http://journal.uin-alauddin.ac.id/index.php/lamaisyir Publisher: Fakultas Ekonomi dan Bisnis Islam UIN Alauddin Makassar

Economic Empowerment of Coffee Farmers Through Dompet Dhuafa's Social Enterprise Program

*Umaima1, Muh. Yusuf2, Mukhtar Yunus3, Muhammad Jabbarul Qubra4

1,2,3 Department of Islamic Economics, Faculty of Economics and Islamic Business, Institut Agama Islam Negeri Parepare

e-mail: umaima@iainpare.ac.id¹, mhmadyusuf105@gmail.com², mukhtaryunus@iainpare.ac.id³, MJabbarulqubra@iainpare.ac.id⁴

Abstract

The empowerment of coffee farmer groups by Dompet Dhuafa aims to improve the welfare and income of farmers in Letta Village, Lembang District, Pinrang Regency through a social enterprise program. This research uses a descriptive qualitative method to explore field facts related to the implementation of the program. The results show the pattern of implementing a social enterprise program that prioritizes elements such as social values, civil society, innovation, and economic activity. Dompet Dhuafa provides a coffee roaster machine for the business partner, warkop Gudmud, with funding from ZISWAF, and the profits obtained are used to provide sustainable social impact for the community.

Keywords: *Program; Social Enterprise; Empowerment.*

INTRODUCTION

Indonesia is an agrarian country with the agricultural sector still important to the economy. However, many poor households still depend on agriculture, indicating the relatively low welfare of farmers (Yanti Saleh, 2014). The government implements empowerment programs to improve farmers living standards. Community empowerment aims to create mutually beneficial conditions between the givers and beneficiaries of the program. This requires support from various parties such as the government, NGOs, and companies.

Social enterprise is a business concept that combines profit objectives with social impact. LAZ Dompet Dhuafa runs a social enterprise program to finance their operations and empowerment programs (Irfan Ilmi, 2019). In Parepare, Dompet Dhuafa implements a social enterprise program through the Gudmud coffee and roastery business. This program aims to empower coffee farmers in Letta Village, Pinrang Regency, who face the problem of low coffee selling prices due to poor quality.

Dompet Dhuafa seeks to improve the quality of coffee production, improve the marketing system, and increase productivity to improve the welfare of coffee farmers in the area

Literature Review

Etymologically, empowerment comes from the word "power", which means the ability to do something or to do something. By using the prefix "empowered", it means having the strength, ability, energy, and reason to get through challenges. Getting a prefix and suffix so that it becomes empowerment which can be interpreted as an effort / process to make capable, make able to act or do something (Donni Juni Priansa dan Suwatno, 2018).

In the thesis by Vitaro Khasbi Assidiqi, he wrote the definition of social enterprise according to Bill Drayton, as the founder of the Ashoka Foundation and the initiator of the concept of social entrepreneurship, he claims that there are two important components in the concept of social enterprise. The first is renewable innovation, which has the potential to have a positive effect and change the previous system of society into a more modern system. The second is the presence of creative and inventive human resources, who can convey concepts related to this change to society (Vitaro Khasbi Assidiqi, 2020).

LAA MAISYIR: Jurnal Ekonomi Islam, November 2024: 300-307

The 2nd International Collaboration Conference on Islamic Economics (ICCEIS) 2024 "Global Innovations for a Sustainable Islamic Economics"

METHODOLOGY

This research is a descriptive qualitative field research, the meaning of descriptive qualitative research is that this research aims to understand a phenomenon of the subject under study such as behavior, perceptions, actions and so on as a whole by describing in the form of words and language naturally (Lexy J. Maleong, 2007). This research takes a phenomenological approach, where phenomenology aims to describe accurately, systematically, and factually about the facts of an area. This approach will be used to describe the impact felt by the community in Letta Village with the empowerment program through the social enterprise program carried out by Dompet Dhuafa.

In this research, three main data collection methods are used: observation, interview, and documentation. Observation involves systematic observation of the implementation of social enterprise and coffee farmer empowerment programs by Dompet Dhuafa Parepare. Through observation, researchers were able to identify the problems faced by coffee farmers as well as the solutions offered by Dompet Dhuafa. Interviews were conducted with Dompet Dhuafa Parepare's manager, empowerment staff, and several coffee farmers to obtain more in-depth information. This method allows the exchange of information and ideas through direct question and answer. Finally, documentation is used to collect data from various written sources such as notes, books, newspapers, and other documents. This method is important to obtain information related to the implementation of the institution's programs, organizational history, and other data relevant to the research. The combination of these three methods allowed the researcher to gain a comprehensive understanding of the topic under study.

RESULTS AND DISCUSSION

Implementation of social enterprise program at Dompet Dhuafa Parepare

Based on the results of the interview above, it can be concluded that Dompet Dhuafa is an Amil Zakat Institution which has 5 main programs including health, education, social, dakwa budayah and economic programs. Dompet Dhuafa Parepare manages economic programs using social enterprise. Where this social enterprise is very suitable to be used to provide social value to the community because the main purpose of this program is for profit or profit and social impact or social impact. In a further interview, Sahrani Said added:

"the social value is actually, from nothing to something, such as improving the quality of coffee for coffee farmers, increasing the knowledge and experience of the community in processing coffee, and increasing community relations. Because it's not just coffee that is the main focus, they can also sell aren palm through Dompet Dhuafam, because we are there because of coffee so other things are also helped. For example, such as palm innovation, that is one of the social values of the social enterprise program, and the social value provided is also apart from the economic impact, we also provide health impacts, tourism impacts and so on ".

Based on the results of the interview above, the researcher concluded that social value is the welfare of the community, especially economic problems, where the Dompet Dhuafa social enterprise program is present to provide social value to the community, such as the implementation of empowerment programs, such as the empowered youth program and the cheap market program. In addition to providing social value in terms of the economy, Dompet Dhuafa also provides social value in terms of health, tourism and so on, where this program aims to prosper the community, especially in economic matters.

Basically, social entrepreneurship in its activities depends on community participation by optimizing existing human resources and natural resources. In maximizing the social enterprise program by providing empowerment programs, community involvement, especially coffee farmers, is very significant and Dompet Dhuafa plays a role in providing direction in good processing so that the results of coffee farmers will be processed by Dompet Dhuafa up to the sales stage, so that the program can provide benefits continuously.

For the success of social entrepreneurship, economic activities and activities must be balanced because economic activities are the key to the sustainability of social activities, and social activities are the key to the objectives of the establishment of social entrepreneurship. Dompet Dhuafa's programs can run because of the interconnected economic activities between upstream and downstream, where upstream acts as a supplier or who produces coffee beans and downstream acts as a processor of coffee beans to the stage of selling ready-to-brew coffee to be marketed to consumers. The results of these economic activities will be

LAA MAISYIR: Jurnal Ekonomi Islam, November 2024: 300-307

The 2nd International Collaboration Conference on Islamic Economics (ICCEIS) 2024 "Global Innovations for a Sustainable Islamic Economics"

used to fund the Dompet Dhufa empowerment program with the aim of providing social value continuously.

Economic empowerment of coffee farmers in Letta Village through the Dompet Dhuafa Parepare City social enterprise program.

Coffee farmers in Letta Village where the quality of coffee is not there is a small amount of product because it is for personal consumption and only sells coffee when the economy is depleted. This is due to the lack of knowledge and tools to manage coffee so that Dompet Dhuafa implements a coffee farmer empowerment program in Letta Village with the aim of providing social impact and value. At the alternative planning stage of this program, Dompet Dhuafa discussed with the community how to overcome the problems faced by the community and conveyed what Dompet Dhuafa would provide so that the quality of coffee farmers' products could improve. Providing assistance by Dompet Dhuafa from year to year until now, it can be concluded that the provision of assistance by Dompet Dhuafa is of course with the things needed by coffee farmers such as drying houses because the weather in Letta Village is less supportive for the process of drying coffee so that the results of coffee farmers are not optimal which will affect the selling value of the product. It can also be concluded that the provision of assistance continues to increase from year to year due to changes in the quality of coffee farmers so that various kinds of assistance that Dompet Dhuafa provides in order to provide social value to coffee farmers.

The results of coffee farmers who go through Dompet Dhuafa assistance will be purchased by Dompet Dhuafa itself with the aim of being able to monitor the results of coffee farmers who then buy coffee beans will be processed again through a coffee roastery machine then sold and the profits will return to coffee farmers and Dompet Dhuafa conducts evaluations two to three times a year. So that the coffee farmer empowerment program can continue to run and can provide social value continuously. how coffee farmers before and after the assistance from Dompet Dhuafa, where it used to be difficult to process coffee due to limited tools and also with the assistance from the government, it has further alleviated coffee farmers in managing their coffee plantations and obtained a very significant product selling value after the coffee farmer empowerment program by Dompet Dhuafa.

Implementation of Dompet Dhuafa's social enterprise program

This research uses Hulgard's theory to analyze the implementation of Dompet Dhuafa's social enterprise program. This theory includes four main elements:

1) Social Value

- 1. Creating real social benefits for society
- 2. Dompet Dhuafa's programs include health, education, social, da'wah, cultural, and economic.
- 3. Social enterprise application through the warkop business
- 4. Holding empowerment programs such as cheap markets and empowered youths

2) Civil Society

- 1. Depends on community participation
- 2. Involving muzakki, business partners (Warkop Gudmud), and coffee farmers

3) Innovation

- 1. Emphasizes new approaches with limited resources
- 2. Dompet Dhuafa distributes zakat productively through social enterprise
- 3. Utilizing ZISWAF funds for empowerment programs

4) Economic Activity

- 1. Balancing economic and social activities
- 2. Partnering with Warkop Gudmud, entering a business unit in the form of a coffee roastery machine

Profits are used for coffee farmer empowerment programs

LAA MAISYIR: Jurnal Ekonomi Islam, November 2024: 300-307

The 2nd International Collaboration Conference on Islamic Economics (ICCEIS) 2024 "Global Innovations for a Sustainable Islamic Economics"

CONCLUSION

The conclusion of this research shows that the social enterprise program run by Dompet Dhuafa in Letta Village, Pinrang Regency, has succeeded in improving the welfare of coffee farmers through structured empowerment. By utilizing an approach that emphasizes social values, community participation, innovation, and economic activities, Dompet Dhuafa is able to improve the quality of coffee production and marketing systems. As a result, coffee farmers experience increased income and a better quality of life. This program not only provides economic impact, but also social, such as increased knowledge and relationships between farmers. Overall, the implementation of this social enterprise program is effective in achieving the goals of community empowerment and improving the welfare of coffee farmers in the area.

REFERENCES

- Donni Juni Priansa dan Suwatno, Manajemen SDM Dalam Organisasi Publik Dan Bisnis, Bandung: Alfabeta (2018).
- Irfan Ilmi,"Business Model Canvas Pada *Social Enterprise* Di Laz Dompet Dhuafa" (Skripsi Sarjana; Jurusan Ekonomi Syariah: Jakarta, 2019).
- Moleong, Lexy J, Metodologi Penelitian Kualitatif, Bandung: PT. Remaja Rosdakarya (2007).
- Said, Syahrani. staf Dompet Dhuafa, wawancara di Parepare pada tanggal 05 juni 2024
- Vitaro Khasbi Assidiqi, "Potensi Penerapan Wakaf Uang Pada Pengelolaan *Social Enterprise* (Studi Social Enterprise Difa City Tour)" (Skripsi Sarjana; Jurusan Studi Islam: Yogyakarta, 2020).
- Saleh, Yanti, "Analisis Pendapatan Usaha Pengrajin Gula Aren Di Desa Tulo'a Kecamatan Bulango Utara Kabupaten Bone Bolango", Jurnal Perspektif Pembiayaan dan Pembangunan Daerah, 1.4(2014).
- Saleh, Yanti. Kesejahteraan Petani dan Pemberdayaan Masyarakat di Sektor Pertanian. Jakarta: Penerbit Universitas Indonesia. (2014).
- Perera, S., Social Enterprise and Community Development: A Case Study Approach, Journal of Social Entrepreneurship, Vol. 12, No. 4, hlm. 345-362 (2021).

- Sari, R., Pemberdayaan Petani Kopi Melalui Pelatihan dan Pendampingan: Studi Kasus di Sulawesi Selatan, Jurnal Agroekonomi, Vol. 36, No. 2, hlm. 123-138 (2018).
- Widyastuti, A., Pemberdayaan Masyarakat Melalui Social Enterprise: Teori dan Praktik, Yogyakarta: Penerbit Universitas Gadjah Mada (2020).
- Sulaiman, Ahmad, Pemberdayaan Ekonomi melalui Social Enterprise: Studi Kasus di Pedesaan, Jurnal Pembangunan Sosial, Vol. 6, No. 1, hlm. 75-90 (2022).
- Iskandar, Rudi, Pemberdayaan Masyarakat dan Pengembangan Usaha Mikro, Jakarta: Penerbit Mitra Wacana Media (2019).
- Lestari, Dwi, Analisis Dampak Program Pemberdayaan Petani terhadap Kesejahteraan Masyarakat, Jurnal Ekonomi Rakyat, Vol. 10, No. 2, hlm. 100-115 (2020)
- Nugroho, Eko, Social Enterprise: Strategi Inovatif untuk Pemberdayaan Masyarakat, Jakarta: Penerbit Salemba Empat (2020).
- Hidayah, Nabila, Peran Lembaga Swadaya Masyarakat dalam Pemberdayaan Petani, Jurnal Ilmu Sosial dan Humaniora, Vol. 5, No. 3, hlm. 200-215 (2021).