

Islamic Business Ethics of Small Industries in Blitar District

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ABSTRACT

Islam was revealed as a code of moral and ethical behavior for life. The sources of values and ethics in all aspects of human life as a whole, including in the business world, are the Koran and Hadith. The Al-Quran provides instructions for things to be harmonious, mutually pleased, and there are no elements of exploitation. The type of research used in this research is qualitative research. The purpose of this research is to find out the analysis of the application of sales ethics in the Gadung cracker industry according to business ethics from an Islamic perspective and to find out the analysis of the application of transaction ethics in the Gadung cracker industry according to business ethics from an Islamic perspective. The results of the research state that sales ethics. In reality, all producers cannot implement all the principles of buying and selling ethics. Mrs. Nanik's home industry applies the principle of honesty or truth as a priority. From the results of observations related to the application of transaction ethics carried out in Mrs. Nanik's industry, she has implemented transaction ethics in accordance with sharia transaction principles. Even though the implementation is appropriate, the basis for the transactions carried out is the benefit. When transactions use the principle of benefit, which is the basis of this transaction principle, it covers all the principles of sharia transactions, so that Mrs. Nanik's home industry has carried out sharia transactions in accordance with Islamic law. From the results of observations related to the application of transaction ethics carried out in Mrs. Nanik's industry, she has implemented transaction ethics in accordance with sharia transaction principles. Even though the implementation is appropriate, the basis for the transactions carried out is the benefit. When transactions use the principle of benefit, which is the basis of this transaction principle, it covers all the principles of sharia transactions, so that Mrs. Nanik's home industry has carried out sharia transactions in accordance with Islamic law. From the results of observations related to the application of transaction ethics carried out in Mrs. Nanik's industry, she has implemented transaction ethics in accordance with sharia transaction principles. Even though the implementation is appropriate, the basis for the transactions carried out is the benefit. When transactions use the principle of benefit, which is the basis of this transaction principle, it covers all the principles of sharia transactions, so that Mrs. Nanik's home industry has carried out sharia transactions in accordance with Islamic law.

Keywords: Ethics, Business, Islamic Ethics

JEL Codes: E640; Z320; Z390

Received: 13 February 2023

Revised: 6 Mei 2023

Accepted: 4 September 2023

Suggested citation:

Alfiana, N. (2023). Islamic Business Ethics of Small Industries in Blitar District. *Indonesian Economic Review*, 3(2), 40-43.

INTRODUCTION

Currently, business is not only carried out on goods and services but also snacks such as crackers. Nowadays, the economy is increasingly developing in a region which has quite large potential in building a business. Sales is one form of thing that is no less important in running a business. Where sales is the ability possessed by a person to attract consumers to gain profits and bring a good name to the company (Tan, 2011).

There are many home industries there, but Mrs. Nanik's Gadung cracker industry has been successful in developing her business. Where in the Gadung cracker industry, Ibu Nanik is one of the collectors of other Gadung cracker businesses. His business is a family business obtained from his parents or passed down from generation to generation. Previously, this industry only operated locally or could be said to have marketed only within one village, but this business was run by Mrs. Nanik. For several years, this Gadung cracker home industry business has become more well-known and has wider marketing. From this home industry business, Mrs. Nanik has 7 employees, but because the Gadung cracker industry does not produce in the rainy season, Mrs. Nanik's cracker industry produces Gadung crackers during the dry season.

There are many home industries in Candirejo Village, Ponggok District, such as brown sugar home industry, packaged drink home industry, cracker home industry, etc. The large number of home industries in Candirejo Village, Ponggok District, has an influence on the economic level of the community in building their businesses. With so many businesses in Candirejo Village, Ponggok District, it is necessary to apply ethics to carry out business activities. When this ethics can be applied well by business actors, it will ensure the survival of an industry (Pintakami & Budiman, 2019). Home industrial production is widespread in rural areas to support the survival of the community. Not a few rural communities have a sufficient economy from the home industry businesses they manage.

Many of these industries need good governance according to Islamic law. Where everything from production to consumers must comply with Islamic law. This is supported by research Bakhri et al. (2018) stated that marketing strategies need to improve the promotion aspect because it is still traditional and a review of Islamic business ethics is appropriate. This is the basis for ethics in Mrs. Nanik's Gadung cracker industry which is in accordance with Islamic law.

Apart from that, research conducted by Tamara & Nikmah (2019) explains that the method used in this research is a qualitative research method with field research. Where the results of the research show that the mode of default that occurs in reality among batik industry entrepreneurs in Pasirsari Village, Pekalongan City is very detrimental to batik industry entrepreneurs because they commit fraudulent business transactions, because every collaboration or business transaction does not use a clearly written contract. Business transactions carried out by entrepreneurs do not apply honesty and accountability, but only use trust capital.

The three studies written by Nawatmi (2010) entitled "Business Ethics in an Islamic Perspective" explain that there is a positive relationship between ethics and the success of a company. By using qualitative methods, this research can analyze how much ethics is implemented in a company. With so many business people, there is a need for ethics to achieve success in business.

Strengthened by several previous studies, this research aims to find out whether the industry managed by Mrs. Nanik is in accordance with Islamic ethics, especially in terms of sales and transactions. There are many home industries there, but Mrs. Nanik's Gadung cracker industry has been successful in developing her business. Where in the Gadung cracker industry, Ibu Nanik is one of the collectors of other Gadung cracker businesses. His business is a family business obtained from his parents or passed down from generation to generation. Previously, this industry only operated locally or could be said to have marketed only within one village, but this business was run by Mrs. Nanik. For several years, this Gadung cracker home industry business has become more famous and has wider marketing. From this home industry business, Mrs. Nanik has 7 employees, but because the Gadung cracker industry does not produce in the rainy season, Mrs. Nanik's cracker industry produces Gadung crackers during the dry season. In this Ibu Nanaik industry, it is a large-scale industry, so stocks of gadung crackers that are ready to be marketed still exist, but they are not produced during the rainy season.

The profits obtained from the Gadung cracker industry have been able to improve family life for approximately 28 years. Even though sometimes this business is said to be trivial, if it meets good industrial roads then this business is a very promising business and can bring in many times the profits obtained by business actors. A home industry business can be said to be a business that does not require too much capital, but if you get profits it can be multiplied many times over.

From the progress of her business, Mrs. Nanik was able to improve the economy of her family and the surrounding community. As businesses continue to grow, Bu Nanik must also pay attention to ethics when running her business. Therefore, the business managed by Ibu Nanaik continues to run and continues to grow to this day.

METHOD

The method used in this research is qualitative research. In this research, the author collected data through observations sourced from primary data, including observations, interviews, and documentation on the research topic. Apart from that, the author also uses references from books to get complete information and be able to reach the right conclusions. After collecting data, the researcher will carry out an analysis based on the author's knowledge of the purpose of this research, then draw conclusions.

RESULTS AND DISCUSSION

Islamic economics and business practices are related to Islamic creeds and sharia so that someone will not understand the Islamic view of economics and business without properly understanding Islamic creeds and sharia. Islamic business ethics is a moral habit or culture related to the business activities of a company. Meanwhile, Islamic business ethics is the study of a person or organization carrying out mutually beneficial business or business contracts in accordance with Islamic teachings (Aziz, 2013). In the business context, truth or honesty is meant as the right intention, attitude and behavior which includes the contract (transaction) process, the process of searching for or obtaining development commodities as well as the process of trying to sell them or determine profits. With this principle of truth, Islamic business ethics is very protective and preventive against possible losses to one of the parties carrying out transactions, cooperation or agreements in business (Aziz, 2013). In the business world we still make a profit, but the buyer's rights must be respected. In the sense that the seller must be tolerant of the interests of the buyer.

The industry managed by Mrs. Nanik applies ethics in accordance with Islamic law by selling halal goods. Even when selling, Mrs. Nanik really applies honesty in promoting products and gives prices according to what has been removed from raw materials to finished products. In selling products that have been made and promoted, Mrs. Nanik does her best to inform the product correctly so that consumers believe it and makes the Gadung cracker industry, Bu Nanik, still standing to this day.

Another thing in implementing sales ethics in an industry can be said to be behavior that should be applied by everyone, not just industry players. In buying and selling ethics, honesty is the most important ethic which will influence the survival of an industry. Apart from honesty, what is no less important is whether the measurements are correct or not reducing the scale. If this is done, consumers will trust the industry well. By implementing these two things well, you have implemented ethics well, even though not all ethics can be applied in industry, at least Bu Nanik's Gadung cracker industry has implemented good sales ethics to maintain survival a gadung cracker industry. In the event that you don't reduce your scale, Mrs. Nanik uses a digital scale. Although sometimes these digital scales are less accurate, the solution is to add more gadung crackers. In implementing sales ethics, there are several principles that are applied by a seller, including the principle of unity, the principle of balance, the principle of free will, the principle of responsibility, and the principle of truth (Beekun, 2004). In reality, all producers have not been able to implement all the principles of sales ethics. buying or selling. Mrs. Nanik's home industry applies the principle of honesty or the principle of truth, according to Mrs. Nanik, if a business starts from honesty then the industry will gain trust and will guarantee the survival of an industry.

In its application, transaction ethics are for the benefit when the goods being bought and sold are halal and clear. Where when making a transaction, consumers know information about the product they have purchased so that no one is forced or disappointed when buying the product. When purchasing goods, consumers must already know information about the product to carry out transactions. Producers apply ethics when carrying out transactions even though they have indirectly carried out the transaction and ethics in accordance with sharia. Sharia transactions are based on sharia principles which are different from capitalist principles which are essentially for personal interest, profit and profit, and without social responsibility and divine or ethical values. In relation to this, there are five principles that must underlie a series of sharia transactions, namely brotherhood, justice, benefit, balance and universalism (Harahap, 2011; Sujianto et al., 2020).

In the industry managed by Mrs. Nanik, when selling gadu crackers, sales and transaction ethics cannot be separated. Where Mrs. Nani, when carrying out transactions with consumers when selling gadung crackers, Mrs. Nanik does not forget to hand over the goods and the consumer hands over money as a medium of exchange. At the time of handing over the goods, Bu Nanik also counted back

the money that had been given by the consumer to buy Gadung crackers. This was intended to avoid fraud which resulted in someone being harmed.

From the results of observations related to the application of transaction ethics carried out in Mrs. Nanik's industry, she has implemented transaction ethics in accordance with sharia transaction principles. Even though the implementation is appropriate, the basis for the transactions carried out is the benefit. When transactions use the principle of benefit, which is the basis of this transaction principle, it covers all the principles of sharia transactions, so that Mrs. Nanik's home industry has carried out sharia transactions in accordance with Islamic law.

CONCLUSION

In implementing sales ethics, there are several principles applied by a seller, including the principle of unity, the principle of balance, the principle of free will, the principle of responsibility, and the principle of truth. Mrs. Nanik's home industry applies the principle of honesty or the principle of truth, according to Mrs. Nanik, if a business starts from honesty then the industry will gain trust and will guarantee the survival of an industry.

Sharia transactions are based on sharia principles which are different from capitalist principles which are essentially for personal interest, profit and profit, and without social responsibility and divine or ethical values. In relation to this, there are five principles that must underlie a series of sharia transactions, namely brotherhood, justice, benefit, balance and universalism. Regarding the application of transaction ethics carried out in Mrs. Nanik's industry, she has implemented transaction ethics in accordance with sharia transaction principles. Even though the implementation is appropriate, the basis for the transactions carried out is the benefit.

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