

# Implementation of Islamic Business Ethics in Printing Business Competition in District 19 Ilir

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## Abstract

Utilizing primary and secondary data sources, field research is the study methodology employed. The study's result is that this printing company, which has been operating since the 1970s, is located at Ilir Palembang No. 19, a prime location with a necessary market share. The majority of printing entrepreneurs in Ilir Palembang are aware of business principles, particularly those pertaining to integrity, teamwork, and respect for others. When competing, printing enterprises in Ilir Palembang also adhere to Islamic business ethics. Though they are primarily focused on making money, some people are aware of Islamic business norms but do not apply them.

**Keywords:** *Competition in Business, Islamic Business Ethics, and Printing*

## Introduction

Technological advancement is necessary for economic development, but so are inventiveness and creative thinking. This indicates that businesses, particularly in Indonesia, are attempting to grow their operations in the face of numerous international competitions. Business, in general, is a component of individual muamara activities that, through the effective and efficient administration of financial resources, produce profits to meet daily necessities. It is inevitable that businesses will function according to both current and sharia-compliant business

practices. Islamic principles dictate that one should work toward achieving their objectives and aspirations without resorting to unethical or fraudulent tactics like usury, bribery, fraud, or cheating. That being said, there are boundaries and restrictions in Islam that demarcate what is permitted and what is not, right and evil, and permitted and forbidden. We refer to these boundaries as ethics (Arne Huzaimah, 2018; Barkah, 2014; Chandra Zaky Maulana, 2019; Muhamad Rahman Bayumi, 2018; Rika Lidya, Mismiwati, Titin, 2020). Moral and corporate values are intrinsically linked to business and trade actions. It is imperative that

businesspeople include ethical considerations into the structure and purview of their enterprise. From an Islamic standpoint, ethics also referred to as morality comes from adopting Sharia and Aqidah. Similar to a structure, morality can only be flawless if its base is strong. Islamic business ethics, in the words of Muhammad Jaqfar, are a set of values derived from Nash (the Quran and Hadith). It only works as a whole here. It would resemble market-based competition.

It is imperative that businesspeople include ethical considerations into the structure and purview of their enterprise. From an Islamic standpoint, ethics—also referred to as morality—comes from adopting Sharia and Aqidah. Similar to a structure, morality can only be flawless if its base is strong. Islamic business ethics, in the words of Muhammad Jaqfar, are a set of values derived from Nash (the Quran and Hadith). It only works as a whole here. It would resemble market-based competition. Competitiveness and ethics are linked in the business process. There is almost no industry in developed societies that is not competitive. Only a few years after the country's desire and seriousness to establish

a healthy industrial environment were realized, Law No. 1, a piece of legislation that forbade monopolistic practices and unfair business competition, was passed in Indonesia. This makes economic competition a natural phenomenon (Antasari, 2021; Azwari & Jayanti, 2022; Barkah et al., 2022; Prof. Rina Antasari, 2022; Rachmania, 2022). Cashmere claims that businesses that manufacture or market comparable products and services to ours are our rivals. Islamic law defines competition in the business sphere as an activity that promotes friendship and strengthens brotherhood by allowing competitors to compete in a healthy, fair, and honest way. Therefore, Islamic laws and morality restrict individual freedom in competition. To put it another way, it is still subject to Aqidah since it permits one to reflect competition in line with Islamic principles. The printing industry is one of the small and medium-sized businesses that has held onto its market share. This activity refers to a small business that develops as a result of entrepreneurs using their drawing abilities to satisfy client demand.

One industrial sector activity that produces a wide range of products is

printing. Examples of these products include neon boxes, cars, ID cards, name tags, badges, banners, nameplates, automatic and regular stamps, invitations, and yasin. stickers, belts, bicycle signs, and other items. People today require printed goods for a variety of uses, but this is crucial, particularly for business owners looking to boost output. The increasing diversity of small and medium-sized business models demonstrates the existence of certain endeavors that have long played a significant role in society. The large and medium manufacturing industries' production growth data in the third quarter of 2019 increased by 4.35% (year-over-year) compared to the third quarter of 2018, according to the Central Bureau of Statistics (BPS). The production of the print and recording media reproduction industries increased by 19.59% annually, which was the reason for this increase. However, when comparing the third quarter of 2019 to the second quarter of 2019, the non-metal minerals industry saw the biggest increase, rising by 14.15%. As more printing companies were founded, the competition grew more fierce, causing many of the rival businesses to lose market share and file for

bankruptcy. In order to thrive as a business owner, an entrepreneur needs to be able to compete by enhancing company performance and offering goods and services that satisfy customers at costs that are reasonable. To prevent dishonesty and losing business to rivals, rival goods and services must be halal and satisfy customers (Barkah et al., 2023; Deky Anwar, 2023; Maya Panorama, 2023; Mustafa et al., 2023; Rusdi & Tjahjono, 2023). SME operations in a variety of product domains encounter a range of difficulties, both internal to the business and external to other enterprises in a mutually beneficial symbiotic relationship, particularly in the competition for clients and raw materials. A number of complaints have been made in relation to this incident. They are as follows:

1. A printing company's complaint about the defamation of a business owned by another business owner.
2. Grievances from small poster industry businesses regarding the inability of other business owners who assumed management to secure raw materials from comparable companies possessing a network of material distributors. One

of the main reasons for the competition's poor business ethics was the complaint. The incident prompted additional research that was named "IMPLEMENTATION OF ISLAMIC BUSINESS ETHICS IN PRINTING BUSINESS COMPETITION IN 19 ILIR PALEMBANG"

The secret to bringing ideas to life is execution. To reach your objectives, you must put your ideas into practice. An idea must go through numerous processes in order to become a reality (Barkah, 2014). Many different fields, including economics, education, social science, politics, technology, health, and information, use the implementation process. The application of an idea, which has a fairly broad definition, is called implementation (Azwari et al., 2023; Huzaimah et al., 2023; Junaidi, 2023; Nilawati et al., 2023). The fundamental process of carrying out a plan or objective is called implementation. To put the strategy into action is the goal of the implementation plan. A subfield of philosophy known as ethics addresses the rational and critical discussion of morality, norms, and values. Morality and ethics are thus distinct from one another. While ethics critically analyzes

and provides a reasoned explanation for what is good or bad, norms are systems and values about what is right and wrong. It's wrong to trick people. This occurs on a moral plane, but the cause is logical and critical research.

The operational activities of a sharia business should not be focused only on making the most profit possible. This means that the profits must only be halal for the purposes of subsistence, worship, and blessings—the values that Allah SWT has prioritized—and they must be earned in a professional manner in accordance with Islamic law . They also cannot injure others. As a result, it is foolish for Muslims to work solely for financial gain and to keep their faith and business apart. Islam rejects both living a life solely contemplating the hereafter and ignoring the world, as well as living a life considering the world and the hereafter separately. Islamic business ethics refers to the business morality grounded in Islamic principles, enabling you to conduct business with confidence, knowing that it is right and good. Morality, ethics, and morality are values that push people to develop into fully realized individuals. Truthfulness, equity, liberty, joy, love, etc.

Humans become whole when these moral principles are upheld. There are only two values that Muslims adhere to, despite the fact that everyone has a certain set of values. All values and rules for living are found in the Quran and Hadith, which also serve as a source of direction and guidance for everything. how people act individually or in groups during worship. Muslim conduct that encompasses all human endeavors and shapes interpersonal relationships, including those in the workplace.

## **Methods**

### **1. Investigation**

An inquiry into the true nature of the incident will be conducted. Look for information directly by examining the subject of the study. and use a qualitative methodology. The qualitative approach emphasizes analysis and is essentially descriptive research. Qualitative research stresses the depth of data collected by researchers and strives to offer a more thorough explanation of a phenomenon. The quality of the investigation increases with its depth and level of detail.

### **2. Types and Sources of Information**

There are two types of sources used in this research:

(1) primary and secondary.

(2) They are explained below.

a. Original Sources Interviews with printing press owners in Palembang City's 19 Ilir subdistricts serve as primary data sources.

b. Relative Sources Books, journals, papers, and other literature pertaining to the topic of study are examples of secondary data sources.

Among the books that were used are:

- a. Dr. H. Samsul Munir Amin, MA, author of the book Science of Morals, published by AMZAH in 2016. Writer:
- b. Islamic Perspective on Business Ethics Saremba Empat published a book written by Dr. Sofian S. Harahap, MSc, PhD, BSc, CPA, in 2011.
- c. Dr. Ika Unia Fauzia Lc., M.E.I.'s book Business Ethics in Islam, published by Prenada Media in 2018
- d. The 2008 UIN Maluku Press book "Islamic Business Ethics" by Muhammad Jaqfar.
- e. The book "Prohibition of Monopolistic Activities and Unfair Business Competition in Indonesia" was authored by Mr. Suhasril and Mr.

Macarao and released by Galia Indonesia in 2010.

### 3. Study Participants

There were two groups of respondents in this study. 19 Ilir and representatives of local government. We polled the respondents using targeted sampling, which involves setting certain criteria. The following criteria were used to select respondents for this study: (1) printing companies that have been in operation for at least five years. (2) printing businesses with two or more workers; additionally, the head of the printing department for government officials. RW/RT Company Priority in the area.

### 4. Data Gathering Method

Two methods make up the researchers' data collection technique. An interview is a method of gathering data in which researchers speak with respondents face-to-face to get information.

Researchers and interview subjects don't have to meet in person to conduct interviews; they can take place over the phone or online.

b. Record-keeping Documentation is the gathering of information into a record.

Crucial details about the problem being studied to guarantee that accurate and comprehensive data is collected rather than data based on guesswork.

### 5. Technique for Data Analysis

A qualitative descriptive method, which aims to describe or explain each problem in the problem formulation as precisely, methodically, objectively, and clearly as possible, is used in data analysis. To make the presentation of the research results understandable, the discussion is then concluded deductively, that is, by drawing conclusions from general statements to specific statements.

Location and individuals involved

In qualitative research designs, observations and interviews are typically used to gather data. If you plan to use interviews as one of your research tools, you will need to provide a thorough explanation of why the interview was conducted. Participants in the research Two groups of people participated in this study: local government officials and printing entrepreneurs in 19 Ilir. The requirements for participants in this research are

(1) Printing houses that are more than five years old,

(2) The printout you provided the respondent, the number of times you conducted the interview, and the total amount of time you spent interviewing one person. If you did make any observations, you should describe what you saw, who you saw, how you saw it, and how many times. It is advisable to provide an explanation for your observation.

### **Data Analysis**

Qualitative descriptive methods, i.e., methodical and factually accurate descriptions or explanations about all matters involved in the problem, were used in the data analysis. Deductive reasoning is used to conclude the discussion by making inferences from general topics to particular topics, making the presentation of research findings more comprehensible. elitian, and organized according to the quantity of research questions.

### **Results and Discussion**

Several questions from the interviews with various respondents, which took place between June 3 and June 8, 2021, reveal the following:

Kiagus A. Rahman defines business ethics as the attitude of businesspeople toward mutual respect, cooperation, and assistance, particularly with regard to price standards for particular goods.

Furthermore, Hendra asserts that respect, appreciation, and a refusal to disregard or disparage one another's businesses are all dependent on business ethics.<sup>108</sup> Muhammad Yunus claims that rules about what is good or bad and right or wrong in conducting business are created and applied in the field of business ethics. Similar to trading, you must be truthful with the buyer and refrain from disparaging the neighbor's company. Furthermore, ethics play a critical role in fostering healthy competition in business. Muhammad Ayub argues that ethics in business is From some of the respondents' responses, it shows that this is considered unethical. But according to Eri Husin, not wanting to communicate and cover up the weaknesses of his business does not mean unethical, because every entrepreneur has a reason why he does not want to communicate and cover up the weaknesses of his business. What entrepreneurs should do is to give the best results on the products they make and not

disappoint their consumers, it is enough without explaining the shortcomings of the products they make. It is unethical to disparage the businesses of others, as this can lead to self-doubt and a rift among business owners. According to Ahmad Ayub, morality is crucial in business, particularly for entrepreneurs in the printing industry. This includes using morality when setting prices with clients. In addition to seeking out clients, business owners should set fair prices. They should also avoid undercutting rival printers by lowering market rates, which can lower profits. According to Nyayu Badriah, business ethics encompasses all business activities, morals, and behavior pertaining to people, organizations, and society. Competition requires ethics, and when there are ethics in business competition, people will respect and encourage one another. From a moral perspective. An ethical business is a good business. In the context of business, good behavior is defined as behavior that complies with ethical standards; bad behavior, on the other hand, will dispute or depart from these standards.

Is it unethical for people to avoid communicating, conceal the flaws in their

company, and disparage other companies that are similar to theirs? According to the respondents' opinions: Muhammad Yunus asserts that it is unethical to withhold information, conceal the flaws in his company, and disparage other companies that are similar. This is due to the fact that keeping one's shortcomings from customers can harm that company, making it impossible for them to become clients, and it is unethical to demonize other companies, which is the same as demonizing one's own.

According to Muhammad Ayub, concealing the shortcomings of one's own company is the same as destroying it. By hiding the company's shortcomings, customers become dissatisfied and lose faith in the printing, which discourages them from returning. To ensure that customers are satisfied with the finished products, businesses must clearly communicate the benefits and drawbacks of the products they order. Additionally, those who disparage the businesses of others will receive a response from Allah SWT for their deeds, and those individuals will lose the favor of the public and customers who learn about the incident.

According to Hendra, in printing, honesty and consumer confidence are



prioritized. If people do not want to explain their shortcomings, it means that they are not honest and open in their business so that it can result in consumers not believing in the results of the products they make.

According to Kiagus A. Rahman, it is imperative for business owners to communicate with each other, particularly with more experienced owners, in order to exchange information about the newest products and how to make them better. It is highly unethical for them to hide their company's flaws and disparage other companies that are similar. To grow, a printing business needs to be honest and trustworthy with its customers in order to attract new business.

According to some respondents, if there is no product that the customer is looking for in his printing shop and he knows another printing shop has the product. After that, he will show his clients where the printing press is located. As Hendra stated, we shouldn't be self-centered when conducting business, even if we don't have the item that a customer is looking for in our printing shop but other printing shops do. What's wrong with customers being directed to our printing press in order to apply the

principle of mutual assistance? For we will eventually need to assist them as well. The same advice, that there is nothing to lose by telling and pointing clients toward printers who sell the goods they need, was also offered by Eri Husien and Muhammad Ayub. Because the printing press typically pays us a prize or fee in appreciation for sending them customers.

According to a few of the respondents, this is regarded as unethical. Eri Husin contends that this does not imply that his company is unethical, even though he does not disclose or conceal its shortcomings. It is sufficient for entrepreneurs to provide the best possible results for their products and not let their customers down; they do not need to elaborate on the drawbacks of what they produce. Vilifying other people's companies is unethical since it can backfire and lead to conflict among business owners. It is unethical to disparage other people's companies because doing so can backfire and cause tensions among business owners.

Several respondents stated that if he knows another printing shop carries the product and his customers aren't finding it in his shop, then what should happen? After

that, he will show his clients where the printing press is located. As Hendra stated, we shouldn't be self-centered in business if, for example, we are printing something that customers want but another printing company already has it. What's wrong with our printing press directing customers to itself in an attempt to help others? Because they will eventually assist us as well. The same advice, that there is nothing to lose by telling and pointing clients toward printers who sell the goods they need, was also offered by Eri Husien and Muhammad Ayub. Certain respondents stated that they will receive compensation if they know of another printing shop that carries the product the customer is looking for and their own does not. After that, he will show his clients where the printing press is located.

In the meantime, Kiagus A. Rahman and Hendra stated that they do not refer customers to other printers because, in Kiagus A. Rahman's opinion, if a customer can't find what they're looking for in their printing shop, they can easily locate it on their own without consulting them.

## Conclusion

The research findings allow for the following deductions to be made:

1. The printing industry in District 19 Ilir Palembang was established in the 1970s and has always required a market share and a strategic location. District 19 Ilir continues to be the hub of printing in Palembang City thanks to advancements in printing patterns, digitization, and creative generation in the printing industry.
2. On average, printing business owners in 19 Ilir Palembang are aware of business ethics, particularly those pertaining to integrity, collaboration, and respect for others. As a result, their rivalry offers opportunities for both parties and necessitates one another. That is to say, even when considering how printing companies coexist with one another, there are customers who Printing 19 Ilir Palembang serves at certain times.
3. In the competitive market, printing houses in 19 Ilir generally follow Islamic business ethics. Some people do, nevertheless, comprehend Islamic business ethics but do not put them into practice because they are solely

concerned with making money. Furthermore, there exist individuals who believe they are constantly at the forefront and that there are no additional opportunities for local collaboration.

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