program support to effectively start and manage businesses. The findings reveal the success in producing graduates who are well-rounded, with a solid foundation in both religious education and business. This integration prepares alumni to launch ventures with comprehensive expertise. Feedback from alumni indicates that the skills gained through these significant measures have played a crucial role in the successful planning and management of their businesses.

Keywords: Entrepreneurship; Education; Strategy; Economic Empowerment; Islamic Boarding School

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INTRODUCTION

Pesantren (traditional Islamic Boarding school), or *dayah*, play a crucial and strategic role in efforts to protect and manage the environment in Indonesia. This role is evident in several aspects that underlie it as an Islamic educational institution that holds significant influence on societal order and human life. Dayah is a traditional Islamic educational institution aimed at understanding, internalizing, and practicing Islamic teachings, emphasizing the importance of Islamic morals as a daily guide for community life (Yusran et al., 2020).

Historically, since the establishment of *pesantren/dayah* during the early arrival of Islam in Aceh, *dayah* has been integrated into Acehnese society. Dayah has contributed to the development of Acehnese society, both in the field of education and in improving the welfare of its alumni. Dayah has extensive experience in dealing with various types of societies over a long time. Dayah has grown with the support of the community, and in fact, *dayah* was established in response to the demands and needs of the community to improve the welfare of the Acehnese people. If we trace the historical roots of *dayah*, which began after the early period of Islam's arrival in Aceh, it becomes clear that there are four main functions of *dayah* for Acehnese society: first, as a center for religious learning; second, as a fortress against colonial powers; third, as an agent of development in improving community welfare; and fourth, as a school for the community (Amiruddin, 2015). Thus, it is clear that *dayah*, from their early development, have made significant contributions to the advancement of Acehnese society, becoming actors in the development of community life and serving as agents of change in society – this is a reality that has truly occurred, with many figures from *dayah* having proven this.

As Islam continued to develop in Aceh, the number of *dayah* also increased, including the *salafiyah dayah*, Dayah Darul Munawwarah Kuta Krueng, located in Bandar Dua District, Pidie Jaya Regency, or better known as Dayah Kuta Krueng. This *dayah* was founded by Tgk. H. Usman Ali in 1964 (Profile of Dayah Darul Munawwarah Kuta Krueng 2022). Dayah have played an important role in the development of society, particularly in improving the welfare of the Acehnese community. As a historical foundation, Acehnese *dayah* have existed long before independence. This indigenous educational institution can be traced and seen in the history of the early development of Islamic preaching in Indonesia. The historical flow formed a community of education that eventually led to the establishment of the current world of *pesantren* (Arif et al., 2020).

In the context of *dayah* knowledge, *dayah* is synonymous with the study of classical Islamic texts, known as *kitab kuning*. Although there has been a classification between *salaf* (traditional) and modern *dayah*, the intellectual character of *pesantren* remains rooted in *kitab kuning*. The study of *kitab kuning* encompasses four core teachings: worship (*ubudiyah*), social transactions (*muamalah*), marriage (*munakahah*), and criminal law (*jinayat*) (Sayyi et al., 2021). On a social basis, however, the existence of *dayah* is deeply embedded within grassroots communities. The figure of the *gure* (*dayah* leader) emerges as a role

model, not only followed by students and alumni but also by the wider community. However, within the realm of knowledge and social base, several aspects merit further examination (Ismail, 2020).

This assumption can be proven by the fact that most dayah graduates return to their communities to become religious teachers or community religious leaders. It is quite difficult to find graduates who have become entrepreneurs. The research is conducted by (Naimah et al. (2020) which explored the perspectives of Acehese dayah on poverty. The study, conducted in Madura, found that while there is an awareness among dayah adherents of the need to alleviate poverty, the dayah curriculum does not yet emphasize the development of entrepreneurial skills. Many dayah are managed and financed by their leaders, rather than being supported by comprehensive economic management. As a result, many dayah are economically fragile, focusing primarily on religious education with an emphasis on worship (*ubudiyah*) alone.

When dayah neglect economic development, it is the external economic actors who thrive, often utilizing texts studied within dayah. The growth of Islamic economics within the community cannot be separated from the intellectual foundation provided by the study of *kitab kuning* within dayah. The reproduction of ideas solely around this discourse has left many alumni confused about strengthening their economic base after graduation (Winarsih et al., 2019). No matter how strong a person's religious devotion (*ubudiyah*) is, when faced with poverty, it can threaten their faith.

It must be acknowledged that there have been efforts by several *dayah* to empower communities in the fields of health, technology, and particularly in the regeneration of religious scholars. This includes establishing good relationships with the government. However, economic development is often seen as a secondary concern. Although poverty is recognized as a threat, not all Acehese dayah can initiate economic empowerment movements that have a significant impact on their alumni and even the broader community. This reality is an ongoing issue that deserves attention. Yet, it can be argued that Acehese *dayah* possesses significant social capital to engage in activities that are well-received by the community.

As a social institution that grows and develops alongside the community, Acehese dayah has strong potential to expand its role and function from social religious preaching to economic empowerment. Moreover, there are several key elements within Acehese dayah, such as the unique value system, the leadership's independence, and the *kitab kuning* as the primary reference source over the years, which can inspire economic development (Kadir et al., 2021). Nevertheless, the existence of dayah is also considered a subculture. Although dayah are situated within the community, they also maintain a distinct culture separate from the general populace. However, dayah alumni who return to their communities are a part of society that once studied in dayah.

Substantively, the relationship between alumni and Acehese dayah is inseparable. This bond resembles the relationship between the *gure* and students, as well as between dayah leaders and the community. The relational

dynamics between alumni and Acehese dayah deserve further investigation, particularly concerning strategic programs implemented between alumni and dayah in developing and building the economy (Buto & Hafifuddin, 2020).

As previously stated, all Acehese dayah have begun to recognize that poverty is an issue that needs to be addressed. However, few have dared to take the initiative to develop the economy. Among those who have taken this step is Dayah Darul Munawwarah Kuta Krueng in Pidie Jaya Regency, which has ventured into economic development by establishing agriculture, plantations, a supermarket, a mini-bank, a cooperative, a canteen, a hospital, and other business ventures, most of which are managed by alumni of Dayah Darul Munawwarah Kuta Krueng in Pidie Jaya Regency.

Historically, Dayah Darul Munawwarah Kuta Krueng in Pidie Jaya Regency was established in 1964 by Abu H. Usman. For more than half a century, this dayah has been in existence, serving as an educational institution and producing numerous alumni who are now spread across various sectors. Currently, the dayah has 6,749 active students, comprising 4,192 males and 2,557 females, who come from different provinces in Indonesia and abroad. Although the dayah has existed for over half a century, attention to economic matters only emerged around 2015. According to the Chairman of the Alumni Association of Dayah Darul Munawwarah Kuta Krueng in Pidie Jaya Regency, most alumni residing in Pidie Jaya Regency are generally classified as lower-middle-income. Therefore, there is a need for a mediator to unite alumni in a business venture that can help each other.

One of the ventures by Dayah Darul Munawwarah Kuta Krueng in Pidie Jaya Regency and its alumni in economic empowerment is in the fields of plantations, agriculture, livestock, Islamic financial services (*Unit Jasa Keuangan Syariah* - UJKS), mineral water production, and most recently, the opening of a coffee shop, "Darul Munawwarah Kupi." This coffee shop is intended as a place for alumni to meet, study, and share knowledge while enjoying coffee, and it also provides a means to give back to the community. For example, leftover payments can be placed at the cashier to be used for those in need, and there are also free books or *kitab* available on-site (Ummah & Santoso, 2023).

The establishment of this business was driven by the frequent meetings of alumni at Dayah Darul Munawwarah Kuta Krueng in Pidie Jaya Regency, and to ensure that these activities continued, the alumni founded a coffee shop, known in Acehese as a *warong kupi*. The enthusiasm of the alumni, who pooled their funds in the form of shares, accelerated the establishment of the business.

The development of the aforementioned businesses aims to create collaborative efforts in economic empowerment in Pidie Jaya Regency, particularly involving alumni. As a result, significant progress has been made in management and the steady increase in revenue over the past year. Although the business has only been running for two years, the support of the alumni has allowed it to flourish and compete with other establishments. The aspirations of the alumni of Dayah Darul Munawwarah drive the emergence of these various business ventures.

THEORETICAL REVIEW

Empowerment Strategy for Business Entrepreneurship

The term "strategy" has become a commonly used term by society to describe various meanings, such as a plan, tactic, or method to achieve desired goals. In essence, strategy involves planning and management to reach an objective. However, a strategy is not just a roadmap that shows direction; it must also be able to demonstrate how operational tactics are implemented (Patel & Cespedes, 2016)

Moreover, the concept of empowerment in the discourse of community development is always associated with the concepts of independence, participation, networking, and justice. Essentially, empowerment is rooted in both individual and social strengths. Participation is a key component in fostering independence and the empowerment process (Reininger et al., 2005)(Wilson, 1996). People should be involved in the process so that they can take more control of their lives, gain self-confidence, develop self-esteem, and acquire the knowledge needed to develop new skills. The process is cumulative, meaning that the more skills a person possesses, the better their ability to participate (Fawcett et al., 1994).

Consequently, social welfare will emerge as a result of empowerment. Social welfare, in its broadest sense, encompasses various human actions aimed at achieving a better standard of living. According to Midgley, as cited by Isbandi Rukminto Adi, social welfare is a state or condition of human life that is created when various social problems can be well-managed, when human needs can be met, and when social opportunities can be maximized (Kamal, 2018).

METHODOLOGY

In this study, the researcher will employ a case study approach using an intrinsic case study design, which focuses on the case itself (Jha, 2023). Specifically, the focus is on the strategy of the Islamic boarding school in empowering the economy of its alumni and the community in Pidie Jaya Regency, Aceh Province, Indonesia. The researcher considers this approach appropriate because of the blend of unique and intriguing case that warrants thorough investigation, and potential application to other traditional schools.

The selection of informants in this study is not arbitrary but based on specific criteria: 1) the informants have been deeply and intensively involved in the research field for a significant period; 2) the informants are still actively engaged in the relevant environment of the study; 3) the informants have sufficient time to provide information to the researcher; 4) the informants do not withhold information but rather provide relatively accurate and truthful information; and 5) the informants are considered outsiders to the researcher.

Population and Sample

A total of 30 informants are included in this study as part of direct

observation. This approach is employed because it not only aims to understand individual experiences but also to explore the benefits of these experiences through similarities in situations, types of informants, observations, and reflections of everyone. Collecting the data involves recording events, details, descriptions, and characteristics of some or all elements of the population to support or enhance the research. In this study, data collection is conducted using three techniques. Firstly, observation is employed; secondly, direct interviews are conducted with individuals who are sources of data regarding themselves and all related aspects. Indirect interviews, on the other hand, involve conversations with individuals about themselves or events outside of themselves. Lastly, document analysis is a data collection technique that does not directly involve the research subjects but is conducted through documents. These documents include diaries, letters, meeting minutes, special notes, and other relevant documents.

Data Analysis

The data analysis technique used in this study employs the interactive model. Miles et al. (Miles et al., 2014) propose a data analysis technique known as the interactive model, which consists of three components: data reduction, data presentation, and drawing and verifying conclusions. The overall steps involve editing, categorizing, and summarizing data. First, notes are made, initial analyses are conducted to identify thematic groups and data patterns. Second, concepts and explanations related to the themes, patterns, and data groups are developed. At this stage, the researcher begins to formulate concepts and explanations for categories and subcategories identified in the previous step. Third, the data is organized and displayed according to its categories, along with the established concepts and explanations. The data is presented in such a way that both text-level analysis and perception-level analysis are maximally readable and understandable. Finally, conclusions are drawn and verified. In this stage, the researcher analyzes the entire dataset organized by its categories.

RESULTS AND DISCUSSION

The strategies employed by the Islamic Boarding School of Dayah Darul Munawwarah, Pidie Jaya Regency, Aceh Province, Indonesia to enhance alumni economic welfare involve various approaches designed to empower its alumni through education, business development, and economic support. The following are the main strategies implemented by boarding school, based on direct observation.

Integrated Curriculum of Islamic Religion and Entrepreneurship

An integrated curriculum combines religious education with entrepreneurship, offering lessons on business management, marketing, and entrepreneurial skills alongside religious studies. This approach equips participants with the knowledge and practical skills needed to start and manage

businesses effectively. The curriculum aims to produce graduates who are well-rounded, with a solid foundation in both religious education and business. Through this integration, individuals are prepared to launch ventures with comprehensive expertise. Feedback from alumni indicates that the skills gained through this curriculum have played a crucial role in successfully planning and managing their businesses.

Entrepreneurship Training

The school organizes regular training sessions and workshops focused on entrepreneurship, addressing key areas such as business planning, financial management, marketing, and business strategies. These initiatives are designed to enhance the practical skills of alumni, equipping them with the tools needed to manage their businesses more effectively. The training provides alumni with actionable knowledge that can be applied directly to their daily operations, increasing their confidence and preparedness to tackle the challenges they encounter in their businesses. This continuous development empowers alumni to improve their business practices and navigate the complexities of entrepreneurship.

Development and Management of Business Units

Dayah Darul Munawwarah oversees various business units, including agriculture, handicrafts, and trade, with active alumni participation. This involvement offers practical experience and creates job opportunities, contributing to regional employment reduction. Alumni gain direct engagement in economic activities, acquiring valuable business management experience. The institution provides essential facilities such as production spaces, equipment, and technology, enhancing operational efficiency and product quality. This infrastructure enables alumni to manage their businesses effectively, overcoming challenges and boosting productivity, thereby fostering growth and success in their ventures.

Economic Support Programs

A structured mentoring program connects participants with experienced entrepreneurs and business consultants, providing practical guidance for managing and developing businesses. This mentorship equips individuals with effective strategies to address challenges, make informed decisions, and achieve sustainable growth. Collaborations with financial institutions ensure access to funding through microloans and grants, enabling participants to secure the capital needed to start or expand their ventures. By addressing financial barriers, these partnerships empower aspiring entrepreneurs to overcome one of the most significant obstacles to business success.

Network Development and Collaboration

A network was established to facilitate the exchange of experiences, resources, and opportunities, fostering collaboration and mutual support among its members. Partnerships with governmental, non-governmental, and private sector organizations further enhance these efforts by providing essential resources, training, and funding while enabling participation in larger-scale initiatives that drive impactful outcomes.

Monitoring and Evaluation

The program employs regular monitoring and evaluation to ensure the effectiveness of its business units and entrepreneurship initiatives. This process involves assessing the impact of implemented strategies and identifying areas for improvement. Through these evaluations, the program gains insights that enable continuous refinement of its approaches for better outcomes. Based on evaluation findings, adjustments are made to training programs, business activities, and economic support initiatives. These refinements are designed to enhance the effectiveness of strategies, empowering participants more effectively and aligning with broader economic objectives.

Impact and Outcome

Many program alumni have reported significant improvements in their income and overall quality of life due to the entrepreneurial skills they acquired. Interviews reveal that participation in these programs has led to greater financial stability and enhanced well-being, reflecting the effectiveness of strategies focused on economic empowerment and self-reliance. The program's business ventures have not only provided alumni with career opportunities but also created jobs for the surrounding community. This initiative has reduced unemployment and contributed to economic growth. Alumni, in particular, have gained skills in management, marketing, and business operations, enhancing their ability to establish and sustain businesses while increasing their market competitiveness.

The program employs a range of strategies to prepare alumni for economic challenges and opportunities. Practical education is seamlessly integrated with entrepreneurial training in areas such as agriculture, crafts, and technology, equipping participants with skills relevant to the market. This targeted approach empowers alumni to pursue sustainable livelihoods and contribute to economic development. Collaboration and networking play vital roles in the program's success. Alumni forums, regular meetings, and partnerships with local industries foster knowledge exchange and business collaboration, creating opportunities for individual growth and community development. These platforms strengthen support systems and enable alumni to engage in mutually beneficial projects.

Access to financial resources further bolsters alumni success. Low-interest or interest-free loans, coupled with financial literacy training, help overcome barriers to entrepreneurship. This dual approach ensures that alumni

are equipped to manage finances, develop viable business plans, and navigate risks, fostering long-term sustainability.

Mentorship programs provide tailored guidance in marketing, operations, and innovation, addressing immediate challenges while building capacity for growth. Emphasizing eco-friendly practices and modern market demands, these efforts align alumni businesses with sustainable and competitive standards. Adopting a holistic approach will address individual and community needs, the program ensures lasting empowerment. A strong foundation in education, collaboration, financial access, and innovation lays the groundwork for economic stability and resilience, fostering a thriving and self-sufficient society.

FURTHER STUDY

Islamic boarding schools demonstrate significant potential in empowering alumni economically. They provide strong religious education while enhancing social and moral skills for greater competitiveness in the job market. Economic empowerment activities include entrepreneurship training, business management, financial support, and collaborative networking. These initiatives reflect a holistic commitment to alumni's economic growth. The strategies implemented effectively improve alumni's economic status by combining skill development, financial resources, and capacity building. These efforts enable alumni to achieve independence and contribute to local economic development. The findings highlight the crucial role of comprehensive and sustainable empowerment strategies in advancing alumni's economic well-being.

Based on the findings of this study, future research should explore the long-term impact of economic empowerment programs on the alumni of Islamic Boarding School, particularly concerning their integration into broader economic systems and their ability to sustain entrepreneurial ventures. Additionally, it would be beneficial to examine the effectiveness of different models of entrepreneurship education within institutions and how these can be tailored to better align with the cultural and religious values of the students. Further studies could also investigate the role of government and non-governmental organizations in supporting these initiatives, as well as the potential for scaling such programs across other school in Aceh, Indonesia or beyond, to create a more comprehensive framework for economic empowerment within Islamic educational settings

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