



ABSTRACT BOOK

AICIEB

**Annual International
Conference on Islamic
Economics and Business**
Salatiga, 14 July 2020

**Faculty of Islamic Economics and Business
IAIN Salatiga**



AICIEB

1st ANNUAL INTERNATIONAL CONFERENCE ON ISLAMIC ECONOMICS AND BUSINESS

(AICIEB)

"Halalan Thayyiban as New Wave in Global Industry and Society 5.0"

Salatiga, July 14th 2020

08.30-12.00 a.m (Jakarta Time)

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Time		Detail	Remark
07.30 - 08.00	30'	Join Zoom	Host
08.00 - 08.15	15'	Opening	MC
08.15 - 08.30	15'	Reading the al-Quran	
08.30 - 08.45	15'	Welcome Speech Prof. Dr. Zakiyuddin, M. Ag Rector's IAIN Salatiga	
08.45 - 09.00	15'	Prayer Nur Huri Mustofa, M.S.I	
09.00 - 09.30	30'	Keynote Speech Dr. Sapta Nirwandar, SE Chairman of Indonesia Halal Lifestyle Center & Indonesia Tourism Forum Commissioner President of Etokohalal	Moderator Agung Guritno, M. Pd
09.30 - 10.00	30'	Prof. Dr. Irwandi Jaswir Awardee King Faisal International Prize in Service to Islam Director, International Institute for Halal Research and Training (INHART) International Islamic University Malaysia (IIUM)	
10.00 - 10.30	30'	Prof. Hassanuddeen Abd Aziz Dean of Economics Faculty IIUM Malaysia Author of Islam and Economic Globalization	
10.30 - 11.00	30'	Dr. Abdul Aziz Nugraha Pratama, S. Ag Vice Dean of Economics Faculty Faculty of Islamic Economics and Business IAIN Salatiga Researcher of Human Resource Management and Halal Industry	MC
11.00 - 11.45	45'	Discussion	
11.45 - 12.00	15'	Closing and Announcements	MC

**1st ANNUAL INTERNATIONAL CONFERENCE ON ISLAMIC ECONOMICS AND BUSINESS
(AICIEB)**

"Halalan Thayyiban as New Wave in Global Industry and Society 5.0"

Salatiga, July 14-15th 2020

13.00-16.00 a.m (Jakarta Time)

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PARALLEL SESSION

Tuesday, July 14th 2020

13:00-end (JAKARTA TIME)

Room : Abu Hanifah ID : 921 3283 5347
 Moderator : Dr. H. Abdul Aziz N. P, S. Ag. M. Si Password : #PS141
 Host : Rifda Nabila, M. Si Link : <https://s.id/abuhanifah>

No	ID	Time		Authors	Title
1	19	13:15-13:25	10'	Fuad Hasyim and Nurwulan Purnasari	Antecedent Of Halal Food Purchasing Decision: An Theory Of Planned Behaviour (TPB) Approach
2	35	13:30-13:40	10'	Fadllan Fadllan and Harisah Harisah	GOES Youth Method For Establishing Halal Thayyiban Enterprises in Era 5.0 in Sumenep
3	43	15:45-15:55	10'	Mansur Chadi Mursid and Fathul Aminudin Aziz	Online Shopping Behaviour In Muslims Indonesian Millenials
4	46	13:45-13:55	10'	Siti Khayisatuzahro Nur and Abd Rohman Fahrudin	The Development of Sharia-based Village Tourism Potential (A Case Study of Al-Qur'an Garden Agrotourism in Kaliploso Village, Banyuwangi Cluring)
5	48	14:00-14:10	10'	Syaripuddin Syaripuddin	Potential Of Natural Resources In The Development Of Halal Tourism Industry
6	49	14:15-14:25	10'	Fasiha Fasiha, Muzayyanah Jabani, Helmi Kamal and Muh Ruslan Abdullah	Understanding Reconstruction Halal Products For Halal Businesses In Tana Toraja
7	58	14:30-14:40	10'	Muzayyanah Jabani, Muh. Shadri Kahar Muang and Edi Indra Setiawan	Cosmetics Sales Comparison With Cosmetics Labeled As Halal And Conventional Cosmetic on Palopo Central Market
8	99	14:45-14:55	10'	Maftukhatusolikhah Maftukhatusolikhah, M. Rusydi M. Rusydi and Qodariah Barkah	Using the Halalan Thayyiban Concept to Achieve SDG's Responsible Consumption and Production Goals
9	101	15:00-15:10		Annisa Rizkiyah, Sepky Mardian and Ai Nur Bayinah	Develop Halal Supply Chain in Depok City: LPPOM MUI View
10	123	15:15-15:25	10'	Hendra Cipta, Hatamar and Indrawati	Implementation of Shariah Compliance in The Halal Tourism Industry in The Provinces of West Nusa Tenggara and West Sumatra
11	125	15:30-15:40	10'	Mochammad Arif Budiman, Manik Mutiara Sadewa, Lusiana Handayani and Parman Komarudin	Public Perception and Government Readiness for Developing Halal Tourism in South Kalimantan
12	7	13:00-13.10	10'	Kuat Ismanto	Development of Halal Tourism Destinations (Pekalongan City Readiness Study)

PARALLEL SESSION

Tuesday, July 14th 2020

13:00-end (JAKARTA TIME)

Room : Al Ghazali ID ZOOM : 837 6519 4836
 Moderator : Dr. A. Mifdlol Muthohar, M.S.I Password : #PS142
 Host : Mohammad Rofiuddin, M. Si Link : <https://s.id/alghazali>

No	ID	Time	Authors	Title	
1	9	13:00-13:10	10'	Rika Amalia, Nurwahidin and Nurul Huda	Priority Problems and Solutions for Ziswaf Utilization for Sanitation and Clean Water in Indonesia on the Regulator side
2	16	13:15-13:25	10'	Rofi Wahanisa, Suhadi and Aprila Niravita	Provision of Compensation for Land Waqf which is used for land acquisition for development in the public interest
3	30	13:30-13:40	10'	Rusny Istiqomah Sujono	How effective is the role of islamic financial institutions-management of money waqf ? Findings of grounded research
4	45	13:45-13:55	10'	Lilis Marlina, Hafas Furqani, Okta Rabiana Risma, Ika Rahmadani, Chairiyaton and Cici Darmayanti	Optimization of Zakat Collection in West Aceh: Study from BaitulMal in the Early Islamic Government
5	52	14:00-14:10	10'	Amrizal and Siti Mutiah	Analysis Preparation For Implementation Of Accounting And Management Waqf At Persyarikatan Muhammadiyah
6	67	14:15-14:25	10'	Gusnam Haris	Percentage Of Standard And Dynamic Zakat: A Case Study Of Professional Zakat In Indonesian Baznas
7	72	14.30:14:40	10'	Muh. Shadri Kahar Muang, Nurdin Batjo and Maqfirah Ardiani Isnain	Implementation Zakat Collection For E-Money In Sharia Economic Perspective
8	77	14:45-14:55	10'	Rosana Eri Puspita, Saifudin Saifudin, Imanda Firmantyas Putri Pertiwi, Nur Huri Mustofa and Emy Widyastuti	Empowering Digital Zakat Payment Platform As Strategy to Promote And Achieve Sustainable Inclusive Growth
9	105	15:00-15:10		Ilham Ilham, Abd Kadir Arno, Mujahidin Mujahidin, Iksan Purnama and Akbar Sabani	Analysis Of The Effectiveness Of Monitoring Implementation And Evaluation Of Zakat Management Performance In Amil Zakat Agency Palopo City Using Importance Performance Analysis
10	111	15:15-15:25	10'	Khusnul Hidayah and Dalila Daud	Zakat, Sustainable Development Goals (SDGs) and Mustahiq Economic Empowerment

11	118	15:30-15:40	10'	Sulistiyowati Sulistiyowati, Ririn Ratnasari, Raditya Sukmana and Ascarya Ascarya	Tri Synthesizing the Potential of Healthcare Waqf: SWOT Analysis of Indonesia and Malaysia
12	120	15:45-15.55	10'	Agus Arwani	Sharia Accounting Profession On Zakat And Waqf Accounting Take On Industrial Revolution 4.0 And Society Era 5.0

PARALLEL SESSION

Wednesday, July 15th 2020

13:00-end (JAKARTA TIME)

Room : Al Maqrizi ID ZOOM : 862 8873 1446
Moderator : Dr. Nafis Irkhani, M. Ag., M. S.I Password : #PS151
Host : Saiful Anwar, M. Acc Link : <https://s.id/almaqrizi>

No	ID	Time		Authors	Title
1	24	13:45-13:55	10'	Moh. Nasuka and Muhammad Kamal	Ethical Behavior In Marketing Of Islamic Bank
2	63	14:00-14:10	10'	Takdir Takdir, Zainuddin Zainuddin and Eno Suhamdani	Influence Of Muzara'ah To Wards Agrarian Society Welfare
3	70	14:15-14:25	10'	Dista Amalia Arifah, Abdul Hakim and Septi Ruswita	Determinant Analysis Of Market Share In Sharia Banking In Indonesia
4	73	15:15-15:25	10'	Atika Dyah Perwita, Saptana Saptana and Fania Mutiara Savitri	Prospects Of Islamic Financing For Micro, Small, And Medium Enterprises (MSMEs) In Indonesia
5	106	14.30:14:40	10'	Roikhan Mochamad Aziz and Alfian Alfian	Religiosity Ratio And Internal External Factors On The Liquidity Of Sharia Banking In Indonesia
6	108	15:30-15:40	10'	Fania Mutiara Savitri	The Effect Of Sharia Financial Access & Financial Literation To Non-Bankable Msme's Growth
7	140	14:45-14:55	10'	Riduwan, Rofiul Wahyudi and Lu'Liyatul Mutmainah	Analysis of Islamic Social Reporting Disclosure: Evidence From Islamic Banking In Indonesia (2015-2017)
8	154	15:45-15:55	10'	Fajar Firmansyah Wachyudi	The Effect of Capital Adequacy Ratio (CAR), Financing To Deposit Ratio (FDR) And Non Performing Financing (NPF) Towards Profitability Through Cheap Financing (Study At Islamic People's Financing Banks In Indonesia)
9	155	15:00-15:10		Shinta Maharani, Domi Cahyo Damai and Miftahul Ulum	The Beyond Challenges Of Indonesia Sharia Banking In The Digitalization Era
10	164	13:00-13:10	10'	Suci Ramadhan	Analysis of Waqf Management in Pondok Modern Tazakka According to Law Number 41 of 2004 Concerning Wakaf
11	180	13:15-13:25	10'	Luthfi Hadi Aminuddin and Hanafi Hadi Susanto	Economic Empowerment Based on Religion in the Village Klepu Sooko Ponorogo: Comparative Study Between Lembaga Manajemen Infaq (LMI) and Dewan Pastoer Paroki (DPP)

12	187	13:30-13:40	10'	Dodik Siswanto, Mohammad Soleh Nurzaman and Agus Munandar	Incentive Zakat Agency Mechanism, a Comparison between Indonesia and Malaysia
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PARALLEL SESSION

Wednesday, July 15th 2020

13:00-end (JAKARTA TIME)

Room : Al Afghani ID ZOOM : 914 7107 1287
 Moderator : Dr. Mochlasin, M. Ag Password : #PS152
 Host : Rosana Eri Puspita, M.B.A Link : <https://s.id/alafghani>

No	ID	Time		Authors	Title
1	37	14:00-14:10	10'	Peti Savitri	Harmony of The Concept of Mohammad Hatta and Sharia Cooperative to Prevent Inflation.
2	39	14:15-14:25	10'	Yuli Indah Sari and Widiyanto Bin Mislan Cokrohadisumarto	Developing Fraud Prevention Strategies to Maintain IMF's Financial Performance
3	44	13:00-13:10	10'	Baieq Afiqa Herawati and Widiyanto Bin Mislan Cokrohadisumarto	The Role Of Islamic Ethics In Business Development
4	53	14:30-14:40	10'	Ramlah Makkulasse, Tadjuddin Tadjuddin, Adzan Noor Bakri and Azizah Samsir	Review Of The Luwu Timur District Government Policy In Poverty Reduction
5	66	14:45-14:55	10'	Nur Widiastuti	Threshold Measurement Of Fiscal Sustainability In Indonesia
6	69	15:00-15:10		Maya Indriastuti, Indri Kartika and Naila Najihah	Financial Distress Prediction: The Ownership Structure And Management Agency Cost
7	71	15:45-15:55	10'	Putu Widhi Iswari and Septi Kurnia Prastiwi	The Mediating Role Of Attitude In Relationship Of Subjective Norm And Perceived Behaviour In Forming Purchase Intention : A Case Of Halal And Green Product
8	79	13:15-13:25	10'	Rosdalina Bukido and Telsy Samad	The Implementation of Normative Economy on Business Activity in The Period of Rasulullah SAW
9	104	13:30-13:40	10'	Fatimatuz Zahrati, Nadia Ferdaus and Bella Putri	Green Lifestyle Of Muslim Entrepreneur : Opportunities And Challenge
10	107	13:45-13:55	10'	Ning Purnama Sariati and Fatma Puri Sayekti	Green Economics: Ecotourism "Desa Wisata Jambu" in the Global Industry and Society 5.0

11	141	15:15-15:25	10'	Ahmad Syaichoni	Khiyar al-Ru'yah on Online Transactions An Analysis Contemporary Muamalah Maliya
12	156	15:30-15:40	10'	Iskandar and Chahayu Astina	Application of Prophet Muhammad's Healthy Style to increase of Economy, Industry and Society 5.0 in Indonesia

#044

The Role of Islamic Ethics in Business Development

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Abstract. The purpose of this study is to explore the role of Islamic ethics in the business development by using a qualitative approach. This study was conducted on Muslim entrepreneurs in the non-riba community through in-depth interview. The implementation of Islamic ethics on business have the courage to abandon the practice of riba, conduct business morally, be able to build social solidarity and the spirit of sharing, the business is increasingly trusted by consumers and their workforce becomes more loyal. Islamic ethics has an important role in business development indicating by increased business income, increasing the number of branches and providing benefits to many people. Islamic ethics also plays a role in building business orientation, that business is not only oriented to the interests of the world, but rather to the interests of the afterlife and to expect the blessing of Allah.

Keywords: Islamic ethics; capital; network; business development.

1 Introduction

Discussion of ethics related to business has emerged as a topic that is considered very important lately. It has been predicted that corporate ethics will contribute to corporate identity as well as to firm performance [1]. The study results seem to have shown that the application of ethics in addition to providing great benefits to the community, at the same time the application of ethics can also strengthen business performance [2]. A more comprehensive study found that the implementation of business ethics by corporate bodies has an impact on increasing corporate growth, and more so, that business ethics helps guard both corporate entities and employees in building the trust of its stakeholders and addressing ethical issues confronting business entities [3]. Further findings show that ethical behaviour can drive business success and vice versa that lack of ethics has an impact on serious problems in a business affecting employee performance, employee work relations, company's image and credibility [4]. The results of other studies show slightly different results, that corporate ethics does not directly affect firm performance, however, employees respond positively to corporate ethics in terms of their organizational attitudes and workplace behaviour, which in turn can improve firm financial performance [5].

Some of the results of the studies above show that ethics has an important role in conducting business, both in the interests of business development itself and in the interests of the wider community, and therefore Islam has a serious concern in this regard. It should be noted that Islam has a different ethical system by basing it on a different axiom, which is based on five axioms which include: unity, equilibrium, free will, responsibility and benevolence [6]. In the context of Islam, the Al-Qur'an becomes a source of ethical guidelines governing the life of the ethical code of Muslims relating to daily life including in one's business affairs, and in the conduct of these businesses a businessman is often faced with moral problems, which is to take his decision must follow the rules and norms that are in accordance with Islamic law [7].

At present the public awareness of business ethics (both from business people and intellectuals especially among Muslim communities) seems to be growing as evidenced by the many discussions and even training or courses on ethics related to business and the will to presenting a code of business ethics in order to give birth to fair business practices based on Islamic moral values. Even the leading organizations in the world make a concerted effort to develop regulations, criteria and other provisions to overcome problems in an effort to address the many deficiencies in values and morals in order to preserve and preserve business viability [8]. In Indonesia, with the majority of people being Muslim, the moral values of Islam embedded in them will encourage business development with the tendency of entrepreneurs to build businesses in an Islamic way. One example is in 2014 a business community called Lariba Islamic Indonesia has emerged [9]. The concept of Lariba's business is based on Islamic morals. Islamic morality functions in the creation of new efforts to enhance strategies that encourage the trust of others, by upholding morality in honesty, not necessarily prioritizing personal gains that are detrimental to others [10].

Many cases of violations that deviate from ethics are carried out by business people who in the end actually make the business bankrupt. The low value and moral in the business world is one of the serious problems that can endanger every business transaction that is carried out. Business world competition is very tight, good and bad of a business can spread quickly. Treating employees, consumers, suppliers, financiers, and the general public with ethics, fairness and honesty is the only way for a business to survive, and vice versa low moral values will eliminate the belief system, lead to dishonesty and bad conspiracy. So based on this phenomenon, this study aims to find a business model based on Islamic ethic

2 Literature Review

2.1 The Role of Islamic Business Ethics

In Arabic, ethics is defined as character [11]. In general ethics is defined as the set of moral principles that distinguish between right and wrong. This is a normative aspect that describes what should be done and which should not be done [12]. If ethics is associated with business, business ethics will emerge. Business ethics has emerged due to business often ignores the values of morality which for some businesses is seen only to make a profit [13]. It must be realized that ethics is an important factor in helping develop businesses, both small and medium-sized [14]. Therefore, in an Islamic context, business activities can run well and produce good if guided by ethics and one of the ethical references in business is Rasulullah (pbuh)[15]. Basically Islam is a code of conduct for all human life, which is based on the commands and instructions of Allah [16], thus business decision makers have free choice, but Islamic ethical principles provide a framework of implementation that is in accordance with halal and haram rules [17].

Many Islamic teachings or guidelines contained in the Qur'an are related to ethics or morals in business, including those concerning; (i) honesty (QS:5;119 and QS:34;33), (ii) loving God more than loving merchandise sold (QS:9;24), (iii) consultative (QS:26;38), (iv) patient (QS:25;63 and QS:3;134), (v) fair and balanced (QS:2;278-279), (vi) humble (QS:26; 215), (vii) mandate (QS:4;58), (viii) not involved in fraud (QS:16;90), (ix) not accepting bribes (QS:2;188), etc. The basis of Islamic business ethics has become clear, and has been developed and formulated by Muslim scholars who are derived from the results of contemporary translations of fundamental concepts of Islamic moral values. Islamic business ethics has an impact on the sustainability of ethical and moral business practices [18]. This will certainly help employers and employees become more aware of management in an Islamic environment by giving them a better understanding of halal and haram rules. Indeed a business that is run in accordance with Islamic ethics will have a positive impact on the performance of the business. The Word of Allah SWT in the Qur'an (QS:35; 5) needs to get attention, that Allah SWT forbids his people to become complacent with the life of the world. Therefore cheating and not ethical in doing business is a sign that humans have been deceived by world life.

2.2 The Role of Capital

Capital is wealth that helps produce further wealth [19]. In running a business, one of the factors needed is capital, and capital is seen as a factor of production that has a strong influence in improving business performance. Some capital is needed in running a business, including determination, trust, experience, courage, knowledge, networking, and money capital, but most people are hampered from starting a business because they find it difficult to get money capital [20]. This illustration shows that capital is needed to conduct business activities (financial and non-financial).

2.3 The Role of the Network

Related to business development, it seems very important to develop external relations (business networks). By building a network, business people can get capital by building a joint business [21], and business people can reduce transaction costs [22], because the network directly supplies raw materials for production activities [23], and of course this can reduce costs in the production process. Another benefit of the network is that the network can accelerate access to information and resources [24], and the network can facilitate knowledge and technology enhancements to make businesses able to find out information quickly [25], and help stimulate product development or innovation processes to meet the needs consumers [26]. Of course all of that affects the durability and competitiveness of businesses. In the end that with networking allows business people to achieve better performance [27].

3 Research Methods

This research is a qualitative study of business people in the Lariba community. In this study 11 Muslim entrepreneurs were taken as samples (informants) taken using the snowball method. This was done on the grounds that the population of entrepreneurs and the list of entrepreneurs is unknown. This study was conducted in Semarang City, Central Java. Data collected by in-depth interviews. Data is analysed through several stages: after the data is collected, the data is reduced (sorted according to the research question), then the data is presented, and then conclusions can be drawn in the form of a theoretical model. The results of the model formulation are then validated by being confirmed with the informants to get the final model formulation.

4 Results and Discussions

From interviews with 11 Muslim businessmen from Lariba community, the following results are obtained:

4.1 Description of the Informant

The results of interviews with 11 Muslim entrepreneurs from the Lariba community illustrate that almost all entrepreneurs are men with details; five restaurant entrepreneurs, one furniture businessman, one tofu businessman, one veneer businessman, one screen printing businessman, one optical eyewear businessman, one laundry businessman. Overall, the entrepreneurs who were sampled indicated that their businesses were experiencing significant developments, both locally and nationally.

4.2 Understanding of Islamic Business

The informants were given questions relating to Islamic business, their understanding of Islamic business was as follows:

Table 1. The understanding of Islamic business

Point for questions	Informants	Answers
Understanding of Islamic business	1, 2, 5, 6, 9	Business whose implementation is in accordance with Islamic law
	4, 7	Halal business and away from haram
	3, 8, 10	Business oriented not only to profit but also to the hereafter orientation
	11	Businesses that benefit others

Source: primary data processed in 2020.

Based on the answers of the informants it can be concluded that Islamic business is a business whose implementation is in accordance with Islamic law, runs the halal and away from the haram, business orientation is not only for worldly purposes but also for the purpose of the hereafter, and in order to provide benefits for many people as well as with the aim of getting God's blessing.

What was conveyed by the informants above seems to be in accordance with the word of God (QS: 4; 29) that Allah justifies various types of business that are achieved not by means of being false, because Allah has already cleared the earth which can be used to seek good fortune by using lawful means (QS: 14; 32-33). Whoever wants profit in the afterlife then Allah will give additional benefits to the people of the world, and whoever wants profit in the world then God will give to his people a portion of the benefits of the world, and there is no for him any part of the afterlife as contained in the word of God (QS: 42; 20). Humans are the most beneficial for others (HR. Thabrani in Mu'jam Al-Kabir li Ath-Thabrani juz 11 p.84). The above findings show that entrepreneurs are trying to run their businesses in accordance with Islamic law.

4.3 Application of Islamic ethics and its effects

The informants' answers to the question of the impact of applying Islamic ethics in business are as follows:

Table 2. The application of Islamic ethics in their business

Point for question	Informants	Answers
Application of Islamic Ethics	3, 6, 7, 8, 10, 11	Business does not forget prayer on time
	1, 2, 3, 5, 6, 7	Be a good leader
	All informants	Conducting business according to Islamic law
	All informants	Urry out the halal and stay away from the unlawful
	2, 3, 5, 6, 7, 9, 10	Urry out the truth in business
	All informants	Apply responsibility in business
	1, 3, 5, 7	Deliberation in decision making
	All informants	Keep your word
	4, 6, 9	Be patient
	All informants	Seeking a business with fair competition
Impact of Islamic Ethics	All informants	Business is free from riba practices
	7, 8, 10	Conduct ethical and moral business practices
	2, 3, 4, 5, 6	Increase social solidarity and the spirit of sharing
	1, 2, 3, 4, 5, 6, 7, 8	Workforce remains loyal
	2, 6	Business is increasingly trusted by consumers

Source: primary data processed in 2020.

Ethics is important to apply in business. Ethics makes the business run according to Islamic law, run a halal business and stay away from the unlawful. With the ethics in business makes the businessman responsible in every business decision by keeping words in accordance with the truth that exists. Always uphold fair business competition without toppling competitors. Ethics encourages business people to be a good leader, doing business by not forgetting prayers on time as an obligation of every people.

The application of Islamic ethics carried out by the resource persons above has an impact on business practices that are free from riba, this business practice is in accordance with the word of God (QS: 3; 130) that God forbids acts of riba multiplied, God commands humans to fear Him in order to get luck. With Islamic ethics business people can conduct business ethically and morally, this is in accordance with the view that states that Islamic ethics makes all employees understand ethical behaviour in business [28], and ethics encourages someone to develop a model of ethical business practices [29]. Applying Islamic ethics can increase social solidarity and the spirit of sharing; Islam strongly recommends getting used to doing virtue based on ability and according to Islamic law without distinguishing race, ethnicity or religion. In line with opinions that state ethics will encourage someone to involve themselves in social activities [30]. Islamic ethics in business can make the workforce owned remain loyal; labour is very important role in business progress, because labour and good service will affect the number of customers who will influence the on-going business which makes consumers more trusting. The entrepreneurs in this study have tried to apply Islamic ethics in business, and in fact it has had a positive impact on their business performance.

4.4 Understanding of the Concept of a Successful Business

Informants' understanding of the concept of a successful business is as follows:

Table 3. Understanding the Concept of a Successful Business

Point of question	Informants	Answers
Business performance	All informants	Profit of the world and the hereafter
	All informants	Income increases
	All informants	The number of branches increases
Understanding mutual success	All informants	Useful for many people
	All informants	Hoping for Allah's pleasure

Source: primary data processed in 2020.

Applying Islamic ethics in business has a positive impact on business that can be seen from its performance. Businesses that implement Islamic ethics are not only looking for world profits but also for the hereafter. With Islamic ethics it causes an increase in business income and an increasing number of business branches. The concept of a successful business is not only for personal gain, but a business that can be useful for other people and the blessing of Allah. The above findings seem to be in harmony with the word of God (QS:42; 20), namely whoever wants profit in the hereafter, Allah will provide additional world benefits to his people, and whoever wants profit in the world then Allah will give his people a portion of the benefits of the world , and there is no one for him in the afterlife.

4.5 Role of Capital

The businessmen in the Lariba community in developing their business are not based on capital sourced from ribawi capital, they get capital as in Table 4 below:

Table 4. The Sources and Impact of Riba-Free Capital

Point of question	Informants	Answers
Sources of capital	1, 6, 10	Savings
	2	Selling assets
	3, 4, 5, 9	Capital from parents
Impact of Riba-Free Capital	7, 8, 11	Investors
	1, 3, 5, 6, 9	Conduct business more calmly
	2, 4, 7, 11	Focus on developing business
	8, 10	Avoid conflict

Source: primary data processed in 2020.

Based on the answers from the informants above, it is known that the business capital prepared to develop the business is derived from; personal savings proceeds from selling assets, from parents and from investors. Based on the answers, the source of debt capital is not found, especially debt that contains elements of usury. From the capital without debt, they feel they have benefited from doing business. They can run the business more calmly (not being chased by debt), become more focused in developing the business, and they avoid various conflicts. The point is that, no doubt with capital without ribawi debt (which is strictly forbidden in Islam), business people are still able to develop their businesses from local to national scale.

4.6 The Role of the Network

The network seems to have an important role in business development. The following are the answers of the entrepreneurs related to the network developed. As seen in Table 5, all entrepreneurs stated that to develop their business, they built a network of organizations, some also used a business network and also an economic network. With this network, they feel they have a great advantage in developing their business. With a network that is owned, all entrepreneurs get the benefits in the form of increased business relationships and connections, some of them can increase business knowledge and information, and some others use it to strengthen capital, and to reduce production costs.

Table 5. Form and Impact of Networks

Point of question	Informants	Answers
Form of networks	All informants	Organizational Network
	8, 10, 11	Business network
	6,7	Economic network
Impact of networks	All informants	Increase knowledge and information
	3, 5	Strengthen capital
	6, 7	Reducing production costs

Source: primary data processed in 2020.

Based on the answers from the informants above, it is clear that the network has a positive impact on business development.

4.7 Role Models of Islamic Ethics, Capital and Networks on Business Development

Schematically, a business model based on Islamic ethics is as follows:

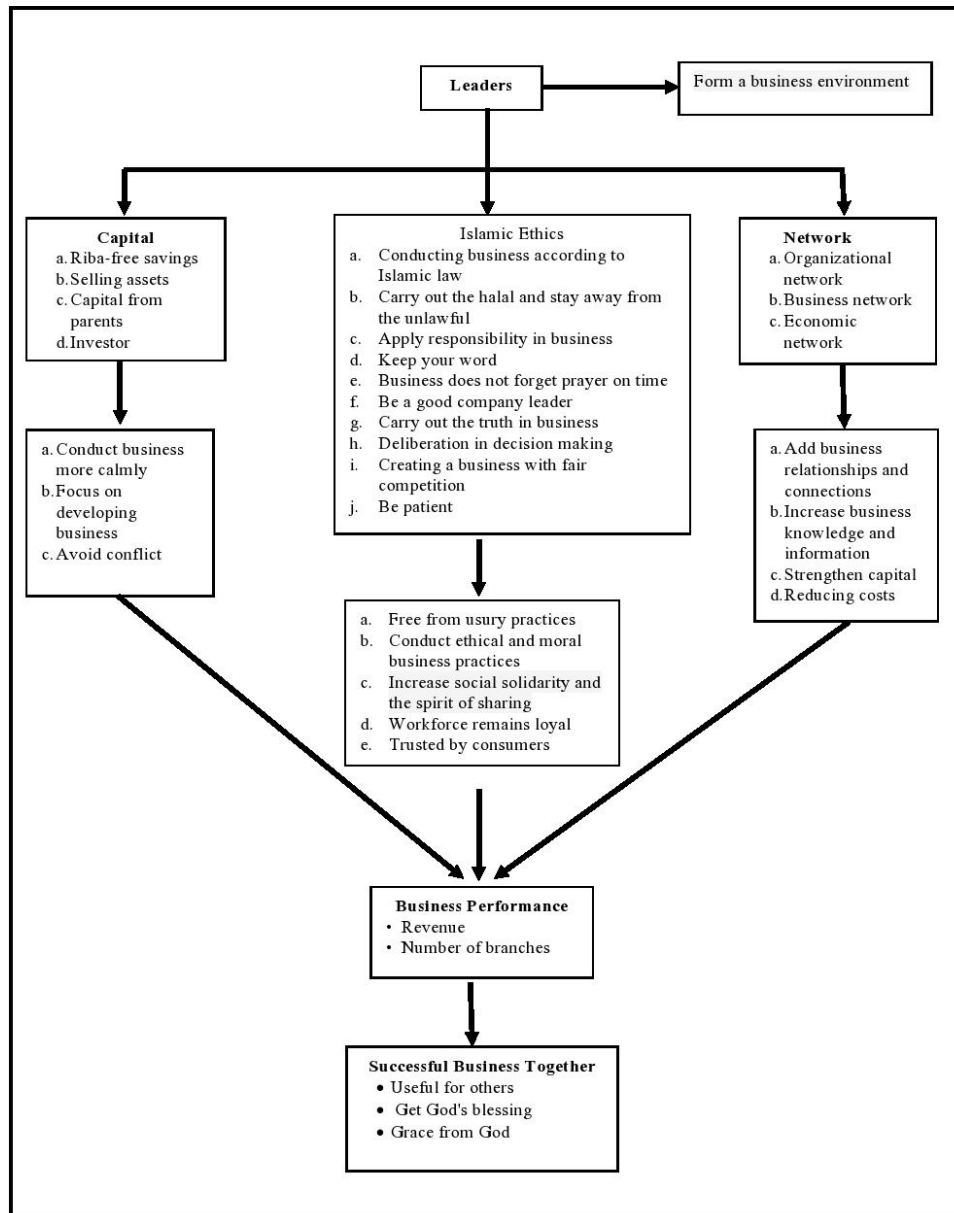


Figure 1. Role Model of Islamic Ethics in Business Development

Overall, the responses from Lariba community entrepreneurs related to the role of Islamic ethics in business development and the role of usury-free capital and networks can be formulated in Islamic business development models. It should be noted that in the Lariba community there were found pioneers who initiated the formation of the community, then in the next stage these pioneers functioned more as leaders and motivators who provided enlightenment (related to Islamic business: avoiding usury, business ethics, and networking patterns) to community members and community members who want to join the community. In this case the Leader has a very important role in shaping the Islamic business environment to help develop business in the Lariba community.

5 Conclusions

Islamic Business is a business whose implementation is in accordance with Islamic Sharia which produces halal goods and services with a business orientation not only to gain world profit, but also to provide benefits for others whose main purpose is to get the blessing of the hereafter and the blessing of Allah. The role of Islamic business ethics when it is implemented is that the behaviour of a businessman in carrying out his business will be in accordance with Islamic law. Islamic ethics makes business people keep their obligations to God in mind, keeping business people from applying the truth and holding them accountable for everything they do. The ethical impact of doing business is, an increase in company performance as seen from the increase in sales volume along with the increase in business revenue. Business success is not only seen from the increased profit and income and increasing the number of branches, but the real success is when the business can bring benefits to the people and the blessing and grace from Allah.

Another factor that played a role in developing business based on Islamic ethics was the usury-free capital and network factors. Capital free from riba has a positive impact on the calm of doing business, doing business with more focus and avoiding various conflicts. While network factors provide benefits, namely increasing business relationships and connections, increasing business knowledge and information, strengthening capital and reducing costs. All of these support the success of business development.

6 Research limitations and future research agendas

This research was only carried out by only one community, in future studies research can be done to other communities with a greater number not only around Semarang with a longer period of time and a greater number of informants.

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