BUSINESS DEVELOPMENT STRATEGY OF PESANTREN’S COOPERATIVES: LESSONS FROM PESANTREN DAARUT TAUHIID

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ABSTRACT

Introduction: Islamic boarding schools have significant potential to boost the Sharia economy, notably through cooperative formation. However, many of these cooperatives, including the Daarut Tauhid Islamic Boarding School Cooperative (DT Cooperative), are not performing optimally. DT Cooperative contributes only 5% to the school's financial independence, and its residual business result (sisa hasil usaha, SHU) has varied over the last three years. This research aims to identify DT Cooperative's strengths, weaknesses, opportunities, and threats, and to establish strategic priorities for cooperative development.

Methods: The Analytical Network Process (ANP) with a Strength-Weakness-Opportunity-Threat (SWOT) network was employed in this study.

Results: The findings of this study indicate that strength is the top priority in establishing the DT Cooperative business. The most influential characteristics of strengths, weaknesses, opportunities, and dangers are a structured organization, suboptimal marketing management, a huge market share, and shifting company dynamics. The most important approach to pursue is to increase cooperation among various groups.

Conclusion and suggestion: This research highlights the need to improve organizational relationships and address marketing management deficiencies in DT Cooperatives. By leveraging organizational strengths and fostering collaboration, Islamic boarding school cooperatives can better support Sharia economic efforts. Insights from this study apply to Daarut Tauhid and similar cooperatives, and underscore the importance of policies that enhance training, consultation, and networking among Islamic boarding schools. This study contributes to the economic development knowledge of Islamic boarding schools, particularly cooperatives, in enhancing community welfare and supporting their economic independences.
INTRODUCTION

Islamic boarding schools are educational institutions that teach Islamic knowledge to their students in unique ways and methods, led by a kiai as the owner of the Islamic boarding school and assisted in teaching knowledge to their students by an ustaz or teacher (Halim et al., 2005). According to Law Number 18 of 2019, Islamic boarding schools have three functions, namely educational institutions, da’wah and community empowerment. Therefore, in carrying out this function, Islamic boarding schools are obliged to provide the best quality services for their users. This can be realized through independence in the economic sector achieved by Islamic boarding schools.

Islamic boarding schools offer enormous potential for growing the Sharia economy through business development units. This is substantiated by figures from the Indonesian Ministry of Religion and Education Management Information Systems (2021), which show that Indonesia has 30,495 Islamic boarding schools, 4.3 million santri, and 474,000 teachers. Islamic boarding schools have enormous social capital in the form of widespread public trust (Hidayati et al., 2022). According to Irfany (2022), the growth of Islamic boarding school business units not only helps to empower the community, which improves their economic welfare, but it contributes to the economic independence of Islamic boarding schools. One indicator is that the business units held by Islamic boarding schools make quite a significant contribution to educational operations, so that Islamic boarding schools are not too dependent on fees from students or other parties.

Data on the economic potential of Islamic boarding schools in Indonesia published by the Ministry of Religion (2021) in Figure 1 shows that there are 10,185 Islamic boarding schools that have business units and cooperatives are the business sector most developed by Islamic boarding schools, namely 1,845 Islamic boarding schools.

![Figure 1. Economic potential of Islamic boarding schools in Indonesia](source)

An Islamic boarding school cooperative (kopontren) is an economic association in the form of a cooperative owned by an Islamic boarding school, whose members are members of the Islamic boarding school community within and outside the Islamic
boarding school, and which operates in accordance with the principles of Sharia (Uula & Rahayu, 2022). In addition to significantly enhancing community welfare, kopontren (Islamic boarding school cooperatives) have a unique role that sets them apart from general cooperatives: they contribute to the economic improvement of the Islamic boarding school itself (Sulaiman et al., 2018). As research conducted by Syamsuri (2020) states that the profits from the business. The Gontor Islamic Boarding School is distributed to members and all institutions at the Gontor Islamic Boarding School, including education funding. Silvana and Lubis (2021) claimed in their research that all commercial revenues from Al-Ittifaq Kopontren are used for business unit operational activities, community welfare, and Islamic boarding school operations, allowing the Islamic boarding school to be financially independent. As a result, Islamic boarding school cooperatives must be capable of running a successful company.

Daarut Tauhiid Islamic Boarding School is one of the Islamic boarding schools that maximizes its economic potential by forming cooperatives. Daarut Tauhiid Islamic Boarding School Cooperative (DT Cooperative) is a consumption cooperative that is strategically positioned in the heart of Bandung. Institutionally, DT Cooperative differs from the Daarut Tauhiid Foundation; this was done to improve the implementation of all business activities formerly handled directly by the DT Foundation. DT Cooperative has five business units: financial services, minimarkets, transportation and information technology, hotels, and cuisine. DT Cooperative has subsidiaries through numerous organizations that include education and training services, event organizers, cleaning and security outsourcing, Sharia banking, catering and laundry, and television stations (Kumara et al., 2019). The Daarut Tauhiid Islamic Boarding School was chosen because the Daarut Tauhiid Islamic Boarding School is one of the Islamic boarding schools that is considered to be economically independent. Apart from that, the Daarut Tauhiid Islamic Boarding School was chosen to be the host or organizer of the OPOP (One Islamic Boarding School One Product) program implemented by the West Java provincial government.

However, the economic activities of the Daarut Tauhiid Islamic Boarding School carried out by DT Cooperative are still fluctuating. This is evidenced by the minimal contribution of DT Cooperative to the Islamic boarding school's economic independence and the fluctuating acquisition of SHU during the last three years.

DT Cooperative contributes to the DT Islamic Boarding School's economic independence by offering scholarship support to its students, allowing them to avoid the school's operational costs. The results of DT's Koponten business will be distributed to DT Peduli as the Daarut Tauhiid zakat management institution in the form of company zakat funds, infaq, alms, and profit sharing from productive waqf management (ziswaf), which is then allocated for educational assistance (scholarships). Table 1 shows the specifics.
Table 1 The amount of DT Cooperative's contribution to educational assistance

<table>
<thead>
<tr>
<th>Description</th>
<th>2019 (Rupiah)</th>
<th>2020 (Rupiah)</th>
<th>2021 (Rupiah)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Distribution of alms donations through DT Peduli</td>
<td>12.000.000</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Distribution of zakat funds through DT Peduli</td>
<td>12.919.762</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Zakat collection (DT Cares) via BMT DT Mobile</td>
<td>22.794.923</td>
<td>28.648.500</td>
<td>15.816.804</td>
</tr>
<tr>
<td>Collection of infaq and alms funds (DT Cares) via BMT DT Mobile</td>
<td>34.052.591</td>
<td>32.625.758</td>
<td>17.483.589</td>
</tr>
<tr>
<td>Distribution of SMM Sehati Infaq through DT Peduli</td>
<td>13.000.000</td>
<td>15.774.940</td>
<td>5.000.000</td>
</tr>
<tr>
<td>Rent waqf assets</td>
<td>340.500.000</td>
<td>265.000.000</td>
<td>203.000.000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>435.267.276</td>
<td>342.049.198</td>
<td>241.300.393</td>
</tr>
<tr>
<td><strong>Average</strong></td>
<td>339.538.956</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Yearly Report (RAT) DT Cooperative (2021)

The average distribution of ziswaf funds resulting from DT Cooperative's efforts to DT Peduli is 340 million rupiah per year, with the number of students receiving scholarship benefits for middle school, high school, vocational school and STAI students amounting to 394 students with a total educational cost required of 7.5 billion rupiah per year (Daarut Tauhid, 2021a). So, the contribution of DT Cooperative to the economic independence of DT Islamic boarding schools is only around 5 percent.

![Figure 2. Acquisition of SHU DT Cooperative 2019-2021](source)

Source: Yearly Report (RAT) DT Cooperative (2021)

Meanwhile, Figure 2 depicts the remaining business results following the acquisition of SHU. Over the last three years, DT Cooperative's SHU has fluctuated. In 2020, DT Cooperative faced a significant operating profit deficit. DT Cooperative did not receive a SHU that year because the government's Covid-19 pandemic policy reduced revenue for its business units and subsidiaries. SHU is a measure of a cooperative's success in conducting its company. SHU is distributed to members and the cooperative as reserve.
funds, staff education funds, and various other cooperative requirements, according to the decision of the Member Meeting (UU No 25 of 1992).

Based on DT Cooperative's new 5% contribution to the economic independence of Islamic boarding schools and its fluctuating acquisition of SHU, the cooperative is still not doing its best to increase the economic independence of Islamic boarding schools and the welfare of its members. In order to build the Daarut Tauhiid Islamic Boarding School Cooperative business and determine strategies for the DT Kopontren business, it is required to formulate features of strengths, weaknesses, opportunities, and threats utilizing the SWOT approach.

LITERATURE REVIEW

Business Model of Cooperative in Islamic Boarding School

Islamic boarding schools, known as pesantren, serve as community-based institutions deeply rooted in upholding Islamic teachings while evolving into multifaceted centers for Islamic activities beyond education, as outlined in UU No. 18 of 2019. Scholars like Nasir (2005) and Anwar (2016) emphasize their role in religious propagation, education, and community empowerment. With substantial student populations and strong community trust, pesantrens, as posited by Hidayati (2022) and Ministry of Religion (2021), are emerging as pivotal players in the national economy, leveraging their economic practices ranging from entrepreneurial initiatives led by religious leaders to specialized business entities.

The economic model of pesantren often intertwines with cooperative principles, manifested through entities like Kopontren. Fardiansyah et al. (2022) highlight Kopontren as more than mere economic systems, integrating religious dimensions into their activities to collectively uplift the economic and social conditions of their members. Kopontren’s principles stress organizational autonomy and compliance with cooperative laws, while the objectives specified by Departement of Religion (2003) aim at enhancing economic skills, welfare, and the national economic role of Kopontren. This economic independence, discussed by various scholars such as Bisri and Rufaidah (2002) and Bank Indonesia (BI) (2020), contributes significantly to the sustainability of educational operations within pesantrens, mitigating reliance on external donations or student fees. Through community economic empowerment efforts elucidated by Noor (2011) and Khoeriyatuzzuhro (2015), pesantrens strive to enhance community ownership over production, distribution, and marketing, fostering self-sufficiency and societal elevation. Moreover, employing strategic management approaches outlined by Susanto (2014) pesantrens aim to systematically formulate and implement strategies that leverage their strengths, mitigate weaknesses, and capitalize on external opportunities to foster sustainable business development grounded in Islamic principles.
Dynamic Capabilities Theory

Dynamic Capabilities, introduced by Teece, Pisano, and Shuen in the late 1990s, have emerged as a cornerstone in strategic management theory. Central to this concept is an organization's ability to adapt, integrate, and reconfigure internal resources to meet evolving external circumstances. Teece's framework emphasizes three critical processes: sensing, seizing, and transforming. Sensing involves recognizing changes in the external environment, seizing entails capitalizing on identified opportunities, and transforming necessitates internal adjustments to align with strategic objectives (Teece, 2007; Teece et al., 1997). In dynamic and uncertain environments, where constant change is the norm, dynamic capabilities are indispensable for organizations striving to maintain a competitive edge. Teece underscores that while static capabilities are essential for daily operations, they are insufficient for navigating rapidly shifting landscapes. Hence, cultivating dynamic capabilities enables organizations to proactively shape their resource base and strategically position themselves (Teece, 2016).

In the context of Islamic boarding schools' business strategy, particularly in endeavors like cooperative formations akin to DT Cooperative, the application of dynamic capabilities becomes paramount. Economic initiatives within these schools demand adaptability and responsiveness to ensure sustained success. By leveraging dynamic capabilities, organizations can effectively address challenges, seize opportunities, and advance strategic initiatives, such as Sharia economics. Thus, integrating Teece's framework into business strategies empowers Islamic boarding schools to navigate complexities effectively and contribute meaningfully to their economic development (Teece, 2016).

Setiawan et al. (2021) studied dynamic capabilities and their relationship in building entrepreneurship-based or Islamic boarding schools at the Mukmin Mandiri Islamic Boarding School, Central Java. This research uses a qualitative approach with in-depth interviews to explain the characters and conditions in more depth. The findings show a direct relationship between dynamic capabilities and innovation performance, supported by well-prepared resources, and the importance of dynamic capabilities in entrepreneurship-based Islamic boarding schools. Islamic boarding schools need to be responsive to change with dynamic human resources, think strategically, and work quickly while still maintaining Islamic principles. On the other hand, dynamic capabilities significantly affect the innovation performance of entrepreneurial-oriented Islamic boarding school institutions. Islamic boarding schools with dynamic capabilities tend to produce product and service innovations to adapt to market demand.

The study on the business development strategy of DT Cooperative integrates the Dynamic Capabilities framework to explore how the organization senses market opportunities, seizes them with strategic decision-making, and transforms its internal resources to align with Sharia economics objectives. Teece's Dynamic Capabilities theory...
provides a robust foundation for understanding the intricate dynamics of strategic management in the unique context of Islamic boarding school cooperatives.

Related Previous Study

According to the assessment provided by Sujarwo and Listiawati (2019), the study focuses on the emergence of campus cooperatives during the millennial era and the fourth industrial revolution. It suggests severe competition between Kopma and Kopkar, which operate in similar business fields and target the same consumer base. The lack of effective cooperative management, usage of information technology, and traditional transaction methods are mentioned as issues that require development, particularly the absence of online platforms for transactions.

Amrullah’s (2019) study on cooperative management in pesantren discovered that while organizational planning showed a decline in profitability without considering long-term objectives and in-depth feasibility analysis, organizational structuring demonstrated satisfactory aspects with defined roles and responsibilities. However, monitoring lacked policy control and restricted management oversight. Furthermore, the group leadership method was identified as a compensation strategy for individual weaknesses.

Pambudi and Hendratmi (2020) investigated business development at Pondok Pesantren Sidogiri Pasuruan, emphasizing the interdependence of its operations. The strength rests in the link built between pesantren graduates and students, which allows for rapid product marketing. Meanwhile, Syamsuri (2020) investigated economic self-sufficiency options in Pesantren Gontor, identifying obstacles such as a lack of professionalism, government support, and marketing aid. They emphasize the government’s involvement in providing training, financial assistance, and marketing platforms to pesantren enterprises.

Irfany’s research (2022), which studies pesantren’s agricultural-based economic independence, finds that pesantren have a stronger strength-opportunity profile than weaknesses and dangers. Economic self-reliance is dependent on institutional factors, production, stakeholder collaboration, and market dynamics. The proposed strategies include developing competitive products, improving market access, and assuring sustainability in human resources, management, and environmental policies.

Furthermore, Ramadini et al. (2023) utilized the Analytical Network Process (ANP) to assess SWOT factors in developing Islamic boarding school cooperatives, highlighting the necessity of product/service quality improvement and marketing network expansion. Lastly, Silvana and Lubis’s study (2021) identified market aspects as the primary influence on the economic independence of Islamic boarding schools through ANP analysis, emphasizing the importance of market-related strategies.

Each study provides valuable insights on cooperative development in Islamic educational institutions, providing light on a variety of obstacles and opportunities. Collectively, these studies highlight the importance of effective management, technological
adoption, market orientation, and stakeholder participation in improving the economic viability of pesantren cooperatives. Building on these findings, our study seeks to give a detailed analysis of the Daarut Tauhiid Islamic Boarding School Cooperative, suggesting strategic priorities to optimize company development and contributing to the broader discussion on cooperative management in educational settings.

RESEARCH METHODS

This research was carried out at the Daarut Tauhiid Islamic Boarding School Cooperative (DT Cooperative), which is located on Jalan Gegerkalong Girang No. 4 Bandung City, which was carried out from February to June 2022. The method used to select respondents in this research was a nonprobability sampling method with a purposive sampling technique. Nonprobability sampling, according to Palinkas et al. (2015) is an approach that provides each member of the population being sampled a separate chance or opportunity. Purposive sampling is a technique that requires certain considerations. The respondents' considerations are people or experts who are directly involved and understand the management of DT Cooperative. The selected respondents represent practitioners, academics, and regulators (Table 3).

<table>
<thead>
<tr>
<th>Respondent</th>
<th>Position/Profession</th>
</tr>
</thead>
<tbody>
<tr>
<td>R1</td>
<td>Head of the Daarut Tauhiid Islamic Boarding School Cooperative Secretariat</td>
</tr>
<tr>
<td>R2</td>
<td>Senior Economist for Sharia Economics and Finance at Bank Indonesia</td>
</tr>
<tr>
<td>R3</td>
<td>Secretary General of the Islamic Boarding School Business Economic Association (Hebitren)</td>
</tr>
<tr>
<td>R4</td>
<td>Lecturer at Daarut Tauhiid Islamic College (STAI DT)</td>
</tr>
<tr>
<td>R5</td>
<td>Young Expert Cooperative Supervisor, Bandung City Micro, Small and Medium Enterprises Cooperative Service</td>
</tr>
<tr>
<td>R6</td>
<td>Chairman of the Economic Division of the Bandung City MUI</td>
</tr>
</tbody>
</table>

This study used the Analytic Network Process (ANP) method with the Strength-Weakness-Opportunity-Threat (SWOT) network. SWOT can develop strategies or policies for an organization or sector based on the circumstances, identifying internal strengths and existing external opportunities, as well as taking consideration of several internal weaknesses and external threats (Wheelen & Unger, 2012). The ANP technique is a qualitative-quantitative analytical method that may account for links formed by interactions and feedback from elements within or between clusters (Saaty, 1996). This method captures the viewpoints of experts, practitioners, and academics with expertise and insight in their disciplines by considering a priority scale establishing the order of the most significant prior impact. Integrating SWOT with ANP offers a structured evaluation of factors and their relationships, ensuring a comprehensive understanding crucial for strategic decision-making. ANP-SWOT's dual focus on internal and external aspects
addresses limitations of standalone ANP, enhancing strategic insights (Ramadini, 2023). Thus, ANP-SWOT emerges as a robust methodology for guiding strategic decisions in pesantren cooperatives.

Data was obtained from literature reviews, both theoretical and empirical, and the results of in-depth interviews with experts and practitioners regarding business activities and business development strategies of DT Cooperative. The in-depth interview results were used to construct a questionnaire, which respondents filled in at the next meeting. Then, the results of the questionnaire that the respondents had filled out were analyzed using Super Decisions and Microsoft Excel software.

Several stages in the ANP method, as can be seen in Figure 3, are:

1. Model Construction. The model construction in the ANP was prepared based on a literature review, both theoretical and empirical, and the results of in-depth interviews with experts and practitioners to study and obtain the actual problems that occurred in more depth as material for preparing the questionnaire.

2. Model Quantification. At the model quantification stage, several questions were used based on the modeling results through the distribution of ANP questionnaires in the form of pairwise comparisons between cluster elements to see how significant or dominant the influence between them is and how big the difference is on a number scale of 1-9. Then, the collected data from filling out the questionnaire is input through the Super Decision software to produce results in priorities and super matrices.

3. Synthesis and Analysis. Results analysis was carried out by entering the results of the questionnaire filled out by respondents into the Super Decision software. Then, look for the geometric mean (GMk) and calculate Kendall's Coefficient of Concordance value, a measure for calculating rater agreement or agreement between raters using Microsoft Excel.

![Figure 3. Research's Stage](image-url)
a. Geometric Mean. The geometric mean calculation functions to determine the results of individual respondents' assessments and the results of group opinions (Saaty & Vargas, 2006). The geometric mean value for each element shows the order of priority. The higher the geometric mean value, the more influential the element is in the decision-selection process. Respondent comparison questions (pairwise comparison) were combined to form a consensus. The geometric mean is an average calculation showing a certain trend or value. The geometric mean has the following formula:

\[
(\pi^n_i = 1a_i)^{\frac{1}{n}} = \sqrt[n]{a_1 a_2 ... a_n}
\]

b. Rater Agreement. Rater agreement is a measure that shows the level of conformity of respondents (R_1-R_n) regarding a problem in one cluster. The tool used to measure rater agreement is Kendall's Coefficient of Concordance (W; 0< W ≤1). The value W=1 indicates perfect suitability. The first step in calculating Kendall's (W) is to rank each answer and then add them up.

\[
R_1 = \sum^n_j = 1r_{i,j}
\]

The average value of the total ranking is:

\[
R = 21m (n + 1)
\]

The sum of squared deviations (S) is calculated by the formula:

\[
S = \sum^n_i = 1(R_i-)^2
\]

so we get Kendall's W, namely:

\[
W = \frac{12S}{m^2(n^3-n)}
\]

If the W value is 1 (W=1) it means that the respondents have perfect agreement of opinion, whereas if the W value is or is getting closer to 0, it indicates that the respondents have various answers or in other words there is disagreement between the respondents' answers (Ascarya, 2010).

RESULTS

General description of the Daarut Tauhiid Islamic Boarding School Cooperative

Daarut Tauhiid Islamic Boarding School Cooperative (DT Cooperative) is one of the Islamic boarding school-based consumption cooperatives located on Jalan Gegerkalong Girang No. 4 Bandung City, which has a vision of being a solution for the people towards independence and mutual benefit. This cooperative was founded on April 9, 1994, with legal entity number 10999/BH/KWK.10/21, issued by the Regional Office of the West Java Province Department of Cooperatives.

DT Cooperative operates several enterprises, including: 1) Baitul Maal wa Tamwil (BMT), which provides financial services such as savings and loans, as well as Sharia financing; 2) Super Mini Market (SMM) functions in the retail sector, offering numerous
everyday necessities for members and the community. 3) Trans-IT, which provides transportation services (car rental), STNK/motor vehicle tax renewal, car driving courses, computer maintenance and service, and property agents; 4) Daarul Jannah Cottage, which offers hotel-standard accommodation with Islamic and natural nuances; and 5) Business & Partnership Development (PUK), which provides goods and services as well as business development and partnerships with MSME players.

Apart from that, DT Cooperative also has several subsidiary companies through its share investments, including 1) PT Duta Transformasi Insani (PT DTI), engaged in providing HR education and training services as well as event organizing services; 2) PT Global Solution Provider (PT GSP), engaged in HR outsourcing and sales of residential units; 3) CV Berkah Mulia Abadi (CV BMA), operating in the catering and laundry sector; 4) PT Bank Pembayaran Rakyat Syariah (BPRS) Daarut Tauhiid, engaged in the sharia banking services business; 5) PT Management Qolbu Television (PT MQTV), operates in the field of local television broadcasting with Islamic nuances.

DT Cooperative is professionally managed by a team member named Santri Karya. Even though it is professionally managed by employees (Santri Karya), DT Cooperative also provides internship opportunities and fieldwork practices (PKL) as a learning medium for students in entrepreneurship and organization, especially for students who participate in the Akhlak Plus Entrepreneurship program and Daarut Tauhiid Vocational School with a skills program Institutional Accounting and Finance.

DT Cooperative's membership steadily grows each year. This demonstrates that DT Cooperative's progress is great in terms of membership growth. The more members the kopontren has, the more capital it has, making it easier to grow or expand its operations. When you join as a member of DT Cooperative, you will get several benefits, including playing a role in advancing the people’s economy with Daarut Tauhiid, playing a role in the social programs of Pesantren Daarut Tauhiid through zakat or social funds from DT Cooperative, getting entrepreneurship training, and getting various special discounts. Every time you make a transaction in a DT Cooperative business unit or subsidiary, you will receive a transaction voucher on holidays such as Eid, remaining business results (SHU), become a guest with voting and speaking rights at the DT Cooperative Annual Member Conference, become a business partner with BMT DT for development, promotions, and business capital financing, and finally the right to participate in the members' annual celebrations.
Based on a literature review and in-depth interviews with experts and practitioners, there are four analysis elements: strengths, weaknesses, opportunities, and threats (Figure 4). The variables used result from considerations and revisions based on in-depth expert interviews. Then, look for the priority value of each analysis element (aspect), which is obtained from the geometric mean value based on the results of filling out the pairwise comparison questionnaire by the respondent.

The study results in Figure 5 show that strength is the most critical aspect of DT Cooperative’s business development strategy, with a geometric mean value of 0.41809. The priority order of aspects is 1) Strength, 2) Opportunity, 3) Weakness, and 4) Threat.
value of respondent agreement or rater agreement was 0.5444, which means that 54.44 percent of respondents agreed with the priority order, and the rest had varying views.

Figure 6. Strength Aspect
Source: Super Decisions Version 2.10

Figure 6 explain the most significant or priority element to be maximized in considering strength is having a structured organization, with a geometric mean value of 0.33486. The strength components are prioritized as follows: 1) having a structured organization; 2) having business legality; 3) HR having a strong spiritual mentality; and 4) the presence of kiai figures with a strong entrepreneurial spirit. The value of respondent agreement or rater agreement on the strength component was 0.6666, which means that 66.66 percent of respondents agreed with the priority ranking, and the remainder had differing views.

Figure 7. Weaknesses Aspect
Source: Super Decisions Version 2.10

In terms of weaknesses that shows on Figure 7, marketing management that is not yet optimal is the most important or priority element to be improved with a geometric mean value of 0.29134. The priority order of weakness aspects is: 1) marketing management that is not yet optimal; 2) HR competency and professionalism are not yet optimal; 3) still requires capital from external parties; and 4) there is still infrastructure and facilities that are rented.
management that is not yet optimal; 2) HR competency and professionalism are not yet optimal; 3) still requires capital from external parties; 4) there is still infrastructure and facilities that are rented. The value of respondent agreement or rater agreement on the weakness aspect was 0.2555, which means that 25.55 percent of respondents agreed with the priority order and the rest had varying views.

In the opportunity aspect (Figure 8), a comprehensive market share is the most crucial element or priority, with a geometric mean value of 0.28456. The priority order of opportunity aspects is 1) large market share, 2) public trust and loyalty towards Islamic boarding schools, 3) technological progress, and 4) enormous opportunities for collaboration with various parties. The value of respondent agreement or rater agreement on the opportunity aspect was 0.144, which means that 14.44 percent of respondents agreed with the priority order, and the rest had varying views.

The threat aspect in Figure 9 define that changing business dynamics is the most crucial element or priority to be addressed, with a geometric mean value of 0.32105. The priority order of threat aspects is: 1) changing business dynamics; 2) the occurrence of an economic crisis; 3) the existence of business competitors; 4) there is a business partner default.
default. The value of respondent agreement or rater agreement on the threat aspect was 0.4222, which means that 42.22 percent of respondents agreed with the priority order, and the rest had varying views.

**DT Cooperative’s Business Development Strategy**

![Figure 10. DT Cooperative Business Development Strategy Priorities](source)

DT Cooperative's business development strategy can be synthesized from the SWOT analysis (Figure 10). The main priority of DT Cooperative's business development strategy is to increase cooperation with various parties with a priority score or geometric mean value of 0.16838. The sequence of strategies that need to be carried out is as follows: increasing cooperation with various parties; 2) implementing product marketing strategies; 3) improving product and service quality; 4) improving monitoring and evaluation; 5) improving the quality of human resources through training; 6) utilize technology; 7) diversifying business; 8) conduct a feasibility analysis of business partners; 9) optimizing the productivity of owned assets. The agreement or rater agreement value was 0.4222, which means that 42.2 percent of respondents agreed with the priority order of the strategy, and the rest had varying views.

**DISCUSSION**

**Identify aspects of strengths, weaknesses, opportunities and threats in business development of the Daarut Tauhid Islamic Boarding School Cooperative**

Based on the geometric mean value in the strength aspect, it shows that having a structured organization is the primary strength that DT Cooperative must sustain. A commercial entity or firm must have good coordination of activities between divisions; hence, it is vital to have a forum that explains the pattern of collaboration between divisions, known as an organizational structure. DT Cooperative already has a structured organization describes the existence of a clear division of tasks between its divisions; additionally, DT Cooperative has established a supervisory body in each division and...
implemented rewards and punishments in order to achieve the Key Performance Indicator (KPI) target.

In terms of weaknesses, the most significant problem for DT Cooperative that must be addressed immediately is that marketing management is not yet optimal. The scope of marketing items from DT Cooperative is currently limited to the Islamic boarding school region, with an emphasis on the internal market and the community surrounding the Islamic boarding school. Several DT Cooperative products, particularly goods, have been promoted through online marketplaces and social media, but the same strategy has not been as effective for service products, thus many people are still unfamiliar with DT Cooperative products. This is consistent with Rifa'i's (2019) research, which found that one of the most common challenges faced by Islamic boarding school business units is ineffective marketing management, resulting in products that are unpopular among students and the community surrounding the Islamic boarding schools.

The greatest geometric mean value in the opportunity aspect indicates that a large market share is the most important opportunity for DT Cooperative to capitalize on in building its business. The widespread adoption of the halal lifestyle will raise demand and supply for halal goods and services, thereby directly impacting the development of the halal business. This will increase the Sharia market share even more. From an industrial perspective, this will have an impact on greater business opportunities (Mutafarida & Sariati, 2019). DT Cooperative provides several types of halal products and services to a wide range of consumer segments, including families, students, and businesses. DT Cooperative has the ability to increase its market share internationally, as it did when it sent fashion products to Dubai for the One Pesantren One Product (OPOP) 2021 event.

The main threat that DT Cooperative needs to anticipate is changes in business dynamics. A good corporation must be able to see shifting market demands by delivering satisfaction with the things being offered (Fruchter et al., 2023). DT Cooperative must be able to adapt to the changing times and changing tastes of society in order to survive.

**Implementation of the business development strategy of the Daarut Tauhiid Islamic Boarding School Cooperative**

The first strategy is to improve cooperation among various parties. According to the results of an interview with one of the respondents, DT Cooperative has engaged in numerous forms of collaboration with various parties, both internal and external to the Islamic boarding school. This includes Bandung City Cooperative Service, which operates under the Cool program. In this program, Super Mini Market Distributor Daarut Tauhiid (SMM DT), one of DT Cooperative's business units, operates as a distributor of client goods items for distribution to cooperatives in Bandung City. Collaboration has also been conducted with members and students. They can promote their products in the Daarut Tauhiid Super Mini Market Store (SMM DT). Cooperation has been carried out with internal Islamic boarding schools, such as the procurement of educational supplies. Aside from that, collaboration is frequently carried out through the Business Development & Partnership
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To further develop its business, DT Cooperative can collaborate with investors, both those who are registered as members and those who are not members. As in research by Taufiqulhakim and Hendratmi (2020) Kopontren Sidogiri, in developing the Toko Basmalah branch, opens up opportunities for collaboration with investors, both those who are members and those who are not members of the cooperative, which is carried out with various types of cooperation agreements. Having investors can increase the amount of capital a cooperative needs to develop its business. This strategy was chosen because of the similarities in the characteristics of the business run by DT Cooperative and Sidogiri Cooperative.

The second strategy is implementing a product marketing strategy. Regarding product marketing, DT Cooperative focuses on the internal market target and the community around the Islamic boarding school only. Marketing has been carried out both offline and online. For offline marketing, DT Cooperative relies on direct consumer visits. Meanwhile, DT Cooperative's online marketing has utilized several online marketplaces, social media, and websites. However, this only focuses on marketing goods. An alternative strategy that DT Cooperative can carry out is to carry out various kinds of promotions, especially for service products, using internet media to expand the market because internet promotions are considered affordable for financing, such as for car rental and lodging service products, you can use online travel agent services. Moreover, an emerging trend in product marketing involves leveraging the assistance of public figures. Findings from a study conducted by Timur et al., (2022) demonstrate that celebrity endorsers have a beneficial impact on consumers' willingness to purchase halal products. Nonetheless, marketers should meticulously assess the suitability of the endorser's characteristics with the endorsed product.

The third strategy is to improve product and service quality. Things that DT Cooperative can do to improve product quality include ensuring that each product has national certification, that the product is properly recorded such as recording the validity period of a product, ensuring that the product is of high quality by utilizing modern technology, has neat and attractive packaging, etc. The things that DT Cooperative can do to improve service are ensuring product prices are competitive, ensuring product availability, and ensuring orders are carried out safely, on schedule, and on time. Research conducted by Pangayoman A & Ruhenda (2022) states that Kopontren Al-Ittifaq is one of the role models of Islamic boarding school cooperatives in the agribusiness sector always prioritizes guaranteed and high-quality products and services so that their products can compete and are in great demand.

The fourth strategy is to increase monitoring and evaluation. DT Cooperative has a supervisory body whose function is to supervise the implementation of the strategic plan that has been made and provide input to the Kopontren management. In its
implementation, apart from carrying out supervision in terms of policy and budget use, the supervisory body also holds discussions with the management and takes part in several strategic activities carried out by the Kopontren management in the Kopontren development plan. What DT Cooperative can do to improve supervision is to go directly into the field periodically to monitor the implementation of all management operational activities. In their research, Mardian et al. (2019) added that when a business entity improves internal control, including monitoring and evaluation, it will create reliable financial reports. This will enhance the company’s performance and image for stakeholders and consumers.

The fifth strategy is to improve the quality of human resources through training. Based on interviews and literature reviews, DT Cooperative has conducted regular training for human resources to improve competency, performance, integrity, mental spirituality, and sharia compliance. Training funds for human resources come from the local government funds, set at 10 percent of the annual SHU acquisition. DT Cooperative can hold a post-training mentoring program to find out the benefits of the training for human resources. To enhance the management of boarding school cooperatives and ensure their success, post-training follow-up sessions are crucial to assess the benefits and impact of training (Syukri et al., 2023). Implementing an advanced training assistance program, especially during challenging times like the COVID-19 pandemic, is essential for the continuous success of these cooperatives (Mahmud et al., 2023). By providing ongoing support and guidance, such programs can strengthen the cooperatives and optimize benefits for their members, ultimately leading to increased income and sustainable business growth (Shinkareva et al., 2023). Additionally, incorporating modern training methods such as online meetings and blended learning can further improve the quality of training and ensure that cooperative members are equipped with the necessary skills to navigate digital challenges and seize new business opportunities.

The sixth strategy is to utilize technology. Based on the results of an interview with one of the respondents, DT Cooperative has tried to utilize technology to help its business operations, such as using online marketplaces, social media, websites, and BMT mobile applications. Apart from that, DT Cooperative also has a unique online marketing division. DT Cooperative can utilize financial technology (fintech), providing convenience and security for consumers in transactions. Financial technology (fintech) can save consumers costs and time in transactions and help unbankable consumers make transactions so that consumers who cannot yet access financial services can take advantage of financial technology. The information system makes it easier for Islamic boarding school cooperatives to process data so that efficiency and effectiveness in cooperative management can be achieved (IKOPIN, 2020).

The seventh strategy is to diversify your business. DT Cooperative has a diverse business comprising five subsidiaries and five subsidiary companies engaged in consuming goods or services. What DT Cooperative can do to continue to meet market needs and be able to compete with its competitors is to create new superior products. These new
superior products can be obtained by developing derivative products from previously existing products. As Kiesel et al. (Kiesel et al., 2023) stated, cooperatives can develop new products by applying a product mix derived from the enhancement of existing products. This approach allows cooperatives to offer a variety of products tailored to meet consumer needs.

Eighth strategy, conduct a feasibility analysis of business partners. Based on an interview with one of the respondents and the results of a literature review, the percentage of Non-Performing Financing (NPF), especially cases of problematic financing at BMT DT, is still relatively high. DT Cooperative can pay attention to legality elements in partnering and apply the 5C principles. The 5C principles are carried out before providing loans to debtors by monitoring to test the debtor's suitability to receive financing. Character, namely the character of the customer who takes the financing. Capacity, namely the customer's ability to manage the business that will be provided with financing. Capital is the amount of business capital the customer requires to manage the business. Collateral, namely collateral given by customers to the bank. Condition, namely the condition of the customer's business in the future, whether it has opportunities or not (Muhammad, 2007). As noted in Nadina’s (2022) research, BMT UAS Pamotan employs the 5C principles to evaluate customers and decide whether to approve or reject their financing applications. By applying these principles, problematic financing can be minimized, ultimately enhancing BMT UAS Pamotan's income.

The ninth strategy is optimizing the productivity of owned assets. Based on the results of an interview with one of the respondents, in order to optimize the productivity of its assets, DT Cooperative has merged business units whose activities are interrelated, such as Trans-IT and Cottage Daarul Jannah. The two business units are each engaged in transportation and accommodation services, which are considered to support each other so that their management can be combined into one business unit to reduce operational costs and make a profit. What DT Cooperative can do to optimize the productivity of its assets is to invest in various instruments such as other entities or property. According to the Central Java Ministry of Religion website (2017), it is recommended that cooperative assets be utilized as best as possible so that there are no assets that are not utilized and their value decreases. Underutilized cooperative assets can be used to invest in shares to purchase property assets. Ramadini (2023) said the same thing in her research that the profits from cooperatives should be used as an investment so that cooperatives proliferate and continue to develop.

CONCLUSION

The findings of this study indicate several crucial factors to consider when developing the DT Cooperative. In terms of strength, DT Cooperative possesses is well organized organization. However, the most critical weaknesses is ineffective marketing management. Thus, DT Cooperative still able to take opportunities from their large market.
share. While, changing business dynamics are the most important threat factor that DT Cooperative must foresee.

The strategies that DT Cooperative needs to implement to develop its business based on priority order include increasing cooperation with various parties, implementing product marketing strategies, improving the quality of products and services, improving monitoring and evaluation, improving the quality of human resources through training, utilizing technology, diversifying the business, analyzing the feasibility of business partners, and finally optimizing the product. Optimal business development will raise economic profits, which will increase DT Cooperative’s contribution to Daarut Tauhiid Islamic Boarding School's educational activities, which is now around 5%, as well as remaining company profits (SHU).

This research able to help parties involved in the economic development of Islamic boarding schools. Not only for the DT Cooperative, but also for other cooperatives that have similarities. For the government, it gives new insight to foster Islamic boarding school businesses such as provide financing, training, consultation and mentoring by experts. Apart from that, the government is expected to be able to build business networks between Islamic boarding schools so that in the future it is hoped that Islamic boarding schools will be able to meet each other’s needs. However, this paper still lacks the primary source of information from DT Cooperative is the Head of the Secretariat rather than the Head of DT Cooperative. Aside from that, this study has limits in delving deeper into the business model owned by DT Cooperative, which recomend to be explored by further research.

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AUTHOR CONTRIBUTIONS

In this study, Mohammad Iqbal Irfany contributed to the design, verification of analytical methods, analysis of results, and supervision of the manuscript. Muhammad Alifka Rahmat was responsible for the design, implementation of the research, analysis of the results, and writing of the manuscript. Daffa Aqomal Haq focused on developing the
theoretical framework, writing the manuscript, and and assisted in ensuring compliance with publication standards. All authors discussed the results and contributed to the final manuscript.

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