

A MODEL FOR INCREASING THE DIGITALIZATION OF ISLAMIC MICROFINANCE INSTITUTIONS (LKMS) AS ECONOMIC DEVELOPMENT OF ISLAMIC BOARDING SCHOOLS

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Abstract

Background - Islamic boarding school is one of the Islamic educational institutions that at its development stage will reach the public finance sector. This cannot be separated from the need for an internal financial mechanism of the cottage and the insistence of the needs of the community around the cottage. Modeling of financial institutions that are in accordance with the cottage is a sharia-based financial institution. Sharia Microfinance Institutions (MFIs) are Islamic financial institutions that function to collect and redistribute in the form of financing on a micro scale. LKMS is a place for Islamic boarding schools and the surrounding community to develop the economy independently. With the existence of MFIs, there will be many business units that are used as the main source of driving the economic wheels of the boarding school. The development of a good boarding school SMFI is very necessary for innovations that are trending in the current digital era, where this change can have a positive impact on the economic growth of the boarding school. This research aims, first, to increase the knowledge of boarding school managers in developing SMFI and second, to develop a model for digitizing SMFI in developing the boarding school economy

Purpose - This research aims to find out the model of increasing the digitalization of Islamic microfinance institutions as the economic development of Islamic boarding schools.

methodology - Determination of the digitalization improvement model as a cottage economic development in this study using the Analytical Network Process (ANP) method with decision making by considering and validating empirical experience. The sampling technique determined is purposive sampling. Data collection techniques using questionnaire distribution techniques and interviews.

Findings - The results of this study indicate that the most appropriate model is the development of SMFIs. This model is focused on the development of SMFI by providing financing to the boarding school business unit so that it can develop the boarding school economy independently. Alternatives to develop financial digitalization and economic development of Islamic boarding schools are carried out by conducting training for managers, adding quality human resources and collaborating with other parties.

Originality - -

Keywords: Model; Digitalization; MFI; Islamic Boarding School Economy
