



IMPLEMENTATION OF ETHICS BUSINESS SHARIA IN BUSINESS ACTOR PERFORMANCE MICRO, SMALL, AND INTERMEDIATE IN THE TRADE SECTOR

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Abstract

Islamic business ethics itself carries principles that distinguish between good and bad actions in business activities, guided by Sharia and Islamic teachings. Business ethics is responsible for defining the moral standards and expected behaviours of players in the business world. In the context of Micro, Small, and Medium Enterprises (MSMEs) in the trade sector, business ethics plays a crucial role in creating a fair and honest business environment that enhances consumer trust in the products and services offered. This study aims to analyse the implementation of Shariah business ethics on the performance of MSMEs in the trade sector. The research method used is qualitative. The findings indicate that business ethics has a significantly strong influence on MSME performance.

Keywords: Sharia business ethics, performance of MSMEs, trade

INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs) play an important role in the Indonesian economy. MSMEs are not only the backbone of the national economy with their contribution to Gross Domestic Product (GDP) and employment absorption, but also become motor the mover economy in level local and regional. However, the challenges faced by MSMEs in the trade sector are quite complex, starting from limited access to capital, low quality management, until competition Which the stricter. The role of government in regulating international trade has a significant impact on a country's economic growth. Through policies that support exports, such as exemptions from import duties and sustainability incentives for Micro, Small, and Medium Enterprises (MSMEs), the government can expand markets and improve people's welfare (Putra et al., 2023).

The national trade sector in Indonesia consists of various sub-sectors, such as retail trade, wholesale, and e-commerce (Nurlinda, 2019). Retail business is a way of marketing product covering all activity Which involving sale goods in a way straight to consumer end for use personal and No business, Retail Also is part of activities business Which do addition mark to the product and sales services to consumers for individual or family use or consumption. Retail also involves service services, such as home delivery services (Siswahyudianto, 2017) (M. Kamal Fathoni,



2021). Wholesalers are economic actors (dealers) Which sell goods in amount big, And No is trader wholesale or retailers. Wholesalers typically sell products in large quantities to small retailers, who Then sell it return individually or in shop retail (A. Grace et al., 2024). E-commerce is also a rapidly growing sector in Indonesia with various types of online stores selling various types of products.

The sharia market is a place where sellers and buyers meet to make transactions for goods and services with money, both in the form of production and price determination, and by interacting, they attract each other and then create prices for goods. For for sale in accordance with sharia Islam Which covering field creed, morals and practices (Cahyono, 2020). In sharia trading, transactions must be in accordance with the principles sharia, like No contains elements usury (interest), gharar (uncertainty), maysir (gambling), And forbidden (forbidden). Trading sharia Also covers trading products and service Which in accordance with principal sharia, like product halal and service Which No violates sharia principles.

Ethics business is code moral Which arrange behaviour individual or company in the business world. Business ethics covers various aspects, such as integrity, professionalism, transparency, social responsibility, and fairness (Sudarso et al., 2021). Business ethics also includes principles Which must followed in do business, like honor rights man, environment, And community. Ethics business very important for success long-term company, because it can strengthen consumer, investor, and public trust in the company. Business ethics can also help companies to avoid problem law and reputation Which harm. Ethics business Also is part of overall system mark Which acknowledged in public and is expected to be applied in all types of businesses in order to create community welfare.

Some examples of sharia businesses are sharia banks, sharia mutual funds, sharia insurance, And trading sharia (Setiawan, 2006). Bank sharia avoid practice usury and provide banking products that comply with sharia principles. Sharia mutual funds avoid investing in companies that carry out haram activities, such as companies that process alcohol or non-halal animal products. Sharia insurance avoids elements usury in product insurance. Trading sharia avoid transaction Which violating sharia principles. Sharia business in Indonesia is very developed, with regulations issued by the government and companies operating in accordance with sharia principles.

Performance MSMEs (micro business, small, and medium) refer to on the performance of efforts Which including in category MSMEs in matter profit, marketing, productivity, and innovation. Government Indonesia has emitted various program for improve the performance of MSMEs, such as micro business fund programs, unsecured credit programs, and business training and mentoring programs. In addition, MSME actors can also improve their business performance by improving the quality of products or services offered, develop market Which wider, as well as do innovation and product diversification to increase business competitiveness.

Ethics Business Islam

a. Understanding Ethics Business In general General

Ethics comes from the Greek word "ethos" which means "custom". In general practice, ethics is always associated with good living habits that exist both in a person himself and in society. In terms of this, in the sense other,



Ethics is a code that must be obeyed or complied with. Ethical issues that need to be considered, namely business owners in carrying out their business activities. Thus, business ethics are actions taken in carrying out business activities that do not violate organizational and community rules, and every activity must be carried out in reasonable circumstances, including in accordance with the norms and ethics that applies. According to Hamza Jacob, ethics is knowledge about behavior man and the principles of correct moral behavior. Ethics is the science of seeking good and bad, done by observing behavior that can be known by humans through reason and thought.

b. Understanding Ethics Business In Islam

Ethics act as moral principles that are able to distinguish between what is right and what is wrong. wrong whereas, business is a series of events which involves business actors. Thus business ethics studies what is good/bad, true/false in world business with based on principle morality. ethics business is thinking Which about morality in economy And business. According to Sudarsono, Islamic ethics are ethical teachings based on the teachings of Islam contained in the Qur'an and the Sunnah of the Prophet Muhammad SAW, with noble values, commendable traits and absolute goodness and the Sunnah of the Prophet Muhammad SAW. Thus, Islamic business ethics are morals in carrying out or running a business based on Islamic values, so that in carrying out the business there are no worries that arise, because it has been confirmed as something good and right.

c. Business According to Islam

In general general business is a activity Which done man Which aims to obtain income or earnings in order to meet needs and desire in life man with method do management source economic power effectively and efficiently. In Islam, business is a series of business activities in which there are various types that are not limited by the number of owners. his wealth including the profit, will but restricted in his/her acquisition and utilization of his wealth (there are halal and haram rules). Islam requires every Muslim that working is one of the main reasons that allows humans to have wealth. Allah SWT expands the earth and provides various facility Which Can utilized For man look for sustenance and livelihood. This is as confirmed by Allah SWT in QS Al-Nisa verse 29.

d. Objective Ethics Business In Islam

Business ethics are important in order to carry out a professional business activity. Therefore, ethics Islamic business has a function substantial use for equip for sailor business. By Because That in ethics business own the following objectives:

a) Build code ethics Islam i Which arrange, develop as well as embedding business methods within the framework of religious teachings. In this case, the code of ethics is a symbol of direction to protect business actors from various risks.

b) A code of ethics can be a legal basis for determining responsibility for perpetrators. business especially for self they Alone, between community business, society and above all this is a responsibility before Allah SWT.

c) In this code of ethics, it is used as a legal document that can resolve problems that arise rather than having to be submitted to the courts.

d) A code of ethics can make a big contribution to resolving many of the problems that are occurring both between business actors and the local community. they Work. A matter Which can build brotherhood (ukhuwah) and cooperation between all of them.



MSMEs

a. Understanding

According to Law No. 20 of 2008 concerning Micro, Small and Medium Enterprises (MSMEs), what is meant by Micro, Small and Medium Enterprises is:

1. Micro-scale businesses are productive businesses owned by individuals or individual business entities that meet the criteria for Micro-Scale Businesses as regulated in this Law.
2. Business in scope small is business economy productive Which stand Alone carried out by individuals or business entities where the business entity is not a subsidiary or branch of a company owned or controlled by or become part Good in a way direct or No direct from Medium Enterprises or Large Enterprises that meet the criteria for small businesses as referred to in this Law.
3. Business intermediate is business economy productive Which stand Alone, Where The business is carried out by individuals or business entities that are not subsidiaries or branches of companies that are owned, controlled or are part of, either directly or indirectly, a Small Business or Large Business. with amount wealth clean and also results sale annual as regulated in this Law.

b. Objective MSMEs

In accordance with Law No. 20 of 2008 concerning Micro, Small and Medium Enterprises, the Law explains the objectives of Micro, Small and Medium Enterprises themselves, namely:

1. Growing and developing the capabilities of Micro, Small and Medium Enterprises to become strong and independent businesses.
2. With the existence of Micro, Small and Medium Enterprises, a balanced, developed and equitable national economic structure can be realized.
3. With the existence of Micro, Small and Medium Enterprises, it can increase its role in regional development, income distribution, creating jobs and eradicating poverty.

METHOD

The research method used in the discussion of this journal uses qualitative analysis using a Library study approach or literature review. Data is collected by searching for articles that are relevant to the discussion. The collected data is then analysed, sorted and described based on the focus of this research problem, namely the influence of Islamic business ethics to improve the performance of MSMEs.

RESULT AND DISCUSSION

Role Ethics Business Sharia Against Performance MSMEs

The role of business ethics in business activities is very important, especially in today's era, the criteria success business No only based on morality And management Which Good, but also in the application of business ethics so that it can maintain quality to meet the demands of all markets that are accepted and considered good by the community (Aji Argo Putro & Dety Mulyanti, 2023). This role will run well if several principles of business ethics are applied in a business, namely



First, the principle of autonomy, this principle is proven to have to exist not quite enough answer moral from a business use For put forward quality from business. Second, principle honesty is in activity business honesty is capital the important one in to develop business. Third, Principle justice on principle This emphasize to No to discriminate And must Keep going behave fair. It means that is with be fair in running a business then it will not harm either party. Fourth, the principle of mutual benefit in this principle must also be applied by business actors because when both parties, namely MSME actors and consumers, can benefit each other so will can advance business the. Fifth, Principle integrity Morals are an internal demand from MSME actors so that in running their business they maintain their good name and the good name of the business they are running. Sixth, the principle of environmental sustainability is that in running a business they must try to maintain environment around place the establishment business the because of on era Nowadays, many people only care about their business without caring about the environment around them, such as throw away waste in the river, etc. Seventh, Principle safety consumer explaining that every operate business must notice safety for for consumer.

Implementation Ethics Business Islam In MSMEs

In implementing Islamic business ethics, what needs to be done is, first, improving awareness. new Which about business, view to ethics business as part Which inseparable or united Which is structure fundamental as change responses and understanding regarding the awareness of immoral business systems in society. Second, it must be considered in apply ethics business For build order business Islam namely by conducting scientific studies that discuss business and economics that focus on the paradigm of normative ethical and empirical inductive approaches by prioritizing the exploration and development of the values of the Qur'an, in order to be able to overcome changes due to the increasingly rapid shifts of the times.

In the application of Islamic business ethics, it is a very good criterion, however there are... a number of matter Which need developed Again although has enter criteria Which very good. However, in implementing business ethics, it cannot be separated from norms. As a special ethic or ethics applied Which own principles in implementation ethics the. In this case, MSMEs have implemented business ethics concepts, including:

1. Honesty

It is one of the principles of business ethics. In business, honesty is related to the following:

- a. Honesty is very important in maintaining the continuity of business relationships. with relations.
- b. Create trust And satisfaction consumer in conformity quality and price. Able to maintain working relationships between individuals with honesty.
- c. Honest in quality of goods

2. Responsibility

It is one of the actions carried out in everyday life and even an obligation. As a manager or service provider, responsibility is an attitude that must be possessed by humans, because this concerns credibility that involves consumer satisfaction. Because the more responsive we are to consumers, the more it will increase consumer satisfaction with the services that have been provided.

3. Compete in a way Healthy



It is a competition that emphasizes ethics. This competition is based on good moral values.

4. Friendly

Attitude friendly This can increase braid communication And loyalty consumer, So it is very important to use and manage words in expressing friendliness.

5. Care with customer

Concern for consumers can increase consumer loyalty towards actors MSMEs, Because with notice problem Which faced consumers and as much as possible Possible For finish problem And give solution to the consumer

6. Responsive

Responsive value can occur in providing time for consumers, to answer consumer curiosity about the promoted product with a friendly attitude.

7. Dedication Which tall

The application of business ethics in UMKM actors can increase consumer loyalty, increase buyer confidence. Application of business ethics in UMKM actors impact existence image Good on perpetrator MSMEs on view consumers, so that can increase income perpetrator MSMEs. Ethics business own 7 values, namely honesty, responsibility, healthy competition, friendliness, caring about customers, responsiveness, and high dedication.

Influence Ethics Islamic Business on MSMEs

According to ethics Islamic business, that Every entrepreneur in trading should not seem to be with the aim of only seeking profit, but, expecting the pleasure of Allah SWT and achieving blessings for the sustenance that Allah SWT has given. Entrepreneurs must also avoid efforts in misuse in seeking personal gain and without regard to losses to other parties.

The growth rate of a business can be influenced by various factors, both internal and external. In the application of Islamic business ethics also has an impact on the financial aspect which can be seen in the progress of the company and its business prospects. So, the knowledge that an entrepreneur has is a reflection of himself in business and everyone has different knowledge in his life, both obtained through formal and non-formal education, and the application of Islamic business ethics has a positive effect on increasing MSMEs.

Order mark Which should be done for perpetrator business in implementation of ethics Islamic businesses include:

1. Tawhid

This principle relates to the homogeneous nature in various aspects of a Muslim's life such as economy, politics, religion, society and emphasizes the idea related to consistency and also order. This principle has a profound impact on a Muslim entrepreneur so that it can avoid:

- a. Discriminatory acts against workers, buyers, suppliers or shareholders company on base difference race, color skin, type sex or religion
- b. No will be easy For forced to in action Which No Good Because just scared And Love to Allah Glory be to God Wow Ta'ala, And always follow rules of conduct that are in accordance with the Islamic religion
- c. Will not hoard wealth, because he knows that the wealth in this world is temporary and must be used as best as possible.



By implementing the ethics of Tauhid, by being close to Allah Subhanahu Wa Ta'ala, namely by carrying out an obligation for a Muslim. This can show that the quality of the product and the production process that very guarded quality Work HR Also very guarded. Even elements

Islam in a company is highly prioritized by holding religious study activities and briefings before starting sales activities.

2. Justice/balance

In the application of this balance ethic, it can be done without prioritizing self Alone but take importance need person other Also, because this can create a balance between sellers and buyers, this is where good socialization will occur, and of course avoid losses for both parties.

This can be seen from the quality of production and distribution that has been carried out by the company because good quality production and distribution will aim for serve need consumer and also give product the best for consumers later. The conclusion for this concept is when the company provides the best product for consumers, then consumers must also provide the best loyalty for the company, so that both buyers and sellers can establish good socialization between them.

3. Will free

The implementation of free will have its own product standards than the company other. Because the need election quality goods Which later will be traded, it must be clear about the type of product, such as its halal status and that it has passed the Ministry of Health test, because this means there is no consumer concern regarding the quality and level of halalness of the product.

4. Responsibility

Implementation not quite enough answer that is a must for man for all his actions. Because one should not scapegoat someone on action Which has done Alone will but must fully be responsible for the action itself. This implementation is carried out by the company by means of company certification to be a legal entity. Because the company can be called a company that can be responsible to consumers, the company must be certified or have a legal entity that aims to can show that company the truly company responsible

Honesty

The implementation of honesty in the company is not lying, not covering up product deficiencies, not manipulating products, not committing fraudulent acts in business, providing all complete information about the goods sold. In this principle, an action must provide more benefits to others, not disappoint, and bring harm to others.

The implementation of Islamic Business Ethics can be carried out well in a company or business, so that business actors can act in accordance with Islamic principles and have implemented Islamic Business Ethics in every process of their activities.

CONCLUSIONS

Study This to study implementation ethics business sharia in performance Business Micro Small and Medium Enterprises (SMEs) in the trade sector. By using qualitative research methods, the results of the study indicate that sharia business ethics have a significant influence on the performance of SMEs. Sharia business ethics help create a fair and honest business environment, increase consumer trust, and improve overall business performance. Ethical principles such as



honesty, responsibility, fairness, and moral integrity have proven to be important in running a sustainable and moral business. Therefore, the application of sharia business ethics is highly recommended for SME actors for reach success term long And to obtain blessing in their business.

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