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## Eco-Creative Hub Model as The Key to Integrating Creativity and Sustainability

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## ABSTRACT

Islamic boarding school is essential to developing business in the creative economy with the best quality human resources. This study aims to analyze the potential of Islamic boarding schools to develop creative products with sustainability, with the SWOT analysis. The sample is an ecocreative hub model as a solution to integrate creativity and sustainability with qualitative descriptive analysis. The creative hubs can be facilities to produce creative economy products, collaborate with the creative economy actors, and accelerate innovation. The creative hub model is not only about creativity but also about developing products with sustainability. The development of environmentally friendly products starts with packaging. Institutionally, the encourages preservation government the of the environment.

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#### **1. INTRODUCTION**

Creative economic development in various regions continues to be carried out to achieve economic development in terms of increasing economic growth and improving the community's welfare. In line with Law Number 24 of 2019 concerning the creative economy, the purpose of developing the creative economy focuses on increasing economic growth and improving people's welfare. Based on neo-classical theory by Joseph A. Schumpeter, innovation in the creative economy can increase economic growth. Robert Solow, significant factors for improving the economy: (i) human capital; (ii) the capital city; (iii) technology; and (iv) outputs (Shapirov, 2015). Thus, it can be concluded that several factors can influence economic growth. So, one of the factors in achieving economic development is to increase the contribution of the creative economy not only to economic growth but also to other dimensions. Therefore, efforts to develop the creative economy are needed with collaboration between various parties, not only between creative economy sub-actors.

The creative economy is a merging of economy and creativity. The development of the creative economy is often constrained from various sides, (i) the lack of collaboration between creative economy actors; (ii) the quality of human resources; (iii) the gap between technology and information; (iv) lack of finance as capital; (v) difficulty entering the market; and (vi) lack of collaboration among stakeholders. One of the efforts is to instill a mindset about the importance of the creative economy and its various components since being in schools, including Islamic Boarding Schools in Indonesia. As a Muslim-majority country, people in Indonesia have a positive perspective on Islamic boarding schools for their children's lives in a sustainable manner in terms of education and life after education.

Pesantren or Pondok Pesantren is a boarding school in Indonesia. Islamic boarding schools have various potentials, including (i) human resources; (ii) natural resources; (iii) market potential; (iv) technological potential; and (v) leadership (Bawono, 2019). Based on this potential, Law Number 18 of 2019 concerning the economic empowerment of Islamic boarding schools can be carried out by (i) training practices and fieldwork; (ii) strengthening the economic potential and capacity; (iii) establishing cooperatives, financial institutions, and micro, small and medium enterprises; (iv) assistance and provision of marketing assistance for community products; (v) provision of loans and financial assistance; (vi) guidelines related to financial management, optimization, and quality control; (vii) implementation of community social activities; and (viii) utilization in technology development.

On the other hand, the potential of Islamic boarding schools is accompanied by problems with the quality of human resources that tend to be lower. The quality of human resources not accompanied by skills and knowledge related to the world of work impacts the relatively increasing open unemployment rate in an area, especially Pasuruan Regency, as one of the regions with the highest number of Islamic boarding schools in East Java. Based on the data, the open unemployment rate in Pasuruan Regency has fluctuated since 2017. Based on these problems, the local government tried to issue a program to increase the opportunities for Islamic boarding schools to create entrepreneurs from an environmentally friendly creative economy. One of the programs is one product one Pesantren (OPOP) to create independence for Islamic boarding schools through skill development, production, distribution, and marketing technology, as well as building a quality business ecosystem with an innovative, competitive, and modern approach.

Production capacity in physical capital and labor (educated) is categorized as inputs in the production function. This endogenous economic growth model considers human capital and technological progress in production as the most critical factors in increasing economic

growth. The correlation of economic growth with the increase in human capital can be measured in terms of education level. Not all Islamic boarding schools can adopt the creative economy. So, they need programs to accelerate the creative economy.

Empowering economic potential in Islamic boarding schools refers to several theories related to economic growth. Growth models are ever-changing and autonomous (always there and happening constantly). These changes are often influenced by creativity and the destruction of technology. It affects the process of destructive change in the ever-changing market resulting in the use of old technology. A competitive environment can affect the improvement of human creativity, so there will always be improvements and innovations in the creation of products that can face risks. As explained by Schumpeter, who introduced the concept of creative destruction, the essence of this concept is about the courage to 'break' old concepts replaced with new concepts, more creative ideas, in this case aiming to capture new product opportunities.

One of the programs or concepts to accelerate the creative economy in Islamic boarding schools is the eco-creative hub model. The creative hub is a solution to integrate all creative activities owned by the community, not only from an advertisement but also to develop collaboration between creative economy actors. So, the development of creative hubs has started in other cities to provide a creative economy. Developing the creative economy in Islamic Boarding Schools is one of the homework for every circle, including the government. It is a form of positive response to the potential possessed by Islamic Boarding Schools, both in terms of facilities and infrastructure as well as the quantity of human resources.

Implementing the creative economy concept now requires a touch of sustainability with an environmental approach. Based on previous research, one of the variables that influence creativity is natural resources (Ceylan *et al.*, 2008; McCoy & Evans, 2002). In other studies, environmental elements can be utilized, such as plant components (Ceylan *et al.*, 2008; Shibata & Suzuki, 2004). Thus, the sustainability of the creative economy becomes essential. Therefore, this study aims to analyze the potential and problems of creative economy development in Islamic Boarding Schools in Pasuruan. In the long term, this research concept can become a reference for accelerating the development of the creative economy from an early age in the Islamic Boarding School environment.

#### 2. METHODS

The research method used is descriptive qualitative with a SWOT analysis approach. The data source used was primary data by conducting interviews with Islamic Boarding Schools in Pasuruan Regency. The criteria for Islamic boarding schools that are the research sample are (i) human resources who have knowledge related to entrepreneurship, (ii) have developed business units, and (iii) have production factors as capital in the implementation of creative economy development. In this study, three research samples were obtained, namely (i) Sidogiri Islamic Boarding School, (ii) Al-Yasini Islamic Boarding School, and (iii) Al-Inayah Islamic Boarding School. After conducting interviews with the three research samples, we can find the map of strengths, weaknesses, opportunities, and challenges to the SWOT quadrant as a reference in formulating strategies to accelerate creative economy development through the contribution of Islamic Boarding Schools in Pasuruan Regency. The SWOT analysis results are then combined with the results of literature studies to find the concept of sustainable creative economy development. The following is an overview of research methods, from mapping problems to formulating the eco-creative hub model as a solution.

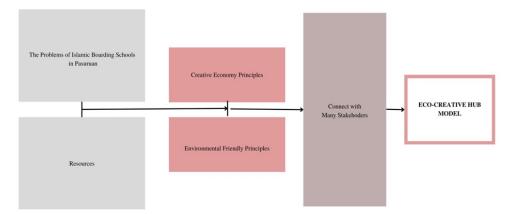


Figure 1. The methods to create eco-creative hub model.

#### **3. RESULTS AND DISCUSSION**

This study divided the sample of Islamic boarding schools into three types. First, Sidogiri Islamic Boarding School became one of the pilots in Pasuruan Regency. Based on the results of the study, the characteristics of the Sidogiri Islamic Boarding School are types of Islamic boarding school with a traditional Islamic boarding school/salaf approach. The number of Sidogiri Islamic Boarding School students until June 2022 is 12,000 people, specifically male students. Meanwhile, the infrastructure of Sidogiri Islamic Boarding School consists of (i) mosques, (ii) classrooms, (iii) office space, (iv) libraries, (v) halls, (vi) student dormitories, and (vii) Islamic boarding school's business units. Funding for Islamic boarding schools is obtained from student fees, donors (community donations), and income from Islamic boarding school businesses. Sidogiri Islamic Boarding School has several business units that continue to be developed. These business units include (i) mini markets, (ii) cooperatives, (iii) bottled drinking water, and (iv) Sidogirimedia.

Second, Al Yasini Integrated Islamic Boarding School is an Islamic boarding school in Wonorejo District, Pasuruan Regency. Based on the study results, the characteristics of Al Yasini Integrated Islamic Boarding School are a type of Islamic boarding school with a combination Islamic boarding schools approach consisting of a traditional Islamic boarding schools education system and a modern Islamic boarding school. The number of students of Al-Yasini Islamic Boarding School until June 2022 is 3,050 students consisting of 1780 female students and 1270 male students spread across various formal institutions, who come from various regions from Java, Kalimantan, Sumatra, Sulawesi, Bali, and West Nusa Tenggara.

The infrastructure facilities of the Al Yasini Integrated Islamic Boarding School are complete; there are mosques, dormitories, school buildings, offices, halls, laboratories, sports fields, cooperatives, canteens, libraries, agricultural land, and Al Yasini Mart and others. The source of funding for Al-Yasini Islamic Boarding School comes from various sources, such as (i) student fees, (ii) donors, (iii) government assistance, and (iv) income from Islamic boarding school businesses. Al-Yasini Islamic Boarding School has Islamic boarding school's business units consisting of (i) Islamic boarding schools Cooperative (Kopontren), (ii) Al Yasini Savings and Loans Institute, (iii) Bottled Water Products (AMDK), and (iv) Snacks. Kopontren Al Yasini already has as many as ten branches across Pasuruan Regency.

Third, Al Inayah Islamic Boarding School is an Islamic boarding school in Purwosari District, Pasuruan Regency. Based on the study results, the characteristics of Al Inayah Islamic Boarding School are a type of Islamic boarding school with a combination Islamic boarding school approach consisting of a traditional Islamic boarding school education system and a modern Islamic boarding school. Al Inayah Islamic Boarding School education with a traditional or salaf approach uses the yellow book learning curriculum. Al Inayah, Islamic Boarding School's facilities, and infrastructure include mosques, male and female dormitories, school buildings, classrooms, computer rooms, student clinics, workshop and multimedia laboratories, minimarkets, and Islamic boarding school cooperatives.

Vocational School Al Inayah education focuses on the competence of business management or marketing skills, motor engineering, and multimedia. Students carry out business management or marketing practices by participating in Islamic boarding school businesses. Al Inayah Islamic Boarding School has an Islamic boarding schools' business, namely an Islamic boarding school cooperative (Kopontren). Al Inayahs Kopontren is an Islamic boarding school business entity and a means of Islamic boarding schools' independence and learning media and student work. Al Inayahs Kopontren is a learning medium for students to have soft skills after graduating from Islamic boarding schools. In addition, Al Inayah Islamic Boarding School has also received support from the government with the assistance of the East Java one pesantren one product (OPOP) program for the development of the Al Inayah Islamic Boarding School business so that it is expected to multiply. Thus, Al Inayah Islamic Boarding School has implemented an Islamic boarding school's economic empowerment program. Al Inayahs students already have skills and involvement in the Islamic boarding schools' business. The superior products of Al Inayah Islamic Boarding School engaged in consumption come from the work and innovation of students, which ultimately impacts the independence of Al Inayah Islamic Boarding School.

#### 4. DISCUSSION

#### 4.1. Analysis of potential and problems of Islamic Boarding Schools in Pasuruan regency

Based on the characteristics and potential of three Islamic boarding schools in Pasuruan Regency, a SWOT analysis was conducted. SWOT analysis was conducted to determine the supporting factors and obstacles to the development of business units, mainly based on a sustainable creative economy in Islamic Boarding Schools. The following is an analysis of internal and external factors for the development of business units, mainly based on a sustainable creative economy in Islamic Boarding Schools in Pasuruan Regency.

#### 4.1.1. Internal Factor Analysis

Internal factors aim to determine the strengths and weaknesses of business unit development, mainly based on a sustainable creative economy in Islamic Boarding Schools. The following are the strength factors of business unit development, mainly based on a sustainable creative economy in Islamic Boarding Schools, including (i) human resources included in the productive category; (ii) Islamic boarding schools have the potential to develop businesses, both in terms of the land, strategic places, and sources of funding as capital. In terms of marketing, consumers are internal members of Islamic boarding schools; (iii) the characteristics of Islamic boarding schools as a place to learn world knowledge and the hereafter become an excellent image to develop businesses that are halal, trustful, and following Islamic law; and (iv) innovation of Islamic boarding schools business products that are readily accepted by the public.

Analysis of internal factors, the development of business units, mainly based on a sustainable creative economy in Islamic Boarding Schools, has not only strength factors but also weaknesses. The following are the weak factors of business unit development, mainly based on a sustainable creative economy in Islamic Boarding Schools, (i) proper infrastructure tends to be limited to be used to support business sustainability; (ii)knowledge related to

entrepreneurship, business management, the use of technology, information, and communication to marketing science still tends to be lacking; (iii) quality human resource support tends to be lacking.

#### 4.1.2. Analysis of external factors

Analysis of external factors aims to determine opportunities as well as threats to prevent the occurrence of tendencies and events beyond the control of the parties. In addition, external factor analysis is also one of the strategies used to optimize the positive impact of business unit development, mainly based on a sustainable creative economy in Islamic Boarding Schools. The following are the factors of opportunities for the development of business units, mainly based on a sustainable creative economy in Islamic Boarding Schools, (i) human resources that can still be developed in quality; (ii) location and capital requirements can be facilitated; and (iii) public support and trust in the products offered.

There are opportunity factors and threat factors from negative impacts that take time to overcome by the development of business units, mainly based on a sustainable creative economy in Islamic Boarding Schools. The following are threat factors for the development of business units, mainly based on the creative economy, such as (i) lack of production inputs, such as adequate equipment; (ii) business products tend to be less varied and still use traditional marketing methods; (iii) The productivity of human resources involved in each business unit tends to be low.

#### 4.1.3. Internal Factor Evaluation (IFE) Matrix Analysis

Based on the internal factors that have been described, then weighting and ranking the *Internal Factor Evaluation (IFE)* is carried out (see **Table 1**). Based on the calculations in the IFE in **Table 1**, it can be seen that the total score is 3.2. It means that the development of business units, mainly based on a sustainable creative economy in Islamic Boarding Schools, is in an average position in utilizing strengths to overcome existing weaknesses.

Internal Strategic Factors	(A)	(B)	(A) X (B)
Human resources included in the productive category	4	0.17	0.68
Islamic boarding schools have the potential to develop businesses in terms	4	0.17	0.68
of land, strategic places, and funding sources as capital. In terms of			
marketing, consumers are internal members of the Islamic Boarding School.			
The characteristics of Islamic boarding schools as a place to learn world	3	0.11	0.33
knowledge, and the hereafter become an excellent image to develop halal,			
trustful businesses that follow Islamic law.			
Innovation of Islamic boarding school's business products that are readily	3	0.11	0.33
accepted by the public			
Proper infrastructure tends to be limited to be used to support business	2	0.14	0.28
continuity			
Knowledge related to entrepreneurship, business management, the use of	3	0.14	0.42
technology, information, and communication in marketing science still tends			
to be lacking.			
Quality and human resource support could be improved.	2	0.08	0.16
Wages received by business unit managers tend to be low.	4	0.08	0.32
IFE	25	1.00	3.20

**Table 1.** Internal factor evaluation (IFE) matrix analysis.

#### 4.1.4. External Factor Evaluation (EFE) Matrix Analysis

Based on the external factors that have been described related to the development of business units, mainly based on a sustainable creative economy in Islamic Boarding Schools, then weighting and ranking the *External Factor Evaluation (EFE)* is carried out (see **Table 2**). Based on the total score of the EFE matrix is 3.34. It means that the development of business units, mainly based on a sustainable creative economy in Islamic Boarding Schools, is in an above-average position in utilizing whistles to overcome external threats.

Internal Strategic Factors	(A)	(B)	(A) X (B)
Human resources that can still be developed in quality	4	0.18	0.72
Location and capital requirements can be facilitated	3	0.17	0.51
Community support and trust in the products offered	3	0.16	0.48
Lack of production inputs, such as adequate equipment	3	0.17	0.51
Business products tend to be less varied and still use traditional marketing methods.	4	0.17	0.68
The productivity of human resources involved in each business unit tends to be low.	3	0.15	0.45
IFE	24	1.00	3.34

#### Table 2. External factor evaluation (EFE) matrix analysis.

#### 4.1.5. SWOT quadrant

The SWOT quadrant is obtained from the calculation of Internal Factor Evaluation (IFE) and External Factor Evaluation (EFE) matrix analysis. Furthermore, the x and y axes on the SWOT chart can be calculated through means.

• X

Internal Factor Evaluation (IFE) Analysis

= Strength Factor – Weakness Factor

- = 2.02 1.18
- = 0.84
- Y

External Factor Evaluation (EFE) Analysis

- = Opportunity Factor Weakness Factor
- = 1.64 –1.71
- = 0.07

Based on the calculation results for the X-axis and Y-axis, the SWOT quadrant of business unit development, shown in quadrant I, is mainly based on a sustainable creative economy in Islamic Boarding Schools. The development of business units, mainly based on a sustainable creative economy in Islamic Boarding Schools, has the potential to benefit the community in general, so the policy needed is *a growth-oriented strategy* (see **Figure 2**).

## 4.2. The opportunity for implementing eco-creative hub

Based on Law Number 24 of 2019 concerning the creative economy, the creative economy is a form of optimizing human resources based on culture, science, and technology. The Ministry of Tourism and Creative Economy has outlined 17 sub-sectors of the creative economy in Indonesia; after previous years, there were only 16 sub-sectors. (i) game, (ii) architecture, (iii) interior design, (iv) music, (v) arts, (vi) product design, (vii) fashion, (viii) culinary, (ix) film, animation, and video, (x) photography, (xi) visual communication design, (xii) television and radio, (xiii) crafts, (xiv) advertising, (xv) performing arts, (xvi) publishing,

(xvii) applications. The primary capital of the creative economy must be considered, namely human capital, social capital, cultural capital, and capital in the form of institutional and structural. Five types of skills can shape a creative economy, namely: (i) conceptual skills, (ii) organizing skills, (iii) managerial skills, (iv) entrepreneurial skills, and (v) personal skills. Five pillars of the creative economy have been prepared by the government, including resources; industry; technology; institutions; and financial institutions.

The creative economy can be developed at Islamic boarding schools and collaboration between others. It is because Islamic boarding schools not only function as an educational institution but also to develop economic empowerment. Based on Law No. 18 of 2019 concerning *Pondok Pesantren* or Islamic boarding schools, "Islamic boarding schools organize a community empowerment function oriented towards improving the welfare of Islamic boarding schools *n* and the community". The role of Islamic boarding schools is stated in the Law, namely: "In carrying out the function of community empowerment, Islamic boarding schools carry out activities in preparing independent and skilled human resources to play an active role in development". The form of community empowerment by Islamic boarding schools, one of which is by developing a business both through training and the production side.

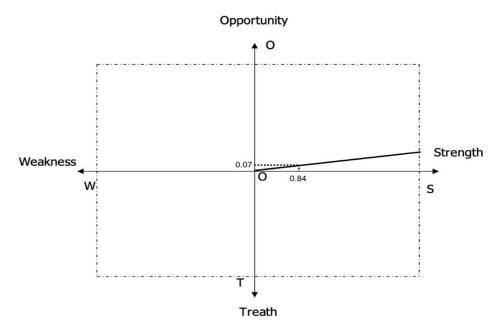


Figure 2. Quadrant SWOT.

#### 4.3. Eco-creative hub model for Pasuruan

The development of the creative economy in Pasuruan Regency can be done in several stages, namely. (i) the preparatory stage, (ii) the implementation stage, and (iii) the evaluation stage. This follows the continuous improvement system model for creative business, as explained in **Figure 3**.

Furthermore, the eco-creative hub developer in Pasuruan Regency consists of three Islamic boarding schools with their businesses, namely Sidogiri, Al-Yasini, and Al-Inayah. The three Islamic boarding schools have specialties developed mainly for food products and daily necessities that can be sold in retail businesses. The product will be further developed to be more environmentally friendly from the production and packaging sides. The eco-creative hub team that will develop environmentally friendly products are students and alums who have three stages, namely pre-incubation, incubation, and post-incubation, by collaborating with the OPOP program so that it can develop into an independent business. The following is an overview of the eco-creative hub in Pasuruan, Indonesia (see **Figure 4**).

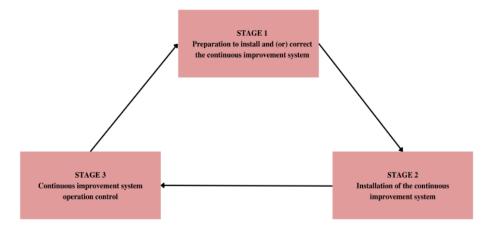


Figure 3. Continuous improvement system model.

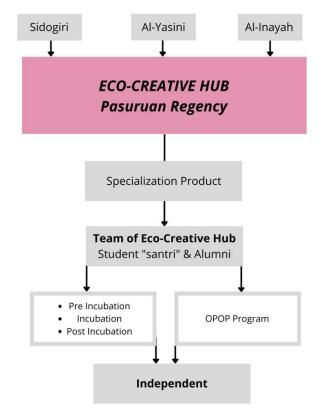


Figure 4. Eco-creative hub model.

The development of the eco-creative hub is carried out with the support of various parties who are members of Penta helix, namely (i) academics, (ii) government, (iii) business actors, (iv) the Press, and (v) the community. It encourages the acceleration of development in regulation, implementation, and dissemination of information to broadly impact the community in general and the Islamic boarding school in particular.

## **5. CONCLUSION**

The development of an eco-creative hub in Pasuruan Regency can be done by optimizing the role of Islamic boarding schools. At the beginning of the development, three Islamic

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boarding schools were implemented that had businesses and product specialties based on SWOT analysis, namely the Sidogiri, Al-Yasini, and Al-Inayah. The products were developed with an environmentally friendly approach in production and packaging, using alums and students as human resources. It is expected to accelerate the development of the creative economy in Pasuruan Regency with the collaboration of the OPOP program developed by the local government. In addition, to develop an eco-creative hub, collaboration is carried out with various parties who are members of Pentahelix to have a broad impact not only in the economy but also in the social dimension.

#### 6. AUTHORS' NOTE

The authors declare that there is no conflict of interest regarding the publication of this article. Authors confirmed that the paper was free of plagiarism.

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