

Strengthening Collaboration Between Financial Institutions and Universities to Empower a Sustainable Economy

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Abstract

Efforts to strengthen collaboration between financial institutions and universities are a key step in empowering a sustainable economy. This service activity aims to increase cooperation between financial institutions and universities, with a focus on sustainable economic empowerment. The service method is carried out through holding international seminars in a hybrid manner, both face-to-face at the Library Building on the 4th floor of IAIN Kediri and via the Zoom platform. The results of this service include strengthening cooperation between the two entities, broadening students' insight into sustainable financial practices, and contributing to sustainable economic development on campus and in the surrounding community.

Abstrak

Upaya memperkuat kolaborasi antara lembaga keuangan dan perguruan tinggi adalah langkah kunci dalam memberdayakan ekonomi yang berkelanjutan. Kegiatan pengabdian ini bertujuan untuk meningkatkan kerja sama antara lembaga keuangan dan universitas dengan fokus pada pemberdayaan ekonomi yang berkelanjutan. Metode pengabdian dilakukan melalui penyelenggaraan seminar internasional yang diadakan secara hybrid, baik secara tatap muka di Gedung Perpustakaan lantai 4 IAIN Kediri maupun melalui platform Zoom. Hasil pengabdian ini mencakup penguatan kerja sama antara kedua entitas, memperluas wawasan mahasiswa terhadap praktik-praktik keuangan berkelanjutan, dan memberikan kontribusi bagi pengembangan ekonomi yang berkelanjutan di kampus dan masyarakat sekitar.

1. INTRODUCTION

The background to strengthening collaboration between the Faculty of Islamic Economics and Business (FEBI) at the State Islamic Institute (IAIN) Kediri and financial institutions emerged as a response to significant challenges in empowering the community's economy. FEBI IAIN Kediri, as a higher education institution with a focus on Islamic economics, has a strategic role in forming sustainable economic thinking in accordance with the principles of social justice. However, to achieve maximum impact, strong collaboration with financial institutions is needed to implement these concepts in real economic practice (Tama et al., 2023).

The main problem facing FEBI IAIN Kediri is the lack of active involvement in the economic development of local communities. Even though it has academic and intellectual expertise, FEBI IAIN Kediri still needs to increase its role in formulating economic solutions that

can truly empower society. Limited resources and isolation from the network of financial institutions are the main obstacles that need to be overcome.

Financial institutions, on the other hand, also face the challenge of aligning their operations with sustainability concepts (Alfiana et al., 2023). Although more and more financial institutions are recognizing the importance of social and environmental responsibility, further efforts are needed to integrate these principles into their financial products and services (Putri et al., 2023). Collaboration with academic institutions such as FEBI IAIN Kediri could be the key to overcoming these obstacles and designing more sustainable financial solutions.

The aim of this service activity is to strengthen collaboration between FEBI IAIN Kediri and financial institutions to create a sustainable economic ecosystem in the local community. Specific steps involve developing curricula that integrate Islamic economics and sustainability concepts, organizing training for financial students and practitioners, and initiating joint research and development projects that focus on local economic solutions.

In addition, this activity will respond to concrete problems in local communities, such as high levels of unemployment and low levels of financial inclusion. By strengthening collaboration, it is hoped that FEBI IAIN Kediri can make a more real contribution to empowering the community through increasing financial literacy, developing small- and medium-sized businesses, and empowering the local economy.

By detailing this background, this service article will dig deeper into the problems and challenges faced by FEBI IAIN Kediri in the context of empowering the community's economy through collaboration with financial institutions.

2. METHODS

This service method will adopt a collaborative approach through holding a seminar entitled "Sustainable Economy: Collaboration of Financial Institutions, Universities, and Business Actors." This seminar will be initiated by FEBI-IAIN Kediri by inviting local financial institutions, business actors, and students from various related study programs. This seminar aims to create a forum for productive dialogue and collaboration between key stakeholders in discussing their shared role in empowering the community's economy in a sustainable manner.

First, the seminar will begin with the delivery of material from resource persons who are experts in the fields of Islamic economics, sustainable finance, and local business practitioners who have successfully integrated sustainability principles into their operations. This presentation will provide in-depth insight into these concepts and build a shared understanding of the potential positive impacts that can be generated through collaboration between FEBI IAIN Kediri, financial institutions, and local business actors. Additionally, panel discussion sessions will provide a platform for stakeholders to share experiences, challenges, and innovative ideas.

Second, the seminar will involve students in workshop activities and discussion groups guided by facilitators. Students will be given the opportunity to detail the concepts they have been taught in the context of real-life applications, creating a collaborative space to generate creative ideas that can be applied to sustainability projects. In addition, the presence of financial institutions and business actors will provide opportunities for students to engage in

professional networks and understand more deeply the challenges and opportunities in the local business world. Through a combination of presentations, panel discussions, and interactive workshops, this seminar is expected to trigger active engagement and increase understanding of the key role played by each party in empowering a sustainable economy.



Figure 1. Devotion method

3. RESULTS AND DISCUSSION

On Tuesday, October 31, 2023, the Faculty of Islamic Economics and Business (FEBI) at the State Islamic Institute (IAIN) Kediri successfully held a seminar entitled "Sustainable Economy: Collaboration of Financial Institutions, Universities, and Business Actors" at the Library, Floor. 4, IAIN Kediri. This event was attended by prominent speakers, namely Amnisuhailah bint Abrahan from Sultan Sharif Ali Islamic University (UNISSA) Brunei Darussalam, Asst. Prof. Mohamadaree Waeno from the ASEAN Center in Indonesia, Prof. Muhamad Nafik Hadi Ryandono as Head of Startup BPBRIN, and Fatmah from UIN Sunan Ampel Surabaya.

Collaboration between financial institutions and universities is a concrete implementation of the Triple Helix concept, a theory that proposes cooperation between the three main pillars of economic development: government, industry, and universities (Octoviani, 2023). In the context of this collaboration, financial institutions and universities complement each other, combining knowledge and resources to drive sustainable economic growth. This approach recognizes that innovation does not only originate from the industrial sector but can also emerge from research and expertise produced by higher education institutions.

Knowledge transfer theory also plays a key role in these collaboration dynamics. Universities, as knowledge centers, transfer discoveries and expertise to financial institutions, enabling them to integrate sustainable practices into their financial policies and services (Karyati et al., 2023). At the same time, financial institutions provide universities with market insights and actual financial practices, ensuring the relevance and applicability of academic knowledge in real-world contexts.

This kind of collaboration encourages the creation of a sustainable ecosystem that connects the financial and higher education sectors. By bridging the division between academics and financial practitioners, this collaboration has the potential to formulate innovative solutions that not only strengthen economic resilience but also increase social and environmental responsibility. Thus, the collaborative paradigm between financial institutions and universities opens the door to innovation and transformation towards a more sustainable economy (Muttaqin et al., 2020).

These presenters presented in-depth and inspiring material regarding sustainable economic concepts, the role of collaboration between financial institutions and universities, as well as innovation in startups that promote sustainability principles. Amnisuhailah binti Abrahan shared Brunei Darussalam's experience in integrating Islamic economic concepts into financial practices. Asst. Prof. Mohamadaree Waeno provided ASEAN's views regarding collaborative efforts at the regional level to achieve a sustainable economy. Prof. Muhamad Nafik Hadi Ryandono discussed the role of startups in responding to sustainability issues, while Fatmah from UIN Sunan Ampel Surabaya discussed the contribution of universities in teaching students the values of sustainability.



Figure 1. Delivering seminars

The results of this seminar were very significant. First, there has been an increase in understanding and awareness of the importance of collaboration between financial institutions and universities in achieving a sustainable economy. The participants, especially students, were able to understand the positive impact that can be generated through synergy between the worlds of education and finance. The involvement of presenters who have extensive experience from various backgrounds provides a comprehensive perspective related to sustainability issues.

Second, creating a closer collaborative network between FEBI IAIN Kediri, financial institutions, business actors, and students. This seminar provides a platform for the exchange of ideas, experiences, and potential future collaborative projects. Universities can take advantage of this relationship to develop more relevant and sustainability-oriented curricula, while financial institutions and business actors can explore innovation and sustainable solutions by involving students.

Third, there is encouragement to implement sustainability concepts in local economic practices. The development of ideas and discussions arising from this seminar provides inspiration for business actors and financial institutions to consider changes in their business models that are more environmentally friendly and inclusive. Students, as future agents of change, are also encouraged to be actively involved in sustainability projects.

Thus, this seminar is not only a forum for knowledge but also a catalyst for positive changes in the economic paradigm at IAIN Kediri and the surrounding community. Increased

understanding, established collaborative networks, and encouragement to apply sustainability concepts in economic practice are clear evidence that these activities have a significant positive impact on supporting a sustainable economy at the local and regional levels.

4. CONCLUSION

From this service activity, it can be concluded that this activity succeeded in creating awareness of the urgency of collaboration to create a sustainable economy. The presenters, especially from UNISSA Brunei, ASEAN Center, BPBRIN, and UIN Sunan Ampel Surabaya, provided in-depth insights, motivated, and formed a strong collaborative network. Students, financial institutions, and business actors are actively involved in discussions and workshops, creating momentum for positive change. The conclusion of this activity is that cross-sector collaboration, driven by an understanding of the concept of sustainability, can be a driver of transformation towards a more inclusive and sustainable economy in the future.

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