Enhancing Educational Quality in Pesantren through Educational Fintech: Katalis Barokah for Building Public Trust

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Abstract. This study explores the role of the fintech application, "Katalis Barokah," in building public trust by increasing transparency and accountability in financial management in Islamic boarding schools. Amidst the challenges of less transparent and structured financial management in Islamic boarding schools, this application is expected to offer a practical solution by providing a system that facilitates transaction recording, transparent financial reporting, and direct access to the community. This study uses a qualitative approach with a case study design. Data were collected through in-depth interviews, participant observation, and documentation, which were then analyzed to identify the impact of the application on Islamic boarding school financial management. The study results show that the "Katalis Barokah" application has improved the quality of Islamic boarding school financial quality assurance by increasing transparency and efficiency in fund management. The community and Islamic boarding school administrators reported increased trust thanks to the openness of information provided by the application, which in turn strengthened the relationship between the Islamic boarding school and the community. However, the challenge of adopting technology among Islamic boarding school administrators who are less skilled in using the application still needs to be overcome. This study concludes that integrating fintech technology can improve Islamic boarding school financial management and build public trust. However, increased digital literacy among Islamic boarding school administrators is required to maximize its benefits.

Keywords: Educational Fintech, Katalis Barokah, Public Trust

1 Introduction

In the rapidly developing digital era, financial technology (fintech) is crucial in building a more open and trustworthy financial system (Aldboush & Ferdous, 2023). One sector that requires attention in this regard is Islamic boarding schools, as educational and social institutions that play a significant role in society (Buanaputra et al., 2022). Public trust in Islamic boarding school financial management is often hampered by a lack of

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transparency and an inefficient system (Rastgar et al., 2023). This research is very relevant because it provides a practical solution through the “Katalis Barokah” application, which can help increase public trust in financial management in Islamic boarding schools (Qutaiba Muhamad et al., 2024).

The phenomenon in the field shows that many Islamic boarding schools still rely on manual recording in financial management, which makes them vulnerable to errors and manipulation (Dakir et al., 2021). In addition, many Islamic boarding schools have difficulty preparing transparent and accountable financial reports (Meutia & Daud, 2021). This situation creates a gap between Islamic boarding school managers and the community, which ultimately damages the reputation of Islamic boarding schools in the eyes of the public (Lopes Cardozo & Srimulyani, 2021). In addition, the low financial understanding among Islamic boarding school administrators further exacerbates this problem, making it difficult for them to optimize the use of funds received to advance the institution(Wang et al., 2024)(Maman et al., 2021).

Previous research has shown the important role of fintech in increasing financial transparency in various institutions, including Islamic boarding schools (Fahmi & Aswirna, 2023). Several studies have shown that digital financial applications can increase efficiency in fund management and provide more transparent reports to donors and the community (Mikeladze, 2021). For example, research by Chaniago found that the use of financial applications in Islamic boarding schools can speed up the process of recording and reporting finances, which ultimately increases public trust (Chaniago & Rokan, 2024).

However, the research is still limited to case studies in big cities, so it does not cover Islamic boarding schools in areas with limited access to technology. In addition, several studies indicate that although technology has been implemented in several Islamic boarding schools, the main problem that arises is the lack of training and understanding in optimal use of the application. As a result, the technology implemented does not provide maximum impact (Qureshi et al., 2022)(Farid & Alqodr, 2025).

This research presents innovation by integrating fintech technology through the "Katalis Barokah" application which was developed specifically for Islamic boarding schools, with features that are easily accessible to Islamic boarding school administrators in various regions, both those who are familiar with technology and those who are not. In addition, this application not only provides transparent financial management features, but also offers ongoing training and support for Islamic boarding school administrators (Moslimany et al., 2024). This is very important to implement, because although there are many fintech applications, none have specifically focused on empowering Islamic boarding schools, especially in community-based financial management (Hasanah, 2024; Hidayat et al., 2024).

The main question in this study is how the "Katalis Barokah" application can increase public trust by increasing transparency and the quality of Islamic boarding school financial management. The temporary answer that can be given is that this application provides a platform that allows Islamic boarding schools to record and report the use of funds more openly, as well as providing direct access to the community to monitor the management of these funds. The contribution of this study is to show that fintech technology can be used effectively in improving Islamic boarding school financial management, which in turn will strengthen public trust in Islamic boarding schools.

2 Methodology

This study uses a qualitative research design with a case study approach, which was chosen to allow researchers to analyze the phenomenon in more depth. The focus of this study is on the implementation of the "Katalis Barokah" application as an effort to strengthen public trust in financial management in Islamic boarding schools. The qualitative approach was chosen because it effectively understands the views of Islamic boarding school administrators, the community, and donors regarding the importance of financial transparency and how this application can provide solutions.

Through a case study approach, researchers can assess the specific context in which the application is implemented and identify various challenges and opportunities that can improve the quality of financial management in Islamic boarding schools. This research was conducted at the Islamic Boarding School, Situbondo, which was chosen based on several considerations. This Islamic boarding school has implemented a financial system both manually and through digital applications but still faces problems related to transparency and trust from the community. The selected Islamic boarding schools also have various characteristics, such as scale, number of students, and technological capabilities. The selection of this location aims to obtain a more representative picture of the implementation of the "Katalis Barokah" application in Islamic boarding schools with diverse conditions and assess its influence on transparency and the quality of financial management.

Data collection techniques in this study include in-depth interviews, participant observation, and documentation. Interviews were conducted with the head of finance, treasurer of the Islamic boarding school, financial manager, and active students to gain their insights into the financial management of the Islamic boarding school and the role of the "Katalis Barokah" application. In addition, participant observation was also conducted by being directly involved in the financial management of the Islamic boarding school to observe the management process and interactions between the Islamic boarding school administrators and the community. Documentation in the form of financial reports managed by this application will be analyzed to evaluate its implementation in practice and support transparency and accountability. The data collected is then analyzed through a selection, filtering, and verification process to ensure the accuracy of the findings.

3 Result and Discussion

3.1 Result

More Structured Financial Recording and Reporting. More structured financial recording and reporting in the context of Islamic boarding schools refers to implementing a system that allows the management of financial transactions to be carried out systematically and efficiently. The "Katalis Barokah" application facilitates recording receipts and expenditures of Islamic boarding school funds, ensuring that financial reports are neatly arranged, and facilitating access and verification by related parties, such as administrators, donors, and the community. With an integrated digital system, the recording process becomes neater and more transparent than manual recording, which is prone to errors. Table 1 shows financial recording and reporting through the "Katalis Barokah" application.

The Head of Finance of the Islamic Boarding School stated that before the "Katalis Barokah" application existed, financial recording was done manually, which took a long time and was prone to errors. "This application helps us in recording finances more systematically. All transactions are now neatly recorded, and financial reports can be viewed anytime. This makes it easier for us to monitor the flow of funds and ensure that everything is running smoothly," he said. The researcher argues that this statement shows that this application has succeeded in replacing the manual method, more prone to errors, with a more organized and efficient system.

During observations at the Islamic Boarding School, researchers noted that using the "Katalis Barokah" application significantly impacted financial recording and reporting. Islamic boarding school managers showed an increased understanding of utilizing application features to record each transaction. During training, administrators showed great enthusiasm and were able to operate the application easily. This confirms that this application not only functions as a recording tool but also as a means of education to increase the capacity of managers to manage finances properly.

Overall, the interviews and observations showed that the "Katalis Barokah" application succeeded in improving Islamic boarding school financial recording and reporting in a more structured and efficient manner. This application reduces dependence on manual recording, previously an obstacle in managing Islamic boarding school funds. Financial reports can be compiled quickly and accurately with a more organized system, facilitating related parties' monitoring and verification process.

The pattern that emerges from the data above is that using the "Katalis Barokah" application has brought positive changes in the financial management of Islamic boarding schools. Islamic boarding school managers, both financial heads and treasurers, admit that more organized recording makes it easier for them to prepare more transparent and accurate financial reports. This application increases efficiency in recording and improves managers' understanding of financial management, which enhances the quality of transparency and financial accountability in Islamic boarding schools.

The results of this study indicate that fintech applications can effectively replace inefficient manual systems with more structured digital systems, providing significant benefits in terms of transparency and accountability in the management of Islamic boarding school finances.

Table 1. Financial Recording and Reporting through the "Katalis Barokah" Application

Position Informant	Interview Excerpt	Indicator
Head of Finance of the Islamic Boarding School	"This application makes it very easy for us to record finances in a structured manner. All transactions are now recorded neatly, and financial reports can be accessed anytime."	Systematic recording, easy access to reports, monitoring cash flow
Treasurer of the Islamic Boarding School	"Fund management has become much more organized with this application. Financial reports that were previously difficult to compile can now be made in a matter of minutes."	Regular fund management, report accuracy, speed of report preparation

Interviews with the Head of Finance and Treasurer of the Islamic Boarding School show that the "Katalis Barokah" application has significantly changed the management of Islamic boarding school finances. The statement from the Head of Finance emphasized how this application facilitates the recording process and ensures that financial reports are neatly arranged and easily accessible. This shows that the application has succeeded in replacing the manual method, which took a long time and was prone to errors.

Transparency in Fund Management. This application allows for the systematic and organized recording of financial transactions, reducing the possibility of human error in fund management. With easy-to-use features, Islamic boarding school managers can monitor the receipt and expenditure of funds in real time, which supports higher accountability. This application provides clear financial reports that stakeholders, such as donors and the community, can access. This transparency allows the community to monitor how the funds distributed are used, which can reduce suspicion or distrust of the management of Islamic boarding school funds.

With technology-based features such as QR codes or easily accessible dashboards, this application allows the community, especially donors and guardians of students, to quickly view financial reports and developments in using funds in Islamic boarding schools. This creates greater transparency compared to manual systems that often have limited access. Through these methods, the "Katalis Barokah" application not only improves the quality of financial management in Islamic boarding schools but also strengthens public trust in more transparent and responsible fund management. With greater confidence, the community will be more motivated to support Islamic boarding schools through donations and involvement in their activities.

The Head of Finance stated that this application allows managers to monitor real-time transactions, meaning that funds received and disbursed can be immediately recorded and monitored without delay. The Islamic boarding school administrators added that the QR code and dashboard features allow them to easily monitor the development of fund use, making them more confident and confident in managing funds in Islamic boarding schools. This shows that the transparency this application encourages contributes to increased confidence in managing Islamic boarding school funds.

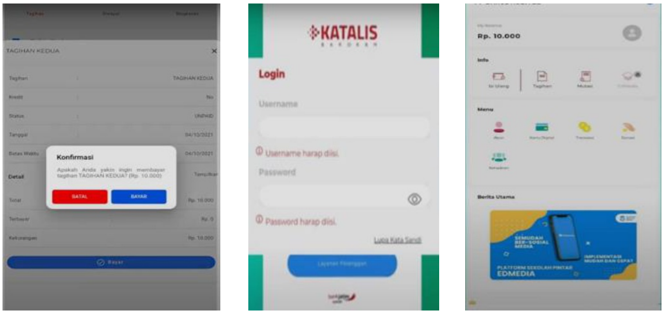

Figure 1. Access to digital finance in Islamic boarding schools.

The application consists of three main displays which are shown in Figure 1. The login screen provides a simple interface with clear instructions, allowing users to easily access the system using their username and password. The main screen prominently shows the balance at the top, along with menus for bills, mutations, transactions, donations, and the latest news related to the application or the Islamic boarding school, giving users a complete overview of their financial activities. The payment confirmation screen presents clear options to proceed with or cancel a transaction, emphasizing transparency and ensuring that every payment aligns with the user's intentions. Overall, the application highlights ease of access, comprehensive financial information, and transparent transaction management.

3.2 Discussion

The results of this study indicate that the "Katalis Barokah" application has succeeded in improving the quality of financial quality assurance in Islamic boarding schools, positively impacting financial management, and increasing transparency and accountability. Theoretically, this is the view expressed by several researchers who state that financial technology (fintech) can improve efficiency, transparency, and accountability in financial management (Alam & Pauh, 2025). For example, literature on using fintech in education shows that digital applications can reduce human error, provide more accurate reports, and increase public trust through better transparency (Roszkowska, 2021). This finding aligns with the research results, which revealed that Islamic boarding schools' financial management has become more structured and easier to monitor thanks to the application (Hudori et al., 2024)(Wahid et al., 2020).

However, differences were found in practice in the field, where although this application makes it easier to record and report finances, some Islamic boarding schools still face challenges in adopting this technology as a whole (Zamroni et al., 2023). For example, some Islamic boarding school managers who are less familiar with technology have difficulty operating the application optimally (Karim et al., 2023). This shows that although fintech applications such as "Katalis Barokah" offer various benefits, their adoption rate may be hampered by factors such as limited digital literacy among Islamic boarding school managers. This issue needs attention so that implementing this technology can be more effective in the future.

The theoretical implications of this study indicate that fintech applications are relevant to the business and banking sectors and have great potential to be applied in the context of non-formal educational institutions such as Islamic boarding schools (Bashith et al., 2025)(Rozi et al., 2020). This application can be a model for the financial management of Islamic boarding schools throughout Indonesia, considering the importance of maintaining the sustainability and accountability of funds used for educational and social activities (Wahid et al., 2022). In addition, this study enriches the existing literature by providing empirical evidence on the effectiveness of fintech applications in improving financial management in Islamic boarding schools, which has previously been rarely discussed in academic research.

The practical implication is that the implementation of this application has been shown to directly impact increasing financial transparency. Islamic boarding school managers can now monitor income and expenditure directly, which was previously difficult to do with manual methods. This reduces the chances of errors in recording and misuse of funds. In addition, the community around the Islamic boarding school, which previously doubted the school's financial management, can now trust it more because of the openness of information provided through this application. This increase in transparency and accountability, in turn, strengthens the relationship between the Islamic boarding school and the community, which is very important in efforts to build public trust.

4 Conclusion

This study found that the "Katalis Barokah" application is vital in building public trust by increasing transparency and accountability in managing Islamic boarding school finances. This fintech application effectively improves the financial recording and reporting system, allowing for more efficient fund management. People who previously doubted the management of Islamic boarding school funds now feel more confident thanks to the openness and accuracy of the financial reports produced. Adopting this technology has proven key to improving the quality of Islamic boarding school management and building better relationships with the community. The strength of this study lies in its contribution to the development of science, especially in the field of fintech and financial management of non-formal educational institutions. However, this study has limitations because the sample is limited to one Islamic boarding school. In addition, external factors that influence the adoption of fintech applications, such as the digital literacy of Islamic boarding school managers and support for technological infrastructure, have not been analyzed in depth. Further research is expected to involve a wider sample and examine external factors that can influence the success of implementing fintech applications in Islamic boarding schools, thereby providing a more comprehensive understanding of the application of technology in Islamic boarding school financial management

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