Does ‘Pesantren’ Environment have Impact on Islamic Entrepreneurial Intention?

Nita Fitriana  
Program Studi Manajemen  
Sekolah Tinggi Ilmu Ekonomi Widya Wiwaha Yogyakarta

Correspondence Author:  
Nita Fitriana: Telp: +628128303064  
E-mail: nitafitriana@stieww.ac.id

Abstract  
This paper analyses Islamic entrepreneurial intention by involving college students in Yogyakarta as respondents. Two questions can be proposed: first, does the Pesantren environment influence Islamic entrepreneurial intention, and second, what are influencing factors on the improvement of Islamic entrepreneurial meaning. The research method used explanatory by using SEM-AMOS analysis. This study adopted the Islamic Entrepreneurial Intention model Theory of Planned Behavior, which was modified by Ashraf (Ashraf, 2021). The novelty of this research is by adding Pesantren environment as a variable independent. It was
tested on Islamic entrepreneurial intention. This research shows that only self-efficacy and perceived social support factors influence entrepreneurial intention among five factors that influence students' entrepreneurial intention. The other three elements, namely prior experience, empathy, and moral obligation, do not influence Islamic entrepreneurial intention. On students, the category shows there is no difference in Islamic entrepreneurial intention between college students living in pesantren and college students not living in Pesantren. Pesantren environment is considered as less effective in performing its role in growing the student's intention who live in Pesantren to do Islamic entrepreneurship.

INTRODUCTION

Pesantren in recent decades has improved, especially in enthusiasts and government support. According to the Ministry of Religious Affairs of Indonesia, in 1977, the number of pesantren was around 4195, with 677,394 students. This number has significantly increased in 2021, where the amount of pesantren is about 27,722 and 4,175,555 students (PDPP, 2021). The increasing number of enthusiasts becomes a benchmark of public trust toward the pesantren environment. Besides, since the legitimation of National Student (Santri) Day on Presidential Regulation of October 22 by President Joko Widodo (JDIH BPK RI, 2015), government support toward pesantren has increased in various fields, one of them is the economic field. The government hopes that pesantren will become the spearhead for developing Islamic entrepreneurship by creating a breakthrough program called ‘Santripreneur’ (Kemenkeu RI, 2018). Through this program, it is hoped that the pesantren environment can produce halal products and services that can compete globally. However, a recurring problem in a pesantren environment is entrepreneurial interest. Entrepreneurial interest in a pesantren environment does not get proportional discussion, whereas entrepreneurial interest is a primary factor of success to be an entrepreneur (Ajzen, 2020). Two significant assets owned by pesantren, namely social assets through public trust and political assets through government support, should be momentum for pesantren to develop Islamic entrepreneurship in pesantren environment by increasing students’ intention in entrepreneurship.

So far, study about entrepreneurial intention in the pesantren environment is limited to dogmatic materials, so entrepreneurial intention in the pesantren environment is considered academical talk. Empirical research about how big the entrepreneurial intention in pesantren environment, as well as a factor that influences students in entrepreneurship, is ignored in
previous studies. In line with this, three patterns can be mapped from the survey about entrepreneurial intention in a pesantren environment. Firstly, study Islamic perspectives about entrepreneurial intention. Doing entrepreneurship is considered worship with a similar degree to essential worship like prayer and fasting (Hamzah, 2021; Wijayanti, 2018). Secondly, doing entrepreneurship in the pesantren environment can develop Islamic entrepreneurship (Ghofur et al., 2016; Rimbawan, 2012; Suyatman, 2017). Thirdly, the study explains the various impact of entrepreneurship in the pesantren environment, both positive impacts through independent character education (Falah, 2018) and negative impacts because of a very high target pressure in entrepreneurship which may cause depression (Laili M, 2012). From those three tendencies, no study put the influence of pesantren environment toward students’ entrepreneurial intention.

This paper fills the gap from previous studies by analyzing Islamic entrepreneurial intention in *the pesantren* environment by involving students in the Special Region of Yogyakarta as respondents, both who live in *pesantren* and who live outside *pesantren*. In line with that, two questions can be proposed: first, what are the influencing variables of the intention model on the improvement of Islamic entrepreneurial intention, and secondly, does *the pesantren* environment influence Islamic entrepreneurial intention. These two questions are the focus of our study.

**LITERATURE REVIEW**

**Islamic Entrepreneurship**

Islamic entrepreneurship is a business activity that sets limitations based on Al-Qur’an and Sharia laws (Amirova et al., 2020). Islamic entrepreneurship becomes one of the best efforts to combine religious beliefs with abilities to reach economic welfare (Schaufeli et al., 2006). From the Islamic perspective, a company built with the Islamic entrepreneurship concept looks for material profits and religious purposes. A Muslim will hope for reward in the hereafter. A Muslim entrepreneur is also obliged to avoid certain economic activities, such as gambling, usury, and speculation (Ramadani et al., 2016). Islamic entrepreneurship has become a research field that is important to be explored. It happens because religion has a role in someone’s life, in decision making and the choice of behaviour (Ramadani et al., 2016). The influence of religion in business activity comes from religious belief, where the said religious belief is influenced by cultural values connected with entrepreneurship (Akmal et al., 2020). That is why the wish to become an Islamic entrepreneur is influenced by the religious behaviour of a person and a society.
Pesantren Environment

The entrepreneurial process will be occurred and be strengthened by conditions or factors of the environment. The environment includes all materials and stimuli inside and outside of an individual, including physiological (all physical illness and material inside a body and physical health), psychological (the whole stimulation starts from the concession, born, and death), and socio-cultural (the real stimulation, interaction, and condition in connection with treatment or work from other people) (Inayati et al., 2020).

As an education institution, Pesantren has five essential elements of pesantren tradition: house, mosque, students, the teaching of classic Islamic scriptures, and Kiai (Alwi, 2016). The distinctive characteristics of pesantren besides modesty and independence value, there is a high moderateness degree, both from the mindset and social-political behaviour. These things can be vital instruments to face the development dynamics of the society in the global era.

Pesantren environment has a role as 1) an institution that gives religious teaching in society, 2) organizes formal and non-formal education, 3) performs its cultural role, to raise the cultural potential of its students specifically and society in general, 4) performs its social-economical role. From those four roles, it can be seen that a pesantren environment can build the behaviour and characteristics of a person. Behaviour and attribute are set by getting students to be used to join and follow all programs and rules made by pesantren (Inayati et al., 2020)

Intention to Islamic Entrepreneurship

The intention is a representation of the direction of action in the future. This influences an individual's choices, such as directing and maintaining behaviour (Lagúña et al., 2017). Ajzen (2020) defines intention as an individual readiness to behave. Some researchers represent entrepreneurial intention as a condition that encourages a person to think and direct his/her attention to starting a new business (Krueger & Carsrud, 1993).

One of the most popular models in research about intention is the Theory of Planned Behaviour (TPB), that is developed by (Ajzen, 1991). TPB is proven to be able to describe the entrepreneurship intention of students in various countries, such as Greece (Tsordia & Papadimitriou, 2015) Iran (Shiri et al., 2017) and Malaysia (Saraih et al., 2020). Based on that theory, human behaviour is directed by three considerations, and they are: 1) a belief toward consequences of behaviour, 2) a belief toward normative expectations from other people, and 3) a belief toward existing factors that can possibly facilitate or block behavioural performance. Behavioural belief creates either good or bad behaviour, normative belief creates social pressure perception or subjective norms, and control belief increases behavioural control perception of
self-efficacy. In general, better emotional behaviour and norm and more vital control perception will create the intention to do something, which will be bigger (Ajzen, 2020).

The intention is considered the core of all behaviour, including religious tasks and duty. Hadith from Imam Bukhari explains that “inmanala’malu bin-niyah”, which means “action (behaviour) is decided by intention” (Ashraf, 2021). Based on that hadith, intention becomes the main point in deciding human behaviour. In the context of entrepreneurial intention in the Islamic way, it should correspond to worship. So, praying intention can be a machine to encourage someone to do entrepreneurial action in an Islamic way (Ashraf, 2021).

Ramadani in Ratten et al. (2017) explains that factors become a basis in the achievement of Islamic-based business; they are ethical, social, environmental, and economic factors. Based on those factors, Ashraf (2021) constructs a model of Islamic entrepreneurial intention by including Islamic values inside it. Antecedent factors of intention developed by Ashraf are prior experience, empathy, moral obligation, self-efficacy, and internal and external control. However, the environmental factor is yet to be analysed deeply.

Figure 1. Islamic Entrepreneurial Intention Model


Hypotheses
The Effectiveness of the Islamic Entrepreneurial Intention Model
H1: prior experience has a positive influence on Islamic entrepreneurial intention
H2: empathy has a positive influence on Islamic entrepreneurial intention
H3: moral obligation has a positive influence on Islamic entrepreneurial intention
H2: self-efficacy has a positive influence on Islamic entrepreneurial intention
H2: perceived social support has a positive influence on Islamic entrepreneurial intention

Pesantren Environment and Components of Model
H6: There is a difference in the prior experience of entrepreneurship between pesantren students and non-pesantren students.
H7: There is a difference in the degree of empathy between pesantren students and non-pesantren students.
H8: There is a difference in moral obligation between pesantren students and non-pesantren students.
H9: There is a difference in self-efficacy between pesantren students and non-pesantren students.
H10: There is a difference in perceived social support between pesantren and non-pesantren students.
H11: There is a difference in Islamic entrepreneurial intention between pesantren and non-pesantren students.

METHOD
This research applies an explanatory research design with a quantitative approach. The data used is cross-sectional. Cross-sectional data is data gathered in a specific period to answer questions or statements in questionnaire. Data collection is done using questionnaire. Before distributing it to research samples, the researcher did validity and reliability tests. Validity test is used to measure legitimacy or validity. Meanwhile, a reliability test is used to show the consistency of a measurement instrument in the measurement of similar symptoms (Matondang, 2009). Based on the validity test result, 17 statement items are declared valid out of 19 available question items. Furthermore, the reliability test resulted in Cronbach's alpha score of 0.802. It shows that the questionnaire is displayed as reliable.

This research was conducted in pesantren specified for college students. Therefore the population used in this research is college students of the Special Region of Yogyakarta. A student is considered someone who is still learning and deciding what they will be in the future (Hulukati & Djibran, 2018). The technique of sample collection in this research is random sampling. This
research uses Structural Equation Model (SEM) analysis, so it needs to consider the sample size being needed. The sample size for this research refers to the criteria proposed by Hair et al., the Maximum Likelihood Estimation (MLE) technique (Hair et al., 2014). A proper sample size, according to MLE, ranges from 100 to 200 samples. That is why the sample size in this research is 150, including college students living in pesantren (pesantren students) and college students who do not live in pesantren (pesantren students) Yogyakarta.

The data analysis technique employed in this research is Structural Equation Models (SEM). This analysis is done to test the relationship among variables in the measurement and structure of the model (Sarstedt et al., 2014). This data analysis technique is chosen because it is more precise to analyze latent variables and testing the model's overall suitability. The calculation of SEM in this research is done using the AMOS version 24 computer program.

Besides testing the hypotheses, SEM is also used to test the goodness of fit from the constructed model. This research measures each model to measure the goodness of fit compared to normative-standard value. This research calculates the suitability of the model using the worth of fit criteria in the form of chi-square statistic, CMIN / DF (minimum chi-square, degree of freedom), AIC (Akaike information criterion), TLI (Tucker-Lewis Index), dan RMSEA (root mean square error of approximation).

FINDING AND DISCUSSION

Islamic Entrepreneurial Intention Model

The test of the Islamic Entrepreneurial Intention Model used Amos 7.0. There were six variables used: Prior Experience, Empathy, Moral Obligation, Self-Efficacy, Perceived Social Support, and Islamic Entrepreneurial Intention.

Firstly, the researcher did the test of the goodness of fit model. The test results showed that Comparative Fit Index (CFI) degree was 0.951. A score recommended by CFI is ≥ 0.94, so the generated CFI score is more than a fit index. Moreover, the generated RMSEA score was 0.077, classified as acceptable. This entrepreneurial intention model is good enough because it has normal parameters.

Table 1 shows regression estimation of entrepreneurial intention, hypotheses determiner, and significance of p-value score. The regression estimation test results show that self-efficacy has a positive influence and is significant to entrepreneurial intention (p < 0.000). Besides, perceived social support also has positive influence (p= 0.026 < 0.05). Students’ Self-efficacy in their ability and the strong Social Support is proven to encourage students to have Islamic
entrepreneurial intentions. However, prior experience (p=0.689), empathy (p=0.956), and moral obligation factor (p=0.13) do not have significant influence. Based on the regression estimation test result, H4 and H5 are supported. Meanwhile, H1, H2, and H3 are not supported.

The researcher conducts testing of t-test on students’ categories (pesantren/non-pesantren) toward each variable. The average score of the prior experience variable shows that the average score of pesantren students’ previous experience is 3.58, and non-pesantren students get 3.75. T-test result shows a score of 0.582, which means that there is no significant difference in the prior knowledge of Islamic entrepreneurship between pesantren and non-pesantren students. Based on the result of the test, then H6 is not supported. Next, on the empathy variable, the average score of pesantren students is 6.31, and the average score of non-pesantren students is 6.12. Testing of the t-test shows a significance score of 0.323 which means that there is no significant difference in empathy between pesantren and non-pesantren students. Therefore, H7 is not supported.

On the moral obligation variable, the average score of pesantren students is 6.73, and non-pesantren students are 6.53. Testing the t-test shows a non-significant result (p=0.179), so H8 is not supported. The same case happens in variables of self-efficacy and perceived social support.
On the self-efficacy variable, the average score of pesantren students is 6.11, and non-pesantren students are 5.94. Even if the self-efficacy score of pesantren students is higher, the significance degree is not significant (p=0.37).

**Figure 2.** The estimation of Islamic Entrepreneurial Intention Model

Explanation:

PE = Prior Experience  
EMP = Empathy  
MO = Moral Obligation  
SE = Self-Efficacy  
PSS = Perceived Social Support  
NYY = Islamic Entrepreneurial Intention

Note:

Chi-square = , df = 1.874, CFI (0.951), RMSEA (0.077)

Therefore, H9 is not supported. On the perceived social support variable, the average score of pesantren students is 5.65, and non-pesantren students are 5.64. Pesantren students have a higher
perceived social support but are not differ significantly from non-pesantren students (p=0.943), so H10 is not supported. On the variable of Islamic entrepreneurial intention, pesantren students gain higher average scores than non-pesantren students (pesantren students’ score=6.15, and non-pesantren students’ score= 5.87). However, both scores do not have any significant difference (p=0.149). Therefore, H11 is not supported.

Table 2. Average score and standard deviation of model component

<table>
<thead>
<tr>
<th>Group Statistics</th>
<th>Pesantren</th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Std. Error Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>PE</td>
<td>Pesantren</td>
<td>43</td>
<td>3.5891</td>
<td>1.72568</td>
<td>.26316</td>
</tr>
<tr>
<td></td>
<td>Non-Pesantren</td>
<td>107</td>
<td>3.7508</td>
<td>1.58159</td>
<td>.15290</td>
</tr>
<tr>
<td>EMP</td>
<td>Pesantren</td>
<td>43</td>
<td>6.1215</td>
<td>1.14819</td>
<td>.11107</td>
</tr>
<tr>
<td></td>
<td>Non-Pesantren</td>
<td>107</td>
<td>6.3140</td>
<td>.85929</td>
<td>.13104</td>
</tr>
<tr>
<td>MO</td>
<td>Pesantren</td>
<td>43</td>
<td>6.7364</td>
<td>.67674</td>
<td>.10320</td>
</tr>
<tr>
<td></td>
<td>Non-Pesantren</td>
<td>107</td>
<td>6.5389</td>
<td>.85616</td>
<td>.08277</td>
</tr>
<tr>
<td>SE</td>
<td>Pesantren</td>
<td>43</td>
<td>6.1085</td>
<td>.81234</td>
<td>.12388</td>
</tr>
<tr>
<td></td>
<td>Non-Pesantren</td>
<td>107</td>
<td>5.9470</td>
<td>1.06315</td>
<td>.10278</td>
</tr>
<tr>
<td>PSS</td>
<td>Pesantren</td>
<td>43</td>
<td>5.6589</td>
<td>.97179</td>
<td>.14820</td>
</tr>
<tr>
<td></td>
<td>Non-Pesantren</td>
<td>107</td>
<td>5.6449</td>
<td>1.13110</td>
<td>.10935</td>
</tr>
<tr>
<td>NYY</td>
<td>Pesantren</td>
<td>43</td>
<td>6.1512</td>
<td>.95453</td>
<td>.14556</td>
</tr>
<tr>
<td></td>
<td>Non-Pesantren</td>
<td>107</td>
<td>5.8738</td>
<td>1.09909</td>
<td>.10625</td>
</tr>
</tbody>
</table>

Based on the result of the research analysis and Tables 2 & 3, two factors, self-efficacy and perceived social support, influence Islamic entrepreneurial intention. This result supports the research result conducted by Hasanah, who shows that there is an influence of self-efficacy and social support on entrepreneurial intention (Hasanah & Nurhasikin, 2019). Self-efficacy and solid social support can encourage students to grow Islamic entrepreneurial intention. It is because respondents of this research are students of productive age and received a lot of social support and guidance from others, so it can encourage them to have Islamic entrepreneurial intention.

The other three factors, prior experience, empathy, and moral obligation, do not influence Islamic entrepreneurial intention. It is caused that; first, only 30% of students have experience in entrepreneurship or Islamic organization, and they can understand companies based on the Islamic economy. Second, 91% of students are under 25 years old. Empathy is part of the emotional condition, which is in the age, the condition is not stable yet. Third, a charitable attitude expresses moral obligations such as material and non-material helping (Amar, 2017). Almost all respondents have empathy and motivation to help unlucky people economically. Still, those three variables are not capable enough to be an encouraging factor to grow Islamic entrepreneurial intention in students.

The category of (pesantren/non-pesantren) student toward each variable (6 variables) shows no significant difference between pesantren and non-pesantren students. Even
though pesantren students have higher scores, it is not substantial. Pesantren environment is considered less effective to perform its role in growing the intention of students who live in pesantren to do Islamic entrepreneurship. The result found also supports the research conducted (Kamal & Thoyyibah, 2020). Five factors influence the entrepreneurial intention of students in Pondok Pesantren Al Munawwir Komplek Q Krapyak Yogyakarta, and the only environmental factor that does not influence entrepreneurial intention.

Table 3. Independent sample test of model component

<table>
<thead>
<tr>
<th></th>
<th>Levene's Test for Equality of Variances</th>
<th>T-test for Equality of Means</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>F</td>
<td>Sig.</td>
</tr>
<tr>
<td>Prior Experience</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equal variances</td>
<td>.586</td>
<td>.445</td>
</tr>
<tr>
<td>Equal variances not assumed</td>
<td>-.531</td>
<td>71.895</td>
</tr>
<tr>
<td>Empathy</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equal variances</td>
<td>3.585</td>
<td>.060</td>
</tr>
<tr>
<td>Equal variances not assumed</td>
<td>1.120</td>
<td>102.968</td>
</tr>
<tr>
<td>Moral Obligation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equal variances</td>
<td>5.134</td>
<td>.025</td>
</tr>
<tr>
<td>Equal variances not assumed</td>
<td>1.493</td>
<td>97.433</td>
</tr>
<tr>
<td>Self-Efficacy</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equal variances</td>
<td>2.033</td>
<td>.156</td>
</tr>
<tr>
<td>Equal variances not assumed</td>
<td>1.003</td>
<td>100.797</td>
</tr>
<tr>
<td>Perceived Social Support</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equal variances</td>
<td>1.472</td>
<td>.227</td>
</tr>
<tr>
<td>Equal variances not assumed</td>
<td>.076</td>
<td>89.652</td>
</tr>
<tr>
<td>Islamic Entrepreneurial Intention</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equal variances</td>
<td>1.207</td>
<td>.274</td>
</tr>
<tr>
<td>Equal variances not assumed</td>
<td>1.539</td>
<td>88.701</td>
</tr>
</tbody>
</table>

CONCLUSION

From the result and discussion, it can be concluded that: From 5 factors, there are only two factors, self-efficacy and perceived social support, that influence Islamic entrepreneurial intention. Self-efficacy and solid social support can encourage students to grow Islamic
entrepreneurial intention. Therefore, H4 and H5 are supported. The other three factors, namely prior experience, empathy, and moral obligation, do not influence Islamic entrepreneurial intention. This research shows that only 30% of respondents have previous knowledge of entrepreneurship and can understand companies based on the Islamic economy. Almost all respondents have empathy and a moral obligation to help people who are unlucky economically. Still, those two variables are not capable enough to be an encouraging factor to grow the Islamic entrepreneurial intention of students. Therefore H1, H2, and H3 are not supported. On student category (Pesantren/non-Pesantren) toward each variable (six variables) shows no significant difference between Pesantren and non-Pesantren students. Even though Pesantren students have higher scores, it is not substantial. Thus, there is no difference in Islamic entrepreneurial intention between Pesantren and non-pesantren students. Pesantren environment is considered as less effective to perform its role in growing the intention of students to do Islamic entrepreneurship.

Several suggestions that can be drawn from this research are expected to be utilized by pesantren: (1) Pesantren is supposed to be more often organized Islamic entrepreneurial programs theoretically and practically. (2) Theoretically, the programs should emphasize Islamic entrepreneurship and have to describe the relationship between entrepreneurship and Islam explicitly. (3) Practically, the programs also need to focus on implementing Islamic entrepreneurship. These can provide experiences and involvement in doing entrepreneurship to the people who join the programs.

REFERENCES


https://ditpdpontren.kemenag.go.id/pdpp/about


