

Business Development Strategy in Enhcreasing Economic Independence

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ABSTRACT

The purpose of this study is to: (1) investigate business entity development strategies for enhancing the Darul Hidayah Islamic boarding school's economic independence; (2) analyze the growth of business entities for enhancing the school's economic independence; and (3) assess the growth of business entities for enhancing economic independence. This study's goal was accomplished through a qualitative, descriptive approach. Information was gathered through interviews, observation, and data tracking during the documentation process. SWOT analysis (Strengths, Weaknesses, Opportunities, and Threats) was employed in the study. This approach led to the creation of the first development strategy, which focused on asatidz, bolstering the Islamic boarding school's operations, and fostering economic growth for its graduates. Second, it was used for institutional growth, business mentorship, and relationship building. Third, customer assessment, which focused on customer happiness, and evaluation of innovation and learning processes were used to conduct development evaluation in financial evaluation. innovation centered on raising the standard of each component used in the creation of business enterprises controlled by Islamic boarding schools.

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1. INTRODUCTION

Pesantren is a traditional educational institution that originated in rural areas, although many of these institutions are now starting to appear in urban areas. As taught by its founders, it has made a significant

contribution to education by generating generations of students. Santri are those who study in pesantren. It is impossible to separate the central leadership of a person known as kyai from the existence and growth of pesantren. In addition to its primary role as a center of excellence for religious thought,

Pesantren also serves as an organization that generates human resources and has the authority to achieve economic independence in society (Agent of Development) [1].

Despite the advancement of the times, Islamic boarding schools are also thought to have a significant influence in the process of societal change. The Darul Hidayah Islamic boarding school, situated in Gambirono Village, Bangsalsari District, Jember Regency, East Java Province, is one of the Islamic

boarding schools in the region that has established a corporate entity to boost economic independence. This Islamic boarding school is financially independent thanks to a number of owned enterprises. KH Ikmal Wahab Hidayatullah established the Darul Hidayah Islamic Boarding School in 1992. The creation of Islamic boarding school business units is one of the innovations in financial resource building that have been implemented over the past seven years.

Table 1. Darul Hidayah Islamic Boarding School Business

No.	Type of business	Details
1.	Darhidmart	Retail for students
2.	Service Business Unit	Graphic design
3.	Canteen	Student canteen
4.	Food Production	Cake production

Source: Observation Data

Kopontren (Cooperative of Islamic Boarding Schools) is in charge of a number of operational business units. This organization is in charge of managing a number of operating businesses. This indicates that the Darul Hidayah Islamic Boarding School has successfully established a business entity that serves as a source of income in the framework of economic independence. This is demonstrated by the establishment of a work unit responsible for carrying out the business and the Islamic boarding school business incubation, which is in charge of conducting business research and preparing human resources (HR). These actions subsequently served as the precursor to the growth of Islamic boarding school enterprises in order to boost economic independence.

Kopontren (an Islamic boarding school cooperative), male and female canteens, and cake manufacture are some of the business units that make up Darul Hidayah Islamic Boarding School. With the intention of assisting Islamic boarding schools in meeting the needs of teachers and students as well as ustadz and ustadzah in the Islamic boarding school environment, Kopontren was founded on June 16, 2016 AD and became legal in 2022.

The Darul Hidayah Islamic boarding school has a focus towards strengthening the

Islamic boarding school's economic independence, which is one of the reasons this is an attractive topic for further research. Several business endeavors that are conducted as part of the efforts made to acquire this orientation demonstrate this. Second, enterprises have been successfully established under the same umbrella by the Darul Hidayah Islamic boarding school, namely under Kopontren (Islamic boarding school cooperative). This is demonstrated by the Kopontren's (Islamic boarding school cooperative) legal position, which shows that the Darul Hidayah Islamic boarding school is committed to enhancing its financial autonomy. The third is the Darul Hidayah Islamic boarding school, which aims to create institutional business management that promotes autonomous economics. Researchers' observations revealed this truth. Scholars saw attempts to build institutional management in a serious, professional, and well-executed manner.

The vast population of Indonesia is Muslim. According to statistics, there are currently 229.62 million Muslims in Indonesia, which accounts for about 87.2% of the country's 269.6 million Muslim population. According to this data, the Muslim population of Indonesia makes up about 13.1% of all Muslims worldwide,

assuming the global Muslim population is projected to reach 2.2 billion by 2030 (23% of the world's population).

Generally speaking, there are two types of educational financing in Islamic boarding schools: first, operational expenditures (also known as revenue expenditures) include costs for all activities that support the teaching process, such as teacher salaries, the board of directors of the Islamic boarding school, depreciation of fixed assets, and electricity and telephone costs. Second, capital expenditures include costs associated with financing fixed asset capital goods, such as purchasing land, constructing a local Islamic boarding school or school, and purchasing educational equipment [2]. Education councils, school committees, parent-student groups, sports associations, arts associations, and other organizations are some of the sources of community-based support for Islamic boarding schools [3]. Participation areas include local curricula, learning resources, funds, materials, or buildings; financial auditing; and overseeing school activities. Participation methods include attending meetings, visiting the school, communicating via letter or phone; taking part in art nights; and attending bazaars.

The first phase, according to Sulthon, is to create a strategy for the sources or targets of the Islamic boarding school's income and revenue in a single year. The second step is to create a plan for the use of funds in a single year.

With all of its potential as a powerful enough capital to carry out economic independence, the aforementioned explanation demonstrates how Islamic boarding schools have continued to grow in number and quality up to this point. They have also become entwined with the times' development and adaptation patterns, spreading to remote villages across Indonesia. Furthermore, Islamic boarding schools may also be used as a tool of jihad to promote the people's economic independence [4].

According to the aforementioned explanation, the Darul Hidayah Islamic Boarding School is attempting to achieve

economic independence, as seen by the various business units that are operated to meet the institution's financial requirements. A study named "Business Entity Development Strategy in Increasing Economic Independence at the Darul Hidayah Islamic Boarding School in Jember)" is hence what the researcher plans to carry out.

2. LITERATURE REVIEW

2.1 *Strategy management*

Is a sequence of ongoing human actions intended to accomplish a specific objective. These tasks are divided into a series of distinct roles, including organizing, planning, controlling, and leading [5].

J. David Hunger and Thomas L. Wheelen define strategic management as a collection of managerial choices and actions that impact a business's long-term success. External and internal environmental scanning, strategy formulation (including planning, vision, and mission, as well as internal and external assessments, strategic actions, and strategic choices), strategy implementation (including marketing, finance, and implementation management), and evaluation (including review, assessment, and control) are all included [6].

The flow of strategic management is said to be a strategic management process consisting of several important stages, namely environmental observation, strategy formulation. While strategic management is carried out with three stages of strategy which include: first strategy formulation, second strategy implementation, third strategy evaluation and supervision [6].

a. Strategy formulation

Strategy formulation techniques There are two techniques that can help managers transform the organization's strategic goals into achievable objective plans,

namely: the five-step method and the Strategic Options Development and Analysis (SODA) method.

The application of the five-step method to formulate this strategy, the steps are guided by the concept of strategic issues such as: first vision and mission, namely the vision can describe the characteristics of the strategy, realize the planned mission while the mission describes the reason for the existence of the organization, describes the activities of the organization and its goals. Second strategy, namely specifying how the organization can realize the previously planned vision. Third goal, a maximum of 10 main points are needed to realize the vision of the organization. Fourth target, is a short-term target (1-2 years) that will be achieved by each of these goals requires measurable, implementable and achievable requirements. Fifth action, detailing into specific tasks so that the target can be achieved, aware of responsibility, elaboration of the strategy into operational steps.

Strategic Options Development and Analysis (SODA) methods, in this analysis are intended to identify various correspondences (correlations) between the achievement of joint activities and planning for the targets to be achieved.

b. Strategy implementation

Includes three elements, namely:

1) Program

A program is a list of the actions or procedures needed to finish a one-time use plan. Programs include

initiating a new research project, reorganizing the organization, or altering the internal culture.

2) Budget

Every program will be detailed in terms of expenses and presented in monetary terms in a budget, which management may utilize for planning and control.

3) Procedure

Standard Operating Procedures (SOP) are another name for procedures. Procedures are a set of sequential actions or methods that specify exactly how a task or operation should be carried out. Procedures specify in detail the different tasks that need to be performed in order to finish the Company's plans.

c. Strategy Evaluation and Monitoring

The last step in the strategy management process is strategy monitoring and evaluation. Since a number of internal and external elements will continue to change, all strategies are subject to future revision. Evaluation of a strategy involves a number of components [7].

a) Reviewing external and internal factors that are the basis for each strategy being implemented.

b) Measuring the performance that has been carried out.

c) Taking corrective action if a nonconformity occurs.

2.2 *Economic Independence*

Economic independence is a process of developing a business to meet needs independently, which includes taking the initiative, solving challenges, and other related aspects. Thus,

economic independence is closely related to efforts to meet needs that are carried out by utilizing one's own resources and capabilities.

Talking about the local independence of a group, including in Islamic boarding schools, can directly integrate the concept of psychic independence, into the construction of social independence. Or fundamentally understand its basic construction. The majority of experts actually agree that there are three concepts of terms that have the meaning of independence, namely autonomy, independence, and self-reliance [8].

First autonomy: Wolman terms it as the autonomy drive. What he means is that independence is the tendency to achieve something that is one's own hope. According to him, the tendency of action is to act freely and originally, meaning that a group with this autonomy will always act freely and have authentic management [9]. Second, independence: according to Bhatia, is a behavior whose activities are directed towards oneself, not expecting direction, even all of one's problems will be solved by oneself without asking for help from others [10].

Third self-reliance: this independence is related to the tasks and skills of how to do something, achieve something and how to manage something. Berzonsky said, feeling able to control one's own actions and full of initiative. In the context of managing educational institutions, it is taking action based on the innovation of the group's own abilities [11].

2.3 Islamic Boarding School Economy

Islamic boarding schools not only serve as a place to learn religious knowledge and education, but also as a driver of change and development in society. Islamic boarding schools are known to have the power to move society (people's movement) and empower them (empowering people).

The pattern of economic development of Islamic boarding schools, there are two main patterns in economic development in the Islamic boarding school environment, namely: traditional patterns and institutional patterns.

a. Traditional Pattern

In this pattern, economic efforts depend on the personal assets of the kyai or his family. The students are also involved in this economic activity, generally aimed at meeting the basic needs of the kyai's family, one example is the profit-sharing system in agriculture as discovered by [1]. In this system, the students work on the kyai's agricultural land, then the harvest is divided between the kyai and the students according to agreement. This model provides benefits for both parties. Where the kyai can manage his land without having to work alone, the students get additional income and some of the profits obtained by the kyai are used to support the sustainability of the Islamic boarding school, such as operational costs or the construction of facilities or education organized by the Islamic boarding school.

b. Institutional Patterns

This pattern is more modern and organized, Islamic boarding schools do not only rely on the personal assets of the kyai, but also form business entities that are managed professionally, for example, Islamic boarding schools establish cooperatives, shops, food production businesses, or other microfinance institutions. In this system, business management is not only to meet the personal needs of the kyai, but also aims to improve the welfare of the entire Islamic boarding school community, including students and the surrounding community.

In order to maintain the sustainability of education and the growth of Islamic boarding schools, this institutional structure can help them become more financially independent and have a more reliable source of funding. The potential to create an institution-based economy, such as through the establishment of commercial units aimed at bolstering the operational expenses of Islamic boarding schools, is another way to conceptualize the institutional economic development pattern. Islamic boarding schools, for instance, feature profitable business divisions for trade, services, agriculture, and animal husbandry. Islamic boarding schools are able to fund themselves from the earnings of these profitable enterprises, allowing these firms to cover all of their operating expenses. Since Islamic boarding schools are already part of an institutional framework, their economic development has seen advancements in governance. Due to its institutionalization, this economic development pattern has shaped performance.

3. METHODS

This study employs a descriptive research design with a qualitative approach to the strategy of growing business entities in strengthening their economic independence. The study was carried out in the Darul Hidayah Islamic Boarding School, which is situated in Gambirono Village, Bangsalsari District, Jember Regency, East Java Province, at Jl. Ciliwung No. 82.

Purposive procedures were used to choose the study's subjects, while documentation, interviews, and observation were used to gather data. Data collecting, data reduction, data presentation, and conclusion drawing were all used in this study's data analysis. Triangulation of sources and

methodologies was employed to ensure the validity of the data in this study.

4. RESULTS AND DISCUSSION

4.1 *Business Development Strategy in Increasing the Economic Independence of Darul Hidayah Islamic Boarding School*

a. Development centered on asatidz

In the context of managing business or economic activities at the Darul Hidayah Islamic Boarding School, the asatidz have an important role. One of the strategies they do is to formulate policies to develop the Islamic boarding school business entity. This policy includes long-term planning that aims to manage opportunities and threats from the surrounding environment, while still paying attention to the strengths and weaknesses of the Islamic boarding school business entity.

The formulation of this strategy includes determining the business mission, setting the goals to be achieved, and preparing guidelines and policies as a direction for development. However, in every step taken, the asatidz still consider the advice and direction of the kiai or the caretaker of the pesantren, so that business activities remain in line with the values and vision of the pesantren. The business development strategy carried out by the Darul Hidayah Islamic Boarding School aims to increase economic independence. This effort cannot be separated from the important role of the founder of the pesantren.

The founder has a great influence in determining the direction and objectives of the development of the Islamic boarding school institution, including in terms of the business or business being run. The figure of the kiai as the founder of the Islamic boarding school is a source of values, inspiration, and also a determinant of the direction of

policy in the development of the Islamic boarding school business. Therefore, every step in building a business entity in the Islamic boarding school always considers the vision and objectives brought by the kiai.

Supporting the independence and viability of Islamic boarding schools overall continues to be the primary objective. In light of this, Aimee et al. and R. David have explained a number of research projects. They clarify that the formulation process entails creating a vision and mission statement to serve as a roadmap for evaluating different strategies. The role of kiai leadership is closely linked to the strategy that Islamic boarding schools have adopted. Kiai is not just a spiritual leader in the context of Islamic boarding schools, but he also has a significant impact on corporate culture and policy direction. Thus, it is impossible to separate the aim to make Islamic boarding schools more economically independent from the way kiai shapes and oversees the school's culture.

The values and views held by the kiai are usually reflected in the vision and development direction given. This then becomes the basis for compiling and implementing a business development program in the pesantren environment. That way, the strategy implemented remains in line with the culture and values of the pesantren itself. Of course, this also further strengthens the results of research conducted by Muhammad Aminul Wahid who said that kiai have a role as a planner, as a coordinator, as a decision maker, as a giver of rewards and sanctions, and as an evaluator [12]. In addition, the business development strategy carried out by the asatidz also sees the local economic potential around

them. They realize that utilizing the potential that is already available in the environment can help businesses grow faster and more precisely.

Local economic development itself is a process in which local governments and communities work together to encourage and support business activities. The goal is to create more job opportunities and the economy in the area can grow independently and sustainably. The results of the study show that kiai have a very important role in developing Islamic boarding school businesses. Support from kiai, both in the form of policies and directions, is a strong foundation in running and directing businesses in the Islamic boarding school environment. In addition, the decision to develop Islamic boarding school businesses is also based on local economic opportunities and potential. This means that Islamic boarding schools do not only focus on religious and preaching activities, but also see the economic potential around them as part of the sustainable development of the Islamic boarding school.

- b. Development of Business Entities as an effort to strengthen Islamic boarding school operations

Pesantren as a traditional Islamic educational institution has a big role in shaping character and providing knowledge to Muslims. However, one of the challenges that is often faced is financial constraints. The increasing operational costs make pesantren have to find a way to continue to run well without relying entirely on outside assistance.

Therefore, the development of the Islamic boarding school economy is very important. The goal is not only to cover daily needs, but also so that the Islamic boarding school can be independent and

continue to grow. With good management and the right strategy, Islamic boarding schools can be economically strong and more focused on carrying out their duties

in the fields of education and religion.

The steps taken by the Darul Hidayah Islamic boarding school to strengthen operational costs are by establishing a business unit.

Table 2. Islamic Boarding School Business

No	Type of business	Details
1	Darhid Mart	Retail
2	Service Business Unit	Graphic design
3	Canteen	Student Canteen
4	Food Production	Cake Production

The strategies used in developing this business are as follows:

1. Expanding the scale and reach of business entities

The business expansion carried out at the Darul Hidayah Islamic boarding school is by adding new business developments that are in accordance with the needs of students and the community. In addition to increasing the scale of the business, another way to develop a business is to expand the reach of the business. This is also called business diversification. The method can be by opening various types of businesses in new locations. In addition, the business can also be developed by making new, more diverse products.

Expanding the scale and reach of the business is an important step in developing the economy of Islamic boarding schools. The purpose of this step is to increase income and strengthen the operational financing of Islamic boarding schools so that educational and business activities can run better [13]. In expanding a business, there are several things that need to be considered. One of them is how to utilize capital and labor

productively. This means that the capital owned must be used as efficiently as possible, and the existing workforce must be able to provide maximum work results. By paying attention to this, business expansion can run more effectively and have a positive impact on Islamic boarding schools. By expanding the scope of its business, Islamic boarding schools can have a greater social influence in the surrounding community. This makes Islamic boarding schools not only active in the fields of education and religion, but can also play a role in helping economic development in the surrounding environment. In addition, by increasing efficiency and running various types of businesses, Islamic boarding schools can become more economically independent. This makes Islamic boarding schools less dependent on outside assistance and stronger and more prepared to face uncertain changes in economic conditions.

2. Business capital development

The capital owned by the Darul Hidayah Islamic Boarding School purely uses its own capital. Where the Islamic Boarding School has a

mandatory deposit, namely a savings fund that must be deposited every month to the treasurer. Every month the Islamic Boarding School must deposit funds as much as the profit earned. The average profit per month is IDR 6,500,000. So in a year the Islamic Boarding School can deposit IDR 65,000,000 with a calculation of 10 months to the foundation's treasurer.

c. Economic Development For Alumni

Many alumni remain in the pesantren environment to devote themselves. In addition to the fact that pesantren has its own blessings for alumni, and business opportunities and job opportunities are wide open in the pesantren. Alumni have a special role and are known as parties who are loyal to the pesantren, in addition to the community and students. Therefore, the development of the pesantren is

also inseparable from the dedication of its alumni.

The role of alumni in the development of Islamic boarding schools is not only limited to the business sector. More than that, they have an important role in helping Islamic boarding schools develop in various aspects. As explained in Ainul Furqon's research, alumni have contributed to the construction of Islamic boarding school buildings, mosques, and also support business units owned by Islamic boarding schools [14]. In formulating a company strategy, of course a SWOT analysis is needed. Based on the results of the analysis conducted, it seems that the application of the SWOT model has been carried out comprehensively, although it has not been documented in writing. The author then summarizes the results of the analysis based on the data that has been collected, as explained below:



Figure 1. SWOT Image of Development of Islamic Boarding School-Owned Enterprises

4.2 Implementation of Business Development in Increasing the Economic Independence of Darul Hidayah Islamic Boarding School

After the planning or formulation stage is completed, the next step is the implementation stage. This stage is the process of carrying out all the plans that have been made previously.

This is where various efforts are seen to develop Islamic boarding school business institutions, especially in encouraging the economic independence of Islamic boarding schools. In its implementation, this process will be seen from two sides. First, how the management strategy is applied in theory. Second, how effective is the

strategy in improving the Islamic boarding school economy. That way, this implementation is not only about carrying out the plan, but also assessing the results and impacts as a whole.

In strategic management theory, there are several important things that need to be studied. According to David, strategy implementation is the process when management begins to implement strategies and policies that have been made, through the preparation of programs, budgets, and work procedures. At this stage, what is usually studied includes how management is run, marketing activities, finance or accounting, research and development (R&D), and management information systems (MIS). All of these things are important to ensure that the planned strategy can run well.

The theory formulated by R. David is actually not much different from the one used in this study. In his book, David explains that the most important thing in implementing a strategy is how the strategy design is made. If the design aims to increase independence as a whole, then the steps taken do not only follow the general stages.

Moreover, the strategy design also needs to include a development direction that focuses on the economic independence of Islamic boarding schools. This means that every step in the strategy must support Islamic boarding schools to be economically independent, not just implementing the strategy formally. For more details, the author will group the discussion according to the forms of implementation of economic empowerment achieved in this implementation stage. Some of the discussions are as follows:

a. Building Partnerships

In managing a business, there are certain types of businesses that cannot be run by Islamic boarding schools alone due to limited human resources. Therefore,

Islamic boarding schools need to establish partnerships. Through this partnership, existing deficiencies can be complemented so that Islamic boarding school businesses can continue to develop and run. In addition to the cooperation mentioned above, Islamic boarding schools also collaborate with the community and alumni. This collaboration with the community and alumni is in the field of marketing. Islamic boarding school business units provide opportunities to consign goods from the community and alumni where the Islamic boarding school business entity becomes the seller. This means that the economic empowerment of Islamic boarding schools is more focused on large business opportunities, where the community and alumni are involved as actors in the business with a partnership scheme.

b. Business Mentoring as an Implementation of Islamic Boarding School Business Development

The implementation of mentoring is one of the efforts made to increase the economic power of Islamic boarding schools. This mentoring also functions as an indicator in assessing the extent to which the level of economic independence of Islamic boarding schools has been achieved. In the process of developing business institutions, there are several strategic stages that are carried out to support this achievement.

One of the steps implemented is providing training and development that is tailored to the potential of each business unit. The main focus of this training is human resource development and effective financial management. Human resource training is provided to business unit managers, including unit heads, admins,

cashiers, salespeople, and operators. This is done to ensure that each individual in the business unit structure has adequate competency to support overall business performance.

Based on the findings, in addition to training activities, strengthening values and norms has also proven to be an important step in building entrepreneurial awareness in the Islamic boarding school environment. This effort aims to shape the character of entrepreneurs who are not solely profit-oriented, but also have concern for social responsibility and uphold religious values.

By paying attention to religious and social norms that apply in the pesantren environment, business management tends to be carried out more ethically and sustainably. This shows that an approach that combines technical training aspects with value reinforcement is able to create a pesantren business model that is not only economically independent, but also in line with moral and spiritual principles. In addition to the various strategies that have been carried out, strengthening economic power at the Darul Hidayah Islamic Boarding School is also supported by the development of an alumni network. This pesantren has a fairly extensive alumni network spread across various regions. The existence of these alumni is one of the important potentials in supporting the economic development of the pesantren.

The alumni network has great potential to be utilized as a strategic asset in supporting the development of Islamic boarding school business units. The relationship between Islamic boarding schools and their alumni can be a strong foundation in

building productive cooperation. This shows that alumni not only play a role as part of the history of the institution, but also as active partners in the process of developing the Islamic boarding school economy.

Alumni involvement opens up opportunities for creating synergies in forming independent and sustainable business institutions. This finding strengthens the understanding that Islamic boarding schools have the potential to develop not only as religious educational institutions, but also as entities that are competitive in the economic field. Thus, strengthening alumni networks is an important strategy in efforts to realize the economic independence of Islamic boarding schools.

c. Development of Business Institutions in Increasing Autonomy

Based on the findings in the field, the autonomy referred to in this context refers to the implementation of tasks or work that is freely given to the implementing party. This freedom allows the party given the responsibility to carry out their duties in the manner deemed most appropriate, as long as it is still within the established rules. This shows the existence of managerial trust in the implementer to make decisions within the scope of their work.

Economic independence, which is interpreted as a form of autonomy, is reflected in the delegation of the implementation of economic activities to the relevant business institutions. Institutions or business actors in this case are given the freedom to regulate and carry out economic activities independently, without excessive dependence or intervention from outside parties. One concrete form of the implementation of this autonomy is

the existence of a clear and systematic division of tasks to each part in the organizational structure of the Islamic boarding school business. This division of tasks is adjusted to the position and role of each unit, in order to create work effectiveness and optimize roles in business management.

The cooperative structure implemented in this Islamic boarding school business institution is delegative and participatory. As with cooperatives in general, the management has full authority in operational management. This is in line with the basic principles of cooperatives which emphasize collective ownership by all members, not just limited to the management. Thus, active participation of all members in the decision-making process and implementation of activities becomes the main foundation for creating economic independence based on institutional autonomy.

According to Kabeer, economic empowerment is not enough to be done by developing individual skills or qualities that cannot be measured numerically. In addition, there also needs to be financial support that can be developed through business units. This means that funds or capital are needed to support the community's economic efforts, so that they are in accordance with their needs and potential [15]. This work assignment is part of the implementation of the company's work program. It includes rules about attitudes and behaviors that must be demonstrated by employees. Employee character is also an important concern, such as politeness, how to communicate, to the work achievements they have. All of these things must be clearly

visible and be a differentiator between one employee and another.

4.3 *Evaluation of Business Development in Increasing the Economic Independence of Darul Hidayah Islamic Boarding School*

One of the most crucial phases of strategic management is the evaluation process, which determines how well strategies are implemented over a given time frame. Evaluations that are completed on schedule will enable effective problem solutions before the issue becomes serious. Evaluation is a crucial component of the managerial process that seeks to sustain and even enhance plans in a sustainable manner, according to some strategic management experts. In order to support the growth and sustainability of the business, the majority of strategists stress the significance of strategic evaluation. According to this study, strategic evaluation is a means of advancing corporate establishments to raise the standard of Islamic boarding school autonomy. Naturally, there are a number of crucial factors that must be taken into account throughout this strategic evaluation process in order for the established plans to function as intended.

Aime Hanees explained that what is evaluated from a management strategy is the implementation of the strategy and its direction. The evaluation of the strategy in this study was carried out in an integrated manner by following the evaluation and control process, which includes: determining what will be measured, setting the standards used, measuring performance to see if it is in accordance with the standards, and finally taking corrective action. The form of evaluation of the development of a business entity to increase the economic independence of the Darul Hidayah Islamic boarding school is as follows:

1. Financial Evaluation

The financial bookkeeping system carried out by the Darul Hidayah Islamic boarding school business entity has used an

accounting application to record all financial transactions. The process of selling goods is carried out by the cashier, where each transaction is directly recorded in the system automatically. This aims to improve order and accuracy in the preparation of financial reports. Meanwhile, the activity of purchasing merchandise and spending operational costs is managed by the administration or accounting department. Each expenditure and purchase is first coordinated with the head of the unit, as a form of internal supervision and control, to ensure that financial management runs in accordance with established procedures.

Financial evaluation is conducted periodically through the preparation of balance sheet reports and profit and loss reports, which are equipped with transaction details. This evaluation is the basis for assessing the financial condition and performance of the business unit, as well as a reference for making managerial decisions in the future.

The discussion on finance covers various elements, such as capital in the form of finance and assets. Some aspects discussed include capital, external capital, business quality, business administration assets, amount of savings, and deposits made to the Islamic boarding school. All of these elements are presented in the form of quantitative data, which means that the report is prepared with measurable numbers and can be calculated precisely.

According to Norton and Kaplan, in the Balanced Scorecard, financial performance measurement serves to evaluate the extent to which the implemented strategy, along with strategic objectives and related initiatives, can contribute to

achieving company profits. The financial indicators used usually include profitability, growth, and shareholder value. The process carried out focuses more on the implementation of accounting, resulting in material considerations in financial aspects or financial material. The results of these considerations then become the basis for preparing the budget program for the coming period.

2. Internal Factor Evaluation

Strategy Evaluation is an assessment process that aims to analyze internal and external factors that can affect organizational performance. One of the tools used in strategy evaluation is SWOT analysis, which helps in identifying four main elements, namely strengths, weaknesses, opportunities, and threats, that can affect the implementation of organizational strategies.

Internal Factor Evaluation (EFI) is a stage in strategy evaluation that focuses on identifying and assessing internal factors of the organization. In practice, this evaluation uses various analytical tools to identify factors that can affect the strategy. The identified factors are then grouped into two main categories: positive factors and negative factors, which are often referred to as the strengths and weaknesses of the organization. Meanwhile, External Factor Evaluation (EFE) refers to the process of identifying and evaluating external factors that can affect the organization. This external factor analysis also uses various analytical tools to identify relevant elements. Once these external factors are identified, they are then grouped into positive and negative categories, or better known as opportunity and threat factors that can affect the success of the implemented strategy.

Thus, the evaluation of internal and external factors plays a very important role in providing insight into the strengths and weaknesses of the organization, as well as the opportunities and threats that can affect the results of strategy implementation. By evaluating these factors, stakeholders will find it easier to formulate work programs and determine achievement targets for the next period, by referring to the results of the SWOT analysis matrix that has been evaluated together.

3. Customer Evaluation

Customer evaluation shows several factors that influence their satisfaction. One of them is related to the service provided at the Islamic boarding school business unit. The service at the Islamic boarding school retail store is still considered less than satisfactory by some customers. The main problem faced is the number of customers who come every day is quite large, while the service process provided still takes a relatively long time. As a result, the queue becomes long and customers have to wait for a long time, which of course reduces their comfort in shopping. According to Norton and Kaplan, customer evaluation at least includes time, quality, performance and service and cost. And so far, the application of evaluations carried out in the development of business entities is in line with this theory.

4. Innovation Evaluation and Learning Process

The measurement of the performance of an organizational unit is greatly influenced by the evaluation method used and the achievement of strategic goals that have been set. In this context, managers have a central role in establishing appropriate control mechanisms to ensure that the

organization's focus is maintained, both on the process aspect (behavior) and on the final result (output) of the activities carried out.

Behavior-based control is carried out through the implementation of organizational policies, formal rules, standard operating procedures (SOPs), and direct instructions from superiors. The purpose of this approach is to ensure that all members of the organization carry out their duties in accordance with the provisions that have been set. In contrast, output-oriented control focuses more on achieving specific end results. This approach is usually implemented through the establishment of performance targets and indicators of success, including the achievement of important milestones in the work process. Thus, the main focus of output control is on the achievements resulting from certain behaviors that have been previously directed.

One form of strategy implementation is training for human resource development (HRD). Therefore, it is necessary to evaluate the learning process undergone by employees. The goal is to assess whether the training really has a positive impact on their performance. This evaluation is also closely related to improving the quality and ability of employees in carrying out their duties. Therefore, one form of evaluation in quality development is an evaluation of human resource development (HRD). Because this is what has the competence that will be placed according to the expertise they have. In this case, not only education is influential, but also skills and experience are very important in HRD development.

5. CONCLUSION

a. Business Development Strategy in Increasing the Economic Independence of Darul Hidayah Islamic Boarding School

The strategy for developing business entities in increasing the economic independence of Islamic boarding schools is carried out in several ways. First, development centered on *asatidz*. This results in the *asatidz* being given full authority to plan the development of business institutions that still pay attention to and consider based on the direction of the *kiai* or caretaker of the Islamic boarding school which is adjusted to the economic opportunities and potentials they have. This shows that management is carried out through a top-down system from the figure of a *kiai* as the control center in making final decisions. Second, the development of business entities as an effort to strengthen the operations of Islamic boarding schools. This development has strategies such as expanding the scale and reach of business entities, expanding cooperation and developing business capital. And third, economic development for alumni. Here the strategy is carried out by building and establishing marketing cooperation and business relations with alumni and *asatidz*.

b. Implementation of Business Development in Increasing the Economic Independence of Darul Hidayah Islamic Boarding School

The implementation of business entity development in increasing the economic independence of Islamic boarding schools is as follows: First. Building partnerships

built with internal Islamic boarding schools, alumni and the general public. Second, Business assistance as an implementation of the development of Islamic boarding school business entities. And third. Development of business institutions in increasing autonomy.

c. Evaluation of Business Development in Increasing the Economic Independence of Darul Hidayah Islamic Boarding School

Evaluation of business entity development in increasing the economic independence of Islamic boarding schools includes several things, namely: Financial evaluation. This includes financial reports that are carried out periodically, internal evaluations that include innovation, customer evaluations that focus on customer satisfaction and evaluations of innovation and learning processes. Innovations that are based on improving the quality and quality of all elements involved in the process of developing Islamic boarding school-owned business entities.

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