

CONCEPT AND IMPLEMENTATION OF ISLAMIC BUSINESS ETHICS IN BUSINESS PERFORMERS

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ABSTRACT

Concept and Implementation of Islamic Business Ethics for Business Actors. This research aims to find out the concept and application of Islamic business ethics for business actors. The aim of this research is to find out the concept of Islamic business ethics and how it is implemented for business actors so that it is hoped that the results of this research can be used as a model for other business actors. The research carried out was descriptive using previous literature. The results showed that the business environment around Sendang village had implemented Islamic business ethics, both by entrepreneurs and their employees. In carrying out businesses and activities, business actors have understood and implemented Islamic principles or values based on the Qur'an and Hadith. The implementation of Islamic business ethics includes four aspects: principles, management, marketing/advertising and products/prices and also the implementation of Islamic business ethics is measured through five principles, namely the principles of monotheism, honesty, usefulness, responsibility and justice .

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1. INTRODUCTION

In principle, Islamic Economics is based on three principles yes, that is Rabbaniyah , Akhlakiyah and Insaniyah . Rabbaniyah principles are defined as religious principles that arise not because of compulsion but because of awareness of religious values so that when carrying out economic activities, they do not harm other people. Meanwhile, akhlakiyah principles are defined as a person's moral ethical principles for carrying out economic or business activities. Insaniyah principles or what can also be called humanistic traits are humane traits, mutual respect for others. Apart from that, no less important, the principles of Islamic economics cannot be separated from the main sources of Islam, namely the Koran and Hadith. However, the ulama also added that the principles of Islamic economics also came from the ijthad of ulama, both in the classical and contemporary periods, whose thinking was also guided by the Koran and Hadith.

Every activity carried out by humans, including economic activities, cannot be separated from other humans. So, in relationships between humans, it is necessary to call it cooperation, because basically as social creatures, humans cannot live alone without needing other people. Collaboration actually has two elements, namely take and give or can be interpreted as helping and being helped. In Muamalah fields such as trade, leasing and accounts payable, cooperation is important because workforce absorption can reach 85%. In Islam, working or seeking sustenance is not only imposed on a husband to earn a living for his children and wife, but this order is imposed on the entire bukallaf. Because to achieve the happiness that has been promised, humans must be serious in working to achieve everything they are fighting for. (Makhda Intan Sanusi: Al-'Adalah: Journal of Sharia and Islamic Law, Vol. 6, No. 1, June 2021, 90-91).

Islam really cares about its people, so that Allah sets limits on what is permissible and what is not permissible, what is halal and haram and what is right and wrong. Because of Allah's love for his servants, when someone does a job that is haram, it is legal to do anything that is not in accordance with Islamic law. Such as usury, bribery, and other acts. The limitations mentioned above are interpreted as ethics. This ethics is important for business people, to integrate morals into business behavior. As the business world continues to develop nowadays, many business people are starting to realize the importance of applying ethics in business. This is in line with Islamic teachings which also regulate the implementation of economics and business. Islam teaches that every action has sharia rules which make it the obligation of every Muslim to obey and submit to these rules. The aim of applying the Shari'a in the muamalah case

is none other than to create blessed and noble sustenance. So that this will ensure equitable development of human resources and can maintain even economic stability in the country without prolonged inequality in society.

Applying Islamic business ethics is not only in terms of sales, but also starting from the implementation of production, consumption and distribution. This has been done by several small business actors in terms of implementing Islamic business ethics. This research is a resume of the results of previous research so that later the concept of Islamic business ethics can become a framework for other business actors.

Ethics can be interpreted as morals, etiquette, morals and norms. They all have different meanings. In Greek, ethics comes from the word *ethos* which means habit. In the language of the Koran, ethics is referred to as *al-khuluq* which means character, habit. Ethics is a symmetrical form of study of the concepts of good, bad, right and wrong. Ethics can also be interpreted as a person's morality in behavior. According to K. Bertens in his book entitled "Ethics" summarizes the meaning of ethics into t understanding, namely ethics as moral values and norms to be a guide for a person or group of people in regulating behavior, ethics in the sense of a collection of moral values, principles and codes of ethics and ethics as reference for good and bad behavior. So, ethics can be concluded as moral principles that differentiate between right and wrong, and is a normative field because it determines what should be done or not done.

Then business ethics can also be referred to as management ethics or organizational ethics. (Dr. Rafik Issa Beekun University of Nevada and Islamic Training Foundation. *Journal of Islamic Business Ethics*. h. 17.) In the Islamic religion, business ethics are Islamic morals wrapped in sharia values, so Erika's business behavior is also interpreted as following orders and avoiding His prohibitions. In running a business, ethics is very important, this is because trust, justice and honesty are the main elements for achieving business success.

Rafik Issak Beekum (2004) said that Ethics is a normative field of science because it plays a role in determining what an individual should or should not do. In Islam, the concept of ethics is also called morals. These morals are part of the reflection of the imam or Islamic beliefs. Ethics in Islam provides strong internal sanctions and implementing authority in implementing ethical standards (Nurhisam, 2017: 180). The concept of ethics in Islam is not utilitarian and relative, but absolute and eternal.

There are several basic concepts related to ethics, but each concept has a different meaning, namely: 1. Ethics are human norms that must act, behave in accordance with existing norms or values (Muhammad, 2004:36); 2. Morals are human rules and values (human conduct 7 values), such as attitudes, behavior and values; 3. Etiquette is the manners or manners that people adhere to in their lives. 4. Value is setting a price for something so that it has measurable value. 5. Morality is a rule relating to whether the source of law is always in accordance with morals. 6. Law is a provision regarding whether activities that are not prohibited by law are always in accordance with morals

One source of business ethics is local wisdom . Globalization is a necessity, where the domino effect of globalization raises public concerns. This effect occurs because not all globalization brings all progress, but it also contains moral degradation. Japanese society and Indonesian society with their various ethnic groups are two examples from abroad and within the country of how local wisdom is still firmly held by society. These two very different places are not dimmed by their local values, but have strengths in their respective fields that are very prominent. Japan is the most advanced industrial country in Asia and even the world through its high mastery of science and technology, while Indonesia, one of which is Bali, is developing through its tourism industry which is not only recognized domestically, but also recognized worldwide (Pratikto, 2015:35).

Technological and cultural developments, business ethics are able to make various parties aware, especially business people. They realize that good business cannot be separated from company performance, where good performance cannot be separated from good ethics by the company organization (Khumairoh, 2018:21). So, Islamic business ethics are the most strategic moral values for business people. Business is influenced not only by economic situations and conditions, but also by other social changes. Business is not only oriented towards maximum profit results, but businesses must still consider everything that influences the achievement of these goals. The business goal of maximizing profits for company owners can be achieved better, namely by humanizing humans and taking steps that are harmonious with all stakeholders, all participants and the environment where the company is located.

Business from an Islamic perspective is generally the same as other businesses, but in Islam running a business must not conflict with the Shari'a. So there are several Islamic ethical principles that must be adhered to when running a business, including the following:

1. Seeking sustenance is the obligation of every Muslim.
2. Seeking sustenance must be halal
3. Honest attitude in business
4. All business actions must be intended to seek sustenance because of Allah
5. The business carried out must not disturb the security of order and the survival of other living creatures
6. Competition in business is used as a means of achievement, not bringing each other down
7. Keep progressing and don't get satisfied easily
8. Handing over the trust to someone who is capable.

Apart from that, in transactions, there are several principles that must be used as a reference, including the following:

1. Mutual blessing
2. Manipulation free
3. Not dangerous
4. No speculation
5. Do not hoard or monopolize
6. Free from usury elements
7. Transactions must be halal thayyiban

Business people or also known as business people or entrepreneurs are people or groups of people who have the courage to take risks to open businesses on various occasions. An entrepreneur's way of thinking is to always try to find and take advantage of business opportunities that can provide profits. Business people are certainly people who are capable both mentally and intellectually because they must have the courage to take risks to run their business. The businessman's way of thinking will always be to look for and take advantage of existing opportunities. The entrepreneurial spirit is in QS. Hud: 61, QS. Al-Mulk: 15, and QS. Al Jumuah: 10, QS. Al-Anbiya: 125, QS. Ar-Ra'du: 11) where humans are ordered to prosper the earth and bring it to a better direction and are ordered to try to find sustenance. In Islamic business ethics, of course every business actor must adhere to Islamic business principles. According to Imam Ghazali quoted in Sofyan, there are several principles of Islamic business:

1. If someone needs something, we must provide it with minimal profit. If necessary without profit.
2. If someone buys goods from poor people, the price is naturally overstated.
3. If someone is in debt and unable to pay, then it is extended, not burdensome and should be released.
4. For those who have purchased it, are not satisfied and want to return it, they must be accepted back.
5. Debtors are encouraged to pay their debts more quickly.
6. If the sale is made on credit, it is best not to force payment if the buyer cannot afford it.

The conventional production model originates from the problem of scarcity of goods and services caused by limited production capacity to meet human needs which are increasingly unlimited. Meanwhile, the concept of Islamic production originates from human status as *abd* and *caliph* on earth. Production activities are not just to fulfill the needs of life as *homo economicus* but also as a means to strive for social justice and maintain the nobility of human dignity. The general view of the Koran regarding production activities is identified in several contexts:

- a. The status of humans as servants of Allah with the obligation to worship Allah (QS Hud: 61) and as Khalifah on earth with the obligation to help each other and work together (QS. Al Anam: 165; QS At Taubah: 71, Al Maidah: 32)
- b. The obligation of every human being to work to meet the needs of life and actualize their abilities (QS At Taubah: 105, Yunus: 61, 67)
- c. Human obligation to manage and utilize natural resources that have been provided by Allah SWT (QS. Al Baqarah: 29, Al A'raf: 10)

According to Rachmat Syafei (2000) price only occurs in the contract, namely something that is agreed to in the contract, whether it is less, greater, or equal to the value of the goods. From this understanding It can be concluded that the price is an agreement regarding a transaction between two parties who are mutually happy. According to Ibnu Taimiyah quoted by Yusuf Qardhawi (1997) "Pricing

has two forms; some are permissible and some are haram ." Qardhawi added that if the seller determines the price by forcing it on the buyer, then this is not justified by religion. However, if the determination of nutrients creates justice for the entire community, then it needs to be implemented and can even be regulated through statutory regulations.

According to Adiwarman Karim (2003) that "price determination is carried out by market forces, namely the forces of demand and bargaining power". In the Islamic concept, the meeting of demand and supply must occur willingly and willingly, and no party feels forced to carry out transactions at that price level. This is in accordance with the word of God which reads: "O you who believe, do not devour each other's wealth in a false way, except by means of commerce that is carried out with mutual consent between you. And do not kill yourselves, indeed Allah is Most Merciful to you." (QS. An Nisa verse 29).

Based on the background of the problem, the researcher wanted to research business actors in Sendang Village, Sendang sub-district, Wonogiri district, so that with the existence of home production activities, this unconsciously became one of the activities recommended in Islam in terms of economic activities. The economic activity of business actors that takes place in home production practices is buying and selling so that there is social interaction between sellers and buyers who exchange benefits. So the goal is clear to improve the standard of living by working and trying. As the word of Allah commands us to work or strive as contained in the QS. Al-Jumu'ah/ 62 : 10.

Meaning: "When the prayer has been performed, then you will scatter on the face of the earth; and seek Allah's grace and 6 remember Allah a lot so that you may be successful." (Q.S. AlJumu'ah [62]: 10). When you have heard the sermon and performed the prayer, then scatter on the face of the earth and seek Allah's sustenance with your efforts, and remember Allah a lot in all your circumstances, may you achieve goodness in this world and the hereafter (Burhanudin, 2010: 553). Increasing economic development makes humans increasingly create the latest innovations, one of which is entrepreneurship to improve human living standards. This is in line with the definition of entrepreneurship itself, namely a process of applying creativity in solving problems and finding opportunities to improve life (Kasmir, 2006: 17). One of them is by starting a home business/production.

This problem is interesting to research because there are many business actors in Sendang Village, Slogohimo District, Wonogiri Regency who sell various foods, drinks and other things, so researchers are interested further in examining whether business actors have implemented the principles of Islamic business ethics, with the title " Concept and Implementation of Islamic Business Ethics for Business Actors." This research aims to find out whether business actors have applied Islamic business concepts and ethics in their businesses. The expected benefits from the research are so that business actors better understand Islamic business ethics and can apply them in their businesses.

2. METHOD

a. Types of research

The type of research that the author uses is qualitative research, qualitative research is a research method that produces discoveries that cannot be achieved using statistical procedures or methods of quantification (Ghony & Almanshur, 2017:25). The approach used is a field approach that goes directly to the location of the object you want to research (Sugiyono, 2016: 8). Qualitative methods are used to see the concept and implementation of Islamic Business Ethics among Business Actors.

b. Research sites

This research was conducted in Sendang Village, Wonogiri District, Wonogiri Regency, because it is a tourist village and there are lots of business people, especially food and drink business people.

c. Data Types and Data Sources Data types

The data used is primary data. Primary data is data that is directly obtained from the first data source at the research location or research object (Supranto, 2000:8). The type of primary data obtained by the author was from interviews with business actors and buyers.

d. Research Informant

Research informants are people or parties related to research who can provide information about various conditions existing at the research location so that they can provide accurate data to researchers (Sugiyono, 2016:219). The information in this research is 10 business actors and buyers.

e. Data collection technique

Data collection techniques in research, namely research carried out in the field in real situations. In essence, field research is research carried out by exploring data sourced from the research location

or field (Kartono, 1996:3). The required data can be obtained from reliable sources, namely parties related to business actors. Data collection is a variety of methods used to collect data, collect, retrieve or filter research data (Suwartono, 2014:41). The method used in this research is the interview method

f. Interview

This research took place through interviews with 10 business actors and buyers. Researchers conduct semi-structured interviews because the author already knows what information he wants to look for, but this information will develop further during the interview

g. Observation

Observation is a data collection technique where the researcher makes direct observations of the subject being investigated, whether the observation is carried out in an actual situation or in an artificial situation, specifically the observation is carried out to obtain an idea of how the implementation of Islamic Business Ethics is implemented in business actors.

h. Data Analysis

After all research activities have been completed, the next step is to analyze all the data obtained during the research. The purpose of data analysis is to answer the research problems that have been formulated

3. RESULTS AND DISCUSSION

The results of the research show that Islamic business ethics have been implemented by business actors in the Sendang Village, Wonogiri District, Wonogiri Regency . This is because the principles contained in Islamic business ethics have been fully implemented in business activities carried out by business actors . Referring to the data obtained by the author in the field, the following are the results of the analysis of the implementation of Islamic business ethics among Sendang Village business actors :

- a. The principle of unity has been fully implemented by food and beverage business people in Sendang village because the business activities carried out do not interfere with the obligatory worship, namely prayer. The aim of the concept of tawhid is to make humans aware as divine beings, godly beings (Veithzal, 2012: 38). So, all forms of mahdah worship (directly related to Allah SWT) must not be abandoned.

In an Islamic perspective, consumption activities are carried out in the context of worshipping Allah SWT, so that it is always within the laws of Allah SWT (shariah). Therefore, believers try to seek enjoyment by obeying His commandments and satisfying themselves with the goods and gifts that Allah SWT created for mankind. In the capitalist view, consumption is a function of desires, passions, prices of goods, income, etc. without regard to the spiritual dimension, the interests of other people and responsibility for all their behavior so that in conventional economics, humans are defined as individuals who have homo economicus characteristics (Arif, 2015:189).

- b. The principle of honesty is an essential principle in business carried out by business actors . Where, in a HR Bukhari Muslim stated that "From Ibn Mas'ud ra from the Prophet SAW said, truly honesty leads to virtue and virtue leads to heaven and indeed a person is truly honest so that he is written in the sight of Allah SWT as an honest person. "Indeed, lies lead to evil and evil leads to hell, and indeed a person truly lies and is recorded by Allah SWT as a liar." A business actor must be honest with buyers so that buyers are happy to always buy from that place, for example, like the composition in a finished business, they must be honest, the composition that has been included must match the ingredients mixed into their food, they include their composition and do not mix preservatives. In it, this is done so that buyers are always interested in buying at that place. And it is proven that the traders did not carry out any form of manipulative behavior. Meanwhile, in business practices carried out by business actors. The food and beverage sector has fully implemented the principle of honesty. This is proven by the traders not being manipulative in any form. There is no fraudulent activity, starting from the production process to the sales stage, there is no element of horror.
- c. The principle of usefulness is a principle that must be applied by a business actor. Where, every business activity carried out by every business actor must provide benefits (masalah) and avoid any harm (danger) for themselves or other parties. Maslahat is an effort to realize and maintain the five basic needs, namely religion, soul, mind, lineage and wealth (Imam Ghazali in Veithzal, 2012: 58). The products produced and sold by food and beverage businesses in Sendang Village are on

average basic necessities. So, it is able to support the benefit of the community because it meets the needs of the community, as well as the food or drink sold is food or drink that is halal and suitable for consumption.

- d. The principle of responsibility for every activity carried out by every business actor, if there is a risk, must be held accountable. In this case, this means applying the principle of responsibility. Especially for business actors where in utilizing every available resource they must be responsible. The research results show that business actors are responsible for what they are responsible for, such as paying rent, paying wages to their workers, etc.

The Qur'an's view of business transactions as an individual responsibility is very important. Each individual is responsible for all forms of transactions carried out. In the principles of the Qur'an there is a kind of prevention tool against irresponsible actions (Farid, 2017: 27). Everyone will be held accountable both in this world and in the afterlife, as Allah says in the Qur'an al-An'am verse 164

- e. The principle of justice refers to business activities carried out by business actors that must create justice for parties directly involved in the business and other parties. In the business activities carried out by several business actors in the food and beverage sector in Sendang village has fully implemented the principles of justice.

Justice is at the heart of all the teachings in the Koran. The Qur'an explicitly states that the purpose of its revelation is to establish justice and equality as Allah says in surah al-A'raf verse 29: Several facts about justice are as found in the Koran and only Islam is able to present a realistic system and perfect social justice. The teachings of the Qur'an regarding justice in business can be in the form of orders from Allah, such as the Qur'an requiring that all cooperation contracts and promises must be respected and all obligations fulfilled orders and obligations to fulfill (Farid, 2017: 24-25).

For example, a businessman must be fair to his employees in terms of salaries. A businessman must pay employees according to their abilities and pay them exactly 65 times a day, and business people must also be honest with buyers as they are honest with their merchandise. In any business it is very necessary to be fair because Allah commands His servants to act fairly. For business actors, fair practices have been implemented, this can be seen from interviews with business owners, buyers and employees who work there.

So, it can be concluded that in the business practices carried out by business actors in Sendang village, Wonogiri district, Islamic business ethics have been implemented.

4. CONCLUSION

Based on the results of the research and discussion from the previous chapter, the following conclusions can be drawn: The business actors have implemented the concept of Tawhid, for example in religious matters, giving their employees time to pray 5 times a day and providing a prayer place for their employees and from a social perspective, the owner has implemented the principle of tawhid, for example the owner never differentiates between his employees in terms of sales, nor does that happen. never discriminates between buyers, such as not discriminating against fellow business people. Business actors have implemented the principle of honesty as proven by traders not being manipulative in any form. There are no fraudulent acts, starting from the production process to the sales stage without any elements of horror. Business actors have implemented the principle of usefulness, where every business activity carried out by each business actor must provide benefits (*maslahah*) and avoid any harm (danger) for themselves or other parties. The products produced and sold by food and beverage businesses in Sendang Village are on average basic necessities. So that it is able to support the benefit of the community because the needs of the community are met, as well as the food or drinks sold are food or drinks that are halal and suitable for consumption. Business actors have implemented the principle of responsibility for every activity carried out by each business actor, if there is a risk then they must be held accountable. In this case, this means applying the principle of responsibility. Especially for business actors where in utilizing every available resource they must be responsible. Business actors have implemented fair concepts, such as not mixing/mixing goods and having quality goods and giving wages to employees based on the quality of their work.

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