Islamic Business Ethics: Case Study of Puspa Sharia Micro Business Actors in Bank Indonesia West Java Region in Bandung 2017
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Abstract. This research is based on the phenomenon of problems in MSMEs including poor administration, low product competitiveness, low human resources, lack of mastery of science, quality of service and use of quality goods (Halal & Thayyib). The purpose of this study was to measure the level of implementation of Islamic Business Ethics for MSME players in the PUSPA Bank Indonesia program in West Java in Bandung in 2017. The research method used was descriptive quantitative with data analysis techniques using descriptive statistics. The number of research samples is 50 consumers from 4 MSMEs which are engaged in the service, food and craft sectors and. The results of the study show that the level of implementation of Islamic Business Ethics in micro business actors guided by the PUSPA program in Bank Indonesia in West Java in 2017 is in very good criteria, dimensions that need to be improved are the orderly administrative dimensions and the dimensions of freedom with good criteria. While the dimensions of responsibility, justice and truth are included in the criteria very well. The impact of this research shows the need for improvement of several indicators because it has implications for business progress and increased competitiveness of MSMEs themselves.

Keywords. Islamic Business Ethics, UMKM, PUSPA

INTRODUCTION
The existence of SMEs in Indonesia is very important. Currently the number of SMEs in Indonesia is as much as 56.6 million units or 99.99% of the total business actors. The data with details of Small Business is 2.017 million units (4.05%), Medium Business 120.253 units (0.24%) and Micro Businesses 47.702 million units (95.70%). In addition, the SME sector can contribute to Indonesia's GDP as much as Rp. 2,121.3T (53.6%) and investment turnover of Rp. 462.01T (46.9%) and able to absorb employment of 91.8 million people (97.33%).

However, micro-entrepreneurs as a driver of the people's economy and the nation's economic savior with a total of 99.9% (very dominant), the condition is still marginalized. This was coupled with the minimal attention of various parties and access to financial institutions was very low (not bankable). In addition to the above problems, problems that often arise in MSMEs are; 1) Capital sources still contain usury, 2) Materials and production processes still ignore the principle of halalan thayyiban, 3) The application of low Islamic business ethics or the tendency of sharia compliance in business is still minimal (Juliana et al. 2018).

In connection with the problem of applying Islamic business ethics, now the facts show this. Not a few of the MSME actors tend to ignore the principles of Islamic business ethics in their efforts. Even though Islamic business ethics is a technical and applicative guide sourced from the Qur'an and hadith. (Juliana et al. 2017).

In 2015, Bank Indonesia in the West Java region of West Java issued an innovative program in the form of sharia-based SME assistance, named PUSPA (Assistance to Sharia UKM Practitioners and Academics). BI's PUSPA program provides assistance covering several aspects including the aspects of planting sharia values, developing variants and product innovations, as well as improving the quality of products and packaging. Similarly, the aspects of marketing and financial accounting (Sidik, 2016). This program will certainly have an impact on solving problems that often occur in MSMEs.
The results of the study of Juliana and Habibah (2017) which examined Sharia Compliance and Islamic business ethics in the center of the Cianjur cap showed that the existence of a religious education center or pesantren had an impact on the level of implementation of Islamic business ethics, as well as the PUSPA program in collaboration with the Misykat DPU Daarut Tauhid in the spiritual development of SMEs who are members.

The purpose of this study is to measure the level of implementation of Islamic Business Ethics in MSME actors who have participated in the mentoring program in 2017.

LITERATURE REVIEW
THEORETICAL FOUNDATION

a. Islamic Business

Islamic Business Islamic Business is a series of business activities in various forms that are not limited to the amount of property ownership including profit, but are limited in the way they are obtained and the utilization of assets is due to halal and haram rules. (Yusanto; 2002)

From this understanding, it can be concluded that business is an activity that makes buying and selling between producers and consumers of goods and services, where there is no limit in achieving benefits and benefits, but how to obtain it in the teachings of the Qur'an, Sunnah, Al-Ijma and Qiyas (Ijtihad).

The business principle exemplified by Rasulullah SAW, quoted from Norvadewi (2015) in his journal, namely, the first principle is Customer Oriented namely Business principles that always maintain customer satisfaction (Afzalurrahman, 1997), Second is Transparency regarding quality, quantity, composition, elements chemical elements and so on to create a sense of security and comfort for consumers.

The Third Principle is Healthy Competition by giving each other the best services, product innovation and the absence of collusion, Fourth Justice practices to consumers by not committing fraud and providing the same service to all consumers.

b. Islamic Business Ethics

The word Ethics comes from the Latin 'ethos' which means 'habits'. The synonym is 'moral', also comes from the same language 'mores' which means 'habits'. Whereas Arabic is 'akhlak', the plural form of the mufrad nya khuluq 'means character.' Both can be interpreted as habits or customs (custom or mores), which refers to human behavior itself, actions or attitudes that are considered right or good (Hasan, 2009).

Ernani explained Business Ethics, namely the principle rules in the organization that serve as guidelines for making decisions and behavior (Hadiyati, 2009).

Based on the explanation above Aziz (2013) concluded that Islamic Business Ethics is a process and an effort to know the right thing regarding the product, the service of the company with those who have an interest in the demands of the company.

Djakfar said that Islamic business ethics as ethical norms based on the Qur'an and Hadith must be used as a reference by anyone in business activities (Djakfar, 2012, p. 29). Thus the Islamic Business Ethics is included in Theological Ethics, which is a measure of theological ethics is the good or bad of human actions based on the teachings of God (Yaqub, 1985).

Furthermore Djakfar (2012, pp. 34-41) explains the Dimensions of Islamic Business Ethics including being honest, selling goods of good quality, prohibited from using oaths, being loose and generous, building good relations between consumers, orderly administration and setting prices.

Whereas Al-Khatib & Al-Torkistan (2000) mention the principles of Islamic Business Ethics which cannot be separated from the values of At-taqwa, As-Sidq, Al-Amanah, Al-Ihsan, Al-Istiqmah, An-nasihah, At -tasamuh, and Al-I'tida. Whereas Syed Nawab Haidar Naqvi in the book "Ethics and Economics: An Islamic Synthesis" states that Islamic business ethics is inseparable from the four axioms of economic ethics which consist of taushid, balance (justice), freedom and responsibility (Nawatmi, 2010).

Nawatmi (2010) details five principles of business ethics in Islam that are not much different from those delivered by Syed Nawab Haidar Naqvi, including those principles which are Unity, Balance, justice, freedom of will, responsibility and truth.
c. **Dimensions and Indicators for Implementing Islamic Business Ethics**

In this study, the indicators used in measuring the implementation of Islamic business ethics are adjusted by the object of research used, namely consumers of MSME players, it can be concluded that the indicators for implementing Islamic business ethics are:

1. Orderly administration: There are records of consumer orders and have consumer complaints data
2. Responsibilities: There is a guarantee, guaranteed security of consumers and There is no element of gharar
3. Justice: Does not distinguish consumers
4. Freedom: There is a means of criticism, freedom of choice and freedom of contract (khiyar)
5. Truth: Roomy and fulfilling the agreement

**PREVIOUS RESEARCH**

Research conducted by Leli Rosiyana et al (2017) analyzes the Implementation of Islamic Business Ethics at the Malang Branch of *Waroeng Steak and Shake* which examined the values of Islamic business ethics including Unity, Balance, Free Will, Responsibility and Virtue. This research shows that company should be in accordance with Islamic Business Ethics does not work easily, especially from the Ruhiyah aspect where there are still employees who are not accustomed to Ruhiyah activities. Thus, the treatment needs to be given to employees who are not used to it. Yet, the supporting factors for implementing the principles of Islamic Business Ethics are inseparable from the role of internal leadership so that they can provide concrete examples to their employees.

The research related to the PUSPA program, such as the research from Khayatun Nufus et al (2017) which examines the effectiveness of the Micro, Small and Medium Enterprises Assistance Program in Improving the Welfare of Businesses. The study states that 93% of assistants are in accordance with their duties and functions, namely the Possibility (enabling), Empowering, Protecting, and Supporting the programs implemented and in accordance with the theory and parameters of assistance from the West Java Region of Indonesia. While in terms of world welfare and the hereafter with measures of religious teachings, food, clothing, housing, health, income, education, social interaction, transportation, news and recreation have an average of 54.8. It means that business practitioners included in the first and second stage of the prosperous family category as they have fulfilled the stage I and almost fulfilled phase II.

**RESEARCH METHODOLOGY**

In this study using descriptive methods. Descriptive methods are used to obtain a complete and accurate description of a situation (Kuncoro, 2011, p. 17).

The sampling technique used is Convenience. This technique is used to facilitate researchers in providing an assessment of the implementation of Islamic business ethics by finding consumers who are willing to be asked for their responses.

In this study the sample examined was 50 consumers from 4 MSMEs assisted by the 2017 PUSPA Program representing several business fields namely; MSMEs from the culinary, fashion, services and crafts sectors.

The weighting of the results of the assessment data management is as follows:

<table>
<thead>
<tr>
<th>No</th>
<th>Range</th>
<th>Interpretation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>1 - 2,5</td>
<td>Poor</td>
</tr>
<tr>
<td>2.</td>
<td>2,6 – 4</td>
<td>Good Enough</td>
</tr>
<tr>
<td>3.</td>
<td>4,1 - 5,5</td>
<td>Good</td>
</tr>
<tr>
<td>4.</td>
<td>5,6 – 7</td>
<td>Very Good</td>
</tr>
</tbody>
</table>

Source: Ferdinand (2014)
DISCUSSION

Al-qur’an surat Al-maidah verse 1 explains to fulfill every contract or agreement made between seller and buyer, if there are promises. The PUSPA program is implemented in 2017 involving 23 MSMEs domiciled in Bandung and its surroundings. The PUSPA program consists of several business fields, namely services, culinary, and handicrafts. In this study, four micro business actors were taken from each business field, the following is a table of distribution of research objects:

<table>
<thead>
<tr>
<th>Business Field</th>
<th>Name</th>
<th>Owner</th>
</tr>
</thead>
<tbody>
<tr>
<td>Services</td>
<td>Diff Reflexiology</td>
<td>Dudu Hafidz</td>
</tr>
<tr>
<td>Services</td>
<td>Penjahit Wahyu</td>
<td>Beti Sri Kartini &amp; Yuyu</td>
</tr>
<tr>
<td>Culinary</td>
<td>Warung Opi Kumis</td>
<td>Enih Pidiah</td>
</tr>
<tr>
<td>Craft</td>
<td>Flanelyn</td>
<td>Rini Roaeheni</td>
</tr>
</tbody>
</table>

The results of the study generally indicate the level of implementation of Islamic business ethics of MSME actors in the excellent category with an average value of 5.7. The following are the results of the assessment of each dimension assessed:

1) Administrative Order

The results of the study show that the Orderly Administration dimension is in good criteria with an average value of 5.4, the following is the assessment:

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>There is a record of consumer orders</td>
<td>5.5</td>
</tr>
<tr>
<td>Have consumer complaint data</td>
<td>5.4</td>
</tr>
<tr>
<td><strong>Average</strong></td>
<td><strong>5.4</strong></td>
</tr>
</tbody>
</table>

The purpose of recording consumer complaints serves to evaluate the performance of business operations so that it can increase customer satisfaction and trust, recording consumer orders aims to avoid delays and incompatibility with consumer desires.
But things that become administrative related problems are not difficult or easy recording systems, but the consistency of MSME actors records every transaction and activity in its business. It is expected that a good managerial business management can pay attention to the development aspects that should be (Siswanto, 2011).

2) Responsible

In practice the value of responsibility is reflected in the guarantee of damaged goods, consumers 'sense of security, consumers' sense of comfort, and no element of gharar. The following are the results of research related responsibilities:

<table>
<thead>
<tr>
<th>Table 4</th>
<th>Implementation of Responsibility Dimensions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indicator</td>
<td>Result</td>
</tr>
<tr>
<td>There is a warranty</td>
<td>5.5</td>
</tr>
<tr>
<td>Safety Guarantee for consumers</td>
<td>6.0</td>
</tr>
<tr>
<td>There is no element of Gharar</td>
<td>5.7</td>
</tr>
<tr>
<td>Average</td>
<td>5.7</td>
</tr>
</tbody>
</table>

Based on the recapitulation of the results of the Responsibility dimension, it is a very good criteria with an average value of 5.7. Consumers of MSMEs assess that micro entrepreneurs always strive to carry out responsibilities for providing guarantees if there are products that are always guaranteed and avoiding obscurity in the contract.

In line with the research conducted by Dewi Maharani (2017) who examined the application of Honesty and Responsibility to Muslim Entrepreneurs in Medan Marelan Subdistrict, the results of the study were that 100% or 30 Muslim entrepreneurs had applied the value of responsibility so that buyers would not hesitate to return buy at that place.

3) Justice

The value of justice that is valued in this study is the equal treatment of MSMEs to consumers without discrimination, the following are the results of their research:

Implementation of the dimensions of justice is included in the criteria very well with an average value of 5.8 behaving the same without distinguishing consumers seen from the treatment of business actors on the appearance of consumers, actions in giving discounts, treatment in giving attention and providing information related to products.

Al-Qur'an letter al-Maidah verse 8 explains that fellow human beings must be fair, do not see where someone comes from, ethnicity, religion, race and so on. In this verse there should be no element of hatred so that it encourages us to act unfairly, here is the verse;

"O ye who believe, you should be those who always uphold (truth) because of God, be fair witnesses. And do not let your hatred of any people encourage you to act unjustly. It is valid, because justice is closer to piety. And fear Allah, surely Allah knows what you do". (Q.S Al-Maidah: 8)

4) Freedom

In business practice the value of freedom is reflected in terms of freedom of delivery of criticism, freedom in choosing products and freedom of contract (khiyari). The following are the results of research related to the dimensions of Freedom:

The implementation of the dimensions of freedom is included in good criteria with an average value of 5.5. The results of the study show that consumers value the freedom given by business actors to consumers is very good, but there are some things that need to be improved such as indicators of the availability of means of criticism and freedom of choice.

5) Truth
Truth that is reflected in the intention, attitude and correct behavior in carrying out various processes both the transaction process, the process of obtaining commodities, the product development process and the process of obtaining profits. The following are the results of the study of the implementation of dimensions

Based on the results of this study, the implementation of the dimension of Truth is in good criteria with an average value of 6.1. Field indicators are measured by the seller's response if he receives criticism or suggestions, the indicator fulfills the promise with a measure of the timeliness of fulfilling the agreement and fulfilling the agreement if there is a promised price discount. Related to time, number of quantities, quality and bonus, here is the verse;

"O ye who believe, fill the aqad-aqad". (Q.S Al-Maidah: 1)

CLOSING

Conclusion

The implementation of Islamic Business Ethics is included in the criteria of Very Good, but in this case there are several dimensions that need to be improved even though the dimensions are included in the criteria of good, the dimensions that need to be improved are orderly administration and freedom.

The problem of orderly administrative dimensions is the lack of consistency of micro business actors in recording various matters related to their business such as recording orders that have benefits to avoid mistakes that are not desired, this is regulated in law number 8 of 1999 article 4 where consumer rights are to obtain compensation for goods purchased if the goods or services received are not in accordance with the agreement.

Suggestion

Consumers who are at a young age are very concerned for good service, good access for information, and way to build good relations with costumer. For this reason, special training is needed for MSME (UMKM) practitioners for matters that are highly considered by young consumers. Besides, the need for trainings provided related to web-based or digital marketing are very important. As for administration, this problem does not lie in an administrative system that is not easily understood, but the consistency of MSME (UMKM) practitioners in reporting administration in their business. Thus, the recommendation in solving administrative problems is to train the consistency of MSME (UMKM) actors by making control of records every week of their assistance.

REFERENCE

Abdul Aziz, Etika Bisnis Perspektif Islam (Bandung : Alfabeta, 2013), hal. 35.


