

Research Article

The Essence of Halal Ecosystem in Pesantren Business in Optimizing Toward Sustainable Economy

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Abstract.

In the era of globalization, the halal product market has grown to become a significant contributor to the global economy. Pesantren is the ideal place for the implementation of the halal system. This is also supported by the territory of Indonesia, which is a majority Muslim community, so that Halal is not only an important aspect of Islamic teachings but also a necessity. One of the most important halal needs is to pay attention to food and beverages. The halal sector promotes the idea of goodness for consumption as a guarantee of the highest quality of goods and services. The purpose of industrial economics is to explain the ways of development in the economic sector, for the halal industry in Pesantren to have an economic impact on Pesantren and the surrounding community. The research method uses qualitative with a descriptive inductive approach. The study results show that business units in Islamic boarding schools, such as Royan always maintain the quantity and quality of halal both from products, systems, services, and human resources so as to optimize halal value impacting sustainable economy. The sustainable impact can be felt directly by the big family of the Pesantren, and also the Pesantren workers taken from the community around the pesantren in order to feel the blessing of halal cycle.

Keywords: business unit of Pesantren, halal industry, halal, productsCorresponding Author: May
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Knowledge E

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Selection and Peer-review under the responsibility of the 3rd JESICA Conference Committee.

1. Introduction

The development of the halal business has risen to the top of the priority list for countries developing their development strategies around the world. Even non-Muslim majority countries have a high level of knowledge and concern for the integrity of halal status, which includes all actions along the supply chain. Halal is defined as goodness (*toyyib*) and all that is permissible in Islam and beneficial to humans. The halal industry's excellence is based on lifestyle choices based on good ideals (*sharia*), such as equal welfare, social responsibility, environmental friendliness, fairness, avoiding usury, and ethical investment. This excellence implies the fusion of moral and religious principles, which opens up the halal market to non-Muslim consumers worldwide in addition to the 2.8 billion Muslims who make up the global consumer base [1].

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Halal cuisine, money, travel, style, cosmetics, health, and entertainment, chemical, logistics, marketing, print and electronic media, financing, and other vital areas are all enjoying tremendous growth. The connection with the halal industry is consistent according to the definition of industry, which is any kind of business, procedure, or undertaking that deals with the processing of raw resources, such as raw materials and semi-finished materials, in order to produce commodities of higher economic value that benefit the community.

Muslims prefer Halal goods and services to comply with Sharia law in Islam. Despite the fact that halal food is strongly linked to Muslims, not all consumers of halal products are Muslims. The number of countries where there is a Muslim minority that consumes halal goods has increased significantly in recent years. Among them is Russia, ranking ninth as a consumer of halal food, with a \$ 37 billion achievement in years. Non-Muslims use halal products because they are assured to be safe, clean, and of high quality throughout the production chain [2].

Halal items play an important role and will continue to develop year after year. This is seen in the constantly increasing Muslim population. In some Muslim-majority places, Halal food naturally becomes an important issue that deserves to be explored and debated. This is owing to the rapid advancement of food technology, particularly in the agricultural food processing business, which has resulted in variations in the usage of natural food processing ingredients [3]. This is due to the rapid development of food technology in the processed food agro-industry, which results in the effective use of components with specific desirable attributes at low prices. The issue that then emerges is the enormous number of food ingredients, including primary raw materials and additions, for which it is impossible to identify the halal origin of the substances used in their creation. Despite the fact that clarity of information about a food product is critical so that customers know if the product consumed is halal or does not have clear legal standards [4].

As a result, the halal business requires good and orderly administration in order to continue operating and developing in accordance with Islamic teachings. Because a product can be observed through the manufacturing process. Management exists as a process of developing the regulation of an activity, beginning with planning, coordinating, and regulating resources so that the desired goals can be met and accomplished properly [5].

The importance of forming a halal ecosystem in Muslim-majority Indonesia encourages Islamic boarding schools to broaden their business activities as a forum for the halal ecosystem, such as the pesantren business in the Roya unit at the Darussalam

Gontor Putri Islamic Boarding School, in order to achieve economic sustainability in the large family of the pesantren as well as the surrounding community. In addition, in the pesantren business in previous studies, the halal cycle must be optimized for its role, function, and practices must also be in accordance with Islamic law perfectly, not only halal but thoyib or kindness. This study enhances research on the impact on the sustainable impact on the economic sector of the affected parties.

2. Materials and Methods

In this study, a qualitative descriptive approach with inductive descriptive analysis was used as the research method. There are two types of data: main data and secondary data. Interviews with resource people yielded primary data. Secondary data gathered from scientific articles, journals, websites, books, and other sources pertaining to the topics under discussion. The data is then analysed by providing descriptive words in the form of phrases, pictures, and icons related to the study's topic based on Miles Huberman on detail three concurrent streams of activities; reduction, presentation, and verification/conclusion

3. Results and Discussion

3.1. Essence of Halal in the business industry

Arabic's word halal is derived from the words halla, yahillu, and hillan, which means to liberate, release, solve, dissolve and allow. Something that causes a person not to be punished for using it. Anything that is allowed to be used or done is considered halal, in everyday vocabulary is more often used or carried out to indicate food and drink money is allowed to be consumed according to Islam, according to the type of food and the way it is obtained [6].

According to Yusuf Qardhawi, halal is something by which a dangerous rope is unraveled, and Allah allows that something to be done. It means more or less that if something gets the title halal, then it means that the harmful things associated with it have been unraveled. The danger may be contained in the substance or legal consequences of the act [7].

The definition of Industry is derived from the Latin industria, which means labor. The word "industria" is frequently used in a broad, general sense to refer to any human endeavors that satisfy basic requirements in order to create prosperity. Furthermore,

attempts to raise the caliber of human resources and the capacity for efficient resource use are inextricably linked to industrialization. From a geographical perspective, industry is a system made up of both human and physical subsystems.

The industry of halal encompasses all endeavors aimed at enhancing the well-being of the populace, encompassing the preparation of raw materials and the creation of additional elements that may be transformed into sharia-compliant products. These endeavors do not stem from activities that are forbidden by the law, such as muamalah [8].

Linguistically, “halal industry” is defined by the combination of the terms “halal” and “industrial.” Industry is defined as the action of processing or processing items utilizing facilities and equipment, such as machinery, by the Big Indonesian Dictionary (KBBI). The halal business is described as processing or processing items using facilities and equipment approved by Islamic sharia, since the word halal implies permissible (not banned by sharia) [9].

The functions and objectives of the halal industry include as a form of embodiment of Law No. 33 of 2014 regarding the guarantee of halal products, which describes halal products as goods that have been deemed halal in compliance with Islamic Shari’a and halal product processing as a set of procedures to guarantee health, cleanliness and halal products including the procurement of materials, processing, storage, packaging, distribution, sales, and presentation of products. Sectors in the halal industry can be food and beverages, clothing or fashion, halal tourism, entertainment and media, pharmaceuticals and cosmetics. Such as the halal industry sector in the Roya business unit Pondok Modern Darussalam Gontor which provides a variety of food and drinks that are guaranteed to be halal [10].

In Q.S Abasa verse 24 which reads:

فَلْيَنْظُرِ الْإِنْسَانُ إِلَى طَعَامِهِ

Meaning: *“Then let the man watch his food.”*

In the Qur’an Surah that Allah commands man to always pay attention to his food. Food consumed can have a very big impact on life, including [11]:

1. Can affect physical growth and resourceful intelligence.
2. Can influence the nature and behavior of Indonesia.
3. Can affect the children to be born.
4. Can affect life in the afterlife.
5. Can influence the acceptance or rejection of a servant’s worship and prayer.

Three (three) crucial areas are closely related to the development of the halal industry in Indonesia. These aspects include production, distribution, and consumption. In addition to these three elements, technology is being used in a way that is more inventive and sophisticated, which calls for regulation of it. This instance of Islamic law has made this decision, and it has a significant impact on the products, distribution, and recovery in terms of public consumption, as well as the production process and equipment [12].

1. Production aspects which incorporate the idea and labor safety in terms of the halal industry can be understood as follows, namely:
2. 1. In the aspect The basis of tawhid is one of the foundations used in the halal sector, so that it not only emphasizes the aspect of worldly profits but also prioritizes the afterlife aspect to be a balancing part. Human safety and the environment are taken into consideration during the creation of various halal-thayyiban items.

The beginning of Roya's establishment was that in the past roya was not only a cottage-owned business unit that hoped for welfare for cottage life, but more than that, there was an element of education for business training or commonly called the Center for Management Training and Community Development (PLMPM), which later in 2014 changed to Business Management of Darussalam University (MBUD).[?] This business unit is managed by teachers, students, students of Pondok Modern Darussalam Gontor and assisted by employees from the Surrounding community [13].

3.2. Halal ecosystem of Halal industry in Roya business in optimizing sustainable economy

In developing the potential Indonesia's halal industry has numerous obstacles, one of which being the sheer number of rival nations. Not only Muslim nations like the United Arab Emirates, Malaysia, and Turkey, even countries with a majority of non-Muslim diverse populations such as Thailand, China, Japan and South Korea are involved in the halal industry. Given the enormous and forward-thinking potential of the halal market, this is actually quite understandable. However, Indonesia will not benefit from this. Why is it the case? Considering that it may lower the amount of halal goods manufactured in Indonesia that are sold both domestically and abroad. Indonesia will only be a consumer in this lucrative market even if it is unable to compete [14].

The understanding of the Indonesian people towards the concept of halal is still very lacking. Some people think that the products in the market are all halal products [15]. Industrial halal food comprises semi-finished goods that are not turned into industrial

food items as well as the processing of agricultural, plantation, and fisheries products into food. These days, the food industry is among those that is expanding the fastest. The process of eliminating halal food products involves not only the food's origin but also its packaging, distribution, processing, and submission [16].

One of the business ventures that produces halal food and beverages in Indonesia is Roya Canteen located in the city of Ngawi which prioritizes halal quality in all processes as well as both in the manufacturing process and the ingredients and quality of the products it consumes. Roya Canteen's efforts in maintaining the quality of its products are by the way employees who work at Roya are given an understanding of S.O.P to maintain product quality, then periodically checked by the Roya staff concerned in terms of product quality and halal. This aims to clearly see the form of halal in the food.[?] With the SOP made, it aims to control all operations of buying and selling activities in the roya canteen. SOPs made in accordance with sharia principles do not rule out the possibility that halal and thoyib elements are also attached to these activities. Such as service provided to buyers politely, saying greetings, smiles. Goods that are cooked, sold and stored are also done well free or avoid dirty or unclean goods.

Therefore, Roya Canteen wants to continue to be able to maintain confidence or trust in customers about the halalness of its products by the way Roya Canteen always pays attention to halal chicken meat through the mantingan chicken foundation, then chooses ingredients that already have halal logos and SNI in their raw materials. And for the food production process by buying and picking ingredients or products through Roya Perkulakan and the Chicken Foundation, then the ingredients and products are processed in the kitchen to be sold to consumers.

Communication and advertising of halal products are two things that are growing rapidly today. Along with the increasing market growth of halal products. This is what happens to halal product companies in European countries. Some magazines promote these products, and continue to improve and develop halal brands with new methods. The growth of halal products is increasing in line with the dynamics of 5 things that increase the rate of the global halal food market, namely [17]:

- i. Muslim population growth
- ii. Main markets for halal food
- iii. Increased income in the main market for halal food
- iv. Increased demand for food safety, and
- v. High quality products in the primary market.

The strategy implemented by the Roya Canteen Unit in Ngawi City is to conduct questionnaires to several ustadzah, students, guardians, and the community about what menus will be held and presented at outlets in the future, and what products need to improve taste and appearance. Strategy development is carried out with the aim of optimizing superior resources in maximizing the achievement of company performance [18].

There have been many business actors engaged in the same field, especially in terms of culinary with surrounding products whose menus are almost the same, one of the efforts made by Roya Canteen itself to face competitors is by always maintaining the characteristics of the food itself and also implementing a protection economic system for the community, teachers, students and students.

The halal industry as one of the Halal Product Assurance Implementation Agencies (BPJPH) must also have good management, in order to maintain the existence of the halal industry in Indonesia. Even with good and correct management coupled with adequate human and natural resources, the halal industry will grow. In the halal industry, the role of the market is very important. The transaction process between sellers and consumers must also be considered, including checking the quality of the products to be sold must be in accordance with and meet the standards of the product. As does Roya Canteen herself [19].

The development of technology and high government halal products make the company provide product innovation and create innovation in services in order to increase the value of the company. Innovation in food processing is urgently needed, as well as the increasing demand for healthy food along with increasing public awareness of the importance of maintaining health with safe, healthy, whole, and halal food. One of them is Roya's innovation is to create new menu innovations every year and also make info or promote through social media or through the Student Executive Council (DEMA) of each campus [20].

Consumer behavior that is loyal to a product is certainly beneficial for its producers. Because consumers will continue to try and look for the product they want. However, with this, if consumers are constantly having difficulty finding the product they want, then gradually consumers will try other brands. The higher the indifference curve means more goods that can be consumed, which means the higher the level of consumer satisfaction [21].

For Roya Canteen itself, she hopes or targets that in the future she can continue to meet the needs of ustadzah, female students, guardians, and the local community for a delicious, nutritious, halal and *thayyib* food menu.

In addition to the halal value that is its characteristic, Roya Canteen in the city of Ngawi also highlights its characteristics, namely, applying 3S: smiles, greetings, greetings to all customers who come. And Roya Canteen also implements a delivery system through couriers from the Roya group. It aims to make it easier for female students and ustadzah especially to order.while the human resources and raw materials obtained by Roya come from the community around the pesantren so that this is able to create a sustainable economy for the pesantren and the surrounding community. Workers who are from the pesantren environment are given the opportunity to work but are also educated that these activities are not only work but a form of worship to Allah SWT, so that what is done by the workers becomes a form of devotion that is able to create halal human resources because they work sincerely and feel the blessings of work with the impact of continuous economic improvement.

Basically, the value chain is a business model that covers the stages of activity from production to consumption of goods to consumers, with each of these processes bringing added value. The added value of a halal product is calculated based on material and morals. This process forms halal standardization that applies universally, based on Islamic economic principles as a legal basis. Halal value chain started [22].

4. Conclusion

The halal ecosystem in the Islamic boarding school business plays an important role in optimizing a sustainable economy. And also emphasizes the significance of halal products in Islamic teachings and the impact of food consumption on various aspects of life. The halal industry in Indonesia is experiencing rapid growth but faces challenges from competing countries. Companies such as Roya Canteen in the city of Ngawi prioritize halal quality in their food production and distribution processes. However, understanding about halal among Indonesian consumers is still lacking, so better management and marketing strategies are needed in the halal industry. The company aims to maintain customer trust by guaranteeing halal quality in its products. Innovation and value chain management are important for the growth of the halal industry. The development of the halal food industry in Indonesia is still considered less than optimal, so better implementation of halal standards and regulations is needed.

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