



Counseling on Cooperative Management as a Driving Force for Economic Empowerment at the Sukamiskin Islamic Boarding School Bandung

Budi Rustandi Kartawinata^{1*}, Aldi Akbar², Agus Maolana Hidayat³, Deden Witarsyah⁴, Faqih Hamami⁵, Oktaria Nurul Pratiwi⁶, Mokhtarrudin Ahmad⁷, Azham Zahid⁸, Aznul Fazrin bin Abu Sujak⁹, Raja Razana Raja Razali¹⁰, Miza Mangsor¹¹

Telkom University, Indonesia^{1,2,3,4,5,6}

Multimedia University, Malaysia^{7,8,9,10,11}

Corresponding Email: budikartawinata@telkomuniversity.ac.id*

Abstract

This Community Service aims to provide understanding to cooperative administrators and students at the Sukamiskin Islamic Boarding School regarding the benefits and effective management strategies of cooperatives. The method used in this research is interviews and direct observation of cooperative administrators and students involved in cooperative activities. The research results show that counseling about cooperative management is very important to increase the understanding and skills of cooperative administrators and students in managing cooperatives. In this outreach, information and training is provided regarding the basic principles of cooperative management, financial planning, risk management and marketing of cooperative products. With this outreach, it is hoped that cooperative management at the Sukamiskin Islamic Boarding School can become more effective and have a positive impact on community economic empowerment. Cooperative administrators and students will become more competent in managing cooperatives, so that they can generate better income for their members. Counseling on cooperative management as a driving force for economic empowerment at the Sukamiskin Islamic Boarding School, Bandung City is very important to increase the understanding and skills of cooperative administrators and students in managing cooperatives. It is hoped that this counseling can provide significant benefits in increasing the income and welfare of cooperative members.

Keywords: cooperatives, islamic boarding schools, business units

Abstrak

Pengabdian Pada Masyarakat ini bertujuan untuk memberikan pemahaman kepada para pengurus koperasi dan santri di Pondok Pesantren Sukamiskin mengenai manfaat dan strategi pengelolaan koperasi yang efektif. Metode yang digunakan dalam penelitian ini adalah

wawancara dan observasi langsung terhadap pengurus koperasi dan santri yang terlibat dalam kegiatan koperasi. Hasil penelitian menunjukkan bahwa penyuluhan tentang pengelolaan koperasi sangat penting untuk meningkatkan pemahaman dan keterampilan pengurus koperasi dan santri dalam mengelola koperasi. Dalam penyuluhan ini, diberikan informasi dan pelatihan mengenai prinsip-prinsip dasar pengelolaan koperasi, perencanaan keuangan, manajemen risiko, dan pemasaran produk koperasi. Dengan adanya penyuluhan ini, diharapkan pengelolaan koperasi di Pondok Pesantren Sukamiskin dapat menjadi lebih efektif dan berdampak positif terhadap pemberdayaan ekonomi masyarakat. Para pengurus koperasi dan santri akan menjadi lebih kompeten dalam mengelola koperasi, sehingga dapat menghasilkan pendapatan yang lebih baik bagi anggotanya. penyuluhan pengelolaan koperasi sebagai motor penggerak pemberdayaan ekonomi di Pondok Pesantren Sukamiskin, Kota Bandung sangat penting untuk meningkatkan pemahaman dan keterampilan pengurus koperasi dan santri dalam mengelola koperasi. Penyuluhan ini diharapkan dapat memberikan manfaat yang signifikan dalam meningkatkan pendapatan dan kesejahteraan anggota koperasi.

Kata kunci: koperasi, pesantren, unit bisnis

Introduction

In recent years, Indonesia has witnessed significant growth in the establishment of business units within Islamic schools, or what are commonly called Islamic boarding schools. These business units not only serve as a means of generating income for these institutions, but also contribute to the overall socio-economic development of local communities (Wade, 2022). The integration of business activities within Islamic schools, commonly known as Islamic boarding schools, has become popular in Indonesia in recent years. This article aims to provide a comprehensive exploration of the potential and challenges faced by business units operating within this religious educational institution. Using leading references from the last five years, this article will explain the existing trends (Benton, 2016), opportunities and obstacles that have shaped the business landscape within Islamic boarding schools in Indonesia.

Islamic boarding school is an alternative education and not the main choice, but it still has the potential to be able to rise above the negative stigma with a strong desire, ability, and working together with the community to carry out empowerment programs that have succeeded in forming business groups and Sharia Cooperatives (Horngren et al., 2015). Developing character and economic skills, having a social spirit, and working together by having entrepreneurial activities such as fisheries and animal husbandry cultivation, motorbike repair shops, grocery stalls and Islamic Boarding School Cooperatives (Kopontren) as parent businesses for mutual prosperity. So that students who graduate from Islamic boarding schools can become a development generation who have moral, entrepreneurial and independent character and are able to create business opportunities in society (Maryanti et al., 2023).

The presence of the Islamic Boarding School Cooperative (Kopontren) is to develop Islamic boarding school institutions (community development) and economic businesses based on togetherness and empowering the potential of students and their environment in achieving prosperity and independence (Muslim et al., 2023). Cooperatives are voluntary economic

cooperation in the name of equal rights and cooperation in carrying out an effort to meet the needs of members and society in general.

Potential Business Units in Islamic Boarding Schools:

1. **Economic Empowerment:** Business units within Islamic boarding schools have the potential to empower local communities economically. By providing employment opportunities, these units contribute to poverty reduction and improve the standard of living for individuals associated with the institution.
2. **Improved Education and Skills:** The integration of business units within Islamic boarding schools offers a unique opportunity for students to gain practical knowledge and skills. This hands-on experience prepares them for future entrepreneurship and equips them with the tools necessary to contribute to the Indonesian economy.
3. **Welfare Initiatives and Social Impact:** Business units in Islamic boarding schools often allocate a portion of their income to social welfare initiatives. These initiatives could take the form of scholarships for students in need, health services for local communities, or infrastructure development projects. Such contributions improve the social standing of the institution and encourage community development. Business units operating within Islamic boarding schools play an important role in overcoming social problems. From providing scholarships and financial assistance to supporting community development projects, these units serve as catalysts for positive change.
4. **Influence of Religion:** Islamic boarding schools, as religious institutions, have the potential to positively influence business practices. By emphasizing ethical principles, these units can promote responsible entrepreneurship and foster a sense of social responsibility among business owners and employees.

Challenges Faced by Business Units in Islamic Boarding Schools:

1. **Limited Financial Resources:** Many Islamic boarding schools face financial constraints, which can hinder the establishment and growth of business units. Insufficient funds for initial investment, operational costs, and marketing efforts pose significant challenges for these units.
2. **Lack of Business Management Skills:** Islamic boarding schools generally focus on religious education, and a lack of business management skills within these institutions can hinder the success of business units. Insufficient knowledge of marketing strategy, financial management, and human resource management can limit a unit's ability to compete effectively in the marketplace.
3. **Regulatory and Legal Framework:** The complex regulatory and legal landscape in Indonesia can be a challenge for business units in Islamic boarding schools. Obtaining the necessary licenses and permits, complying with tax regulations, and ensuring compliance with labor laws require significant effort and resources.
4. **Market Competition:** Business units within Islamic boarding schools often face intense competition from similar companies, as well as general businesses. Limited resources and a niche customer base may limit their ability to grow and remain sustainable in a highly competitive market.

The potential and challenges faced by business units operating within Islamic boarding schools in Indonesia have many aspects. While these units have significant potential for economic empowerment, social impact, and religious influence, they also face regulatory obstacles, limited capital and resources, and skills gaps. To successfully address these challenges, collaboration between scholars, government agencies, and relevant stakeholders is essential. By exploiting potential and overcoming existing challenges, business units within Islamic boarding schools can contribute to sustainable development for religious institutions and the wider community.

The study of this funding program is focused on the Sukamiskin Islamic Boarding School in the city of Bandung as an educational institution that pays attention not only to the religious sector but also to the social and economic empowerment of students. Sukamiskin Bandung Islamic Boarding School, although relatively conservative, still grows and exists amidst the onslaught of modern Islamic boarding schools. One of the missions carried out by this Islamic boarding school is not only to produce students who are capable of teaching, managing madrasas, and other social activities but also to produce students who have an entrepreneurial character. This is what this Islamic boarding school has not empowered, and through cooperatives it is a bridge or incubator in producing students with entrepreneurial character. Currently there are only micro business units at the Sukamiskin Islamic Boarding School which are not integrated and professionally organized and are only limited to meeting the basic needs of the students. This is an opportunity to increase the role of the micro business units so that they are synergized within the Islamic boarding school cooperative because it turns out that this Islamic boarding school does not yet have a cooperative.

Based on the current conditions, it would be appropriate for the 2024 Development Funding Innovation Program through Competitive Grants with its sub-theme in the form of Economic Empowerment of Islamic Boarding Schools to target partners (McIntyre-Mills et al., 2019), in this case the Bandung Sukamiskin Islamic Boarding School so that existing micro business units can be integrated in the form of establishing a boarding school cooperative. Islamic boarding school as well as its empowerment program through training agendas, counseling and technical assistance so that the Islamic boarding school cooperative that was established can be independent and managed professionally.

Method

This community service activity takes the form of counseling for cooperative managers of the Arcamaik Islamic Boarding School Business Unit so that they can manage the cooperative well. This activity is divided into two stages, namely planning in the form of coordination between the organizers and the target community which begins with administrative equipment such as a recommendation form and a letter of willingness from the target community which contains roles, duties, principal and functions. In this stage, the implementation date, number of participants, and other implementation techniques are also determined.

The second stage in the implementation of community service is counseling delivered face-to-face at the Arcamanik Islamic Boarding School Cooperative Office, Bandung City and is complemented by review activities on business units that are members of the cooperative. Implementation techniques include: (1) Opening; (2) Extension; (3) Questions and Answers, (4) Closing in the form of a summary of activities.

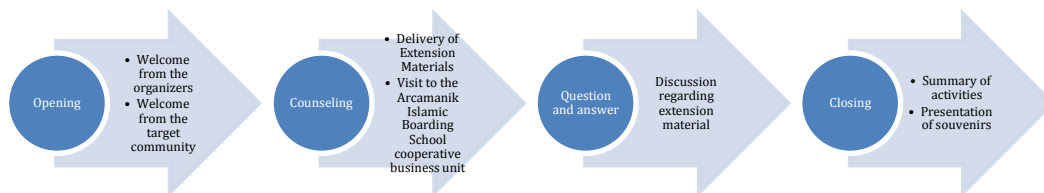


Figure 1. Activity Rundown

Result and Discussion

Community service activities in the form of counseling and education regarding the management of business unit cooperatives at the Sukamasikin Islamic Boarding School have been carried out as planned. Counseling and education was carried out face to face at the cooperative business unit located at the Sukamiskin Islamic Boarding School with the target community being the cooperative administrators and business unit owners who became members of the cooperative on December 19 2023 and attended by the cooperative management and cooperative members of the Sukamiskin Islamic Boarding School (Figure 2 and 3).



Figure 2. Unit Bisnis Penjualan Koperasi Pensantre Sukamiskin

The majority of cooperative administrators and members are Islamic boarding school students and are also members of the community around the Islamic boarding school,

indicating that the existence of Islamic boarding schools in the area can empower the community not only in the education sector, but also the community can be empowered in the economic sector through the existence of cooperatives within the Islamic boarding school.

The discussions that took place during the activity not only discussed questions asked by participants but also shared sessions, especially from managers and members of cooperatives at the Sukamiskin Islamic Boarding School in Bandung City v, related to good cooperative management by empowering business units that are members of the cooperative. From this it is known that the factor causing the cooperative to not develop as desired by both the management and members of the cooperative is because there are no procedures in managing (Rojak et al., 2021) the cooperative so that the management of the cooperative is still conventional. Conventional management of cooperatives in this digital era is a factor that causes difficulties for cooperatives to develop. To transform cooperative management from conventional to digital management (Jamaluddin et al., 2022), it can be started by increasing the digital literacy of cooperative administrators and members. Increasing digital literacy is an initial and important step in the transformation of cooperative management.



Figure 3. Penyuluhan Lapangan Unit Bisnis Pesantren Sukamiskin

In today's dynamic business environment, effective business unit management is critical for continued growth and success. This paper aims to explore how businesses can manage their business units effectively based on modern economic theory. By utilizing leading references from the last five years, this paper will provide a comprehensive understanding of the key principles and strategies needed to drive growth and profitability in business units.

1. Defining Effective Business Unit Management:

Effective business unit management involves a systematic approach to optimizing the performance of specific divisions or departments within an organization. This includes various aspects such as strategic planning, resource allocation, decision making, monitoring and evaluation. In the context of modern economic theory, effective management requires dynamic adaptation to market forces, technological advances, and changing consumer preferences (Belton, 2017).

2. Strategic Planning and Resource Allocation:

To manage a business unit effectively, strategic planning is paramount. This includes setting clear goals, formulating a clear vision, and aligning unit activities with overall organizational goals. Modern economic theory emphasizes the importance of resource allocation based on the concept of opportunity cost. This approach requires managers to allocate resources efficiently and prioritize investments that generate the highest returns.

3. Market Analysis and Competitive Advantage:

Understanding market dynamics and identifying competitive advantages is critical to the success of a business unit. Modern economic theory, such as Michael Porter's Five Forces model, provides a framework for assessing industry competition, supplier power, buyer power, threat of substitute products, and barriers to entry (Axsen et al., 2018). By conducting thorough market analysis, managers can identify unique selling points, differentiate their offerings, and gain a competitive advantage.

4. Technology Innovation and Integration:

In today's digital era, innovation and technology integration are very important for the growth of business units. Modern economic theory emphasizes the importance of technological advances, such as artificial intelligence, big data analysis, and automation. By leveraging these innovations, businesses can streamline operations, increase productivity, and provide superior products or services to customers.

5. Human Resource Management and Talent Development:

Effective human resource management is critical to the success of a business unit. Modern economic theory recognizes the importance of attracting, developing and retaining top talent. By implementing talent management strategies, such as training programs, mentoring initiatives, and performance-based incentives, managers can cultivate a motivated workforce that contributes to unit growth and profitability.

6. Performance Measurement and Evaluation:

To ensure effective management of business units, performance measurement and evaluation is essential. Modern economic theory encourages the use of key performance indicators (KPIs) to assess a unit's progress, profitability, and return on investment. By regularly monitoring and evaluating performance, managers can identify areas for improvement, make informed decisions, and implement corrective actions when necessary.

Effective business unit management plays a critical role in the continued growth and success of an organization (Benton, 2016). By adopting modern economic theories and principles, managers can make strategic plans, allocate resources, understand market dynamics, encourage innovation, manage human resources, and evaluate performance. The integration of these strategies, supported by leading references over the past five years, provides a comprehensive framework for companies to thrive in today's competitive landscape. At the end of the activity, the presenters presented a summary and also suggestions for managing cooperatives in accordance with the principles of cooperative management in accordance with

the governance of business units as members of cooperatives with a transformation approach from conventional management to digitalization.



Figure 3. Pelaksanaan Pengabdian Pada Masyarakat Koperasi Pesantren Sukamiskin Kota Bandung

Conclusion

This community service activity took the theme: Counseling on Cooperative Management as a Motor for Economic Empowerment at the Sukamiskin Islamic Boarding School, Bandung City. Counseling on cooperative management at the Sukamiskin Islamic Boarding School provides a deep understanding of the importance of economic independence. The students and the surrounding community are taught to become independent entrepreneurs, not just workers who depend on other people. In this counseling, the basic principles of cooperative management are also explained, such as togetherness, justice, democracy and kinship. This counseling also provides practical knowledge about how to manage cooperatives effectively and efficiently. Participants are taught about good cooperative governance, starting from administrative management, financial arrangements, to promotion and marketing of cooperative products. With this knowledge, extension participants can apply best practices in managing their own cooperatives.

Counseling on cooperative management at the Sukamiskin Islamic Boarding School also prioritizes Islamic values in economic management. In this counseling, participants are given an understanding of the importance of maintaining morals and business ethics in accordance with religious teachings. In this way, cooperatives run by extension participants are not only profit-oriented, but are also able to provide wider benefits to the community. In this counseling, participants not only gain theoretical understanding, but also practical knowledge that they can apply in everyday life. In the long term, economic empowerment efforts through cooperative management at the Sukamiskin Islamic Boarding School are expected to create new jobs, reduce the unemployment rate, and improve the welfare of the surrounding community. Apart from that, with a well-managed cooperative, it is hoped that it can also increase economic competitiveness at the local level. For this reason, it is important for the Sukamiskin Islamic Boarding School and the local government to continue to support and

develop this cooperative management education program. Through good cooperation between related parties, it is hoped that this program can have a significant positive impact on the economic empowerment of the people.

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