## APPLICATION OF ISLAMIC VALUES TO SMEs BUSINESS YOTTA DRINK PRODUCTS IN MAKASSAR

Syarifuddin syardifuddin 7890@gmail.com

Sri Wahyuni uniceconomic@gmail.com

Islamic Economics Departement Islamic Economics and Business Faculty Universitas Negeri Alauddin Makassar

### **ABSTRACT**

SMEs business have a very important role in Indonesia's economic development and growth. The contribution of SMEs to Indonesia's Gross Domestic Product (GDP) is 60.64% and absorbs a workforce of 97%, many of which have business management oriented to Islamic values but there are still those who violate their implementation. This study aims to find out about Islamic values which consist of halalness, honesty, quality of service, friendliness, in micro, small and medium enterprises (SMEs) especially in beverage products. The application of good Islamic values will create harmony in terms of Islamic business management. With this harmony in business, it will improve performance and productivity that is good for business people. This study analyzes the role of Islamic values on the management of SMEs performance in Beverage Products. This type of research uses descriptive qualitative research methods, by conducting observations directly to the publisher and interviews with employees, managers and the surrounding community, Technical Data analysis is done by reducing data, presenting data, and drawing conclusions. The results of this study indicate that Islamic values have a positive effect on the performance of SMEs Yotta in the city of Makassar.

Keywords: SMEs, Islamic Value, Business Managerial

### INTRODUCTION

The large role of SMEs in the national economy is supported by several factors, one of which is Indonesia's demographic trend, which based on BPS data the ratio of productive age groups in Indonesia is expected to continue to increase from 67.4 percent in 2010 (Population 237.6 Million) to 69.7 percent in 2025. According to Helianti (2017) explained that Indonesia is currently entering the bonus demographic phase, where the proportion of young people currently numbering more than 25 percent of the total 250 million Indonesian population, combined with 59.2 million Micro, Small Businesses, Medium (SMEs) which contributes greatly to the Gross Gross Domestic Product (GDP). According to Samuel (2012), an increase in demographic trends will certainly be followed by increasing developments in economic sectors such as technology, entertainment, education, consumption, trade and finance, which will also grow rapidly. The increasing development of these economic sectors is expected to reduce the problem of the unemployment rate and be able to strengthen the absorption of labor in several industrial sectors. The contribution of labor absorption by MSMEs amounted to 96.71 percent and this contributed to the reduction in the number of unemployed, the Central Statistics Agency (BPS, 2016) reported that the number of unemployed people in Indonesia in February 2016 was 7.02 million people, a decrease of 536 thousand people compared to August 2015 period 7.56 million people.(Sri Maulida, 2018.181-197)

Economic development and Islamic business can be done in various ways, including observing and reviewing the economic and conventional business systems that develop by linking them with the sources of Islamic teachings, namely the Koran and as-Sunnah. If the economic and business system does not conflict with Islamic teachings, then the system can be accommodated into Islamic economics and business. his method is easier to do because it only seeks economic and business practices in society that do not conflict with Islamic teachings, but have fundamental weaknesses because they are very dependent on existing practices without any motivation to formulate themselves.(www.academia.edu)

Although this method of development is more advanced than the first method because there have been efforts to explore Islamic values and perfect economic and business practices that develop in the community, they still have a fundamental weakness, namely dependence on economic and business practices in society. Al-Quran and as-Sunnah have not been considered as sources of knowledge and live in society. Given the knowledge in Islam is influenced by the spiritual, revelation, intuition, and has a theocentric orientation, the next consequence as one of the characteristics of the knowledge is bound to values Islamic. These values can be developed from the attributes of

Allah swt (asmaul husnah) and noble values Islamic, such as honesty, sincerity, etc. (TaqiMisbah.1984.111)

Basically the general concept that exists in our society about the term value is an economic concept. The relationship of a commodity or service to the goods one wants to pay to bring up the concept of value. While the meaning of value specifications in the economy is everything that is desired and requested by humans who can fulfill needs, then the goods contain value. (www.academia.edu)

So far, the application of Islamic values in Makassar City is very lacking in reacting, both in terms of Aqeedah, Morals, Halal Haram, and in terms of services.

In their opinion in carrying out a business is defined as human economic activities aimed at pursuing profit alone. Business activities are intended to seek maximum profit, therefore any way can be done to achieve these goals even though the methods used cause harm to other parties. Most business people rarely pay attention to their sales products both in terms of halal haram, processing and manufacturing, the conditions in the situation, and in terms of service quality.

### THEORETICAL BACKGROUND

#### A. Islamic Value

Values in Latin *velere*, or old French *valoir* can be interpreted as useful, capable, capable, valid, useful and most correct according to the belief of a person or group of people. So that the value is the quality of a thing that makes things that are liked, desired, pursued, valued, useful and an important or valuable for humans as well as the core of life (Adisusilo, 2012).

Islamic values govern how ethical in carrying out a business that is in accordance with the behavior of the Prophet, including:

# **B.** Honesty

Honesty or honesty refers to aspects of character, morals and connotes positive and virtuous attributes such as integrity, honesty, and straight forwardness, including directness to behavior, along with the absence of lies, deception, infidelity, etc. In addition, honesty means trustworthy, loyal, fair and sincere. Honesty is valued in many ethnic and religious cultures (Roger, 1964).

In this case, the merchant or businessman is not permitted to hide goods defects. If this is hidden, the blessing of buying and selling will be lost. In Islamic doctrine, honesty is a fundamental requirement in business activities.

The Messenger of Rasulullah very intensely advocated honesty in business activities.

### C. Halalness

The word halal is an Arabic term in Islam which means *allowed*. In etymology, halal means things that are permissible and can be done because they are free or not bound by the provisions that prohibit them (Qardawi, 2007). Halal terms in daily life are often used for food or drinks obtained for consumption according to Islamic law. Whereas in the broad context the term halal refers to all things, be it behavior, activities, or methods of dress, etc. that are permitted or permitted by Islamic law.

## D. Quality of Service

Quality of service must begin with customer needs and end with customer satisfaction and a positive perception of service quality (Tciptono, 2005). Service quality is defined as the delivery of services aimed at exceeding the level of customer interest.

### E. Friendliness

Friendliness can be interpreted a lot of smiles and being polite (Utami, 2006). A business person must be loose, friendly and generous in doing business. That means that a trader must be friendly to every buyer.

## F. Micro, Small, and Medium Enterprises of Business

In Indonesia, the definition of SMEs is regulated in the Law of the Republic of Indonesia No.20 of 2008 concerning SMEs. Article 1 of the law states that micro-enterprises are productive businesses owned by individuals and or individual business entities that have the criteria for micro-enterprises as stipulated in the Act. Small-scale business is a productive economic enterprise that is independent, carried out by individuals or business entities that are open subsidiaries or non-subsidiaries that are owned, controlled or become part of, either directly or indirectly, from medium-sized businesses or large businesses that meet the criteria small business as referred to in the Act (Tulus, 2009).

### METHODOLOGY

This type of research uses descriptive qualitative research methods, qualitative research is research that is intended to understand the phenomenon of what is experienced by research subjects, for example, behavior, perception, motivation, action, and others. Holistically and utilizing various scientific methods (Moleong, 2002).

The location of this research is precisely at the Yotta Outlet in Makassar City. Why choose that place because the author feels interested in the situation

and conditions in it. The technique of collecting data is by conducting direct observation and factory interviews and interviews with employees, managers and the surrounding community. Technical Data analysis is done by reducing data, presenting data, and drawing conclusions

#### RESULTS

### A. Honesty

Based on the results of the research, honesty in SMEs actors is reflected in the following actions:

- a. SMEs actors provide information about products in accordance with the conditions of the product, which are indicated by photos accompanied by material, size information.
- b. Giving prices according to what was stated during the promotion, conditions apply, explained product prices and shipping costs.
- c. Honest in product quality, especially for well-known and many branded products sold in other stores.

Data from the results of these observations were obtained from observations of researchers during the research process. During the research the researchers observed the activities of the sellers, saw how the seller sold the merchandise, whether it was in accordance with Islamic Values or not in accordance with Islamic Values. In addition, researchers also see how the conditions and atmosphere at the place of sale.

And the results of questions or questionnaires submitted to Yotta employees as many as 5 people from 6 people who answered the questionnaire said they understood the meaning of honesty in trading. This was also told by yotta employees.

Honesty in service is not doing fraud in serving customers and not making lies on product sales both in terms of powder counts and procedures. From the results of interviews and questionnaires, it can be said that the majority of Yotta employees understand Islamic values and apply the values of Islam to the performance of SMEs.

## **B.** Halalness

The results showed that the SMEs players had implemented their halal label in terms of their products, only that the certificate of halal product halal had not been issued by MUI Sunggubinasa. According to Yotta employees:

Yotta'shalalness has been applied since its establishment in 2015 the beginning of Yotta's founding. Then the halalness does not contain the illegitimate elements of the product in it and and has obtained the halal label permit at MUI Sungguminasa. Only still waiting for the official letter of halal from the MUI.

## C. Quality of Service

Based on the results of the analysis The value of customer care is reflected in actions (1) the absence of coercion of the purchase of a product, but SMEs Yotta provides clear information about the product, for example the quality of the product obtained from the questionnaire data of 5 people who responded never to force product purchase and 1 person answered sometimes and (2) as many as 5 people answered that they had never been rude to customers if someone offered a lower price than the original price and 1 person answered occasionally, orders and complaints were received welcome by the perpetrator Yotta SMEs.

Concern for customers in the quality of service shows that SMEs actors hold Islamic values to the quality of service by consumers.

### D. Friendliness

From the results of this observation, researchers also observed the activities of the sellers, researchers looked at how the sellers serve customers by being friendly, whether it is in accordance with Islamic values or not yet appropriate.

And the results show that SMEs players have implemented a friendly attitude towards customers in service. And provide the best service both in terms of product manufacturing and yotta beverage powder size. According to Yotta employees:

We have provided the best service to customers by being friendly, if there are customers getting defects in beverage products we are ready to replace with new packaging yotta products.

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