

Research Article

Santripreneuership: A Strategic Approach to Human Capital Development

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Abstract.

Economic development in the era of industry 4.0 has emerged as a crucial societal concern, drawing significant attention from scholars and practitioners. On a theoretical level, the discourse centers around achieving sustainable development through economic self-sufficiency. At a practical level, economic progress should be accessible to all strata of society, including those within Islamic boarding schools. This inclusivity extends to the development of santripreneurship, a rapidly growing concept within the Islamic boarding school community. Santripreneurship refers to a new breed of students who possess expertise in both religious studies and practical knowledge, with a strong inclination toward business and entrepreneurship. This research aims to delve deeper into the development of human capital within Islamic boarding schools through santripreneurship and identify a strategy to cultivate student potential, fostering an entrepreneurial spirit and mindset that aligns with local cultural values, all while enhancing their knowledge and skills in accordance with Islamic boarding school principles. This research is conducted at Nurul Haromain 93 Islamic Boarding School in Tolbuk Village, Bangkalan, Madura. We employed a qualitative descriptive approach, utilizing in-depth interviews, focus group discussion (FGD), questionnaire and direct observation to assess potential and formulate strategies for human capital development through santripreneurship at this institution. Our findings indicate a significant reservoir of untapped resources and human capital development strategy within the Islamic boarding school. We propose various methods to harness this potential, including the identification of pesantren assets and introduction of early entrepreneurship education and training for santri and teachers. Furthermore, the research findings encourage government participation in the development of santripreneurship in new-small scale pesantren that are pioneered independently.

Keywords: human capital development, santripreneurship, santripreneur, Islamic boarding schools, economic development

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1. Introduction

In an era characterized by rapid technological advancements, globalization, and changing economic conditions, traditional paradigms of entrepreneurship and human capital development are undergoing major changes. An emerging concept that is gaining widespread attention, especially in regions with rich cultural and religious traditions such as East Java, Indonesia, is santripreneurship. This unique phenomenon combines the principles of entrepreneurship with the values and teachings of Islamic boarding schools known as pesantren. East Java, with its diverse society and deeply rooted Islamic tradition, is witnessing the rise of santripreneurs, individuals who not only engage in entrepreneurial activities but also adhere to peasant spiritual and ethical values. These people represent a special kind of entrepreneur with a strong commitment to social responsibility, ethics, and community development. Simultaneously, human capital development has become a key concern for governments, organizations, and scientists around the world. The knowledge, skills and abilities of the workforce are now recognized as critical factors for economic growth, innovation, and sustainable development. In the context of santripreneurship, understanding how human capital is developed and utilized in pesantren environment is a topic of increasing importance.

Pesantren is an Islamic-based educational institution that has significantly developed and become popular in Indonesia. Historically, experts in the history of Islamic education agree that the origin of the establishment of pesantren was brought by the “Wali Sanga/Wali Songo” who spread the teachings of Islam in the archipelago around the 15th and 16th centuries [1]. The existence of pesantren in Indonesia, which has been evolving since then can be observed through the large number of pesantren and their enthusiasts scattered throughout the country. Statistically, the Ministry of Religious Affairs noted that the current number of pesantren in all of Indonesia has reached approximately 36,600 with the number of active students (santri) is around 3.4 million, and the number of teachers (kiai/ustad) is about 370 thousand [2]. In Madura, East Java, there are at least 861 pesantren [3]. However, not all of them offer a balanced education that combines religious teachings with practical skills, including both hard and soft skills [4(p396)]. This imbalance can pose challenges for students (known as “santri”) when they graduate, as they may struggle to compete for jobs requiring a broader skill set compared to students from mainstream public schools.

The disparity in skills between santri and public-school students is a significant challenge in pesantren education. To address this, a new concept called 'pesantrenpreneur/santripreneur' has emerged. It integrates religious education with entrepreneurial skills within the pesantren environment [5(p384)]. Pesantrenpreneurship aims to cultivate entrepreneurial-minded santri while maintaining strong moral and ethical values, particularly in line with Islamic economic principles [6(p225)]. Pesantrenpreneurship has been implemented in several pesantren in Indonesia, including for instance, Pesantren El-Bayan in Cilacap, Pesantren Al-Qurthuby in Bondowoso and Pesantren Al- Nadhlah in Depok [5(p384)].

The pesantrenpreneurship concept focuses on creating entrepreneurial santri and could evolve into 'santripreneur'. This concept emphasizes developing santri as potential entrepreneurial resources. However, it has not been adopted in all pesantren in Indonesia, including Ponpes Nurul Haromain 93, a conventional pesantren in Madura. This pesantren primarily emphasizes religious education, such as Quranic studies, and collaborates with nearby formal schools for formal education. At Pesantren Nurul Haromain 93, the concept of santripreneurship has not been introduced. Despite this, the students possess untapped potential, and the natural resources in the area could support their economic endeavours in the future, either after graduation or while still enrolled. This situation is the main reason why this research was conducted at Pesantren Nurul Haromain 93, aiming to identify their potential and explore how it can be developed through the concept of santripreneurship.

This study aims to fill the gap in the current literature by examining the complex relationship of santripreneurship as the strategy of human capital development of Pesantren Nurul Haromain 93 Ribath Tahfidz Al Fauzi. This study aims to shed light on a relatively unknown area by considering the following key main aspects of santripreneurship and human capital: first, identifying the potential assets of pesantren related with the development of human capital and santripreneurship. Second, investigating how the pesantren's environment contributes to human capital development. This includes investigating the educational and socio-cultural aspects of pesantren life. Third, identify the role of government in developing santripreneurship as the strategy of human development in pesantren by assessing the policy implications for governments and institutions seeking to promote santripreneurship as a means of promoting human capital development and socio-economic growth.

By identifying these main aspects, this study aims to provide valuable insights into the interrelationship between santripreneurship and human capital development. The

aim is not only to contribute to the theoretical understanding of these concepts, but also to make policy decisions that can improve economic development, entrepreneurial ecosystems, and human well-being of the students of Pesantren Nurul Haromain 93 in particular. In an ever-evolving global landscape, examining the relationship between santripreneurship and human capital development is an important undertaking, and the potential to harness the unique qualities of santripreneurs to bring positive change in society.

2. Literature Review

2.1. Human Capital

Since its inception in the early 1960s, Human Capital Theory has evolved into one of the most influential ideas in contemporary economics. Over the past two decades, the rise of the 'knowledge economy' has amplified its significance due to its strong link between education, training, and economic growth. In an economy centered on knowledge and intellectual work rather than physical labor, the role of education becomes even more critical. Human Capital Theory emphasizes that individual education is the primary means by which individuals can improve their material well-being and by which the overall economy advances. In simple terms, the theory suggests that the more and better education individuals acquire, the higher their financial rewards, and the more the national economy prospers [7]. This provides a strong assumption that the more a person invests in education, the higher the quality he or she will have, including in the economic sector.

Furthermore, based on this, education is no longer seen as a form of consumption, but also as a form of investment. Prominent theorists in this field examine how factors like education contribute to the development of skills and the acquisition of knowledge, which can be viewed as an investment in enhancing labor productivity [8]. In recent times, the definition of human capital has become more inclusive. It is not limited to mere knowledge and skills; it also encompasses a wider spectrum of qualities, such as 'competencies,' 'attributes,' and 'attitudes' like traits of trustworthiness, integrity, self-reliance, and personal responsibility, as noted by Becker [9(p6)]. Having knowledge and skills alone is insufficient; it is essential to apply them in the execution of organizational activities [10]. This means that leadership and the ability to work together in teams are also competencies that are also developed in human capital development.

Human Capital Development refers to the investments made towards developing the knowledge, skills, and abilities of people in a society [11]. These competencies have also long been built in pesantren which not only rely on intellectual development through academic education, but also through the development of independence through the life of students in pesantren.

In the current era of the Industrial Revolution 4.0, Indonesia's santri generation must equip themselves with the necessary skills to meet development challenges. The World Economic Forum 2016 in Totoh suggests that there are 3 key things to develop human capital, namely: character, literacy and competence [12]. Character is about leadership, being responsible, upholding ethics, having expertise, being adaptable, having clear goals for personal development, being accountable, having a social conscience, and also improving one's quality and productivity. The literacies in question are financial literacy, technological literacy, numeracy and scientific literacy.

Meanwhile, in the field of skills development that must be possessed by santri, namely 4C skills (Critical Thinking, Communication, Collaborative, and Creativity). These four aspects become the benchmark for human capital development in Islamic boarding schools, so that they can later produce students who can respond to challenges and solve the problems that arise in society with superior knowledge capacity, expertise, mentality, attitudes and behaviours developed during their education in boarding schools [12].

Based on the study of the American Society for Training and Development in Craig, human resources development is carried out as an effort to utilize training and development, organizational and career development that is carried out in an integrated manner to improve individual, group, and organizational effectiveness [13]. In addition, Nugroho also explained that human capital training and development is believed to have a significant influence on individual performance and productivity issues, but can also occur at a broader level, namely the organizational level [14]. In the context of human capital development at boarding schools, the provision of human capital training and development provided to individuals (santri) can increase the capacity of santri in particular and in general at the boarding school level. Where santri can carry out entrepreneurship activities to fulfil their life needs as well as for the needs of the pesantren. In Gary S. Becker's book "Human Capital," several key assumptions underlie his economic analysis of human capital investment. These assumptions are fundamental to his framework and provide the basis for his analysis of education, training, and skills development as economic investments [9]. Vidotto et al then concluded that there

are at least 8 main components of human capital that he collected from various expert opinions, including: talent, education, experience, knowledge, skills, attitudes, creativity, and leadership [10].

2.2. Santripreneurship

Indonesia, known for having a significant number of pesantren (Islamic boarding schools) globally, holds promise for human capital development through santripreneurship. For instance, in Bangkalan, Madura, the focus of this research, it stands as one of Indonesia's key regions for pesantren. The potential for economic empowerment within pesantren is substantial because it can not only sustain these institutions but also contribute to the nation's economic growth [15]. Historically, students in pesantren initially only studied Islamic religious sciences, but in subsequent developments, pesantren are required to adapt to the times and changes so that pesantren now organize various courses that can support the skills of students. Pesantren nowadays not only teach general (academic) subjects and skills such as computer, English, sewing workshops, but also it provides teaching in various other skills such as agriculture, farming, and entrepreneurship [16].

In the writings of Hirokashi (1987) in Sanusi pesantren is known to have role as a cultural conservator and also a social agent of changes [16]. This assumption arises because the pesantren has a number of ideological and philosophical traditions that are distinctive in nature. The distinctive nature is not only because it offers a certain system and character in the socio-cultural aspect of the community, but also due to its characteristics that are difficult to obtain a definite form. Each pesantren always has characteristics that are different from one another, even though it still has more or less the same impact in the context of building the people and the nation of Indonesia.

Furthermore, it is stated that at least the pesantren has three important roles in the context of development of Indonesia, the three roles referred are, the first, transmission of Islamic knowledge, an institution that transforms Islamic knowledge to the Indonesian Muslim community. The second, pesantren as the maintainer of Islamic tradition, which is almost rarely owned by other Islamic institutions in Indonesia. The third, reproduction of ulama, the creator of Kyai scholars or those who understand the teachings of Islam for the continuity of Islam itself. The three roles remain inherent in every pesantren institution until now. Therefore, even though changes in the model of the form and structure of education carried out by the pesantren occur as a consequence of its

demands to carry out the sustainability of education itself, the pesantren still maintains the intended character as a characteristic of its main role [16].

Islamic boarding schools (pesantren) also play a vital role in national development, particularly in economic aspects. The term 'entrepreneur' was coined by Richard Cantillon in the early 18th century and originally referred to the function of risk-taking, especially financial risk [17]. In the Indonesian context, 'entrepreneur' is often synonymous with 'wiraswasta,' 'wirausaha,' and 'kewirausahaan.' In modern times, entrepreneurship involves the creative and innovative ability to enhance the value of products or services. Within the pesantren community, this concept has given rise to 'pesantrenpreneurship,' which integrates religious education with entrepreneurship, and 'santripreneurship,' which describes the involvement of students (santri) in entrepreneurial activities [5(p384)]. The development of entrepreneurship within Islamic boarding schools aims to equip students with the knowledge and skills needed to establish and manage their businesses. It also serves as a means for pesantren to achieve economic self-sufficiency and ensure their continued existence. Numerous studies have explored santripreneurship, with one example being Afidah's research in 2018. This study outlines santripreneurship activities implemented at Pesantren Tegalrejo in Magelang, including observation, supervision, and workshops for male and female students, enhancing their capabilities for economic self-reliance [18].

The mechanism for human capital development is implemented by integrating entrepreneurship/santripreneurship education within the waqf/pesantren asset management process. By providing 24-hour organisational education in every business unit and work unit under the management of students and teachers, this method functions as a type of educational renewal. The pesantren community as a whole is able to acquire three entrepreneurial capacities thanks to this process mechanism: gaining an entrepreneurial mindset, broadening one's understanding of entrepreneurship, and learning how to establish and run a business using faith intelligence (iman), deed intelligence (amal), and knowledge intelligence (ilmu) [19]. that can be developed not only from Islamic studies but also through entrepreneurship education in pesantren. Siswantoro explained there are 3 stages of entrepreneurship education in pesantren, such as identifying business potential, , increasing the capacity of pesantren managers, and entrepreneurship education [20]. Moreover, the concept of santripreneurship aligns with the local community's values, involving not only the pesantren community but also the surrounding environment, the relation between santripreneurship and local wisdom, and the role of government to develop santripreneurship in pesantren.

3. Methodology Research

This research used a descriptive qualitative method by using data collection techniques in the form of in-depth interviews, FGDs, questionnaire, observation and documentation. The Data collection consisted of primary data and secondary data. Primary data plays an important role in obtaining a picture of reality regarding conditions in the field, while secondary data is needed in relation to complementing primary data in order to understand the context and reality comprehensively. In addition, secondary data can also be complementary and used as an initial guide, as well as a validator of primary data.

Primary data was obtained through field observations, questionnaires, in-depth interviews with the kyai/teachers and FGD (Focus Group Discussion) with 34 students related to the management and potential of human capital development through santripreneurship at Nurul Haromain Islamic Boarding School. Secondary data comes scientific journals, official reports of local government agencies, institutional documents from NGOs or related institutions, or data searches both online and printed media related to human capital development and santripreneurship.

The analysis was carried out to deeply understand the conditions of reality and the potential that can be developed based on the reality/facts in the field related to human capital development at Pesantren Nurul Haromain 93 through santripreneurship. In addition, identifying the potential assets of pesantren for stakeholder involvement in the development of human capital and entrepreneurship of pesantren in the present and future. This is also associated with the surrounding environment and market opportunities to develop santripreneurship. The analysis in this study is descriptive qualitative. In the first stage, the analysis focused on combining primary and secondary data to map and assess the extent of existing conditions in terms of human resource potential and the surrounding environment, while in the second stage focused on mapping and formulating human resource development strategies through santripreneurship activities.

4. Results and Discussion

4.1. An Overview of Pesantren Nurul Haromain 93 Ribath Tahfidz Al Fauzi

Pesantren Nurul Haromain 93 Ribath Tahfidz Al Fauzi, located in Tolbuk Village, Bangkalan, Madura, was initially initiated in the form of Taman Pengajian Quran (TPQ) to accommodate children learning the Quran in the neighbourhood in 2017. Then as it developed, more and more people from Madura, East Java and areas outside East Java entrusted and officially registered their children to study the Quran at Pesantren Nurul Haromain 93 until finally this pesantren was officially inaugurated in 2022. Pesantren Nurul Haromain 93 was established as the 93rd branch of Pesantren (Ma'had) Nurul Haromain Pujon which is located in Ngroto Village, Pujon District, Malang Regency, East Java. Based on this background, Pesantren Nurul Haromain 93 has the same characteristics as its main branch, which prioritizes the provision of religious education to its students.

“The main purpose of this pesantren is to produce kyai/ulamas who have a good understanding of religion and memorize the Quran so that they can then be spread to various regions of the country to build the next branch of the pesantren”. (Ustad Rozi, Interview, April 2023).

This is also in line with the origin of the founder of Pesantren Nurul Haromain 93 who graduated from Pesantren Pujon Malang This characteristic is in line with the purpose of establishing pesantren in general, which is mentioned by Sanusi that the purpose of establishing pesantren is to produce kyai/ulamas who can become facilitators to spread and maintain Islamic religious traditions in society [16]. Since its establishment, this pesantren has graduated at least dozens of students, some of whom later joined the main pesantren in Pujon, Malang to continue their study and serve the pesantren. In 2023, the pesantren had 38 santri and santriwati who were in elementary school to high school levels. Activities in the pesantren are devoted to learning the Quran and formal school teaching and learning activities are assisted by neighbouring schools. Where students follow the teaching and learning process in public schools and take exams at the school (Ustad Rozi, Interview, April 2023).

Based on interviews conducted with the manager who serve also as the teacher/ustad/kyai of the pesantren, coupled with the results obtained through the FGD process, an interesting fact was found about Pesantren Nurul Haromain 93 in

obtaining funding to finance the management of the pesantren. Since its establishment in 2017 until 2023, this pesantren has not charged fees for santri/santriwati to studying at the pesantren. The pesantren relies on the results of donations and waqf from the owner and the surrounding community. In addition, the pesantren, which was built from waqf land, also acquires rice fields and ponds which are also the result of waqf. In addition, independently, the pesantren began to develop plantation and livestock businesses initiated directly by ustad and ustadzah. The management itself is also assisted by the students.

4.2. Santripreneurship as the Strategy of Human Capital Development

Figure 1. Number of Students Who have been Involved in Entrepreneurship Training Activities

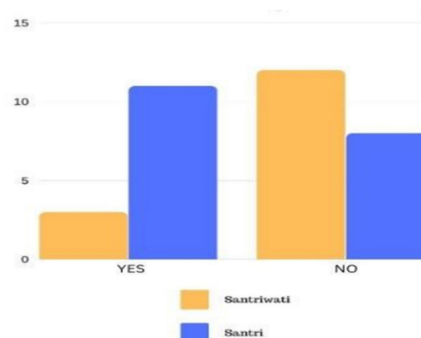


Figure 1: Number of Students Who have been Involved in Entrepreneurship Training Activities.

Figure 1 illustrates that 11 santri and 3 santriwati have participated in entrepreneurship training while 12 female students and 8 other students have never participated in entrepreneurship training activities. The entrepreneurial activities followed by the students were small and medium scale entrepreneurial activities in the form of direct and indirect training initiated independently by the pesantren as well as from the surrounding neighborhood (FGD, July 2023). Based on the data in Figure 2, it is found that almost all santri and santriwati were interested in santripreneurship, which was indicated by data from 6 santri and 5 santriwati who were very interested in santripreneurship activities. As for the category “interested” was chosen as an answer by 14 students and 9 students. Furthermore, 1 female student said she was not so interested in santripreneurship activities (FGD and interview, July 2023).

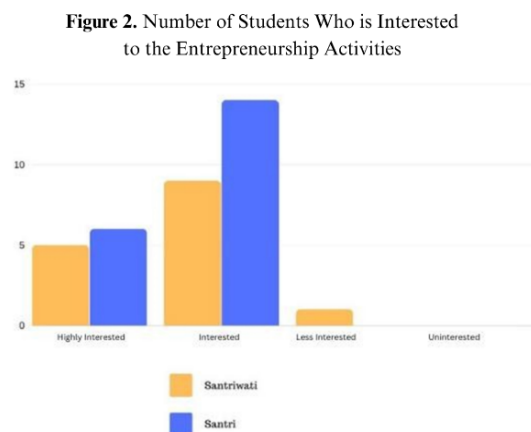


Figure 2: Number of Students Who is Interested to the Entrepreneurship Activities. Source: (Author Elaboration based on Questionnaire and FGD Results).

The santri and santriwati have very high interest when asked questions about entrepreneurship and how santri can develop and have entrepreneurial skills. They have the assumption that having these skills can lead them to build and manage their own businesses after graduating from pesantren. Some of them even have aspirations to create their own businesses after graduating from school. Some students even have experience taught by the pesantren in helping to manage rice fields, ponds, and simple farms owned by the pesantren. Some of them even possess self-taught electrical skills (FGD, July 2023). This shows that students have a high interest and motivation to develop other skills besides the academic and religious studies they learn at the pesantren.

Furthermore, research results also indicate that the availability of facilities and infrastructure for entrepreneurial development in Islamic boarding schools (pesantren) is of utmost importance. One of the challenges faced by Pesantren Nurul Haromain 93 in advancing santripreneurship education is the scarcity of instructors with the necessary expertise to provide entrepreneurship education and training, especially within the Pesantren. Thus far, the entrepreneurship taught has remained basic and primarily focused on training in managing the Pesantren's own simple agricultural ventures, such as rice fields, fishponds, and small-scale livestock (FGD and interview, July 2023).

The santri and santriwati agreed that they need to gain knowledge and training that can be used to manage the fields, ponds and farms owned by the pesantren. Likewise, the pesantren's supervisors feel the urge for entrepreneurship development

based on characteristic of Pesantren, so that later when the santri/santriwati finish their studies, they can independently start their own business or even help manage the pesantren business. In addition, seeing the potential of the environment around the pesantren, it is possible to develop businesses that are in accordance with characteristic of pesantren, surrounding environmental conditions and local wisdom. The details of developing santripreneurship as the strategy of human capital development that can be implemented in Pesantren Nurul Haromain 93 in particular and independent-pilot pesantren in general are as seen in Figure 3:

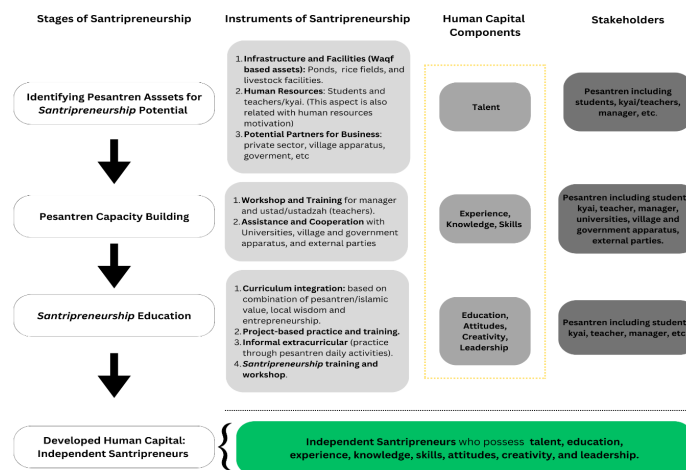


Figure 3: Santripreneurship as the Strategy of Human Capital Development. **Source:** (Author Elaboration based on (FGD, 2023), Siswanto [20].

Santripreneurship can be an appropriate strategy to develop the potential of Nurul Haromain 93 including: 1.) in relation to the development of human capital through entrepreneurship training, pesantren can begin to seriously pioneer the potential of human resources such as students and teachers' motivation and capabilities in developing santripreneurship. The asset of pesantren also includes the facilities such as fields, ponds and farms to be managed and developed independently by students. 2.) Pesantren capacity building and Santripreneurship Education, through training and providing direct guidance that can be initiated by pesantren with the help of the

community around the pesantren. The government and village apparatuses, can also take part in providing entrepreneurial assistance as well as capacity building workshops for teachers/kyai/managers accordance with local wisdom. 3.) The great potential possessed by the students in terms of religious knowledge. Religious knowledge, such as tahfidz (memorising the Qur'an), calligraphy skills, nasyid and other religious abilities, can be a provision for independent santripreneurship that can be developed if taken seriously.

The close relationship between santripreneurship and human capital can be seen from each phase of santripreneurship development. Each phase develops 8 main components of human capital development, namely: talent, experience, knowledge, skills, education, attitudes, creativity, and leadership. In addition, the further relationship between santripreneurship and human capital development can be described as follows; *first*, skill development, identifying the talents of students and teachers can be the first step to building santripreneurship in pesantren. pesantren often focuses on religious education, but they may also offer practical skills training, including vocational and entrepreneurial skills. Santri/santriwati of Pesantren Nurul Haromain 93 has been engaging in santripreneurship activities within the pesantren by helping to manage rice fields and simple farms owned by the pesantren. These activities can contribute to the development of various skills, such as business management, leadership, attitudes, creativity, communication, and problem-solving. These skills are essential components of human capital development.

Second, entrepreneurial mindset: Santripreneurship can foster an entrepreneurial mindset among students. This mindset includes qualities like innovation, risk-taking, and a willingness to explore new opportunities. At Pesantren Nurul Haromain 93, the formation of this entrepreneurial mindset arises by itself in the minds of santri/santriwati. This can be seen from the high enthusiasm they have when asked about what they want to do after finishing school. Although there are some santri who also stated that they did not aspire to become entrepreneurs, they still wanted to gain knowledge on how to manage a business. Developing such a mindset can enhance human capital by preparing individuals to adapt to changing economic environments and seize opportunities for personal and professional growth.

Third, economic empowerment: Successful santripreneurs can create economic opportunities not only for themselves but also for their communities. The improved living standards of the santri and overall community development are the valid evidences of economic empowerment that also contribute to the human capital development at a

broader level. Based on the results of interviews and FGDs, it appears that the potential to improve the economic empowerment of pesantren and the community in general can be developed. Facilities owned by pesantren such as fields, ponds and farms, if managed seriously and well organised, can become the main source of income for pesantren. This will indirectly have an impact on the surrounding environment. The management of these facilities can have an effect on improving the economy of the surrounding community.

Fourth, social and cultural capital: Santripreneurship activities within pesantren often involve interactions with mentors, peers, and community members. These social and cultural exchanges can enhance an individual's social and cultural capital, which are vital components of human capital. Networking, relationships, and cultural awareness can play significant roles in personal and professional success. Based on the results of interviews and FGDs, it appears that the surrounding environment is very supportive of the pesantren. However, the socio-cultural relationship between the pesantren and the surrounding community has not been clearly seen in relation to the development of santripreneurship. This is also because Pesantren Nurul Haromain 93 is still relatively new and does not have a well-organised entrepreneurship management.

4.3. The Relation between Santripreneurship and Local Wisdom

The relationship between *santripreneurship* and local wisdom involves the fusion of traditional values and contemporary entrepreneurship within the context of Islamic boarding schools or pesantrens. *Santripreneurship* of Pesantren Nurul Haromain 93 can be related to local wisdom through, *firstly*, preservation of local culture and values, *santripreneurship* often operates within the framework of Islamic traditions and local culture. Santripreneurs in this context may draw on local wisdom, customs, and traditions to shape their businesses and products. This connection helps preserve and promote local culture and values. Given the geographical conditions of Tolbuk Village, which is the location of Pesantren Nurul Haromain 93, where most of the population relies on farming as their livelihood, it is important to develop a *santripreneurship* strategy that can support the local community. *Santripreneurs* may engage in cultural entrepreneurship, which involves the promotion and commercialization of local arts, crafts, music, and other cultural expressions. This not only supports local artisans and cultural traditions but also contributes to the local economy. The religious traditions of the Madurese

community can be a crucial point used as one of the entrepreneurship strategies of the Islamic boarding school.

Secondly, Community Engagement: Local wisdom often places a strong emphasis on community well-being and cooperation. *Santripreneurship* of Pesantren Nurul Haromain 93 may engage with their local communities to understand their needs and preferences, creating products and services that are culturally relevant and aligned with local values. Moreover, local wisdom often involves an intimate knowledge of local resources, whether they are agricultural, natural, or cultural. *Santripreneurs* may leverage these resources sustainably in their businesses, contributing to local economic development. The development of the fields, fishponds, and livestock facilities owned by Pesantren Nurul Haromain 93 can be carried out in accordance with local wisdom and the tacit knowledge acquired from the surrounding community. This can have a direct impact on the exchange of knowledge and the fostering of relationships between the community and the Islamic boarding school.

4.4. The Role of Government in Santripreneurship Development

The role of the government, especially local government, is crucial in initiating the development of *Santripreneurship* in Islamic boarding schools, particularly in newly established ones. In the case of Pesantren Nurul Haromain 93, for instance, there has been no assistance or mentoring provided by the local government for the development of *santripreneurship*. This research notes and urges that the government has a very crucial role for improving human capital in pesantren especially for the new-established pesantren just like Pesantren Nurul Haromain 93 and for the Islamic boarding school such as 'rumah tahfidz' that have not received much attention from the government, as well as the development of santripreneurship in terms of providing assistance and support. This can be done through:

Providing education and training assistance: collaboration between government and Pesantren in education and training programs of santripreneurship. The essential skills and knowledge required to start and manage businesses can be delivered to the students, managers, teachers, kyai/ulama, and the community through these assistance programs. The program is also not only at the level of providing training and education, but also at the level of developing and assisting businesses developed by pesantren, such as assisting in the administration of pesantren business status and even supporting

the branding and promotion process, which are still not widely implemented by the government.

Providing financial support: financial support in the form of grants, loans, or subsidies to help Pesantren establish and grow their entrepreneurial initiatives should be implemented by the governments especially local governments. This financial support can be targeted towards specific sectors or regions where Pesantren/Islamic Boarding Schools are active. The financial support also can be linked to the local condition of the Pesantren.

5. Conclusion

The history and position of the pesantren as a religious educational institution is unique in Indonesia. The presence of pesantren is closely linked to the involvement of the surrounding community, which then creates a reciprocal relationship in which pesantren become role models and community references not only in the religious field, but also in socio-economic aspects. Pesantren also play a very important role in national economic development. This can be seen from the huge number of boarding schools and students in Indonesia. These two things become the basis and reality that boarding schools and santri are important development agents in developing community resources, especially in the area where the pesantren is located, and also in efforts to strengthen the community's economy.

As a result of evolving demands and its role, pesantren are required not only as institutions that focus on producing graduates who have a good understanding of Islam, but also to be able to produce graduates who have independence and the ability to compete and create their own jobs. Santripreneurship is the most appropriate strategy in developing this human capital. Identifying potential pesantren, increasing pesantren capacity, and developing and adopting santripreneurship education are three important phases in the development of santripreneurship. These three phases aim to produce independent santripreneurs who have 8 main components in human capital, namely: talent, experience, knowledge, skills, education, attitudes, creativity, and leadership needed to be able to answer the challenges of revolution 4.0. The research at Pesantren Nurul Haromain 93 illustrates that there is a great relationship between *santripreneurship* activities and the development of human capital of santri. *Santripreneurship* which carries santri as subjects who have high academic and religious knowledge accompanied by the ability and skills in *entrepreneurship*

is a clear benchmark for the development of human capital of santri/santriwati. The relation between *santripreneurship* and human capital development also can be seen by identifying its elements such as skills development, entrepreneurial mindset, economic empowerment and social and cultural capital. Meanwhile, the connection between *santripreneurship* and local wisdom can be explored to understand how local culture and values are preserved and how the community is involved. Pesantren can develop *santripreneurship* strategies that align with their distinct character, uniqueness, and the local wisdom of their surrounding environment. This research also noted that the government has a crucial role to advocate *santripreneurship* as the strategy of human capital development and economic empowerment in pesantren, especially for the newly established pesantren. This can be done through collaborating with the pesantren in giving education and training assistance and financial support to support and encourage *santripreneurship* in pesantren.

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