

**THE ROLE OF KYAI IN PESANTREN BUSINESS DEVELOPMENT:  
A CASE STUDY ON LEADERSHIP IN THE TRADITIONAL  
PESANTRENS**

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**ABSTRACTS**

*The objective of this research is to explore the role of kyai leadership in developing pondok pesantren business unit to analyses the contribution of kyai in economy institution. This research is multisite case study in two pondok pesantren that are Sidogiri Pasuruan and Minhajut Thullab Banyuwangi. Analysis units of this research are kyai, teacher, ustadz, cooperative staffs, santri (student), society around pondok pesantren and pesantren cooperation members. The data were conducted by interview, observation, and document analysis. The design of this research is qualitative design applying multi sites case study technique model. Data analysis and data validity test using triangulation i.e source, method and time triangulation. The research shows that kyaies have an important role in developing business unit of pesantren.*

*Keywords: kyai leadership, business management, business unit of pesantren, multi sites.*

**ABSTRAK**

*Penelitian ini bertujuan menggali peran pimpinan kyai dalam mengembangkan unit usaha pondok pesantren untuk menganalisa kontribusi kyai dalam lembaga perekonomian. Penelitian ini merupakan studi kasus multi situs di dua pondok pesantren yaitu Sidogiri Pasuruan dan Minhajut Thullab Banyuwangi. Unit analisis penelitian ini adalah kyai, guru, ustadz, pengurus koperasi, santri, masyarakat sekitar pondok dan anggota koperasi pesantren. Data dikumpulkan dengan cara wawancara mendalam, observasi, dan analisis dokumen. Desain penelitian ini adalah desain kualitatif dengan model teknik studi kasus multi situs. Analisis data dan uji validitas data menggunakan triangulasi yaitu triangulasi sumber, metode dan waktu. Hasil penelitian menunjukkan bahwa kyai memiliki peran penting dalam mengembangkan unit usaha pesantren.*

*Kata kunci: Kepemimpinan kyai, manajemen bisnis, unit usaha pesantren, multi situ*

## INTRODUCTION

The economy change of community needs social change agent. The function of social change agent is as initiative and leadership taker in every change including in *pesantren* society context. Shafer (2006) states that the people initiative and leadership is a change source. The previous study findings show that kyai's leadership is more prominent in religious teachings and then spreads to economy. Ahsan (2013) argues that Kiai will be able to answer the challenge in creating young Muslim entrepreneurs that affect the economy growth and shrink the amount of unemployment. Fathan (2014) states that kyai power is absolute for santri even for people his surroundings, as a result kyai succeed to apply agriculture technology. Succeed to change traditional farming to better modern farming.

Hayana (2019) points that the leadership of the clerics (kiais) in empowering santri entrepreneurship requires a strategy. The leadership strategies of the kiais in empowering santri in entrepreneurship of the Pesantren Riyadlul Jannah Pacet and the Pesantren Sidogiri Pasuruan are giving example; providing field learning; giving assignments in the pesantren business unit; and giving motivation. The leaderships of the kiais in empowering entrepreneurship of santri are democratic leadership style; transformative leadership style; and charismatic leadership style. The implications of the leadership of kyai are santri with the spirit of entrepreneurship and santri-minded entrepreneurship. In pesantren contexts, the pesantren communities perceive themselves as the defending power of traditional Islam, the fact that would imply logically that there is a sort of cultural confrontation between the traditionalists and the modernists ( Fauzi, 2012).

This research aims to reveal kyai's leadership in developing pesantren *business unit of pesantren* institution management. Aedi (2014) states pesantren will be closed down to kiai. Santries as successors are kiai's struggle and will be turn in when a successor act as founder. Aedi also argues that pesantren will be let it in order to be better than before. For pesantren, other people are not successors of kiai's struggles. It had a serious impact on sustainability and development of Islamic educational institution in the future as communities.

Leadership is complex phenomenon; hence it is very difficult to formulate comprehensively the meaning of leadership. Supriyanto (2011) argues leadership can be defined as a process of directing and giving influence on group members where the duties have been interconnected each other. Sometimes the definition of leadership called as an authority implementation and decision maker. Some define as an initiative action to result a consistent pattern in finding a problem solving. Meanwhile, Fathan (2014) states that charismatic influence of kyai power is a must for *pesantren* society. As a result, the kyai power is absolute for santri and even for common people. kyai brings a change in agricultural field, from traditional farming to modern one.

Objective of this research is to explore the role of kyai's leadership in developing pondok pesantren business unit in order to reveal the kyai's contribution on pondok *business unit of pesantren* institution.

## METHOD

This research applies qualitative approach with multi sites case study research design (Moleong, 2015). The research approach is multi sites case research or case study (Yin, 2008). This case study is to show how the kyai's role in developing pondok *business unit of pesantren* is. The researcher presence during conducting data was mix setting between open and close background. The data was conducted in 2020 in Pondok Pesantren Minhajut Thullab Banyuwangi

and Pondok Pesantren Sidogiri Pasuruan, both were in East Java Province. This research was using open interview and observation.

The data source of this research was natural environment and situation order. Data collection technique of this research was interview, observation, and document analysis. Participants of the interview were kyai as top leader in the pesantren, *ustadz*, *pesantren* officials, person in charge of the pesantren *business unit*, santri (students of the pesantren), staff members, cooperative institution members, alumni, and common people who live around *pesantren*.

The documents that need to be analyzed were legal certificate (deed) of foundation; curriculum of education: *pesantren*'s activities schedule; teacher and *ustadz* schedule; legal certificate of cooperative institution, legal certificate of BMT, cooperative official reports, BMT official reports, MoU; picture documentations; kyai's teaching schedule; *ustadz* teaching schedule; official job description; customers' account books; cooperative member list; BMT member list; *pesantren* official reports; and cooperative/BMT official reports.

Having collected all data, then the researcher analysed the data intensively and extensively. To assure the data accountability and reliability the researcher applied the following steps: measuring the degree of credibility; testing the degree of transferability; and analysing the degree of dependability (Ghozali, 2008).

This research was processed in several stages follow based on the qualitative research paradigm. In case study, the research stages can be revised from one stage to another depend on field situation.

## **FINDINGS AND DISCUSSION**

The research was undertaken in Pasuruan and Banyuwangi pesantrens shows that kyai leadership has an important role and contribution in *pesantren* and has an important role in developing the business unit of pesantren. Moreover, it has significant impact on the economy growth of people who live around *pesantren*. This research also finds the change of term kiai became kyai. In some evidence showed that kyai mostly spelled kyai.

The kyai leadership in Pasuruan is understood as the combination between traditional leadership based on ancestry line and legal formal leadership based on convention rules. In Pasuruan, person who becomes kyai is a son of previous kyai, it might be in direct ancestry line of the kyai or son in law of the kyai. Kyai leadership, however, is legalised by family forum where one of duties of family forum is to decide the *pesantren*'s top manager (kyai).

While in Banyuwangi kyai leadership is just the same as in Pasuruan, however they don't recognize the family forum. However, they have caregiver council instead of family forum. In Pasuruan, the family forum members are the sons of kyai, caregiver council in Banyuwangi member are the sons and daughters of the kyai. Women in caregiver council membership show that there is modern cultural transformation in *pesantren* traditional leadership.

Naufal (2018) states pesantren is the traditional Islamic education system and the oldest non-formal institution in Indonesia. In regard to its role, the pesantren has many contributions in the strengthening of education culture, specifically in building and concerning the identity of Islam. Some scholars proved the important role of Pesantren in transferring Islamic knowledge, strengthening people's religious loyalty to Islamic principles. Naufal research about mixed leadership also applied in Pasuruan and Banyuwangi *pesantren*.

Naufal (2018) and Supriyanto (2021) argue pesantren has two roles; teaching religious knowledge and encouraging the student or santri to develop their ability for competing in global world. These roles cannot be separated from the

Kyai role as an owner and a leader to manage its community. As an official subject, leadership practice of Kyai seems to be high expected to inculcate education. In Pasuruan case, the kyai role in context of developing economy is filtering convention interest rate (usury) based on economy and accommodating sharia based on economy and build agreement with sharia based on economy institution. These roles are also applied in kyai's leadership in Banyuwangi.

### **Kyai's Role in Developing Business Unit of Pesantrens**

In Pasuruan case, the study shows that kyai delegates his role in developing economy to *ustadz* in his *pesantren*. The case in pasuruan describes that kyai mandates his authority to economy institution official consist of *ustadz* to develop and empower *pesantren's* economy. While, in Banyuwangi case, the kyai handovers his authority to kyai's elected son to manage the *business unit of pesantren*. However, the difference is in Pasuruan kyai fully handovers his authority to *pesantren* official, while in Banyuwangi the kyai gives only part of the authority. There is technical involvement of caregiver council in *business unit of pesantren* institution.

Supriyanto (2015) in his study 'The Kyai leadership in developing economic organisation in Pondok Pesantren' shows that kyai has dominant role. Supriyanto illustrates that the kyai involves from planning to directing the action. Case in Pasuruan shows that kyai only plays his role as a motivator and the highest decision maker in *pesantren*. However, in Banyuwangi kyai involves in several technical matters. The *pesantren* society development model was also applied in Pesantren Maslakul Huda Kajen, Regency of Pati, Central Java and Pondok Pesantren Lagitan, Tuban, East Java.

Naufal (2018) argues kyai in pesantren plays many roles such as educator and caregiver, society connector, leader, and manager of the pesantren. This paper aims to find the role of Kyai in Pesantren as the leader in managing an educational system. By using the literature research, the study finds that Kyai's leadership is a symbol and strength in injecting values. Santri character is not only dealing with the process of education, but also having duty for every santri as a successor and educator in the future, the spreader mission Islamic teachings that eventually become the guard and fortress of the ummah. The sustainability and its existence of Pesantren are on kyai as the leader, main holder, policymaker, especially in the sphere of education and educating society. What pondok pesantren Gontor Ponorogo has done shows that economy empowerment conducted by kyai just the same as in Pasuruan and Banyuwangi. That is why the kyai and *ustadz* roles cannot be separated from society economy empowerment. This proves that the pondok pesantren can be an agent of change in social, education, and development program.

Based on the finding in Gontor, Pasuruan and Banyuwangi, therefore, as Geertz (1976) states that kyai only play his role as a cultural broker in politic, can be refused. Rahardjo (1987) has also rejected Geertz opinion in his research in pondok pesantren Pabelan Magelang.

### **The Leadership Contribution of Kyai in Business Unit Pesantrens**

A case study in Pasuruan shows the evidence that kyai has ability and capability to modernise pondok pesantren management without leaving the original pondok pesantren tradition. This role can be understood because in pondok pesantren has its own value *al mukhafadhatul 'alal qodimi sholih wal akhzdu bil jadidil aslah* means keeping old good values and reaching new good values. Therefore, *pesantren* will always keep their tradition as an educational institution dan conserve their old values as *tafaqohu fid din* and at the same time it accepts good modernization value in education and economy aspects. The same case might also happen in Banyuwangi. However, a case in Banyuwangi focuses

modernization on formal education institutions from kindergarten to Senior High School. while in Pasuruan it focuses modernization in *pesantren* management and *business unit of pesantren* development.

Nadjib (2009) in his research of *Pesantren Sirojut Tholibin Blitar* also finds that kyai has a great charisma and has a great contribution in developing *pesantren*. *Pesantren Sirojut Tholibin* succeeds to create pondok pesantren as a central of agribusiness based on training program both for santri and its people surrounding the pesantren.

Kyai's leadership can also be found in research undertaken by Fathan (2014) where he finds that Madusari village in Blitar is influenced by kyai's charisma. As a result, kyai has an absolute power for santri and Madusari people. Because of the kyai's way of life, the people around Madusari deny banking credit and they build their own populist economy in the form of their *jami'iyah* (organisation or institution) and also deny skill training and conduct *sorogan* and *bandongan* training system like in *pesantren* instead. The same case happens in pasuruan, where *ustadz* and the people around *pesantren* deny banking system where interest (usury) is a obligations and change sharia system. Conventional banking system in Pasuruan also changes their business from conventional into sharia system called Baitul mall wan tamwil or sharia cooperation (BMT). While in Banyuwangi, *business unit of pesantren* institution helped teachers to leave conventional system and change to sharia banking system.

Before this research was conducted, there was research about pondok pesantren management. Supriyanto (2021) discusses about pondok pesantren management renewal where he finds that pondok pesantren Sidogiri management renewal is initiated by kyai. Human resources availability and the existence demand about condition of *pesantren* is better. The research also reveals that kyai as the caregiver and top manager of *pesantren* hold macro authority to control all *pesantren* programs. While *pesantren* officials hold micro authority or operational authority to run *pesantren* Sidogiri daily agendas.

This research also finds that kyai has created some renewal in his leadership and applied open management. Supriyanto's research also finds the same results as in this research. However, the difference of this study discusses the kyai's leadership in developing *business unit of pesantren* context while Supriyanto discusses the managerial aspect. The open management also can be found in Pondok Pesantren Sidogiri Pasuruan, yet it cannot be found in BMT Banyuwangi.

#### **Kyai's Exemplary Factor**

In short, a case in Pasuruan shows the important kyai's contribution in empowering people. However, it is limited to give blessing, the highest decision maker, the kyai doesn't directly involve in *business unit of pesantren* activities. The kyai focuses his attention on education in *pesantren* and fully handovers the *business unit of pesantren* to *pesantrens* officials. The behind-the-scenes role of kyai is also found by Supriyanto (2021) who states that in developing economy kyai only gives his blessing to the *pesantren's* economy activity. Kyai mostly focused on worshipping, education, religious lecturer, developing the society spiritual life and handling all *pesantren's* economy activity to *pesantren* officials. These cases happened in both *pesantren* of this research.

### Research Finding Proposition

Based on analysis and discussion above, the proposition of this research shows that *kyai's exemplary in leadership can be transformed to santri and society. There will be an important contribution in education of economy process, developing business unit of pesantren institution and pesantren and people economy empowerment.*

In regard to those various findings, proposition, and recommended implementation model, the modal may be implemented to develop society's economy in the wider scope. It means that the real contribution of this research for economy education reflects from the finding that kyai has a vital role in empowering *business unit of pesantren*. Then it can be accelerated to economic empowerment process through economy education in pesantren, it should have a good curriculum model, better economy institution that correlates the people need. The kyai's open management and *business unit of pesantren* official will improve their professionalism, enhance *pesantren* community awareness as well as the participation of local people as an important part in empowering economy. The model needs to be optimized through economy education.

### Conclusion

Based on above data, analysis, and discussion, this research concludes that kyai's leadership has an important contribution in empowering *business unit of pesantren*. The study also finds that besides education system, economy system, and kyai's leadership have important contribution to *business unit of pesantren, pesantren official, ustadz, santri and alumni.*

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