

# Implementation of Islamic Entrepreneurial Culture in Islamic Boarding Schools

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This research is conducted to understand the process of implementing an entrepreneurial culture in Islamic boarding schools — also known as pesantren — and explaining this implementation based on an Islamic perspective. This research used an interdisciplinary qualitative approach and a phenomenology strategy. The result of this research indicated that the implementation of entrepreneurial culture is performed well through the internalisation of entrepreneurial culture to the society of pesantren, followed by cultural actualisation in various fields of business which are managed by pesantren. Another result of this research is the entrepreneurial culture brings blessings as mentioned in surah Al-A'raf verse 96, which have fulfilled the elements to label pesantren as a blessing boarding school that increases the benefit and goodness for humans and creates an Islamic culture circle of entrepreneurship. Furthermore, it can conclude the unity of Islamic entrepreneurial culture, namely 'aqidah, shariah, akhlaq, culture entrepreneurship, SMEs, and Islamic welfare.

**Keywords:** Pesantren, Islamic Boarding School, Entrepreneurial Culture Process, Islamic Entrepreneurial Culture.

#### Introduction

One of the best ways to maintain a pesantren's economic empowerment is through small and medium enterprises (SMEs). SMEs have a close relationship with entrepreneurship. Both hold a central role for prosperity, even contributing a significant portion of economic growth. The majority of pesantren have SMEs in the form of cooperatives or business and trade



activities, but they are generally limited to meet the internal needs of boarding schools. Few pesantren are able to become an entrepreneurial and business entity which is capable of running activities that reach a market outside the cottage, let alone outside the district or province.

One of the pesantren that can be raised in its role as an Islamic educational institution, as well as in the areas of empowerment and entrepreneurship, is pesantren Riyadlul Jannah in Pacet Mojokerto. This pesantren involves not only students (or *santri*), but also communities around Pacet. For example, in agribusiness in the form of organic vegetables and high value-added engineering and giving students independence in the economy also contributes to the economic prosperity of the society. This is because, not only are the students who live in the pesantren directly involved, but so are the people within the surrounding community who are interested in developing these organic vegetables. They are not only told how to plant and harvest effectively, but they are also briefed on how the existing production can be well channelled.

Another aspect that marks the difference and uniqueness of this pesantren is its vision and mission. The vision of this pesantren is the formation of people who believe and are pious, are of noble character, intelligent, independent, have a work ethic and competitiveness, and are caring and responsible to the religion, nation and state. The unique pesantren's mission, compared to other pesantren, is in developing talent, interest and creativity, as well as developing entrepreneurship and independence. This pesantren has provided an example on how to develop a good entrepreneurship and business. Therefore, it is not excessive, if in 2015, they won an award in the field of entrepreneurship from the Minister of Religious Affairs of the Republic of Indonesia.

Education is the key of national development and betterment. Education is a life, so that educational activities should be able to invest learners with life skills or life competency in accordance with the life environment and the needs of learners. The United Nations Educational, Scientific and Cultural Organization (UNESCO) proposes two principles of education that are related to Pancasila. First, education should be placed on four pillars: learning to know, learning to do, learning to live together, and learning to be. Second, the learning process should be a lifelong learning process (Mulyasa, 2004: 5). The education principle offered by UNESCO has been well implemented by Islamic boarding schools or as known in Indonesia, pesantren. Pesantren is the oldest educational system in Indonesia and has become a characteristic of religious education in Indonesia.

Pesantren is an Islamic educational institution owned by the community that has grown and developed since the spread of Islam in Indonesia. This institution initially is served to prepare the students to understand and master the sciences of Islam only. Many pesantren leaders



perceive that the role and function of pesantren can no longer be maintained by only the traditional roles that have been carried out. Pesantren need to breakthrough their education system responding to social change, where there is an awareness among *kyai* advisors and students (*santri*) that not all alumni of pesantren can become *ustadh* and *kyai* after returning to their hometown. Many of them are just ordinary citizens who cannot be separated from the need to find a job that requires certain knowledge and skills (Ziemek, 1986: 197-198).

Facing such rapid social changes, pesantren at least have made a fundamental transformation in two aspects of the institution and curriculum. The result of this transformation is the increasing role of pesantren as educational institutions, social development institutions, and so on. Through the arena of national development, pesantren are even considered as one of the agents of change in society. Fulfiling the role as an agent of change, pesantren are expected to empower the people around the boarding school, not only in the field of Islamic education, but also in efforts to improve the welfare of pesantren and surrounding communities. In this instance, the researcher wanted to understand the entrepreneurial culture in pesantren Riyadlul Jannah from an Islamic perspective.

#### Literature Review

Entrepreneurship is a willingness to take risks to reach opportunities (Lambing & Kuehl, 2003: 32). Therefore, entrepreneurship is the creation of wealth and added value through ideas, integrating resources, and to actualise those ideas into reality. The essence of entrepreneurship is creativity and innovation. Creativity means the ability to develop new ideas and find new ways to solve problems and face challenges. While innovation is the ability to apply creativity in order to solve problems and opportunities to improve or enrich life degrees (Zimmerer & Scarborough, 1996: 51).

There are seven characteristics of entrepreneurs. They are: (1) Commitment and determination: tenacious, firm and diligent in solving problems; (2) Courage: moral strength, no fear of experimenting, no fear of conflict and failure, paying close attention to risk; (3) Leadership: self-initiator, team builder, and focus on honesty in their business relationships; (4) Obsession with opportunities: sensitive to market and customer needs; (5) Tolerance to risk, ambiguity, and uncertainty: risk takers, experts to minimise risk and familiar with uncertainty; (6) Creativity, reliability, and adaptability: open minded, flexible, uncomfortable with the status quo, and responsive learner; and (7) Motivation for excellence: goal oriented and sensitive to personal strengths and weaknesses (Timmons & Spinelli, 2009: 47).

Islam does not mention and discuss directly about entrepreneurship. However, in the Qur'an and hadith is much information about work and effort. Although Islam sees working for other people or companies to be included as good jobs, to have self-work (business) is still the best



option. This can be seen in some of the following hadiths. The hadith narrated by Ahmad: "Narrated from Rafi 'bin Khadij said, Rasulullah asked: What is the best work? The Prophet Muhammad replied: Working of someone with his own hands and every trade which is mabrur" (al-Shaybani, 2001: 502). The hadith narrated by al-Bukhari, Ahmad, ath-Tabrani: "It is not a person eats food which is better than the effort by his own hands. And indeed Prophet Dawud also eats from the produce of his own hands" (al-Bukhari, 2009: 267).

Based on the verses of the Qur'an and the hadiths of the Prophet Muhammad above, some conclusions can be drawn that are related to entrepreneurship in the Islamic perspective, as follows. Firstly, worship is valued. Islam regards the activities of earning, including entrepreneurship, as an obligation and basic worship. Islam also appreciates entrepreneurship or working with one's own hands. Secondly, and according to the Shariah principles, working or being an entrepreneur is a worship. Therefore, the implementation of entrepreneurship should not be out of Islamic rules, especially relating to fiqh and manners or ethics of business. This is very logical, because Islam is not a secular religion. Islamic law does not separate between *ubudiyah* (pure worship) and *dunya* (worldly). Thirdly, creativity and innovation are highly appreciated, as if aimed to the benefit and welfare of the people. Lastly, Tawakkal is the key to working and undertaking entrepreneurship. It starts with hard work and praying to Allah and entrusting by believing that whatever the result, it is best according to Allah.

The word "culture" is defined as reason, mind; something that concerns the work of the mind. Whereas, the word "mind" itself means a mind that can value either good or bad; nature; morals. Culture includes values, norms, interpretations and models of behaviour that shape the character of society or social groups (Fukuyama, 2001).

Entrepreneurial is an adjective describing how an entrepreneur runs what he does. If the word is embedded into a culture of entrepreneurship (entrepreneurial culture), it is defined as an environment in which a person is motivated to innovate, be creative and take risks (Brownson, 2013). In the Islamic perspective, entrepreneurial culture is guided not only on creativity, innovation, hard work and courage to face the risk, but the culture of Islamic entrepreneurship is a culture that is also guided by the rules of Islam in the field of aqidah, shariah and morals, with the main values of tawakkal, shukr, and zuhd.

According to the legal maxim of mu'amalat, all mu'amalat activity is allowed unless there is a rule that forbids it. It is necessary to introduce the general principles that should be avoided in tijarah. The principle is the avoidance of transactions of the tijarah from adverse or potentially harmful activities to either party in the form of ihtikar, ghabn, maysir, gharar, tadlis, and riba (Salus, 2006: 16). In addition, the activities of tijarah must comply with the terms and conditions of transactions. The transaction or the aqad, is the bond between the ijab



and qabul justified shara' and affects the object of the aqad (Zarqa, 1998: 381-382). The rukun is an element that must exist as an integral part of the nature of something. For example, ruku' and sujud is in harmony in worship (al-Zuhayli, 2011: 429). While the sharat (requirement) is something that must be fulfiled in the execution of something, but it is beyond the essence of something. For example, the sacred of hadath and unclean to pray is a condition, and it is outside the essence of prayer (al-Zuhayli, 2011: 533-534).

The pillars that must be in transactions of tijarah are: (1) The existence of the parties who do tijarah transaction; (2) The existence of transaction objects, either in the form of goods or services; and (3) The existence of tijarah sighat. The agreement procession from two parties is usually known by the term ijab and qabul. Meanwhile, the conditions that must be met in the transaction of tijarah are: (1) Terms for parties who make tijarah transactions which have the ability to act either because of himself or represented; (2) Terms in sighat; and (3) Terms relating to the objects of tijarah's transaction (al-Zuhayli, 2011: 430-500).

#### Research Method

The type of this research is a qualitative research and is subject to socio-religious analysis. This research tries to explore the process of implementing an entrepreneurial culture in a pesantren (Islamic boarding school), "Riyadlul Jannah", in Pacet, Mojokerto and explaining this implementation based on an Islamic perspective. In addition, this research will be analysed by a deductive normative and combined with an inductive empirical to produce the conclusion, according to Islam. Therefore, this research uses a qualitative interdisciplinary approach with a phenomenology strategy. Islamic economics is a form of interdisciplinary science because this science combines the values contained in the revelation of Allah and the hadith of Prophet Muhammad with the economics that were originally free of value (Kaelan, 2010: 31). Thus, this study not only demands inductive empirical results from the collected data about the implementation of an entrepreneurial culture and the welfare of pesantren, but is also based on the deductive normative rules taken from the verses of the Qur'an and the hadith of Prophet Muhammad.

The determination of informants was completed temporally as an early guideline (emergent sampling design) when researchers first conducted field study in the pesantren. The subsequent step follows the dynamics in the field, which is a sample of informants rolled like a snowball, according to the instructions obtained from previous informants. This stage continues and only ends when the data development has led to the saturation point (selection to the point of redundancy). The first informant is the head of Riyadlul Jannah pesantren, Yusuf Misbah. Through him, the researcher will be connected to other informants. The main informant in Riyadlul Jannah pesantren, is the founder and the caregiver of Riyadlul Jannah pesantren. He is considered to be the main informant because he understands the most about



Riyadlul Jannah's activity operating system. The next informant is the Director of Business of Riyadlul Jannah pesantren, Haqqul Yaqin. This research is about the implementation of an Islamic entrepreneurial culture in Riyadlul Jannah. The Director of Business of Riyadlul Jannah pesantren can provide the researcher with important information about the implementation of an Islamic entrepreneurial culture to students (*santri*). Another informant is the President of the Alumni Association of Riyadlul Jannah pesantren, Husnan Afandi. He is considered to be an informant because he is delivering the implementation of an Islamic entrepreneurial culture in society life. All information regarding how the implementation occurs could provide support to this research.

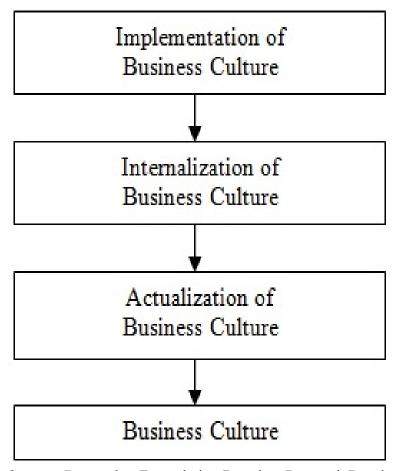
The data collection methods used in this study were observation, interview and documentary. Participant observation comprised what the author observed directly, even involved in pesantren activities. The interview method consisted of interviewing the informants to obtain comprehensive and deeper information about the activity and progress of the pesantren. The documentary method was applied with the researchers collecting data from documents, archives and photos contained in the Riyadlul Jannah pesantren.

#### **Results and Discussion**

#### Entrepreneurial Culture at Pesantren Riyadlul Jannah

The implementation of an entrepreneurial culture is formed in four components. Namely, entrepreneurial attributes, entrepreneurial values, entrepreneurial mindset, and entrepreneurial behaviour. The practice of that formation at pesantren Riyadlul Jannah is illustrated in Figure 1 below.

Figure 1. Entrepreneurial Culture Process



Source: Researcher Formulation Based on Research Result

Figure 1 above explains that the implementation of an entrepreneurial culture in pesantren Riyadlul Jannah starts from the internalisation of entrepreneurial learning in the pesantren. Furthermore, the internalisation of entrepreneurial learning is embodied in the actualisation as SMEs, named Rijan Dynamic Selaras (RDS), which contain 15 business divisions and ultimately, become an entrepreneurial culture. The first attempt to instil an entrepreneurial culture is exemplified by the role model of the pesantren elder, KH Mahfudz Syaubari. He is an 'ulama' and entrepreneur who successfully built and developed various businesses. This is proven by the establishment of various business units from minimarket, agribusiness, fast food culinary, traditional cuisine and among others, with a monthly turnover of approximately Rp 5 billion in 2015. This is an example of KH Mahfudz's role. In addition, he emphasises the exemplary to students (*santri*) for always having a self-reliance and entrepreneurship mentality (interview with KH Mahfudz Syaubari on October 18, 2015).

Students (santri), in the age of adolescence, as like other children, are also vulnerable to positive and negative influences. At this time, teenagers experience an identity crisis and are



trying to find role models. Role models can have a significant influence on teenagers, especially if the role model is a figure in the community. This is able to attract large numbers of people as well. For students (*santri*), the nearest role model is their ustadz or elders in the pesantren. KH Mahfudz's ability to be exemplary in entrepreneurship will inspire them about being empowered in life, so as to provide reinforcement. This leaves a memorable impression on the minds of the students (*santri*) to the extent that it will be embedded into their consciousness. This is what eventually becomes the nature and value in the entrepreneurial culture of students (*santri*).

The second attempt to instil an entrepreneurial culture is through the brainstorming of self-reliance and entrepreneurship doctrine in every opportunity, continuously ingrained in every learning process. Such a doctrine can be regarded as the most influential factor to students (santri) because it will be recorded and kept in their consciousness, which ultimately also creates a value of entrepreneurship and self-reliance within them. Through participant observation, the researcher found that during one of the Sunday morning observations, when the kyai is teaching the book of Sufism of Al-Hikam, he discussed the importance of self-sufficiency and entrepreneurship several times. Similarly, some alumni students (santri) also recognised it, such as Ustadz Haqqul Yaqin (interview dated September 8, 2015). In addition to being tucked in between sessions, which is also always delivered on various occasions, is "Syiir Kebangsaan". These syiir are often sung together within students (santri), jamaah or audiences, whether in religious studies at the pesantren or in other forums. The important points of the contents of this syiir are related to independence and entrepreneurship (Forum Peduli Bangsa, pp. 9-16).

The third attempt to build the culture of entrepreneurship is to familiarise students (*santri*) to live a disciplined and independent life. This is a preparation for students (*santri*) to become entrepreneurs with a strong and responsible character. In other words, the preparation of entrepreneurs lies in the forces of personal power to make them independent, innovative and creative. In addition, being able to strive for life and achievement, so this will be the mindset of the students (*santri*). The efforts undertaken by the pesantren in instilling discipline and self-reliance in the pesantren are:

- a. The schedule of pesantren which requires every student (*santri*) to follow the rules of the cottage in accordance with its provisions. One of the efforts is to train the students (*santri*) to pray five times in congregation and when they are late to pray together, they will receive a punishment (interview with Ustadz Haqqul Yaqin on October 15, 2015).
- b. In addition to instiling discipline and hard work, this pesantren strictly forbids its students (*santri*) to sleep in the morning. All students (*santri*) are also accustomed to performing duha prayer. After praying together, students (*santri*) are familiarised with



- reading wirid. The wirid practices, duha prayers and so on, should still be accompanied by effort and hard work (interview with Ustadz Haqqul Yaqin dated September 8, 2015).
- c. Familiarise students (*santri*) for tariqah, which takes pains to achieve a purpose or happiness. In the observation, the researchers looked at how the students (*santri*) get used to washing their own clothes and when eating a simple food menu, namely rice and a side dish of tempe or tofu. This is to forge the students (*santri*) to develop a tough soul to live in various conditions, to always be grateful, and to not easily give up or complain about something.
- d. Familiarise the students (*santri*) to live thriftily through the rules of exchanging the rupiah money with coupon money, which it is valid to trade in the pesantren business unit only. Besides preventing the occurrence of wasting money by students (*santri*), on the other hand, it also provides an added economic value of the pesantren.

The fourth attempt to cultivate entrepreneurship is through entrepreneurial-based learning so that it will become the behaviour of the students (santri). Pesantren are purposed to educate students (santri) to help and improve the social welfare and environment. The way the pesantren achieves that goal is through education. Riyadlul Jannah integrates entrepreneurial-based learning into its curriculum, precisely in the extracurricular curriculum of this pesantren. The development of an entrepreneurial curriculum in extracurricular aims to provide opportunities for the students to develop and express themselves in accordance with the needs, potential, talents, interests, conditions, and development of learners with the potential of the pesantren (interview with Ustadz Haqqul Yaqin on September 8, 2015).

Based on the observation of the learning process in this pesantren, it can be seen that the pesantren also involves students (santri) to experience it. The pesantren applied learning while doing jobs according to the type of their interested skill. Students (santri) are directly involved in the field while they are briefed on the ways of a job process. As an example of how to grow the organic mustard greens, the students were immediately taken to the garden to learn how to plant the mustard or how to manage the chicken slaughterhouse, making fish ponds and others. The benefits of such a learning system include that students obtain the knowledge directly by practicing, resulting in that knowledge being retained. Further, they can also solve problems directly in the field. The method of learning positions students (santri) to be directed to be the master on process skill. A special day for this activity is every Tuesday, when the students clean up and learn the extracurricular activities that are being sought by the students in this pesantren. This activity usually takes place from 06.00–08.00 WIB. The researchers found that the students (santri) work in accordance with their interests and talents. In every activity, there is supervision from the teachers or senior students (santri) who function as a facilitator in guiding the students involved in the activity.



The culture of entrepreneurship includes attributes, values, mindsets and behaviours that are owned by someone. Therefore, to realise a productive effort it requires a medium to form business activities. Business activities are generally in the form of micro, small and medium enterprises (MSMEs). Similarly, what happened in Riyadlul Jannah is manifested in various forms of business units and certain businesses. The business unit has 15 divisions, which are organised in a main corporate company named Rijan Dynamic Selaras (RDS). RDS is a corporation, so RDS does not belong to a foundation or a pesantren. The business unit in RDS is owned by KH Mahfudz Syaubari, the Ustadz and alumni of Riyadlul Jannah. Therefore, structurally, RDS is separated from the pesantren, although most of RDS owners are board members of Riyadlul Jannah. All business units in RDS contribute ten per cent of their income for operational needs, pesantren development, and other social charity (interview with Ustadz Husnan Afandi on January 22, 2017).

#### Entrepreneurial Culture of Pesantren Riyadlul Jannah in the Islamic Perspective

Islam is a perfect religion, wherein The Qur'an says: "Today I have perfected your religion for you..." (surah al-Ma'idah: 3). The perfection of Islam can be seen in every detail of the space of human movement where there are rules of shari'ah. The teachings of Islam in the form of 'aqidah, shari'ah and morals, all go together. A correct understanding of 'aqidah will produce an ikhtiyar and 'amaliyyah, which are accompanied by prayer and tawakkal. Ikhtiyar itself enters the level of shari'ah. So, all efforts must be in accordance to the guidance of Allah in fiqh mu'amalat. Furthermore, prayer and tawakkal, as the form of the servant morality, is the acknowledgment that all achievement is not solely because of their selves but is also to show human weakness in the presence of Allah through prayer. Conversely, if there is a failure, it is not easy to despair and always rely on Allah. It is beautifully illustrated in the surah Ibrahim ayah 24–25. Based on the ayah, for being a good quality tree, there are three indicators needed. Firstly, strong roots which can be the foundation of the tree, so that it can grow along with stems, leaves and fruits. Secondly, the branches rise upward. The deep-rooted tree will grow stems and twigs. Thirdly, from these stems and twigs will grow the leaves and also produce fruits. These leaves and fruits provide benefits as greening, beauty, oxygen, and consumption, among others. Good moral values will bring good benefits that can comfort many people. This good akhlaq can only be obtained with a righteous 'aqidah and walk on the true Shari'ah. This is the believers' parable of the noble character. 'Aqidah and shari'ah that is strong and true will cultivate the noble character, that is, Islamic character. The prophet's word: "The most perfect people believer faith is the best morality". The practice of all the teachings of Islam, 'aqidah, shari'ah and akhlaq, is a form of Islamic Kaffah, as mentioned in the surah al-Baqarah ayah 208. The interpretation of the verse, according to Ibn Kathir, is that Allah commands his servants who believe in him and justify his messenger. Let them hold on to the ropes of Islam and all Shari'ah, and practice all his commandments and abandon all his prohibitions with all the



abilities that exist to them. Lafaz kaffah, according to Ibn Abbas, Mujahid, Abul Aliyah, Ikrimah, Ar-Rabi 'bin Anas, As-Saddi, Muqatil ibn Hayyan, Qatadah and Ad-Dahhak, means "whole" (Kathir, 2006: 239). The meaning of kaffah, as per the opinions of experts and scholars of the interpretation above, can be paired on how the implementation of entrepreneurship culture occurs in Riyadlul Jannah. Kaffah in Islamic teachings consists of the three components of 'aqidah, shari'ah and akhlaq. 'Aqidah is the foundation of belief in Islam forms and influences the four components of entrepreneurial culture of attributes, values, mindsets and entrepreneurial behaviour. Shari'ah, as an 'amaliyyah, was born from believing the 'aqidah form and influences the mindset and entrepreneurial behaviour. Akhlaq encompasses the traits that have become a habit of one's behaviour, as well as forming and influencing the four components of entrepreneurial culture of attributes, values, thought patterns and entrepreneurial behaviour.

To assess the implementation of Kaffah entrepreneurial culture in Riyadlul Jannah, there are several items of concern. It is difficult to see and assess aspects of attributes and values of entrepreneurial culture directly, just as it is difficult to assess the alignment and purity of a person's 'aqidah. To overcome this difficulty — as is done to see and judge a person's 'aqidah — is to observe the 'amaliyyah and interview the desired object. Through interviews and participant observation, it can be seen that the entrepreneurial culture in this pesantren has fulfiled the elements needed to be grouped as Kaffah. Furthermore, in this pesantren, the concept of morality is developed based on the teachings of Sufism or tasawwuf. Sufism can be explained as the crystallisation of 'aqidah, shari'ah and akhlaq. The pesantren routinely examines the tasawuf book of al-Ghazali (Bidayah al-Hidayah and Ihya 'Ulum al-Din) and Ibnu Athaillah (Al-Hikam).

The special concept of Sufism or tasawwuf here is about zuhud. Based on the observations and interviews in this pesantren, it's known that there are different concepts of Sufism between what has been applied in the pesantren and what has been understood by many people. In this pesantren, the existing and practiced concept of tasawwuf is the result of the deconstruction of the concept of sufism that developed during this time and was then put on its khittah. Further, that Islam does not differentiate or emphasise, only in one area. Sufism is not just a matter of tariqah or dhikr behaviour by avoiding world affairs. However, in this pesantren, the value of sufism becomes the driving force to work hard in order to become a more beneficial human being for others. Sufism is primarily a zuhud concept, fortifying itself from greed and worldly disorientation. Through sufism, this pesantren is able to become a locomotive for entrepreneurship and self-reliance pesantren.

Seeing the gait of Pesantren Riyadlul Jannah, it can be said that blessings, as mentioned in surah al-A'raf 96, have fulfiled the elements to label Riyadlul Jannah as a blessing pesantren. Based on the meaning of blessing, that the increase of benefit and goodness for humans, then



there are some considerations to state that this pesantren has reached a blessing. This consideration refers to the indicators of benefit in maqasid shari'ah, namely:

#### a. Hifdh al-Din or preservation of religion

Maintaining religion is the highest goal of Islamic welfare. The entrepreneurial culture embodied in SMEs in Riyadlul Jannah and in various fields, enables this pesantren to have financial independence. With independence and sufficient funds, Riyadlul Jannah is able to compete with non-Islamic institutions. Even since the beginning of this pesantren, one of the goals is to stem and degrade the flow of Christianisation in the Pacet sub-district, because Pacet is the target area of Christianisation (interview with Ustadz Husnan Afandi dated September 23, 2015).

The construction of this pesantren, which is followed by various religious and social activities, makes the movement of Christianity hampered, narrowed and even reduced. This saves the religious (hifdh al-din) of the Pacet citizens from apostasy, and further, recalls the once-Muslim and converted to return again to Islam (interview with Ustadz Husnan Afandi on September 23, 2015).

Impact in the field of al-din is the implementation of worship in this pesantren. This pesantren organises various kinds of worship that can be directly felt by the society that is salat jama'ah, dhikr, wirid, and various kinds of kitab recitation. The recitation of such hadith literature increases the religious knowledge of society, which increases belief, faith and worship. Likewise, the study of tasawwuf *al-Hikam* and *Ihya 'Ulum ad-Din* is a spiritual spark that raises awareness in the amaliyah improvement (interview with Ustadz Yusuf Misbah dated August 30, 2015).

#### b. Hifdh an-nafs or sustained soul

The purpose of establishing shari'ah after maintaining religion is to guard the soul. The strong entrepreneurial culture of this pesantren causes its business units to grow rapidly. The existence of the financial capacity of Riyadlul Jannah makes it easy to establish institutions that accommodate children who have economic difficulty, especially those who live in the pesantren, so that they are guaranteed to eat and drink. Even in certain events, the pesantren invites orphans and elderly widows to be given compensation (interview with Ustadz Husnan Afandi dated July 26, 2016). This business unit in the pesantren sets aside ten per cent of its profits for social activities (interview with Ustadz Haqqul Yaqin on October 15, 2015). Furthermore, this pesantren formed a special institution to take care of children who need to be helped (interview with Ustadz Husnan Afandi dated July 26, 2016).



#### c. Hifdh al-'aql or intelligent awareness

Demanding knowledge is an obligation for Muslims, whether religious or non-religious. As the name implies, all pesantren equip their students (*santri*) with the religious sciences. Riyadlul Jannah go a step further and equip students with religious science and non-religious knowledge. Those who are orphaned are prioritised to receive free education in the pesantren (interview with Ustadz Husnan Afandi on July 26, 2016). Furthermore, this pesantren also brings enlightenment to the people of Pacet and its surroundings by conducting a daily routine study after dawn for the mosque caretakers, every Friday for mothers, and every *Legi's* Sunday for the general public. This study directly adds to science as a manifestation of al-'aql's maintenance, as well as strengthening ad-din for the citizens of Pacet (interviews with residents of Pacet, Pak Sujak, Pak Kaslan and Pak Ahmad Said on 30 August 2015).

#### d. Hifdh an-nasl or the preservation of offspring and honour

The role of the pesantren in maintaining an-nasl is very prominent because this is the domain of the pesantren in preparing a good generation. The financial independence of this pesantren is able to organise lessons that not only prepare the students with religious education, but also to have a soul and be skilled in entrepreneurship.

Similarly, in accordance with their expertise and authority, the pesantren often appeals to the community through leaflets and other mediums in order to maintain the norm of decency, since Pacet is a tourist area susceptible to an-nasl desecration (interview with Ustadz Husnan Afandi dated September 23, 2015).

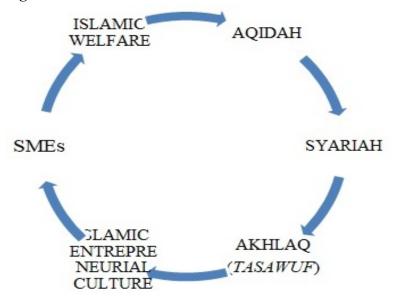
#### e. Hifdh al-mal or the preservation of property

The last intention of the establishment of shari'ah is the maintenance of property through the obligation to work, doing business and other halal business, as well as away from tyrannising the rights and property of others, such as the prohibition of usury and penalties for thieves and robbers. This has been done very well by Riyadlul Jannah pesantren, even making it a vision of its mission to civilise the entrepreneurial spirit and independence. Through small and medium enterprises spread across 15 divisions, each month generates revenue of at least Rp 5 billion, and contributes tax of Rp 500 million. It instils a culture to give and feel proud to be able to pay taxes to the state (interview with KH Mahfudz Syaubari on October 18, 2015).

Business units incorporated in the RDS also employ the surrounding community, which improves the al-mal aspect of the community (interview with Ustadz Yusuf Misbah on 30 August 2015). Community empowerment in the field of al-mal is not only hiring them but is also partnerships in the procurement of goods for the purposes of pesantren, and farm management, among others (interview with Ustadz Haqqul Yaqin on October 15, 2015). Referring to the normative deductive basis of the surah Ibrahim 24–25, al-A'raf 96, the hadith

about the kufr, and combined with empirical-inductive basis in the implementation of an entrepreneurial culture in pesantren Riyadlul Jannah, it can be concluded that the Islamic culture circle of Islamic entrepreneurship started from the belief to Islamic 'aqidah. From this 'aqidah, built 'amaliyyah shari'ah. Then, from both appear akhlaq, in this tasawwuf, which leads to the concept of tawakkal, zuhud and shukr. Furthermore, derived from the three components of Islamic teachings is the culture of Islamic entrepreneurship. It manifests from here in the form of business activities in the UMKM. The existence of business activities based on Islamic entrepreneurship culture resulted in Islamic welfare. It is termed Islamic welfare because it is in accordance with the Islamic principle in the acquisition of al-mal and its management. Therefore, it can bring benefits to the pesantren and the society. The existence of Islamic prosperity will reinforce the 'aqidah, among others, in the form of added faith and steady understanding of the destiny from Allah. Increasing the faith leads to increasing the 'amaliyyah shari'ah and the more good akhlaq, and so on. In summary, it can be seen in Figure 2 below:

Figure 2. Islamic Cultural Environment Circle



**Source:** Researcher Formulation Based on Research Result

#### **Conclusions**

The entrepreneurship culture in pesantren Riyadlul Jannah started from the internalisation of an entrepreneurship culture in the form of pesantren learning. Furthermore, it was embodied in the actualisation of SMEs in Rijan Dynamic Selaras (RDS), which contains 15 business divisions, and ultimately, this became an entrepreneurial culture. The implementation of an entrepreneurship culture in Riyadlul Jannah is based on 'aqidah and sharia and produces akhlaq, which then brings the blessing. The blessings of this entrepreneurial culture being



implemented are an increased benefit from the aspect of faith or religion, increasing the benefit of the spiritual or soul, increasing the usefulness of science or intellect and preparation of the generation, and increasing usefulness in terms of wealth or property. Increased profits automatically increase the quantity of donations because ten per cent of RDS business unit profits are for pesantren activities and other socio-religious activities. The existence of business units in RDS also accommodates the labour of the local people, so they also feel the financial benefits.

Referring to the deductive normative foundation of the surah Ibrahim 24–25, Al-A'raf 96, the hadith about the kufr, and paired with the empirical-inductive basis in the implementation of entrepreneurial culture in the pesantren Riyadlul Jannah, the culture of entrepreneurship at the pesantren forms a cultural circle of Islamic entrepreneurship. In consideration of further research, it should be more varied in conducting a focus or research approach, such as a quantitative approach, so that it can be used as a benchmark to generalise the existing cases. Likewise, the business model or holding RDS can be a good research field with both qualitative and quantitative approaches.



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