

# Santripreneurship in Practice: A Model of Entrepreneurship Development at Sunan Drajat Islamic Boarding School, Lamongan

Alifya Nurul Falach<sup>1\*</sup>, Muhtadi Ridwan<sup>1</sup>, Muchammad Fauzan Zenrif<sup>1</sup>

<sup>1</sup> Universitas Islam Negeri Maulana Malik Ibrahim Malang, Malang/Indonesia

## Abstract

The growing role of Islamic boarding schools (pesantren) in community-based economic development highlights the need for models that integrate entrepreneurship with spiritual values. This study aims to develop a santripreneur model at Sunan Drajat Islamic Boarding School (Pesantren), Lamongan. Using a qualitative case study design, data were collected through in-depth interviews, focus group discussions, direct observation, and document analysis across the pesantren's business units. The findings identify a structured four-stage trajectory—startup, stabilization, growth and development, and real business synergy—that reflects the transformation of santri into Islamic entrepreneurs. This model integrates Islamic spiritual values with modern business practices, emphasizing tawhīd, ethical conduct, performance discipline, and stakeholder collaboration. It not only cultivates an entrepreneurial mindset rooted in Shariah principles but also promotes institutional sustainability through structured training and alumni engagement. Conceptually, the model addresses a gap in the Islamic entrepreneurship literature. Practically, it offers a replicable framework for other pesantren seeking a sustainable, Shariah-compliant economic ecosystem.

**Keywords:** Alumni; Entrepreneurship; Islamic Economics; Pesantren; Santripreneur

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\*Corresponding Author. Email: [alifyafalach@gmail.com](mailto:alifyafalach@gmail.com)

## Introduction

Working for economic advancement is regarded as a sacred religious obligation (Dunya, 2004). The Prophet Muhammad stated that nine out of ten avenues of sustenance come through trade (entrepreneurship). This is reflected today: Forbes 2023 lists show that the wealthiest individuals globally—and in Indonesia—are predominantly entrepreneurs (Putri, 2023).

Entrepreneurship has long been recognized as a primary driver of economic development and social innovation across nations (Shane & Venkataraman, 2000). In classical economic theory, entrepreneurs are portrayed as change agents who introduce innovation and stimulate market dynamics through the process of creative destruction (Schumpeter, 1934). In more contemporary literature, entrepreneurial orientation—grounded in innovation, creativity, and opportunity recognition—has become increasingly essential for navigating the evolving global business environment (Baron et al., 2016; Mahmood & Hanafi, 2013).

In Indonesia, the promotion of entrepreneurship has become a strategic priority in national development, particularly in efforts to strengthen community-based economic sectors (Anggadwita et al., 2021a). Pesantren—Islamic boarding schools deeply rooted in local communities—hold strategic potential as value-driven incubators of entrepreneurship (Ashraf, 2021). In response, the santripreneur development program has emerged as a key initiative to empower Muslim communities through Shariah-based values. According to the Indonesian Ministry of Religious Affairs (2023), there are 39,551 pesantren nationwide, serving approximately 4.9 million santri.

Despite its growing visibility in public discourse, the concept of *santripreneur* remains loosely defined in academic literature. Most existing studies equate santripreneurship with entrepreneurial activities by *santri*, without clearly distinguishing it from general Muslim entrepreneurship (Ayob & Saiyed, 2020; Gümüşay, 2015). However, santripreneurship embodies unique dimensions of spirituality, communal values, and ethical transformation that set it apart from conventional entrepreneurial models.

In *The Religion of Java* (1960), Clifford Geertz examined which segments of Javanese Muslims demonstrated an entrepreneurial ethos akin to the Protestant Ethic identified by Max Weber (Burhani, 2017). Geertz anticipated that *santri* would emerge as an indigenous entrepreneurial elite (Ir Agus Siswanto, 2022). This

prediction is increasingly borne out by the rise in business ventures within pesantren, contributing visibly to the national economy (Rofiaty, 2019).

Within the framework of Islamic economics, entrepreneurship is viewed not merely as an economic activity but also as a form of worship and a means of social contribution (Salleh et al., 2021; M. K. R. Shahar et al., 2019).. Islam advocates business practices that prioritize shared welfare (*falah*) and the pursuit of social justice, rather than purely material gain (Hashim, 2012). Therefore, the development of santripreneurship must be firmly grounded in Shariah principles—justice, honesty, transparency, and social responsibility (Beekun & Badawi, 2015).

Sunan Drajat Islamic Boarding School stands as a pioneering institution in *santripreneur* development. In 2020, the pesantren enrolled around 12,000 students and employed 1,041 teachers while operating numerous business units jointly managed by *santri*, alumni, and members of the surrounding community. In 2017, the Indonesian Ministry of Industry recognized Sunan Drajat as the pilot *santripreneur* project for East Java.

This initiative has become a benchmark for other pesantren. Sunan Drajat was chosen as a pilot project largely due to its existing track record of student-run businesses. The *santripreneur* program—now replicated in various pesantren—seeks to identify and cultivate entrepreneurial talent, integrate students into local economic ecosystems, and enhance the socio-economic role of pesantren in their communities. With support from diverse stakeholders, pesantren-based entrepreneurship holds significant potential to strengthen the Shariah economy and deliver broader societal benefits.

Nevertheless, critical challenges remain. Many pesantren lack the managerial capacity or structural understanding necessary to implement sustainable entrepreneurial models. Business activities often emerge spontaneously, with limited institutionalization or mentorship, resulting in growth that remains confined within the pesantren environment.

Empirical studies indicate that entrepreneurship development in pesantren possesses distinctive characteristics not commonly found in conventional models. For example, Anggadwita et al. (2021) emphasize the importance of a humane entrepreneurship approach to nurture a value-driven business ecosystem in Islamic boarding schools. Ahwarumi et al. (2018), focusing on Sunan Drajat, found that pesantren-based incubators significantly enhance *santri* capacity for independent entrepreneurship.

Yet, most previous research remains descriptive and lacks a structured, stage-based model that explains how *santri* transition into *santripreneurs* (Ma'arif et al., 2023). Addressing this gap, the present study proposes a systematic model for *santripreneur* development within the pesantren environment.

The model consists of four interrelated stages: the startup stage, which activates individual entrepreneurial potential; the stabilization stage, which instills Islamic work ethics; the growth and development stage; and finally, the business synergy realisation stage, where the pesantren's various business units collaborate strategically. This framework aims to foster both economic advancement and the internalisation of spiritual values within everyday business practice.

Ultimately, this study seeks to enrich the theoretical foundation of community-based Islamic entrepreneurship, address gaps in the literature on *santripreneurship*, and offer practical guidance for developing entrepreneurship programs within Indonesian pesantren and other Muslim-majority contexts.

## Literature Review

Entrepreneurship has long been recognized as one of humanity's oldest activities and professions (Mintardjo et al., 2020). It is commonly defined as the process of discovering, evaluating, and exploiting opportunities (Anwar & Daniel, 2017; Becker et al., 2012). Contemporary entrepreneurship studies position education and mindset as foundational to entrepreneurial behavior. For instance, entrepreneurship education programs that integrate experiential learning have been shown to enhance both competence and entrepreneurial intention (Nabi et al., 2017). Moreover, cultivating an entrepreneurial mindset—the ability to perceive uncertainty as opportunity—is regarded as a prerequisite for creativity and innovation (Kuratko et al., 2023).

At the macroeconomic level, start-up activity contributes positively to economic growth by generating employment and boosting productivity (Audretsch et al., 2006). During global crises such as the COVID-19 pandemic, social entrepreneurship has emerged as an adaptive mechanism to address community needs (Bacq & Lumpkin, 2021). Ethics remain central to this discourse; Aldridge & Audretsch (2016) note that as digital innovation accelerates, moral dilemmas facing entrepreneurs become increasingly complex, reinforcing the need for a well-defined ethical framework.

Islamic entrepreneurship has expanded well beyond the Middle East and Muslim-majority countries, with scholars also documenting initiatives in non-Muslim contexts (Cunha et al., 2015). Within Islam, entrepreneurship is viewed not merely as a profession but as a way of life (Mohd Fauzi et al., 2022; Salaheldeen et al., 2023). The faith encourages engagement in business as a form of worship—benefiting others while navigating worldly responsibilities (T. Abdullah et al., 2023). From this perspective, commercial activity is meant to seek the pleasure of God Almighty. In an authentically Islamic entrepreneurial framework, religion and economic behavior are inseparable. Economic transactions are governed not only by secular regulations but also by religious principles (Ashraf, 2021).

Islamic economics conceptualizes entrepreneurship as an act of worship that requires Shariah compliance and social accountability. Thus, spiritual values must be integrated into business practice. Ali & Alharbi (2020) critique the lack of connection between formal entrepreneurship education and the inculcation of Islamic values. They propose a revised curriculum that merges *fiqh mu'amalah*, spirituality, and contemporary business techniques. Farooq (2016) similarly argues that the *maqāṣid al-sharī'ah*—namely public benefit, distributive justice, and sustainability—should serve as the core success indicators in Islamic entrepreneurship.

One model of Islamic entrepreneurship education is the *santripreneur* concept, implemented in pesantren. This approach reflects the pesantren's efforts to cultivate value-oriented entrepreneurs. Studies at various pesantren across Java show that project-based learning and mentorship in real business contexts significantly enhance *santri* entrepreneurial intentions and competencies. Wang et al. (2023) add that entrepreneurial education, when supported by conducive environments, increases the likelihood of Muslim students starting businesses.

Abubakar et al. (2020) propose a pesantren entrepreneurial-mindset model based on the internalization of *tauḥīd*, the habituation of creative behavior, and hands-on business experience. These studies highlight the urgent need for a structured, stage-based entrepreneurship model that encompasses the full cycle—from recruitment and value formation to business scaling. However, such comprehensive frameworks remain rare in the literature. Zaki et al. (2022) report that pesantren in Java and Madura have empowered local economies through student cooperatives and SME partnerships. Still, challenges persist, particularly in financing and post-mentorship stages (Allah Pitchay et al., 2019). To date, no unified

model has successfully integrated modern entrepreneurship theory, Shariah principles, and the practical realities of pesantren-based economic development.

Methods

This study adopted a qualitative, single-case study design (Rashid et al., 2019) to gain an in-depth understanding of the dynamics of the *santripreneur* program at Sunan Drajat Islamic Boarding School (pesantren) in East Java. This institution is renowned for its self-reliance and entrepreneurial ethos, with business units that have expanded to national and even international markets. The research prioritized the detailed description of on-site social realities, enabling an analysis grounded in the subjective experiences of informants.

Informant selection

Two sampling techniques were employed. First, purposive sampling was used to identify four key informants who hold strategic positions within the pesantren’s economic division. Second, snowball sampling was applied to recruit ten *santripreneurs*, one community member, and one alumnus—each referred by the initial key informants—until data saturation was achieved.

Table 1. Informant Profile

No	Name	Position
1	Biyati Ahwarumi	President Director
2	Abdul Khamid	Compliance Director
3	Fathiyatus Zahro	General Manager
4	Tajudin Athoillah	Business-Unit Manager
5	Mega Ajeng, Nur Khasanah, Lailatul Fikriyah, Nita Rosdiana, Tutik Aminah, Rahmatul Muayadah, Isnanun Nikmah, Riska, Hastin, Anita	Santripreneurs
6	Khoiril Bariyah	Local resident
7	Aditya Mukarrom	Alumnus

Data collection

Following the guidelines for qualitative interview design proposed by Kallio et al. (2016), this study employed multiple data collection methods to gain a comprehensive understanding of the *santripreneur* program at Sunan Drajat Islamic Boarding School. The primary method was semi-structured, in-depth interviews,

organized around five thematic blocks: (1) the background of the pesantren's entrepreneurship development; (2) entrepreneurial development activities; (3) the roles of internal and external stakeholders; (4) the implementation stages of the *santripreneur* program; and (5) operational constraints encountered during program execution.

To enrich the data and incorporate group perspectives, a focus group discussion (FGD) was conducted with ten active *santripreneurs*. This method helped capture shared experiences and collective insights related to the design and execution of entrepreneurial activities within the pesantren context (Moser & Korstjens, 2018).

Additional data were gathered through direct observation and document review across all pesantren-managed business units. These methods enabled the researchers to contextualize participant narratives and triangulate the findings, thereby enhancing the overall credibility and depth of the study.

### **Data Analysis**

The analysis process followed a structured qualitative approach. Interview transcripts and observational notes were organized based on the thematic structure of the interview guide. Relevant information was then reduced, coded, and categorized into thematic groups. Key insights were synthesized into concise summaries to facilitate interpretation and pattern identification.

Subsequent stages involved verifying relationships across themes and drawing conclusions grounded in the data. To ensure validity and trustworthiness, data triangulation was applied by cross-checking findings from interviews, focus group discussions (FGDs), direct observations, and document reviews. This process strengthened the credibility of the results by confirming consistency across multiple data sources.

### **Result and Discussions**

Referring to the *2016 Technical Guidelines for Entrepreneurship/Entrepreneurial Islamic Boarding Schools*, Sunan Drajat Pesantren meets all criteria for classification as a *santripreneur*-based institution. The key objectives of the program are to: (a) support the development of *santri* self-reliance through entrepreneurial skill-building; (b) optimize existing potential in accordance with each *santri*'s talents and the resources of the surrounding community; (c) enhance the capacity of pesantren-based entrepreneurial resources to develop the pesantren's economic potential; (d)

strengthen these resources to improve the economy of the neighboring community; (e) establish business networks between entrepreneurial pesantren and external stakeholders; and (f) foster a conducive business environment for pesantren entrepreneurs.

The objectives outlined above are achievable because the pesantren's entrepreneurial activities are rooted in a core philosophy: the implementation of Islamic teachings that legitimize and encourage entrepreneurial behavior (Ramadani et al., 2015). As a result, business motivation is driven not solely by material gain but also by social and religious objectives (Huda, 2016). Interview data gathered during this study reinforces this perspective.

"Becoming an entrepreneur is a part of our essence as servants of Allah, commanded to prosper the earth through *tawhīd*, so that we may be entrepreneurs who are sufi and zuhud, creating *baladun ṭayyibatun wa-rabbun ghafūr*." (Biyati, President Director)

"We are taught to be entrepreneurs who bring *rahmah*—compassion—so that society can feel the benefit of our business. *Abah* Kyai stresses that santri must master business skills in order to be more useful." (Tajuddin, Business-Unit Manager)

The implementation of this philosophy is reflected in the pesantren's economic self-reliance, the continuous expansion of its business units, and its entrepreneurial activities that consistently integrate spiritual values. Field observations indicate that commercial operations are routinely paused during the prescribed prayer times, underscoring the institution's commitment to harmonizing business with religious obligations. Islam places great emphasis on entrepreneurship as a vehicle for promoting economic prosperity, sustainability, and communal well-being. This principle is embedded within Islamic economic activity and is implicitly conveyed in Sūrat al-Jumu'ah (62:10):

Then, once the prayer is concluded, disperse through the land and seek Allah's bounty, and remember Allah often, so that you may prosper.

In this regard, Yusuf al-Qaradawi argues that economic progress is fundamentally rooted in human endeavor. Land and capital are merely passive assets whose value is realized only when people engage them through work, creativity, and strategic planning. From an Islamic perspective, therefore, the human work ethic holds a central and devotional status—one that surpasses the role of wealth or physical infrastructure alone (Masyhuri Machfudz, 2015)



### Santripreneur Units and Activities

Sunan Drajat Islamic Boarding School operates 46 business units managed by santri, alumni, and local residents. These ventures include (among others) PT Sunan Drajat Lamongan, CV Aidrat, Jus Mengkudu Sunan, Kemiri Sunan, Garam Samudra, a garment factory, a printing shop, Sunan Drajat Department Store, Sunan Drajat Bookshop, the campus canteen, a food court, a restaurant, an *es doger* stall, a laundry service, an internet café, Persada TV, Radio Persada, a photocopy centre, Persada Rihlah travel, a BMT (Islamic micro-finance unit), catfish farming layer-chicken and cattle-goat farms, a footwear workshop, and an LED-lamp workshop.

The pesantren's enterprises employ two categories of santripreneurs. The first group consists of full-time santripreneurs, who are typically local residents or non-formal santri dedicating their entire working hours to managing and operating the pesantren businesses. The second group includes part-time santripreneurs, who are university students contributing to the enterprises during their spare time between classes. Each business unit operates on a different schedule, with some opening as early as 06:00 and others starting at 09:00. Despite the varied operating hours, all units adhere to a unified Standard Operating Procedure (SOP) to ensure consistency and quality across operations.

Field data reveal four distinct stages in the *santripreneur* trajectory, consistently reported by all informants: Startup, Stabilization, Growth and Development, and Real Business Synergy. These stages represent more than a chronological sequence; they reflect a transformative journey in which *santri* evolve from religious learners into Islamic entrepreneurs. Each phase integrates spiritual values into the entrepreneurial process, ensuring that enterprise development remains firmly rooted in the pesantren's religious and ethical framework.

### Start-Up Process

The start-up stage marks the initial phase in transforming *santri* into *santripreneurs*. Recruitment is publicly announced by the pesantren's economic office, inviting applications from both *santri* and local community members. Prospective participants submit written applications and then undergo interviews and a series of assessments to evaluate their suitability for involvement in the pesantren's business units.

The selection criteria include a minimum of senior high school education, a demonstrated willingness to serve within the pesantren, diligence, the ability to work collaboratively, honesty, creativity, and imagination. The pesantren prioritizes

candidates who exhibit the strongest commitment to these values, consistently selecting only the most dedicated individuals to participate in the program.

At Sunan Drajat, the start-up procedure integrates a commitment to worship with competence-based selection. This approach aligns with the concept of imprinting in early-stage entrepreneurship, wherein values instilled at the point of entry shape long-term behavioral and performance patterns (Nejati et al., 2017).

A focus group discussion, however, revealed a range of motivations that drive *santri* to participate in the pesantren's entrepreneurial activities. These include a desire to serve the institution, acquire business skills, make productive use of spare time, support their families, earn income, and pursue personal development. These diverse motivations are gradually cultivated into an Islamic entrepreneurial mindset in the subsequent stages—an essential process, as Islamic entrepreneurship requires the integration of business, ethics, and religion (Gümüşay, 2015). This principle is reinforced in the Qur'ān (16:97):

"Whoever does good—whether male or female—while being a believer, We shall surely grant them a good life and reward them according to the best of what they did."

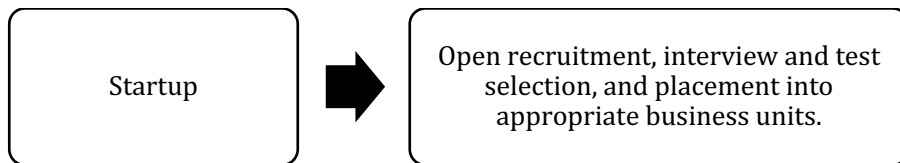
This verse grounds the principle that entrepreneurial effort must be undertaken for the sake of Allah, not merely for material gain. During Qur'ānic lectures on *Ihyā' Ulūm al-Dīn*, the pesantren's spiritual leader, Prof. Dr. KH Abdul Ghofur, reiterates:

"It is high time for Muslims to advance economically—*rabbanā ātinā fi d-dunyā ḥasanah wa-fi l-ākhirati ḥasanah*: we must strive for excellence in both this world and the next. If entrusted with wealth, do not hoard it; build mosques, prayer halls, pesantren, and other facilities for the ummah.

Economic managers note a specific human resource challenge at the start-up stage: all *santripreneurs* begin from the ground up, with most having no prior entrepreneurial experience. As a result, they require continuous coaching and close supervision to develop the necessary competencies.

"Everyone starts from zero here. For managerial posts we don't hire from outside; we promote those who demonstrate skill and devotion." (Biyati, President Director)

"Human resources are our main obstacle; they come in with no experience, so constant upskilling is essential. Those who upgrade quickly are given more responsibility—they move to the next level." (Fathiyatus, General Manager)

**Figure 1.** Santripreneur Start-Up Process

### Stabilization Process

After the start-up phase, organizations typically enter the *direction phase* (Greiner, 1998), in which the organizational structure, SOPs and culture must be communicated to ensure smooth operations and future growth. At Sunan Drajat Pesantren, stabilization begins with a presentation of the institution's vision and mission, followed by systematic planning, controlling and evaluation for each business unit. The overarching goal is to foster optimal devotion and commitment.

Stabilization is pursued through daily briefings, monthly managers' meetings and the periodic inculcation of an Islamic work culture—monitoring, evaluation and appraisal conducted via a four-dimensional Key Personal Index (KPI) comprising spirituality, loyalty, integrity and professionalism. This approach aligns with organizational socialization theory (Schein, 2010), which stresses that work culture must be firmly established immediately after recruitment, so that the initial value imprint does not fade.

Each *santripreneur* is required to participate in a morning ritual known as “Pola Cahaya” before beginning the day's business activities. Functioning both as a form of attendance and spiritual preparation, the ritual includes the recitation of *Asma' al-Ḥusnā*, *Sūrat al-Wāqī'ah*, *Sūrat al-Raḥmān*, and selected verses from *al-Ma'thūrāt al-Ṣughrā*—specifically, *Sūrat al-Fātiḥah*; *Sūrat al-Baqarah* (verses 255–257 and 284–286); *Sūrat al-Ikhlāṣ* (recited three times); *Sūrat al-Falāq* (three times); *Sūrat al-Nās* (three times); along with the *al-Ma'thūrāt* supplication, also recited three times.).

The ritual is construed as a business activity oriented toward *tawḥīd* (the oneness of God), worship, and the cultivation of entrepreneurial character rooted in *zuhd* (asceticism). Al-Ghazālī, in *Iḥyā' 'Ulūm al-Dīn*, affirms that those closest to the straight path are individuals who engage in economic activity with the primary intention of securing their afterlife (Muafi Thohir, 2016).

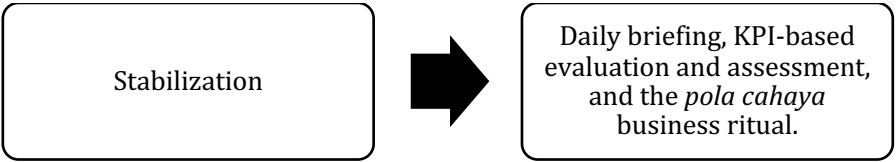
“We practise business through *Pola Cahaya*. *Cahaya* means ‘light’; its core is *tawhīd*. Business is integrated with religious knowledge. So, we do not rely solely on human capability. We engage in business while continuing to study religion—with sincerity—and we strive to develop strong human resources from a spiritual perspective.” (Tajuddin, Business-Unit Manager)

“Our performance system is rooted in intention and worship. Before opening any business, we are required to recite *ngaji* and prayers; we call this *Pola Cahaya*.” (Khoirul, Local Resident)

A key element of the stabilization stage is modeling Islamic entrepreneurship on exemplary figures—such as the Prophet Muḥammad, Khadija, the *Wali Songo* (particularly Sunan Drajat), and Prof. KH Abdul Ghofur, the pesantren’s economic pioneer and spiritual leader. These role models serve as sources of inspiration and motivation, both directly and indirectly (Wibowo et al., 2022). As a result, worldly business activities must never be detached from their spiritual foundation, ensuring that all benefits are ultimately redirected toward the path of Allah (Hakim et al., 2022).

While the stabilization process is actively reinforced, it also reveals a practical tension: promotions following the start-up phase are determined by seniority, devotion, and perceived competence. This approach stands in contrast to Linder (2016) strategic finding that merit-based promotion schemes are more effective, as they tend to foster innovation and enhance performance.

**Figure 2.** Santripreneur Program – Stabilization Process



**Growth and Development**

Once the organization has entered Greiner’s *direction phase*, the growth-and-development stage becomes the arena for simultaneously scaling the venture and strengthening internal capabilities in order to ensure sustainability (Davidsson, 2010) without system reinforcement, rise of volume can cause inefficiency (Gilbert et al., 2006). This stage is therefore crucial for bridging business scale with organisational resilience.

At Sunan Drajat, growth and development unfold along two key fronts. First, business expansion: both the number of business units and their operational capacities continue to increase. Second, human capital enhancement: monthly training programs—targeted at managers, administrators, and all *santripreneurs*—are designed to build core competencies. Training topics range from business-unit orientation and ethical entrepreneurial practices to character development and product marketing skills. Collectively, these efforts reflect a commitment to optimal *ibtighā'*—diligent striving in pursuit of excellence.

Islam-based entrepreneurial conduct has a positive impact on mindset, business growth, and the strengthening of faith and piety (Basir & Musa, 2022). The process of growth and development has resulted in several tangible outcomes. These include the formation of cohesive teams capable of executing operational plans productively, and a heightened sense of responsibility fostered through the adoption of an Islamic work culture. Additionally, the *pesantren* has expanded its product portfolio, which is now increasingly recognized by the wider public. A sustainable and growing network of suppliers and distributors has also emerged. Furthermore, the *pesantren* enterprises have attracted additional support from investors, benefited from enhanced natural and human resources, gained from favorable government policies, and established stronger relationships with various stakeholders.

Human beings must continually strive to move forward—growing and developing—rather than becoming complacent with past achievements. This principle is emphasized in *Sūrat al-Inshirāḥ* (94:7):

“So when you have finished (one good deed), labor hard for the next.”

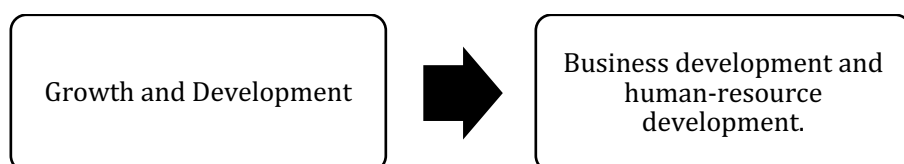
Given the limited prior experience of many *santripreneurs* (noted in the start-up and stabilization stages), the *pesantren*’s economic management prioritises ongoing growth-and-development routines through training:

“Training and workshops aim to build the mindset of santri who dedicate themselves to the *pesantren*’s business world—first leadership, second loyalty and devotion, and third an awareness of life’s purpose. To achieve this, we teach modules on entrepreneurship and personality psychology.” (Biyati, President Director)

“We run training for all employees on a conditional schedule; the content covers entrepreneurship orientation, best business practices, and entrepreneurial character-building.” (Abdul, Compliance Director)

In addition, the pesantren has held an FGD with the Ministry of Industry on “Cultivating New Entrepreneurs in Pesantren”, and its continuous entrepreneurship development enabled Sunan Drajat to join Bank Indonesia’s Pesantren Business Incubator program (Ahwarumi et al., 2018)

**Figure 3.** Santripreneur Program – Growth and Development Process



### **Real Business Synergy**

Once internal capacity has stabilized, the entrepreneurial organization must weave external networks in order to scale both its economic and social value (Aarikka-Stenroos & Ritala, 2017). At Sunan Drajat Pesantren, the real business-synergy stage links the pesantren’s business units with santri, alumni and the wider community. The literature refers to this phase as *network mobilization for impact* a determinant of sustainability in social-enterprise models (Haugh & Talwar, 2016)

This ongoing relationship serves two primary purposes: it acts as both a magnet and a gateway for mutualistic cooperation, while also providing *santripreneurs* with practical and theoretical business education. The emphasis on collaboration aligns with Islamic teachings, which command mutual assistance among Muslims. As stated in *Qur’ān* 5:2:

“Help one another in righteousness and piety, and do not help one another in sin and enmity. And fear Allah; indeed, Allah is severe in punishment.”

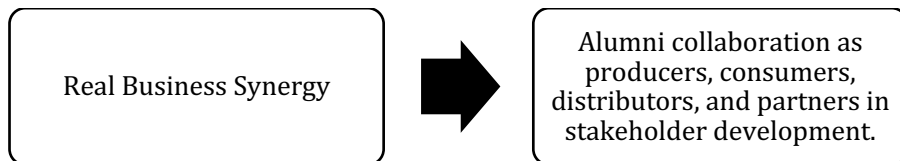
As pesantren-based entrepreneurship continues to flourish, it gives rise to new entrepreneurs. In response, the pesantren actively seeks to cultivate the potential of its alumni—as producers, consumers, and distributors—within its expanding economic network. This stage also functions as a form of *silaturahmi*: beyond strengthening fraternal bonds, it often generates new business opportunities. The Prophet Muḥammad (peace be upon him) said, “*Whoever wishes for ample provision and a long life should maintain ties of kinship*” (*Ṣaḥīḥ al-Bukhārī*).

“We collaborate with alumni: they act as distributors, consumers and producers. Going forward, we plan to establish a co-operative for alumni.” (Biyati, President Director)

“Even after we graduate, our ventures are still mentored, and alumni products are marketed through the pesantren’s economic network.” (Aditya, alumnus)

The pesantren’s entrepreneurial ecosystem engages a wide range of stakeholders—including government agencies, Islamic banks, educational institutions, the local community, and alumni—contributing to broader socio-economic welfare. Abdul Muin (2007), in a survey of twelve pesantren across ten provinces, found a positive correlation between community economic conditions and the pesantren’s financial independence: the stronger the local economy, the more self-sufficient the pesantren becomes.

**Figure 4.** Santripreneur Program - Real Business Synergy Process



## Conclusion

The four-stage model—comprising startup, stabilization, growth and development, and real business synergy—traces the transformation of *santri* from religious learners into Islamic entrepreneurs. The startup phase instills *tawhīd*-based values and a strong work ethic; the stabilization stage formalizes standard operating procedures (SOPs), introduces a four-dimensional key performance indicator (KPI) system, and institutionalizes the *Pola Cahaya* ritual. During the growth and development phase, business unit expansion is balanced with capacity-building initiatives. Finally, the real business synergy stage strengthens connections with alumni and broader stakeholder networks.

Spiritual–managerial integration in this model operates bidirectionally: religious values shape business conduct—for example, all units pause operations during prayer times—while modern management tools, such as KPIs and structured training, enforce discipline and maintain performance. These findings contribute to the Islamic entrepreneurship literature by proposing a measurable dual-KPI framework that captures both financial and social impact.

Key challenges identified include skill gaps among novice *santripreneurs*, many of whom begin without prior experience, and the persistence of seniority-based promotion practices that may hinder innovation and merit-based advancement.

Conceptually, this model addresses a gap in the literature by distinguishing *santripreneurship* from general Muslim entrepreneurship through its integration of pesantren community dynamics, spiritual rituals, and staged training. Practically, it offers a replicable framework for other pesantren aiming to develop a sustainable, Shariah-compliant economic ecosystem.

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