

Innovations of Kyai Pesantren in Developing Santri' Entrepreneurial Spirit (Multi-site Study in At- Pesantren Tahdzib Jombang and Pesantren Salafiyah Kalipare Malang)

Imam Turmudzi¹, Imam Fuadi², Akhyak³, Maftukhin⁴, Achmad Patoni⁵

¹ Islamic Education Management Doctoral Program of IAIN Tulungagung.

^{2,3,4,5} Islamic State Institute of Tulungagung.

Coessponding Author:

Imam Turmudzi

Published: 27 April 2020

Copyright © Turmudzi et al.

Abstract

The background of this study is that some people assumption that Santri who graduated from Pesantren will be pushed for seek the job because they considered just knowing the Islamic knowledge and less to know about worldiness knowledge. This study will reveal that the Pesantren Santri not only capable to seek the job, but also capable to face the challenge of times with balancing knowledge and worldiness knowledge, even they can create employment and became the entrepreneur, all of it cannot separate with Kyai's role of Pesantren in giving the innovation to develop entrepreneurial for the Santri.

The problem formulation of this study is How about the Kyai's leadership innovation in developing the spirit of Santri's entrepreneurship? This study using qualitative approach type of multisite study. The data collection technique is using deep interview, participant observation, and documentation. Meanwhile the data analysis is using Myles Huberman model from data reduction, presenting verification data and making conclusion. The data analyzed from single case data and cross site. Then, the data validity test taken from credibility, transferability, dependability and conformability.

From the result of this study, the researcher made a conclusion that the entrepreneurial innovation in developing Santri' entrepreneurial spirit using Innovation of Renew the Business, Sustainable Livestock Technology, Developing Business Innovation and Sustainable Farming Technology.

Keywords: Innovation, Kyai, Entrepreneur, Pesantren Santri

A. Introduction

The leader of Pesantren called Kyai, he lead with several roles and must have the ability and high commitment to do several roles. Kyai also must maintain the noble values that are referred to in behavior and managing the Pesantren. The noble values became Kyai's belief in his life so that he does not contradict or deviate from the values of the Qur'an and Sunnah, Kyai's also have to think about the fate of Santri when returning home to carry out their social life, namely to grow entrepreneurial abilities

Globalization and technology challenges which penetrated in human life and offer the products to give acces, ease, facility, information, communication dan became a Pesantren motivation to always innovate with the current system. Continuous improvement, both inside the management, administration, academic (curriculum) and facilities so that make the Pesantren is not old-fashioned and traditional which assumed by the modern people. Even several Pesantrens became reputable education institution like Gontor. Pesantren is a unique educational institution. Not only because of its very long existence, but also because of the culture, methods, and networks adopted by religious institutions. In the colonial era, Pesantren became a base of native-nationalist struggle. Many fights to colonial based from Pesantren.

Religion Ministry data through Pesantren database (PDPP) in August 2018 there are 25.938 Pesantrens in Indonesia which 5.025 of total, located in East Java. From entire thousand Pesantrens, there are no valid data about the Pesantren which is already developing entrepreneurial innovation based on Pesantren although the Ministry through General Director of Islamic Education had released the technical guide of entrepreneurial Pesantren management number 5225 in 2016¹

¹ Kemenag.go.id, accessed 20th September 2018, 07:30 pm

Government through Religion Ministry also supporting Kyai to always continue innovate to develop entrepreneurial skill for his Santri to face the future filled with business competition, so that the graduate Santri of Pesantren do not become a government burden and even becomes a business actor and useful for the surrounding community.

The research by McKinsey Global Institute in January 2017, estimated that in 2030 there are 800 billion works will be automated. Human work will be gone and replaced by technology. McKinsey noted that about 50% works in the world can use recent or developed technology.⁶

The biggest challenge for Kyai of Pesantren is to continue create both cleric cadre and the entrepreneur to face the times challenge in next 10 years. The education in Pesantren gives priority to religion material and morality but less in hardskill and softskill. As the consequence, big number of Pesantren graduated often stutter when they join in the community and hard to find the job while they were working, they worked as amateur workers or blue-collar workers.

Many of them are unemployment, and Islamic innovative entrepreneurship exemplified by the Prophet Muhammad SAW which is always supported by His lovely wife, Khadijah, known as the famous and successful entrepreneur at the time.⁶ Although spending many times and cost in the Pesantren, could be up to a dozen years or almost the same as those who have received formal education in college. Indeed, the Santri and the others will face the complex challenges in the global competition era.

The progress has been reached through entrepreneurship actually is long and winding journey. But, their persistence to try and create balancing with environmental changes make the success effort.⁶ Talking about entrepreneurship and innovation, many countries, territorial, states and universities have been adopted the policy to stimulate entrepreneurial company innovation with the expectation they can facilitate the economy growing. That is the example of local policies included, regional and national initiatives to promote new university-based and pesantren-based companies.⁶

The innovation goal is to grow up and renew the company with the new and better product, efficiently process or improved business model. Turning the invention become the innovation depend on how the entrepreneurs place themselves, get the funding and manage their business successfully. Innovation is about the process and organization that needed to generate idea in any context. The ability to innovate in this case is not vital component from developing business, but can be seen as main aspect from the entrepreneur itself.

Based on background above, the researcher write a title for this research: Innovations of Kyai Pesantren in Developing Santri' Entrepreneurial Spirit (Multi-site Study in Pesantren At-Taahdzib Jombang and Pesantren Salafiyah Kalipare Malang) with the main question: How about the Kyai's leadership innovation in Pesantren At-Taahdzib Jombang and Salafiyah Pesantren Kalipare Malang in developing the spirit of Santri' entrepreneurship?

B. Literature Review

Allah gave extraordinary ability to human namely reason and mind. With them, human can develop the creativity and innovation in the life. Creativity and Innovation are the spirit encourage to the entrepreneurship wheel. With great creativity and innovation, the idea will be appear in the business. The entrepreneurship based on creativity will always grow up and develop because they can adapt with people needed.

Innovation can create new potential resource opportunity which aims to find something new.⁶ Donald Kuratko argued that Innovation divide into four kinds, they are invention, development,

duplication, and syntetic. There are so many chance to explore the character of entrepreneurship innovation in the different context that analyze need to be considered several dimension of entrepreneurship innovation. Different ecosystems with shared resources may be needed to influence various types of entrepreneurial innovation and almost certainly, entrepreneurship innovation may different with the other.⁶

Opportunity, idea, concept and notion always come up in entrepreneur thought. If he don't have a goal, may opportunity, idea, concept and notion will fly away and will not help to reach the goal.⁶

Entrepreneurial world is unpredictable world, in the bussines all of risks are ordinary thing. But, we can minimalize the risk. Courage of risks that arise is typical of an entrepreneur, more risk more benefit.

Innovation is create a product or new process which create value-added. The importance of strategic both product and process of innovation which has long been known and have influence on the performance, though not exclusively for the entrepreneur. Successful innovation management is important for global competitiveness and has national implications.⁶

The impact of entrepreneur innovation will shown on performance is interesting matter. In the recent hard economic environment, entrepreneur innovation promise to create good growing up and appropriate macro environment for the entrepreneur which generate the value-added but still need more attention.⁶

Thomas W. Zimmerer⁷ formulated several benefits of entrepreneurship.

1. Looking for the best opportunity and freedom to improve the fate. Own your own business and provide opportunities for other people's lives.
2. Provide opportunities to change yourself. The faster a person does business, the faster will get the opportunity to make significant success
3. Give a way to find the potential that exists in yourself. Working in a company for some people is very tedious because it is less challenging. This certainly does not apply to entrepreneurs. An entrepreneur can develop and channel their interests or hobbies.
4. Have the opportunity to reap maximum benefits. Even though money is not the main goal for entrepreneurs, motivation and self-development are preferred.
5. Has a role and opportunity in social life. Because entrepreneurs are usually respected and embraced by those around them.
6. Have the opportunity to do something fun. Most successful entrepreneurs choose certain companies because they are interested and like the job. Because it directs a hobby into work that is liked.

A more successful experienced entrepreneur has studied aspects of a relevant ecosystem to find easier ways to identify new innovation opportunities and mobilize existing resources.²

Commitment to innovation is a managerial willingness factor to allocate resources and fight for activities in development that lead to new technologies, processes, products and services. While there is a commitment that entrepreneurs value innovation and see as important for the survival and growth of the company, there is disagreement regarding strategies to achieve innovation.³

² Erkkö Autio, Entrepreneurial innovation: The importance of context journal home page: www.elsevier.com/locate/respol 19 May 2014 Research Policy 43 (2014) 1097–1108

³ Gideon D. Markman Governing the innovation process in entrepreneurial firms Journal of High Technology Management Research 12 (2001) 273 – 293

An entrepreneur usually chooses to open his business for several reasons. Commonly, there are five things that motivate brave individuals to entrepreneurship, they are:

1. Opportunities to realize dreams as an entrepreneurial attraction.
2. Profit is someone's goal to create a business.
3. Benefits for creating jobs for others.
4. Independence. Many entrepreneurs do not like working for others. Some people prefer to work in their own businesses.
5. Challenge. Some entrepreneurs really like challenges even with full risks.⁴

C. Research Method

The approach in this study uses a qualitative approach with a multi-site design. This research is comprehensive through the Kyai innovation of Pesantren Jombang and Salafiyah Pesantren Kalipare Malang to develop Santri's entrepreneurship spirit. Qualitative research is a loosely defined design category or research model, all of which produces verbal, visual, tactile, smell, and tasting data in descriptive narrative forms such as field notes, recordings, or other transcriptions of audio and video tapes and other written notes and picture or film.⁵ It is hoped that this research will develop inductive theories, which will then be used to obtain substantial results that are in line with the focus of research as formal knowledge. Therefore, a qualitative approach is used in this study, so that the data collected is not in the form of numbers but comes from interviews, field notes, personal documents, notes and other official documents.

A qualitative approach to the type of multi-site study is carried out on events and field events that occur. According to Donald Ary, there are 6 characteristics in qualitative research: (1) considering the context and situation, (2) natural, (3) the main source is human, (4) descriptive data, (5) research design must be concurrent with observation, and (6) inductive data analysis.⁶

In qualitative research must be done as well as possible, selectively, and with caution so that it will produce data that can really be justified.

The multi-site type of Kyai leadership innovation from Jombang Pesantren and Salafiyah Pesantren in Kalipare Malang to develop the entrepreneurial spirit of Santri is using qualitative research, because in this study needed appreciation and interpretation of research in the innovation of the kyai from At-Taahdzib Pesantren in Jombang and Salafiyah Pesantren Kalipare Malang in developing santri entrepreneurship. Research that uses a qualitative approach aims to focus on the study of the reality of human thought subjectively, emotionally and its strengths.

Qualitative research is one of the research procedures that produces descriptive data in the form of words or texts that describe the behavior of the people being observed.⁷

There are eight types of qualitative research, namely ethnography, case studies, document / text studies, natural observations, centralized interviews, phenomenology, reasoned theory, and historical studies.⁸

⁴ Nickels, McHugh dan McHugh (Terj.). *Pengantar Bisnis : Understanding Business*. (Jakarta : Salemba Empat, 2009), 4

⁵ Creswell, J. *Research design: Qualitative & Quantitative approaches*. (Thousand Oaks, CA: Sage Publications, 1998). 24

⁶ Donal Ary, *An Invitation to Research in Social Education* (Baverly Hills: Sage publication, 2002), 424, 425.

⁷ Bogdan & Biklen, S. *Qualitative Research for education*. (Boston, MA: Allyn and Bacon, 1992: 21-22).

⁸ Mudjia Rahardjo, *Jenis dan Metode Penelitian Kualitatif*, Materi Kuliah Metodologi Penelitian Program Doktor Manajemen Pendidikan Islam (UIN Maulana Malik Ibrahim Malang), 2010, 8.

As mentioned earlier, this includes in-depth studies of individuals, groups, organizations, program activities, etc. over a certain period of time. The aim is to get a complete and detailed picture of the organization. Multi-site studies provide data for further analysis to make theory.

These two locations have different characteristics, both institutional and visionary, missionary, geographical, type of entrepreneurship, number of Santri and religious teachers, and various levels developed. It can be concluded that both have different characteristics from the location of the study, specifically those related to the order of values, actions, motives and benchmarks. Because of the different background features, this study uses a multi-site study design and a constant comparison method, which is a series of steps taken when the analysis is repeated.

C. Results and Discussion

1. Renew Business Innovation and Sustainable Livestock Technology

Business run by Santri through entrepreneurship was guided by Kyai and Pesantren administrators. This makes the Santri actively and diligently carry out their duties to become entrepreneurs. Santri can be successful instantly in the business world but they do not have the innovation of the products they have, so they will be crushed and lost with existing competitors. The products of Pesantren Santri are very good because the products produced must be labeled halal and can be trusted. Therefore their products are suitable for consumption and use by the people. However, when Santri do not have the innovation and creativity to develop products, they will lose to their competitors.

Competition in the business world is inevitable, every effort is needed to always know, what customers want and understand changes in the business environment so they can compete with others.⁹

Innovations continue to be made by the Santri while still accompanied by the Kyai and also the board of Santri. Assistance with reference to sustainable technology because if there is no specific assistance and also supervision from the Pesantren, it is feared that Santri will be difficult in facing competition and wrong in making policies. Basically, the innovations of these Santri have been provided with entrepreneurship science based on law accompanied by sustainable technology, but there is still a need for assistance and also supervision by the Pesantren. One of the innovations carried out by Pesantrens for Santri entrepreneurship is through sustainability livestock technology.

The indicators used to measure competitive advantage are the unique products, quality products, and competitive prices.¹⁰ Sustainability livestock technology is a technology in the field that relies on technological advances in the form of sophisticated tools used for processing livestock products. The use of manual tools began to be replaced with new technological tools and made it easier and faster to work.

Incorporating product innovation and technology entrepreneurship as innovative aspects of manufacturing companies. The dimension of self-renewal reflects the transformation of organizations through the renewal of the key ideas on which they are built. It has the connotation of strategic and organizational change and includes the redefinition of business concepts, reorganization, and the introduction of system changes for innovation. The last dimension is proactive related to aggressive attitude towards competitors. Proactive companies tend to take risks by conducting experiments. It takes initiative, courage and aggressiveness in pursuing opportunities. The proactive concept "refers to

⁹ Wuryanti Kuncoro*, Wa Ode Suriani, *Achieving sustainable competitive advantage through product innovation and market driving* *Asia Pacific Management Review* 23 (2018) 186e192

¹⁰ Siswanto, *The Exploration Of Pesantren-Based Entrepreneurship Development Strategy Through Teleology Approach*, *el Harakah* Vol. 20 No. 2 Tahun 2018

the extent to which organizations seek to lead rather than follow competitors in key business areas such as the introduction of new products or services, operating technology, and administrative techniques”¹¹

The products of Santri' entrepreneurship related to sustainable livestock technology are not solely the technology created by Pesantren for Santri just for style, but utilizing this technology is one of the entrepreneurial innovations carried out in Pesantrens based on law. Examples of innovations in livestock technology such as slaughtering chickens and cows, in slaughtering animals even though using technology but still using Islamic law in the process of running the technology. Sustainable livestock technology is a continuous innovation in the livestock and agriculture chain, there will be no end and no wasted, starting from staples, waste to all the dirt can be recycled.

2. Business Development Innovation and Sustainable Agricultural Technology

Entrepreneurship innovation in Pesantrens does not stop only regarding livestock technology, agricultural technology is also being expanded in terms of innovation. Sustainable agricultural technology is applied in santri entrepreneurship, so that all aspects related to agriculture are experiencing innovation from Pesantrens to be developed in accordance with the needs and developments, this innovation arises from the ideas of the Santri. When they decide to enter the world of entrepreneurship, they must also be ready to innovate and develop products.

The process of exploiting new opportunities in companies that are full of similar risks faced by new companies and small companies. This is partly because the results of innovation, which are core entrepreneurial activities, are difficult to predict. Indeed the literature has long highlighted significant challenges and deficiencies in corporate entrepreneurial activities. These challenges must be seeded by the success of the organization¹²

One of these developments is the development in sustainable agricultural technology. Development in sustainable agricultural technology is used to keep up with the agricultural needs that are currently rife in the community. Older harvests and traditional technology have become an inhibiting factor in the acquisition of agricultural products. And also agricultural waste that used to be garbage can now be processed into fertilizer and returned to the field. Another innovation is technology without tillage where agricultural patterns do not use plows whose costs are increasingly expensive.

All types of businesses will always try to be the best in every product. The strategy to win product results is the company's goal.¹³ The innovations made by the Santri at the Pesantren in developing agriculture by developing in sustainable agricultural technology, for example agricultural tools that will be used will be more modern and also make it easier for farmers to do agricultural processing.

The contribution of technological innovation to national economic growth has been well established in the economic literature, both theoretically and empirically. But the concept that is closely related, entrepreneurship, has long not found the right place in the mainstream of empirical

¹¹ Zahra, S.A. and Covin, J.G., *Contextual influences on the corporate entrepreneurship-performance relationship: A longitudinal analysis*. *Journal of Business Venturing*, 1995. 10(1): 43-58

¹² Phan, P.; Wright M.; Ucbasaran, D., Tan, W. *Corporate entrepreneurship: Current research and future directions*. *Journal of Business Venturing* 2009. 24, p.198.

¹³ Wuryanti Kuncoro*, Wa Ode Surianim, *Achieving sustainable competitive advantage through product innovation and market driving*, *Asia Pacific Management Review* 23 (2018) 186e192

economic research on the sources of economic growth. Although a large amount has been written theoretically and descriptively about how entrepreneurship affects the economy there is a dearth of evidence based on empirical data.¹⁴

The existence of innovation in the field of agricultural technology has been responded well by the community because there are still few who glance at innovation in agriculture. Even though this agriculture sector is one area that requires special attention because it is related to community food so that there is no food crisis or food price instability.

D. Closing

1. Conclusion

Based on the focus of research and exposure to the research findings of both sites and cross-site analysis of the leadership of Kyai Pesantren in developing Santri 'entrepreneurial spirit, this study can be concluded as follows: Innovation of Kyai's leadership in developing Santri' entrepreneurial spirit namely, Business Renewal Innovation, Innovation of Sustainable livestock, Innovation Business Development, and Sustainability Agricultural Technology Innovations

2. Research Limitations

While researchers have found accurate results and there are some things that are not included in the innovation in developing the entrepreneurial spirit of Santri because of the limitations of research. These limitations are:

1. Researchers found that there are still Santri who do not understand fully understand the concept of innovation of Kyai pesantren in developing the entrepreneurial spirit of Santri
2. Researchers have difficulty overseeing the whole sincerity about the seriousness of the Santri management in conducting the initial entrepreneurship process to completion
3. Researchers also find it difficult to observe entrepreneurial innovations that fall into personal categories, such as confidentiality, which cannot be seen publicly.
4. Research with multi-site design is still limited in Salafiyah Pesantrens and has not made a comparison between Salafiyah Pesantrens and Modern Pesantrens

3. Future Research

Further research is urgently needed relating to the innovation of Kyai's leadership in building a pesantren-based entrepreneurial spirit that is sustainable in accordance with the progress of the times.

E. References

- [1] Biyati Ahwarumi, *Enhancing Innovation Roles Of Pesantren Business Incubator In Pondok Pesantren Sunan Drajat*, Journal of Innovation in Business and Economics Vol. 01 No. 02 December 2017 Page 71-82 P-ISSN: 2580-9431 E-ISSN: 2581-2025

¹⁴ Poh Kam Wong Yuen Ping Ho Erkko Autio, *Entrepreneurship, Innovation and Economic Growth: Evidence from GEM data*, Small Business Economics (2005) 24: 335-350 *Entrepreneurship Centre National University of Singapore 14 Prince George's Park Singapore 118412*

- [2] Bogdan & Biklen, S. *Qualitative Research for education*. (Boston, MA: Allyn and Bacon, 1992: 21-22).
- [3] Cresswell, J. *Research design: Qualitative & Quantitative approaches*. (Thousand Oaks, CA: Sage Publications, 1998). 24
- [4] Donal Ary, *An Invitation to Research in Social Education* (Beverly Hills: Sage publication, 2002), 424, 425.
- [5] Drucker Petter, *Innovation And Entrepreneurship* (New York:Harper Dan Row.1985). 20
- [6] Erkkö Autio, Entrepreneurial innovation: The importance of context journal home page: www.elsevier.com/locate/respol 19 May 2014 Research Policy 43 (2014) 1097–1108
- [7] Franko, L. G. (1989). Global corporate competition: who's winning, who's losing, and the R&D factor as one reason why. *Strategic Management Journal*, 10, 449 – 474.
- [8] Gideon D. Markman Governing the innovation process in entrepreneurial firms *Journal of High Technology Management Research* 12 (2001) 273 – 293
- [9] Grimaldi, R., Kenney, M., Siegel, D., Wright, M., *Year after bayh dole reassessing academic entrepreneurship research policy* 40 (8), 1045-1057, 2011.30
- [10] Hargadon, A., Kenney, M., .Misguided following venture capital into clean technology, *California Management Review* 54(2), 2012, 118-139
- [11] Kemenag.go.id, diakses 20 september 2018, 19.30
- [12] Mudjia Rahardjo, *Jenis dan Metode Penelitian Kualitatif*, Materi Kuliah Metodologi Penelitian Program Doktor Manajemen Pendidikan Islam (UIN Maulana Malik Ibrahim Malang), 2010, 8.
- [13] Napoleon Hill, *Positive Action Plan 365 Kutipan Inspirasional Untuk Menciptakan Kesuksesan Setiap Hari*, (Jakarta: Ufuk Press, 2010), 155
- [14] Nickels, McHugh dan McHugh (Terj.). *Pengantar Bisnis : Understanding Business*.(Jakarta :Salemba Empat, 2009), 4
- [15] Nur Khusniyah Indrawati, *Management by Inspiration: Implementation of Transformational Leadership on Business at Pondok Pesantren Sunan Drajat*, *Procedia - Social and Behavioral Sciences* 115 (2014) 79 – 90, Economic and Business Faculty- Brawijaya University.
- [16] Phan, P.; Wright M.; Ucbasaran, D., Tan, W. *Corporate entrepreneurship: Current research and future directions. Journal of Business Venturing* 2009. 24, p.198.

- [17] Poh Kam Wong Yuen Ping Ho Erkkö Autio, *Entrepreneurship, Innovation and Economic Growth: Evidence from GEM data*, *Small Business Economics* (2005) 24: 335–350
Entrepreneurship Centre National University of Singapore 14 Prince George's Park Singapore 118412
- [18] Radosevic, S. National Systems of innovation and entrepreneurship: in search of a missing Economic Working Papers 51. University College London, 2007
- [19] Siswanto, The Exploration Of *Pesantren*-Based Entrepreneurship Development Strategy Through Teleology Approach, *el Harakah* Vol. 20 No. 2 Tahun 2018
- [20] Thomas W. Zimmerer dan Norman. Scarbrough, *Kewirausahaan dan Manajemen Bisnis Kecil*, Erlangga, Jakarta, (terjemahan) 2005, 8
- [21] Wuryanti Kuncoro*, Wa Ode Suriani, *Achieving sustainable competitive advantage through product innovation and market driving* *Asia Pacific Management Review* 23 (2018) 186e192
www.mckinsey.com/global-themes/future-of-organizations-and-work/what-the-future-of-work-will-mean-for-jobs-skills-and-wages. McKinsey & Company adalah perusahaan konsultan manajemen multinasional. Perusahaan ini menjadi konsultan dari 80% perusahaan terbesar di dunia dan dianggap sebagai salah satu perusahaan manajemen konsultan paling terkemuka di dunia (wikipedia).
- [22] Zahra, S.A. and Covin, J.G., *Contextual influences on the corporate entrepreneurship-performance relationship: A longitudinal analysis*. *Journal of Business Venturing*, 1995. 10(1): 43-58