

The Urgency of Implementing Islamic Business Ethics and Islamic Business Management Post-Pandemic on MSMEs

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Abstract

The covid-19 pandemic has reprimanded man with various complex phenomena that have never happened before, both in the fields of health, social, cultural, and economical. In the field of economics, especially the micro, small, and medium sector business actors are mostly paralyzed and on the verge of bankruptcy. This study considers it necessary to examine several aspects of business management, especially MSMEs' ways of maintaining their business during and after the pandemic. This study aims to examine and analyze the urgency of implementing Islamic business management which can be used as an illustration and guide for business actors. This study uses a descriptive-qualitative approach. The data used is secondary data, referred to as a literature study. The data analysis technique in this study uses three paths, reduction, presentation, and drawing conclusions. The results show that Islamic Business Ethics and Islamic business management are mandatory for business actors so that businesses can run even in the midst of difficult situations. The principles in Islamic business ethics are balance (fairness), free will, responsibility, and truth, while Islamic business management is marketing management, human resource management, and financial management. The results of the study imply that businesses that are run based on Islamic business management principles have the ability to survive and can maintain business continuity. The implementation of ethics and business management within the Islamic framework is very important to be realized by MSMEs actors through their business activities or operations.

Keywords: *Islamic Business Ethics, Islamic Business Management, MSMEs.*

Abstrak

Pandemi Covid-19 telah menegur manusia dengan berbagai fenomena kompleks yang tidak pernah terjadi sebelumnya, baik di bidang kesehatan, sosial, budaya, dan ekonomi. Di bidang ekonomi, khususnya para pelaku usaha sektor Mikro Kecil dan Menengah sebagian besar lumpuh dan diambang kebangkrutan. Penelitian ini memandang perlu untuk mengkaji beberapa aspek pengelolaan usaha, khususnya UMKM dalam mempertahankan usahanya pasca puncak pandemi. Penelitian ini bertujuan untuk mengkaji dan menganalisis urgensi implementasi manajemen bisnis islam yang dapat dijadikan gambaran dan pedoman bagi pelaku usaha. Penelitian ini menggunakan pendekatan deksriptif-kualitatif. Data yang digunakan adalah data sekunder, atau disebut dengan studi literatur. Teknik analisis data dalam penelitian ini menggunakan tiga alur, yaitu reduksi, penyajian, dan penarikan kesimpulan. Hasil penelitian menunjukkan bahwa etika bisnis Islam dan manajemen bisnis islam menjadi wajib bagi pelaku usaha agar usaha dapat berjalan meski di tengah-tengah situasi sulit. Prinsip-prinsip dalam etika bisnis Islam yaitu keseimbangan (keadilan), kehendak

bebas, tanggungjawab, dan kebenaran, sementara dalam manajemen bisnis islam yaitu manajemen pemasaran, manajemen sumber daya manusia, dan manajemen keuangan. Hasil penelitian mengimplikasikan bahwa usaha yang dijalankan berdasarkan prinsip-prinsip manajemen bisnis Islami memiliki kemampuan untuk bertahan dan dapat menjaga keberlangsungan usaha. Implementasi etika dan manajemen bisnis dalam kerangka Islam sangat penting untuk diwujudkan oleh pelaku UMKM melalui aktivitas atau operasi usahanya.

Kata Kunci: Etika Bisnis Islam, Manajemen Bisnis Islam, UMKM.

INTRODUCTION

The spread of Coronavirus Disease 2019 has affected all aspects of human life, including social, cultural, political, health, educational and economic aspects. Especially in the economic aspect, the Covid-19 pandemic has caused all sectors of the Indonesian economy to deteriorate. The economy is sluggish, poverty and unemployment are increasing, and people's purchasing power is declining. Many companies, both micro and macro companies, find it difficult to carry out their business cycles, and it is even difficult to hire employees. Finally, for reasons of financial cash flow efficiency, some companies take action to lay off their employees and even terminate employment relationships with their employees. This action creates an endless chain of problems, namely the higher unemployment rate which leads to poverty.

In Indonesia, the peak of the Covid-19 pandemic began in May and ended in July 2020. The Covid-19 pandemic has had a major impact on business continuity, especially for Micro, Small and Medium Enterprises (MSMEs). Based on the survey results, 96% of business actors claimed to have experienced the negative impact of Covid-19 on their business processes, 75% of them experienced a significant decline in sales, 51% of business actors thought that the business they are running will only last one month to the next three months, and 75% feel they do not understand how to make policies during a crisis. Meanwhile, only 13% of business actors believe they have a crisis management plan and find solutions to maintain their business (Soetjipto, 2020).

Although Covid-19 is a non-technical factor in a business cycle, it significantly impacts business sustainability. The peak of the Covid-19 pandemic has proven that the business model that has been carried out so far, which is still dominated by the capitalist system with maximum profit growth and capital accumulation, cannot deal with chaos in society. The capitalist system proves itself with immoral means, such as hoarding consumptive goods, raising prices,

restricting the circulation of production goods, and massive layoffs without regard to the bad effects caused.

The phenomenon of economic moral degradation shown by business actors in economic activities during the peak of pandemic has a negative impact on society. During the peak of the pandemic, people in various circles should help each other, and care for each other not take advantage of difficult situations to take advantage and accumulate wealth. Covid-19 opens the veil of truth that undermines the superiority of the capitalist regime that dominates the global civilization (Huda, 2016).

One of the lessons that can be learned from the economic collapse due to the pandemic that hit Indonesia is the collective awareness that the economic system used so far is far from the values of monotheism or divinity and humanism. Islamic economics is seen as able to answer the need for an economic system that puts forward a normative and fair order for contemporary economic problems.

Business ethics in Islam functions as a controller (regulator) of the economic activities of traders because ethical philosophy is based on scientific reasoning and religion to judge. The implementation of effective Islamic business ethics leads to a pattern of developing noble character in the behaviour of entrepreneurs or human resources and stakeholders by implementing the principles and standards of business ethics.

The emergence of the discourse of business ethics thought is driven by business realities that ignore moral or moral values. Basically, ethics (basic values) in business serves to help business actors to solve moral problems in business practice. Therefore, in order to develop an Islamic economic system, especially in the effort to revitalize Islamic trade as an answer to the failure of the economic system, both capitalism and socialism, exploring the basic Islamic values regarding trade rules from the Qur'an and *as-Sunnah*, is a necessary thing to do.

Several previous studies became the basis and motivation of researchers to conduct research on Islamic business ethics. Research conducted by Sari (2019) analyzed the Implementation of Islamic Business Ethics in Food and Beverage MSMEs in Tuban Regency. Research by Lubaba & Prasetyoningrum (2019) revealed that business ethics practiced by entrepreneurs in Sarirejo Village in

general had carried out business ethics in production taught in Islam, such as honesty, fairness, keeping promises, and cleanliness.

Research by Jureid (2020) suggests that Islamic economics with its principles based on the Qur'an and *Sunnah* can be a solution for people's welfare, especially during the Covid-19 period. Research of Kurniawan (2020) analyzes Islamic business ethics against goods hoarders due to the Covid-19 pandemic. They do not pay attention to the six principles of Islamic business ethics, namely truth, trust, sincerity principle, brotherhood principle, knowledge principle, and justice principle.

The results of Ali's research (2020) stated that in business ethics there are ethical principles that must be obeyed by business actors such as the principle of autonomy, namely decision-making and action on the basis of moral responsibility, the principle of honesty, justice, mutual benefit, ensuring all parties get equal rights and the principle of moral integrity. Furthermore, Alharis' research (2021) suggests that the marketing strategy by marketers Baitul Maal Hidayatullah (BMH) in Kediri in the midst of the COVID-19 pandemic uses Islamic marketing. Likewise, research by Burhanuddin (2020) stated that during the Covid-19 pandemic, sharia-based business management by economic actors adapted to new habits in accordance with sharia principles.

From several studies that have been described above, researchers feel the need to do further research on the urgency of implementing Islamic business management after the peak of the Covid-19 pandemic. Consider that during the pandemic and the peak of the pandemic, many immoral phenomena are shown by business actors under a conventional economic system that ignores economic ethics and morals.

Thus, based on the background and relevant research that has been described previously, the researcher intends to conduct a study related to "The Urgence of Implementing Islamic Business Ethics and Islamic Business Management Post-Pandemic on MSMEs", as an effort to strengthen Islamic values by revolutionizing mentality of business actors as an alternative after the peak of the Covid-19 pandemic.

The purposes of this study is to find out and analyze the form of Islamic Business Ethics and Islamic business management that must be implemented by MSME actors. Furthermore, this study will have implications for the understanding of MSME actors about the importance of applying Islamic

business ethics and how to manage the business based on Islamic business management principles.

RESEARCH METHOD

This research is qualitative research with descriptive type, research that emphasizes understanding of problems in social life based on conditions of reality or natural settings that are holistic, complex and detailed. This qualitative approach is explained by the descriptive method. Collecting data in this study in the form of secondary data. Secondary data or data collection indirectly comes from books, literature books and documentation on theories, concepts and rules and reading sources (Sugiyono, 2004). The secondary data in this study relates to business ethics and business management within the framework of Islamic values.

The data analysis in this study went through three streams systematically to be able to find conclusions in solving ethical problems of business actors in a sharia economic review and can be used as a basis for revolutionizing the mentality of business actors based on Islamic principles. First, through the data reduction stage with the selection process, focusing on simplification, abstraction, and transformation of rough data that emerges from written notes on hand (Miles & Huberman, 2010). Second, the stage of presenting data with a set of structured information gives the possibility of drawing conclusions and taking action. Third, the stage of drawing conclusions with verification as short as a rethink that crossed the analyst's mind and reviewing to develop intersubjective agreements.

RESEARCH FINDINGS AND DISCUSSION

During the peak period of the pandemic, it has taught humanity that the character of business actors based on the capitalist system takes advantage of difficult situations to pursue profits and accumulate capital through their business activities and hide behind the "pandemic effects". The peak of the Covid-19 pandemic has proven that the business model that has been run so far, which is still dominated by the capitalist system with maximum profit growth and capital accumulation, is unable to deal with chaos in society. The capitalist system actually proves itself in immoral ways, such as hoarding consumer goods,

raising prices, limiting the circulation of production goods, and laying off workers on a large scale without regard to the adverse effects that arise.

The phenomenon of economic moral degradation shown by business actors in their economic activities during the peak period of the pandemic had a negative impact on societal order. During the pandemic, people in various circles should help each other and care for each other, instead of taking advantage of difficult situations to take advantage and wealth accumulation.

Business actors have shown many immoral acts under a conventional economic system that ignores economic ethics and morals. Actions such as hoarding goods, increasing product prices excessively, limiting product distribution so that there is a shortage which can increase prices, cutting salaries, massive layoffs, sudden dismissals for cost efficiency, and bankruptcy of several large companies so that they are unable to pay their employees. Business actors commit unethical acts such as cutting wages and laying off workers on a large scale and taking refuge behind "pandemic-effect" reasons. However, at the same time, business actors can have picnics, luxurious lifestyles, and business trips.

Instead of helping the people affected by the pandemic, the actions of business actors instead take actions that are self-serving. Therefore, Islamic business ethics and Islamic business management are deemed necessary to be applied by actors in running their businesses. Business actors are not only concerned with personal gain, but the presence of business actors has a positive impact on the surrounding community, especially when a disaster occurs. Business actors should not take advantage of difficult situations to fulfil their personal interests and needs. Islamic business ethics and Islamic business management can be the antithesis of the economic concept of capitalism which is practised by many business actors, including MSMEs.

Islamic Business Ethics

Islamic business ethics has four main principles, namely balance (equilibrium/fair), free will (free will), responsibility (responsibility), truth-kindness and honesty (truth, goodness, honesty).

Balance (Equilibrium/Fair)

Islam strongly recommends doing justice in business and forbids cheating or being unjust. Allah sent the Messenger of Allah to uphold justice. A big mishap for people who cheat, namely people who when receiving the measure

from someone else, ask to be filled, while when measuring or weighing for people it is always reduced. Deception in business is an indication of the destruction of the business, because the key to business success is trust and measuring in the right way, and do not commit fraud in the form of reducing the measure and scales. As explained in Surah Al-Maidah verse 8, Allah SWT calls on those who believe that you should be people who always uphold (the truth) for Allah SWT as a just witness. And do not let your hatred of a people encourage you to do wrong. Do justice because justice is closer to piety.

From the verse above it is explained that we must always be fair to anyone, even if it is our enemy. MSME actors should be fair to customers and buyers everywhere, even under pressure, because Allah knows best.

The challenge that is often faced by MSME business actors is to strike a balance where the desire to earn more profits is to sell products that are designed as attractive as possible and look better even though they do not match the actual product quality. So that consumers feel cheated because they do not get the benefits of the product according to the price paid.

If this happens, based on research of Muthia's (2017), business actors can do it by *khiyar aibi*, where the condition is that consumers may return the goods they bought if they feel they are not in accordance with the order. Another solution that can be taken is to reduce the quality of goods or their prices. However, if the consumer already knows the shortcomings of the product and is satisfied, then this is permissible.

Based on the explanation above, it is hoped that MSME actors can act in a balanced and fair manner to all elements, both buyers and fellow business actors. The principle of balance and fairness is mandatory for business actors, because these principles can do businesses last long and have loyal customers and can easily establish cooperation with other business actors especially when facing difficult situations such as during the peak of the pandemic, where economic morale is important. Thus, business actors who have an Islamic entrepreneurial mentality can avoid actions that harm others.

Free Will

In the business aspect, a business person has the freedom to make agreements. Muslim people in business who believe in Allah will always keep and glorify their promises to buyers, suppliers, co-workers, and stakeholders.

Moreover, keeping promises to Allah by carrying out all His commands and avoiding from all His prohibitions. Business people who cannot fulfill their promises can be said to be hypocrites. Especially in the era of information that is open and fast as it is today, breaking promises in the business world is the same as digging the grave for one's own business. Because in a short time, business partners will look for reliable work partners (Keraf, 1998).

As a person in business or an entrepreneur, it is natural to give an agreement to consumers. A promise is a bond that has been agreed upon between the seller and the buyer, so it is natural for the seller to keep his promise. A person agreeing is, of course based on mutual trust with one another, as well as a great responsibility to carry out the promise. Accuracy of promises can be seen in terms of timeliness of delivery of goods, timeliness of payments and carrying out something in accordance with the agreed contract (Arifin, 2009). Entrepreneurs or people in business as producers or distributors must always keep their promises of delivery, deliver goods with quality, color, size, and or specifications in accordance with the original agreement, provide warranty services, and so on. Meanwhile, promises must be kept to fellow business partners, such as payments in the agreed amount and time. Freedom of choice is explained in QS. Ali Imran: 152, that *"among you are those who desire the world and among you are those who desire the Hereafter."*

The snippet above explains that humans can make the choices they want. In the case of buying and selling, the buyer chooses the goods he wants without any coercion from the seller, as well as the seller can choose which orders can be processed and which cannot be processed without any coercion from the buyer. If the foundation of free will is applied to business, then free will can be in the form of freedom for business people to innovate products. In addition, business people also have the freedom to create marketing targets for their products in accordance with the market share of the products offered by these business people (Oktarina, 2017).

Based on the explanation above, an MSME actor can understand and apply the principle of free will. Free does not mean arbitrary, but sticks to the teachings of Islam, always keep and honors his promises to buyers, suppliers, co-workers, and stakeholders and, of course keeps promises to Allah in the form of carrying out all His commands and staying away from all His prohibitions. MSME actors who have a character in accordance with the principle of free will,

will be able to run their business for a long time, despite complicated situations such as during the Covid-19 period because both customers and other stakeholders already have confidence on the business actors.

Responsibility

Responsibility is an act do in everyday life and is an obligation. The responsibility given by MSME actors is shown by keeping promises and notifying them when changes occur. Sending products according to transactions made to consumers, and resolving existing complaints as much as possible.

Unlimited freedom is impossible for humans to do because it does not require accountability and accountability. Humans must be logically responsible for their actions to fulfill the demands of justice and unity. This principle is closely related to free will. It sets limits on what humans are free to do by being responsible for all that they do.

Humans are free to carry out business activities except for what is prohibited and what is prohibited by Islam is injustice and usury. At this level, human freedom is not absolute, but it is a responsible and just freedom. Accountability means that humans as business people have full responsibility to God for their business behavior. Wealth as a business commodity in Islam is a mandate given by us, and we will be held accountable before Allah. Human responsibility, according to the Qur'an, is contained in the QS. Al-Ahzab verse 72, that *"Indeed We have offered a mandate to the heavens, the earth and the mountains; but all of them are reluctant to carry out the mandate and they are afraid that they will not carry it out (heavy), then the people carry the mandate. Indeed, man is very unjust and very stupid."*

The verse above explains that the *Amanah* includes the responsibility of Allah Ta'ala and the responsibility offellow human beings. However, the most significant mandate is the responsibility that Allah bears on the shoulders of humans, namely Islamic law. We are required to carry out this responsibility as caliph (representative of Allah) on earth; implement Islamic law in all lines of our lives.

But the reality we see is that many people ignore this responsibility, turn away from it and choose a religion other than Islam, or are imperfect in carrying it out. It is clearly seen that there are still many who leave religious obligations such as prayer, fasting, zakat and hajj, or are still lulled into disobedience such as

adultery, gambling, consumption of unlawful food and drink, and other immorality (Harjito, 2002).

The forms of MSME social responsibility are: (1) waste treatment, (2) employee health bonuses and funds, (3) donations to local community activities, and (4) donations to social places. In addition, the form of MSME accountability is also through financial reports. Financial statements are records of financial information of an entity that can describe the performance of the MSME in an accounting period. Financial reports are made to present information about the performance of MSMEs and are useful for making business decisions (Harjito, 2002).

One way that can be used to fulfill business ethics in Micro, Small and Medium Enterprises is that promotion must be responsible. This can be done by Micro, Small and Medium Enterprises by explaining to consumers in their promotions about the details of the product, for example regarding the material or size of the product through social media such as Instagram. With this promotion, it is hoped that Instagram members will follow Micro Small businesses to become their Followers. Micro, Small and Medium Enterprises to Followers will display their product specifications and images. These consumers can see their products in the form of photos. The promotion of Micro, Small and Medium Enterprises must of course pay attention to business ethics, which is a study devoted to morals that shows right and wrong. With the business ethics of Micro, Small and Medium Enterprises on Instagram, it will give confidence to consumers about the products offered in accordance with the reality of the product. Consumers will also not feel cheated, because the information displayed is in accordance with the actual product (Pambudi, 2018).

Truth: virtue and honesty

Truth in this context, besides containing the meaning of truth as opposed to error, also contains two elements, namely virtue and honesty. In the business context, truth is meant as the right intention, attitude and behavior which includes the contract process (transaction) the process of seeking or obtaining development commodities as well as in the process of achieving or determining profits. With this principle of truth, Islamic business ethics is very protective and applies preventive measures against the possibility of loss of one of the parties

conducting transactions, cooperation or agreements in business (Darmawati, 2013).

Business ethics requires all business people to act openly (Fair), act normally and act in accordance with existing rules, both healthy business rules and the guidance of the Qur'an (Raihanah, 2018). As explained in QS. Al-An'am Verse 152, that *"And do not approach the property of an orphan, except in a more useful way, until he reaches adulthood. And perfect the measure and the scales with justice. We do not burden a person but according to his ability. When you speak, speak the truth, even if he is your relative and fulfill Allah's promises. Thus He commands you that you remember."*

From the verse above, it is explained that Allah SWT commands humans to be honest, sincere, and true in all their life journeys, and this is highly demanded in the field of sharia business. If deception and deceit are condemned and forbidden, then honesty is not only commanded, but declared an absolute necessity. Honesty will be seen in the ability to carry out the responsibilities given. An honest person is definitely trustworthy in every trust given to him (Raihanah, 2018).

The application of the principle of honesty includes the suitability between business people and consumers regarding the products sold and purchased. Honesty is relevant in business with regard to the following matters: 1) Honesty is very important in maintaining the continuity of business relationships with relationships; 2) The suitability of quality and price as advertised will create trust and customer satisfaction. Internal working relationship. The company is able to survive if the working relationship between individuals in it is carried out based on honesty (Sutrisna, 2011).

In addition, honesty in the business ethics of MSME actors is reflected in the following actions: 1) MSME actors provide information about the product according to the condition of the product, which is shown by a photo accompanied by material and size information; 2) Pricing is in accordance with what was stated during the promotion, terms apply, explaining product prices and shipping costs; 3) Honest in product quality, especially for branded products that are well known and widely sold in other stores.

One application of honesty that is used to fulfill business ethics in Micro, Small and Medium Enterprises is such as honest product promotion. And this can be done by Micro, Small and Medium Enterprises by explaining to

consumers in their promotions about the details of the product, for example regarding the material or size of the product sold through social media. Honestly display the specifications and pictures of the products being sold. So that it will give confidence to consumers about the products offered in accordance with the reality of the product. Consumers will also not feel cheated, because the information displayed is in accordance with the actual product (Pambudi, 2018).

Islamic Business Management

In Islamic business management, it is not much different from the management function in general, the difference is only in the description of each function whose emphasis is more on ethical issues.

Marketing Management

Marketing management is one of the main activities carried out by the company to maintain the continuity of the company, to develop, and to earn a profit. The marketing process begins long before goods are produced, and does not end with sales. The company's marketing activities must also provide satisfaction to consumers if they want their business to continue, or consumers have a better view of the company (Handoko, 2001).

Marketing according to sharia principles must be based on the spirit of worshipping God, the creator, trying as much as possible for the common welfare, not for the interests of the group, let alone one's own interests. Rasulullah SAW has taught his people to trade by upholding Islamic ethics. In economic activities, Muslims are prohibited from doing stingy actions. However, they must carry out economic activities that are carried out with mutual pleasure, as contained in the Qur'an Surah An-Nisa verse 29, "*O you who believe! Do not eat each other's property with vanity (not right), except in trade which is carried out on the basis of consensual between you. And don't kill yourself. Indeed, Allah is Most Merciful to you.*"

From the verse above, it is explained that in terms of economic activities, Muslims are prohibited from being stingy and must be pleased with each other.

In the application of marketing management based on Islamic business ethics in MSMEs, several points must be considered, namely; 1) marketing planning has the value of unity and fairness; 2) in the implementation of marketing includes organizing there are values of goodness, unity, honesty and free will, and 3) in direction there are values of responsibility; and 4) in the control/evaluation of marketing activities, there are values of goodness and

fairness which can be seen from the determination of products, prices, markets, and promotions.

In addition, in marketing activities, MSMEs should also conduct friendship with fellow humans. Because in marketing, of course, you will meet with many people, the more relationships you know, the longer the relationship will make it easier for marketing to be done through communication and friendship in order to recognize the products or merchandise.

Human Resource Management

Human resource management is based on the concept that every employee is a human being, not a machine, and not merely a business resource.

In fact, the larger an organization, the more complex the relationships between individuals within the organization, and the more complex the relationships between individuals within the organization or company. This looks different when we observe the relationship between individuals in small companies. Their relationship here still looks kinship or less formal. It is the same as treating employees as their own brothers and sisters in order to create a relaxed atmosphere in carrying out work (Sumarni & Soeprihanto, 2010).

Fit and proper Islam encourages its followers to select prospective employees based on their knowledge, experience, and technical capabilities. Strength in war is associated with the ability or courage to fight, as well as a strategy against the enemy. Meanwhile, courage in the field of justice is being able to be fair and able to apply justice based on the Qur'an and Hadith (Sinn, 1996).

Trust is an important factor for assessing the suitability and feasibility of prospective employees. Trustworthy employees are employees who carry out their duties as well as possible in accordance with the rules, do not commit fraud and fraud are able to show good performance.

Prospective employees must be selected based on decency and eligibility. The Prophet once reminded this issue in his saying: "Whoever employs people because there is an element of nepotism, even though there are people who are better than that person, then he has betrayed the trust given by Allah, His Messenger and the Muslims. When he wanted to appoint an official, Caliph Umar r.a. always provide time to determine the type of work and responsibilities that must be carried out by an official.

Training (training) in all fields of work is a form of knowledge to improve performance, where Islam encourages its people to be serious and glorify work.

The Messenger of Allah said: *"There is no better food eaten by a person than what he eats from the work of his hands."*

The relationship between employees in an organization or company is important to create a sense of security and peace among workers, so that workers will be able to complete work well, sincerely and with enthusiasm to work together to achieve goals.

In Islam, humans are seen as noble beings who have honor and are different from other creatures. Islam encourages its people to treat humans well, build relationships with a spirit of kinship and help each other. Allah says: And help you in (doing) righteousness and piety, and do not help in sin and transgression (Al-Maidah (5:2). In another verse, Allah says: *"And those who believe, men and women, some of them (are) helpers for others. They command (do) what is right, forbid what is evil, establish prayer, pay zakat and they obey Allah and His Messenger. They will given mercy by Allah; verily Allah is Mighty, All-Wise"* (Al-Taubah (9:71).

The concept of human relations between employees, especially new employees, requires loving guidance, so that they can go through difficult days and can feel that they are part of the whole employee. Bosses need to pay extra attention to helping their work, giving instructions wisely, not with arrogance and condescension to others. The Messenger of Allah said: *"Whoever does not give love to humans, then Allah will not give him His mercy."* The Messenger of Allah said: *"Do not insult any virtue, if you do not find any virtue, then your smile in front of your brother is charity."*

Fellow employees are brothers, helping each other in getting the job done. They are like a building that reinforces each other. Muslim employees, their creed will encourage them to stay away from arrogance, act unjustly, passionately or proudly. The Messenger of Allah said: *"O mankind, indeed your God is one, you are all descendants of Adam a.s., and Adam a.s. from the ground. Verily, the most honorable of you is the most pious. There is no superiority of Arabs over sharp people, red people over white people, except the level of piety."* In addition, the Prophet encouraged to be fair to people who were wronged, and still maintain their honor and glory, and free from injustice (Sinn, 1996).

Based on Human Resource Management, it is hoped that MSME actors will be able to apply it in their business. Such as improving the quality of services based on religious knowledge and sharia business management, building good

relationships with employees or consumers with a family and affectionate approach.

Financial management

The task of financial management is to plan where business financing is obtained and how the capital that has been obtained is allocated appropriately in the business activities carried out.

The Islamic economic system allows humans to be able to fulfill their needs honestly without being excessive and helping each other, so it is hoped that by running an Islamic economy, humans can find loyalty and authenticity in Islam which is expected to provide prosperity for all humans. This is in accordance with the purpose of Islam, namely Islam was revealed to creatures on this earth to be safe and prosperous. Therefore, if someone says the term "Sharia Financial Management", it means a financial managerial activity to achieve goals by paying attention to compliance with sharia principles.

Furthermore, planning, organizing, implementing and supervising related to Islamic finance includes the following: (1) Every effort to acquire assets should pay attention to methods that are in accordance with sharia such as commerce/buying and selling, agriculture, industry, services. -service; (2) The object being cultivated is not something that is forbidden; (3) The assets obtained are used for things that are not prohibited/missible such as buying consumer goods, recreation, and so on. Used for things that are recommended / *sunnah* such as infaq, waqaf, shadaqah. Used for things that are obligatory such as zakat. In terms of investing money, one must also pay attention to the principle of money as a medium of exchange not as a traded commodity, it can be done directly or through intermediary institutions such as Islamic banks and Islamic mutual funds (Manunggal, 2011).

Ethics in Islamic financial management cannot be separated from the values of Islamic teachings as a whole. In Islam, business actions based solely on economic principles are highly rebuked by honest Muslims. Even if the purpose of business is profit, even if it has been done voluntarily, it is still not justified if it violates the rules or general knowledge such as knowledge of general/fair prices; for example, the behavior of raising the price of an item to a newcomer and to people who are usually in the area, gives a cheap/reasonable price (Manunggal, 2011).

Thus, the economic motive that is in accordance with sharia/Islam is to seek material gain efficiently and correctly/ethically which results in profit in the

present life and the life after death (Manunggal, 2011). Saving costs or efficiency in achieving large profits is a justified way. Islam does not prohibit efficiency/savings. What Islam forbids is miserliness and extravagance. The correct ways are formulated according to revelation as well as human experience in their economic life. As explained in the Qur'an sura An-Nisa' verse 29: *"O you who believe! Do not eat each other's property with vanity (not right), except in trade which is carried out on the basis of consensual between you. And don't kill yourself. Indeed, Allah is Most Merciful to you."* (Surat an-Nisa 'verse 29).

From the verse above, it is explained that we are prohibited from making excessive profits. Therefore, in gaining profits, MSME actors must use correct and honest financial management methods in accordance with what is taught in Islamic principles.

CONCLUSION

In Islamic Business Ethics Principles consists of (1) the Principle of Balance (Equilibrium/Fair), Islam strongly recommends doing justice in business. Cheating in business is a sign of the destruction of the business because the key to business success is trust and measuring in the right way and not committing fraud in the form of reducing the dose and scales; (2) Free Will, business actors have the freedom in terms of making agreements. Free does not mean arbitrary, but sticks to the teachings of Islam always keep and honors his promises to buyers, suppliers, co-workers, stakeholders and of course keeps promises to Allah; (3) Responsibility, business actors have the nature of trust that includes responsibility to Allah Ta'ala and responsibility between human beings, but the greatest trust is the responsibility that Allah bears on the shoulders of humans. Meanwhile, in Islamic Business Management consists of (1) Marketing Management, the marketing principle can be seen from the way of trading of the Prophet Muhammad with three concepts of marketing principles according to Islam, namely trust, quality service, responsibility or trust; (2) Human Resource Management, the relationship between employees in an organization or company is important to create a sense of security and peace among workers, so that workers will be able to complete work well, sincerely and with enthusiasm to work together to achieve goals; (3) Financial management, Islamic principles in carrying out the function of determining the source of funds and the use of these funds must reflect a policy in which the funds used must be properly accounted for in the sense that their contributions must be agreed upon and

calculated with an agreement that is considered fair enough for both parties, namely for the users of the funds and the owners of the fund.

This research was conducted in spite of the limitations that could reduce the quality of the research data. This study only emphasizes four principles of business ethics, namely: balance (equilibrium/fair), free will (free will), responsibility (responsibility), and truth (benevolence and honesty). This research is limited to three principles of Islamic business management. This study did not conduct direct testing of business actors who apply Islamic principles. Researchers only describe Islamic business ethics based on literature studies. The suggestions for this research based on the limitations of the study are the next researcher will add other principles in Islamic business ethics and study further the management functions according to sharia principles. Future researchers can use deeper research methods to directly examine MSMEs as the unit of analysis. For Business Actors, MSME managers should apply Islamic business ethics principles and implement Sharia-based management functions in order to survive during the pandemic without compromising the rights of others. For the sake of business continuity, MSME actors should use a system based on the principles of Islamic business ethics and past business management so as to create fair profit sharing without harming either party.

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