



# The Role of The Pesantren's Business Entity (Bump) in Improving the Economy of The Mawaridussalam Islamic Boarding School

Ja'far Nawi A. Siregar<sup>1</sup>, Imsar<sup>2</sup>, Purnama Ramadani Silalahi<sup>3</sup>, Afiq Yasfa<sup>4</sup>

1,2,3,4 Faculty of Islamic Economics and Business, Universitas Islam Negeri Sumatera Utara, Medan

#### **Article Info**

#### Article history:

Received 3 May 2024 Revised 11 May 2024 Accepted 30 May 2024

#### Keywords:

Business Entity; BUMP; Role; Pesantren

#### **ABSTRACT**

The purpose of this research is to analyze how the role of the Pesantren-Owned Business Entity (BUMP) in improving the economy of the boarding school. In this research, the method used is a qualitative approach and is a field research. The results of this study show that the BUMP of Mawaridussalam Islamic boarding school plays an important role in improving the economy of the boarding school. In addition to student shops and student stalls as the largest contributor to profits, the boarding school is currently developing a business in agriculture which has started operating. The economic improvement of the Mawaridussalam boarding school is going well and in accordance with the increasing number of students. And the income of the boarding school has reached the BUMP annual income target of around + Rp 2,500,000,000.

This is an open access article under the CC BY-SA license.



#### Corresponding Author:

Name: Ja'far Nawi A. Siregar Department: Islamic Economics

Faculty: Faculty of Islamic Economics and Business Afiliasi: Universitas Islam Negeri Sumatera Utara

Email: jafarnawi1808@gmail.com

# 1. INTRODUCTION

In the modern era, Islamic boarding schools (pesantren) are adapting to advancing times by incorporating economic functions into their programs. The economic development undertaken by pesantren aims to promote their self-reliance. These efforts to enhance economic independence make the pesantren more appealing to families who want their children not only to excel in religious studies but also to develop economic skills, which are part of applying Islamic teachings. A tangible sign of a pesantren's success in economic development is the establishment of business units that support and boost the pesantren's economy (Wadi, 2018).

Pesantren play a crucial role in the protection and management of the environment around them. They are not only Islamic educational institutions aiming to develop abilities, knowledge, and skills (Yusuf & Suwinto, 2010). Pondok Pesantren Mawaridussalam in Tumpatan Village, Nibung, Batang

Kuis, Deli Serdang, operates various business units under its Islamic Boarding School-Owned Enterprise (BUMP). Like other business entities, BUMP is involved in production, marketing, finance, accounting, and administration.

Establishing businesses is essential for pesantren to support their economic needs and development without relying on government or other external donations. Pondok Pesantren Mawaridussalam, in particular, operates several business units under the BUMP framework to enhance its economy and is the only pesantren in Deli Serdang with a BUMP. The BUMP at Mawaridussalam, established in 2010, has been part of the pesantren since its inception.

However, the BUMP at Pondok Pesantren Mawaridussalam faces a challenge: the units managed within the pesantren have not significantly increased their competitive edge compared to other business units. The businesses mainly operate within the pesantren, limiting their growth and development. Despite having substantial potential, as seen from the various units like a student café, student store, guest canteen, laundry, telephone stall, and guesthouse, there is still room for expansion and better alignment with other pesantren businesses. Improving these businesses could increase profits and boost the pesantren's economy.

Given these observations, this study aims to explore the role of BUMP in enhancing economic development. Thus, the researcher is interested in investigating the topic with the title "The Role of Islamic Boarding School-Owned Enterprises (BUMP) in Enhancing the Economy of Pondok Pesantren Mawaridussalam in Tumpatan Village, Nibung, Batang Kuis, Deli Serdang."

#### 2. LITERATURE REVIEW

# **Islamic Boarding Schools as Educational Institutions**

Islamic boarding schools (pesantren) are traditional Islamic educational institutions in Indonesia that have grown and evolved over several centuries (Asrohah, 2004). Initially, pesantren provided a simple educational setting for students but have since developed more structured programs that are followed by local communities. The function of pesantren as educational institutions lies in their ability to adapt to changing times, closely tied to technological advancements. Immaterial education serves as a motivator to transform students into resilient individuals in their daily lives.

The most crucial function of pesantren is to drive societal change. The role of pesantren is inherently linked to its nature as a community-based organization within a clear structural framework. Considering the changes and government aid to the community, it is important for pesantren to remain committed to their educational mission across various fields, including training, economics, and religion (Ghazali, 2012). With the evolution of times and the increasing demand for deeper religious knowledge and learning, general subjects have been incorporated into the curriculum.

#### **Economic Aspects of Islamic Boarding Schools**

The economic potential of pesantren has not yet been fully optimized, even though Islam provides guidance on both worldly and spiritual endeavors in the Qur'an (Ali, 2013). Islamic finance has distinct rules that must be adhered to in economic activities. Sharia-compliant economic activities must be based on principles of balance, which not only denote harmony in collective needs but also the equitable distribution of wealth, including zakat and alms.

Imam Nawawi stated that trade is "the exchange of goods for goods with the aim of transferring ownership." All transactions are permissible if conducted by parties qualified to engage in them, except those explicitly forbidden (Rasmi, 2016). Trade is permitted as long as it does not contradict Islamic law, as supported by QS Al-Baqarah verse 275. The type of business that a pesantren should establish is clearly based on the financial capabilities of the surrounding area.

30 □ ISSN: XXXX - XXXX

# Micro, Small, and Medium Enterprises (MSMEs)

Economic progress in a country is closely linked to the growth and advancement of small and micro enterprises (Dhewanto, 2019). Developing MSMEs should start with a comprehensive study to determine the feasibility of the business to be developed. MSMEs often face internal challenges, such as human resources, technology, and marketing. These challenges can occur in both stable and unstable market conditions.

For small business development, capital constraints are a major issue. Various alternatives to increase business capital include loans, banking, non-bank financial institution loans, venture capital, grants, and other financing types. Effective business development also involves strategic management practices such as creating work plans, defining roles, and implementing good oversight to produce competitive products.

# **Business Concepts in Islam**

Business, according to Griffin and Ebert (2008), is an activity that provides goods or services needed or desired by consumers (Andayani et al., 2022). To ensure that business profits benefit both the entrepreneurs and the surrounding environment, it must adhere to Islamic principles. These principles affirm that Allah owns everything in the universe. Business activities should involve trading only what belongs to Allah SWT. Islam mandates that humans work and seek sustenance, as stated in Surah Ash-Shaf: 10-11 (Tarigan, 2012).

The principle of justice teaches that fairness should prevail in all aspects, especially in business. Justice in business activities means that Muslim entrepreneurs should ensure accurate measurements. The role of khilafah is to maintain order in interactions (muamalah) among business participants. This principle emphasizes that Prophet Muhammad serves as a model for Muslims in all behaviors, including business practices, which should be emulated and implemented (Maghfur, 2019). To achieve higher profits, businesses can explore broader markets in other regions (Fauroni, 2014).

# **Business Development Strategies**

Strategy involves setting goals, developing resources, and managing interactions between organizations and markets, competitors, and other environmental factors (Walker & Larreche, 2000). According to Philip Kotler, strategic planning is a managerial process to develop and maintain alignment between company objectives, resources, and evolving market opportunities (Permatasari, 2017). Business development strategies include Strategic Actuating, where planning precedes the execution of company activities, including funding, human resources, and technology. Specifically, human resources must perform their designated functions effectively (Edi, 2009).

Strategic Controlling/Evaluating is the final stage of the strategic management process (Harahap, 2016). Evaluation involves assessing each strategic activity to ensure it aligns with planned objectives. Many business behaviors in Islam can be modeled and implemented in human activities. Key traits of Prophet Muhammad SAW applicable in business include Siddiq (truthfulness, honesty), Amanah (responsibility, trustworthiness), Fathanah (intelligence, wisdom, professionalism), and Tabliq (communication, transparency) (Alfaqih, 2017).

# **Islamic Boarding School-Owned Enterprises (BUMP)**

Islamic boarding schools are among the institutions that often struggle financially, making it challenging to sustain economic activities independently. Therefore, pesantren must implement good administration to strengthen their economic stability. One successful example is the establishment of pesantren cooperatives. In Islamic jurisprudence, cooperatives are known as Syirkah, meaning

partnership. From a technical perspective, a cooperative is an agreement among people to pool capital and share profits.

In this context, pesantren cooperatives include consumption and production cooperatives (Alim, 2018). These cooperatives benefit the surrounding community and positively impact the pesantren environment. Pesantren have set examples of self-reliance through business ventures, with the aim of strengthening pesantren funding, providing training for students, and empowering the local economy (Hamdi, 2016). Management activities within pesantren are extensive, covering organizational direction, activity creation, and inter-organizational cooperation.

# 3. METHOD

The research approach used by the author is qualitative and constitutes field research. This study is classified as descriptive research, which examines the current facts of a research object (Sugiyono, 2010). The study employs a descriptive qualitative method to gain an understanding of the phenomena experienced by the research subjects, such as behavior, perceptions, motivations, and actions (Rahmani, 2016). The data sources for this research include both primary and secondary data. Primary data is derived from statements made by the leaders and managers of the BUMP at Pondok Pesantren Mawaridussalam. Secondary data consists of indirect sources, such as a brief history and other data related to the pesantren. Data collection techniques used in this study include questionnaires and direct interviews with several managers, such as the pesantren leader and the person in charge, Ustadz H. Muhammad Syafi'i Lubis, MM, the Head of BUMP, to obtain additional information regarding the research.

#### 4. RESULTS AND DISCUSSION

# Management Structure of Pondok Pesantren Mawaridussalam

Management Structure of the Islamic Boarding School-Owned Enterprise (BUMP) at Pondok Pesantren Mawaridussalam

Table. 1

Management Structure of BUMP at Pondok Pesantren Mawaridussalam

NO	Name	Position
1	H. Mhd. Syafi"i Lubis, MM	Head of Department
2	Khairul Imam Punantara Sitopu	Secretary and Treasurer
3	Hasnan Abdi Ibrahim Yusuf	Person in Charge of the Student Store Bureau (PA)
4	Toyyib Amali Irwansyah Putra	Person in Charge of the Student Café (PA)
5	Desmanruza Zaki Hasbullahsahab	Person in Charge of Laundry (PA)

NO	Name	Position
6	Ibrahim Yusuf	Person in Charge of the Telephone Stall (PA)
7	Ibnu Musnandar	Person in Charge of the Photo Studio (PA)
0	Imam Syarifuddin Ramdhani Syahcandra Rohid Maulana	Person in Charge of Livestock and Agriculture
9	Yusrina Santri Nst Ummi Ramadhanips	Person in Charge of the Student Store (PI)
10	Julia Luthfiabussaina Nabila Anggita Beldiaadeliawan	Person in Charge of the Student Café (PI)
11	Aisya Turridho	Person in Charge of the Photo Studio (PI)
12	Khairunnisa Aulia Hrp Warung Telepon Lingga Gahara	Person in Charge of Laundry (PI)
13	Heri Kiswanto	Person in Charge of the Guest Canteen
	Heri Kiswanto Humin Setiawan Fahri Mulana Junaidi	Person in Charge of the Department Store
13	Lingga Gahara  Heri Kiswanto  Heri Kiswanto Humin Setiawan Fahri Mulana	Person in Charge of the Canteen  Person in Charge of t

The items at the Islamic Boarding School-Owned Enterprise (BUMP) of Pondok Pesantren Mawaridussalam are used to support the needs of the various business units within BUMP, including: 1 dispenser, 4 cabinets, 2 office desks, 1 TV, 12 CCTV cameras, 1 drone, 1 printer, 1 safe, 3 chairs, 1 clock, 1 stabilizer, 1 motorcycle, 1 box truck, 1 Avanza car, a 3-door guesthouse, and 1 laundry house. BUMP Pondok Pesantren Mawaridussalam also has many business units, each contributing to the economic growth of the pesantren. These units include:

- 1. Student Store
- 2. Student Café
- 3. Laundry
- 4. Telephone Booth
- 5. Clothing Store
- 6. Livestock and Agriculture

# 7. Guest Canteen and Department Store

BUMP Pondok Pesantren Mawaridussalam records daily transactions of cash inflows and outflows, which are then reported annually. The reports are directly recorded and submitted by the treasurer.

Table 2

Annual Revenue of BUMP Pondok Pesantren Mawaridussalam for the Year 2020-2021

No	Description	Revenue
1	Putra	Rp 1.192.782.200
2	Putri	Rp. 1.243.960.600
	Jumlah	Rp. 2.436.960.800

Based on the table above, it can be seen that the total revenue of BUMP at Pondok Pesantren Mawaridussalam for the period 2020-2021 was Rp 2,436,960,800. Additionally, the revenue for the year 2020-2021 increased by Rp 525,429,400 compared to the previous year.

# The Role of the Islamic Boarding School-Owned Enterprise (BUMP) in Enhancing the Economy of the Pesantren

The existence of BUMP is crucial for the Islamic boarding school (pesantren) as it cannot solely rely on the contributions of the students. Therefore, business units are needed to strengthen the economy and independence of Pondok Pesantren Mawaridussalam. The purpose of establishing BUMP is to ensure that students can obtain items according to the pesantren's needs and the discipline set by Pondok Pesantren Mawaridussalam. The businesses operated within the pesantren help meet the daily needs of the students, such as the student store and student café, which provide stationery for learning activities, daily necessities, and snacks for the students.

Furthermore, every profit generated from BUMP's business units is allocated to the development of existing businesses as well as new ventures, and to procure items that can be used collectively within the pesantren. Besides the student store and student café, which contribute the most to profits, BUMP is also currently expanding into agriculture, with operations already underway. In agricultural development, BUMP has started by planting rice as the initial activity. Currently, BUMP at Mawaridussalam meets approximately 85% of the students' needs.

BUMP manages each business unit, including the student store, student café, laundry, telephone booth, photo studio, livestock and agriculture, guest canteen, and department store. Each unit plays a significant role in boosting the pesantren's economy, as each one contributes substantial profits to the pesantren. BUMP not only enhances the pesantren's economy but also provides significant contributions to students by involving them in the management of each business unit. BUMP teaches students about entrepreneurship and fosters their confidence and competitiveness in the economic sphere upon their return to society.

34 □ ISSN: XXXX - XXXX

# **Economic Improvements Achieved by the Pesantren with the Presence of BUMP**

The economic growth experienced by Pondok Pesantren Mawaridussalam is undeniably linked to the contributions of each business unit within BUMP. The economic improvement at Pondok Pesantren Mawaridussalam has changed significantly according to the number of students. By 2020, with 1,800 students, the pesantren's annual revenue had reached around Rp 2,500,000,000. The achievements with the business units include:

- 1. BUMP contributes to the pesantren by continuously enhancing its existing businesses and developing new ones, such as in agriculture, where the goal is to cultivate rice fields and eventually become a rice supplier with a target area of approximately 1 hectare.
- 2. BUMP provides contributions through profits or earnings consistently deposited to the pesantren.
- 3. BUMP has maximized revenue to aid in the development of Pondok Pesantren Mawaridussalam.
- 4. The presence of BUMP supports students in meeting their daily needs and trains them in entrepreneurship.

# **Developing Business Units of BUMP**

The growth of business units is a result of the hard work of those responsible for human resources at Pondok Pesantren Mawaridussalam. Every idea proposed aims to build BUMP to grow more rapidly and increase profits. Currently, BUMP is developing its agricultural business, focusing on managing rice fields with a target area of approximately 1 hectare. The development process involves several stages: Strategic Planning: Effective planning is crucial to achieve goals, such as maximizing profits. BUMP is planning to expand its business by adding new units, particularly in agriculture. As mentioned earlier, the pesantren has a rice field area of about 1 hectare. The plan involves planting rice, which will eventually supply rice. Future plans also include expanding the student store and department store by opening branches outside the pesantren environment.

Strategic Implementation: After thorough planning, the pesantren establishes an organizational structure or human resources to implement the plan. Human resources are needed to carry out their respective functions strategically. According to interviews, the development of agricultural business units at BUMP is directly managed. Given the internal and external opportunities, BUMP at Pondok Pesantren Mawaridussalam has significant potential because there are no rice suppliers in the surrounding area. The implementation of the business development plan is handled by competent individuals to achieve the desired results. For the development of the student store and department store, responsibilities are managed by Heri Kiswanto, Humin Setiawan, Fahri Mulana, and Junaidi. According to Ustasdz H. Mhd. Syafi'i Lubis, MM, the head of BUMP at Pondok Pesantren Mawaridussalam, the human resources managing the department store may not have formal business skills but possess high integrity, responsibility, and reliability in managing the business.

Strategic Control: Monitoring focuses on ensuring that each responsible person for every business unit maintains integrity in their tasks and evaluates overall performance to see if it aligns with strategic planning. The evaluation involves ensuring that the strategic plans are executed as intended by assessing internal and external variables within the pesantren environment. Business production and management development follow Article 17 of Law No. 20 of 2008 on MSMEs, which includes:

- 1. Improving production techniques, management skills, and overall capabilities for MSMEs.
- 2. Facilitating the acquisition of production infrastructure, raw materials, and packaging for MSME products.
- 3. Enhancing design and engineering capabilities for medium enterprises.
- 4. Design capability involves the ability to design business activities, while engineering capability refers to improving processes or methods for producing products and/or services.

#### 5. CONCLUSION

The Islamic Boarding School-Owned Enterprise (BUMP) at Pondok Pesantren Mawaridussalam plays a crucial role in boosting the pesantren's economy. The profits from each BUMP business unit are entirely used to develop facilities and meet the needs for expanding the business units, as well as to help fulfill the needs of the students. For example, the student store and student café provide stationery for educational activities and daily necessities for the students. Currently, BUMP meets approximately 85% of the students' needs. However, BUMP is not the primary source of income for the pesantren; there is also revenue from student contributions, government BOS funds, and donations from Muksinin.

BUMP not only impacts the economic improvement of Pondok Pesantren Mawaridussalam but also provides significant benefits to the students involved in running each business unit. BUMP teaches students about entrepreneurship and helps them build confidence and competitive skills in the economic sphere when they return to society. This confidence enables students to create good job opportunities for themselves and others in the future. The economic improvement achieved by the pesantren is closely linked to BUMP's contributions, with the pesantren's annual revenue reaching approximately Rp 2,500,000,000.

The management and development of business units in the economic sector at Pondok Pesantren Mawaridussalam are quite effective. BUMP plans the development of business units in accordance with the provisions outlined in Article 16(a). However, it is noted that the business units are primarily focused on growing within the internal environment of the pesantren and have not yet fully met the students' needs. There is potential for BUMP to expand externally, as ventures such as the department store, laundry, and guest accommodations could grow beyond the pesantren environment.

#### 6. REFERENCES

Alfaqih, A. (2017). Prinsip-Prinsip Praktik Bisnis dalam Islam bagi Pelaku Usaha Muslim.

Ali, S. (2013). Paradigma Pesantren Memperluas Horizon Kajian Dan Aksi. UIN-MALIKI PRESS. Alim, A. R. (2018). Strategi Koperasi Pesantren (Kopontren) Miftahul Huda Ciamis dalam Upaya Membangun Usaha Mikro di Lingkungan Pesantren.

Andayani, S. U., Eliza, Fachrurazi, Solikahan, E. Z., Syadzili, M. F. R., Ekowati, D., Reza, V., Gobel, L. Van, Sari, Y. P., Khasanah, Kamisi, H. La, & Syahrial, M. (2022). *Konsep Dasar Etika Bisnis*. Cendikia Mulia Mandiri.

Asrohah, H. (2004). Pelembagaan Pesantren Asal Usul dan Perkembangan Pesantren di Jawa. Dhewanto, W. (2019). Internationalisasi UKM Usaha Kecil Dan Mikro Menuju Pasar Global. Edi, S. (2009). Manajemen Sumber Daya Manusia. Kencana.

Fauroni, L. (2014). Model Bisnis Ala Pesantren.

Ghazali, M. B. (2012). Pesantren Berwawasan Lingkungan. CV. Prasasti.

36 □ ISSN: XXXX - XXXX

Hamdi, A. (2016). Kemandirian Ekonomi Kaum Sarungan: pengembangan pendidikan entrepreneur di pondok pesantren.

- Harahap, S. (2016). Kewirausahaan Pendekatan Integratif.
- Maghfur, A. (2019). Kemandirian Santri dalam Mengelola dan Mengembangkan Perekonomian Pesantren.
- Permatasari. (2017). Strategi Pengembangan Usaha Untuk Mengatasi Persaingan (Studi Kasus PT. Kimia Farma Jakarta). *Cakrawala*, *XVII*(1), 81–87. http://ejournal.bsi.ac.id/ejurnal/index.php/cakrawala/article/viewFile/1917/1478
- Rahmani, N. A. B. (2016). Metodologi Penelitian Ekonomi. Febi UIN SU Press.
- Rasmi. (2016). Pemberian Potongan Harga Dengan Penggunaan Kartu Member Dalam Transaksi Jual Beli di Ramayana M'TOS Makassar.
- Sugiyono. (2010). Metode Penelitian Bisnis (Pendekatan Kuantitatif, Kualitatif, dan R&D). ALFABETA.
- Tarigan, A. A. (2012). Tafsir Ayat-Ayat Ekonomi.
- Wadi, M. (2018). Potensi dan peran pesantren dalam mengembangkan ekonomi masyarakat.
- Walker, B., & Larreche. (2000). Manajemen Suatu Pendekatan Strategis Dengan Orientasi Global. Yusuf, C. F., & Suwinto, N. (2010). Model Pengembangan Ekonomi Pesantren.