

## **Implementation of Islamic Business Ethics on Merchant Behavior Sidoarjo Krempyang Traditional Market Chicken Eggs**

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### **Abstract**

Ethics is a polite attitude that must be owned by everyone in carrying out various activities, whether trading, teaching, asking questions, including in business we must also prioritize ethics. Ethics are attitudes, knowledge, morals that must be considered in organizing and managing a business. Attitudes that reflect ethics in trading or doing business include being honest, kind, respectful of others, indifferent, responsible, considerate, and so on. Pagerwojo is one of the villages where the majority of the population trades eggs. They usually have horen or free-range chicken farms close to where they live. So they usually sell their livestock chicken eggs to the Krempyang market around where they live. The focus of the problem here is how is the implementation of islamic business ethics in the behavior of chicken egg traders in Pagerwojo, Sidoarjo. The research method used is descriptive qualitative, which means research with a qualitative approach is a research procedure that produces descriptive data. The purpose of this research was to determine the implementation of business ethics in the behavior of chicken egg traders in the Krempyang market, Pagerwojo, Sidoarjo. This research discusses at length the stages of human awareness of the application of business ethics in their daily trade from an Islamic perspective. It takes time and process for the chicken egg traders in the Krempyang market to develop ethical awareness in trading or doing business. Related to how the implementation of business ethics in the behavior of chicken egg traders in the Krempyang market, pagerwojo, Sidoarjo. The results of the study show that, egg traders in the Krempyang market, Pagerwojo, Buduran, Sidoarjo have understood islamic business ethics, and have believed that Islamic teachings have regulated all human activities or activities, including in matters of trading or egg business, the sole purpose of which is to gain the blessings of Allah the creator. Egg traders have implemented the principles of Islamic business ethics, namely monotheism, balance, free will, responsibility, honesty, fairness, and so on.

Keywords: Business Ethics, Traders, Markets, Traditional, Islamic Perspective, Chicken Eggs.

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### **1. Introduction**

Ethics is an attitude, knowledge, morals that must be owned by everyone. We implement ethics not only in teaching, asking, eating, but also in trading or doing business [1]. The importance of ethics instilled in business is, in order to enhance our reputation as a trader or businessman, or improve the reputation of a company, to be a differentiator between good and bad, an inner stand, so that we gain trust so that many customers or customers will do business with us or collaborate. with our company. In business or trading, ethics is very necessary [2]. Honesty, fairness, respect, responsibility, doing good is one of the foundations in developing our business or trade relations. If we have good business ethics, then many people like our system of doing business, and it will come back to us or our business will develop [3].

Likewise in trading, we must have good attitude, knowledge, service in serving consumers or buyers [4]. Be honest in making transactions, for example selling eggs and not sorting them, be honest about the quality of the eggs, if they are broken, don't give them to consumers, unless the consumer really wants to buy broken eggs [5]. If the buyer feels that he is not compatible with one merchant, he can find the same item at another merchant. More satisfaction is obtained

from consumer experience after consuming or using a product or service (customer behavior theory).

Pagerwojo is the name of a village in Buduran, Sidoarjo. This village is bordered to the north by Sidokerto, to the west by Entalsewu, to the east by Pucang, and to the south by Magersari. Pagerwojo is an Islamic village because almost all of the people or residents in this village are Muslims [6]. In addition, there are many Islamic boarding schools and sacred clerics' tombs in Pagerwojo. One of the sacred graves which is used as a religious tourism destination is the tomb of Kiai Haji Ali Mas'ud. Pagerwojo is a wet land that is used as a rice field area, a little dry land is used for plantation areas. The vast paddy fields are actually very suitable for rice fields, but this condition did not last long, because in Sidoarjo there were many housing projects. In the end, many people in Pagerwojo switched from farming to becoming cattle breeders. Especially the internal horen chickens. Apart from having nutritious chicken, eggs are also full of protein and fat so they are good for the growth and development of children [7].

The practice of buying and selling that occurs in Islamic society is mostly filled with elements of fraud, underestimating the boundaries of the Shari'ah, a little fear of Allah is the reason they do this in order to get

the desired profit. People who buy and sell must be free (no coercion) and may not harm either party, either the seller or the buyer [8]. As is the case with the behavior of traders in buying and selling or trading eggs at the Krempyang market, Pagerwojo, Buduran, Sidoarjo.

The bad view of buying and selling in this country seems to still be a tradition [9]. An unfair price can be caused by three factors, namely first, fraud. This happens, for example, there are traders who cheat by mixing eggs that are of good or normal quality with rotten eggs [10]. There is excessive profit or there are traders who take excessive profits, which infuriates other egg buyers and traders [11]. Third, ignorance on the part of consumers. The existence of price injustice is clearly contrary to the values of the axioms of unity, balance, benevolence, responsibility and truth [12]. Unfair prices are clearly a trigger for market imbalances. Unfair prices also do not lead to public policy, on the contrary it results in the emergence of uncertain conditions that encourage the emergence of tyranny in business practices [13].

The chicken egg trading system that occurred in Pagerwojo, Buduran, Sidoarjo. Trading that is carried out on the basis of the principle of honesty, that is based on a value system originating from the Islamic religion and aspects of spirituality that will always be attached to its implementation practices, the trading business that occurs will bring benefits to all parties involved [14]. However, trade that is carried out in a dishonest manner, which contains an element of fraud, so that there will be aggrieved parties and other similar practices are clearly things that are prohibited in Islam [15]. Buying and selling has become an important thing in life, with buying and selling, people are able to meet their needs. Islam has regulated in detail the rules of buying and selling so that they comply with the Shari'a and avoid actions that can harm others, forbid fraud in all human activities including in business activities and buying and selling [16]. Mixing good things with bad things, showing examples of bad things hiding good things, reducing the measure or weight is included in the category of fraud and is a grave sin. Ethics, honesty and truth are the most important values [17].

Eggs are a food that contains lots of protein and fat as well as omega 9. So eggs are very good for the growth and development of children [18]. It's not wrong that eggs are very much sought after by the public, because eggs are a side dish that is easy to get, easy to process, contains lots of nutrients and is affordable [19]. One of the largest egg producers and egg traders in Sidoarjo is the people of Pagerwojo. Pagerwojo is a religious tourism village, almost all of its people are Muslim, there are many Islamic boarding schools. However, with the attachment of the Religious Village, almost all of the population is Muslim, do the people of Pagerwojo also apply Islamic business ethics in conducting trade or business [20].

## **2. Research Method**

Big red chili is one of the vegetable horticultural commodities that many farmers cultivate in Jember. The price of large red chilies in Jember tends to fluctuate, so supply chain management is needed to make it more efficient. The design of the large red chili commodity supply chain in Jember includes upstream and downstream management. The formulation of the problem in this study is as follows: 1. Knowing the supply chain mechanism related to product flow, information flow and financial flow on red chili commodities in Jember. 2. Knowing the level of supply chain efficiency for large red chilies in Jember. The method of determining the research area is done purposively (purposive method).

The method used in this research is descriptive and analytic method. Sampling method in research is technique Simple Random Sampling and Snowball sampling. Methods of data collection in this study using interviews, observation, and preparation wanted. Analysis Results: 1. There are 12 links that play an active role in the large red chili commodity supply chain in Jember. 2. The product flow in the large red chili commodity supply chain in Jember can be divided into two types of flow, namely the product flow in the form of large red chilies and the product flow in the form of processed large red chilies in the form of packaged Balinese spices. The main objective of this study is to describe how traders understand and implement Islamic business ethics in the Sumoroto Kauman Ponorogo traditional market. The type of research used in terms of the location of the data source includes field research. Data collection techniques are surveys, participation, observation, interviews or interviews, field notes, documentation, and personal experience.

While the data analysis technique uses data reduction, data presentation and drawing conclusions. The results of the study show that the traders of the Sumoroto Kauman Ponorogo traditional market have understood Islamic business ethics by believing that all transactions carried out in accordance with the teachings of Islam will get the blessing of Allah SWT, the traders have also implemented Islamic business ethics by imitating the five principles of Islamic business ethics, namely the principles of monotheism, balance, free will, responsibility and ihsan in the form of implementation in the form of friendly service, polite to anyone in the market, generous, honest and fair in measuring the scales, selling good goods and worth the quality, set the price accordingly, and believe that Allah SWT is the regulator of sustenance. The concept of the market in Islam is a market that is grown with sharia values such as fairness, honesty and fair competition which is universal competition, not only for Muslims but also for non-Muslims.

As Ibn Tamiyah said, the hallmark of Islamic market life is that people must be free to enter and exit the market, there is sufficient information about market power and its merchandise, monopolisticism is caused

by fluctuations in the level of demand and supply and there is homogeneity and standardization of products to avoid counterfeiting, fraud and quality fraud goods. The results of the discussion on the implementation of business ethics in increasing the trust in buying and selling transactions in the Jatimulyo market. Business ethics has a very close relationship with trust, because it gives encouragement to consumers to establish strong bonds with producers. Islamic business ethics greatly affect the level of trust of each business person, both producers and consumers, from these two elements, mutual ethics must be maintained so that trust can be maintained properly. Trust is an important thing for an agreement, and commitment can only be realized at a time when it matters.

The method in this study uses a descriptive qualitative method. The location of this research is at the Krempyang Market, Pagerwojo, Buduran, Sidoarjo. The reason for choosing this place is of course inseparable from the considerations that were made. One of them was looking at the convenience and also the policy of the egg traders at the Krempyang market. Traders are people who live in Pagerwojo, Buduran, Sidoarjo. Even though Pagerwojo is a Religious Village, the majority of the population is Muslim, and there are lots of Islamic boarding schools, but in buying and selling or trading activities do they really apply Islamic business ethics or are they still cheating. Research subjects have a very important role in the process of extracting data in qualitative research, namely individuals, objects, or organizations that are used as sources of information needed in collecting research data.

Determination of research subjects used in research is purposive namely the technique of taking data sources with certain considerations. These certain considerations, for example, that person is considered to know what we expect best, or maybe he is the ruler so that it will make it easier to explore the social situation under study. Sources of data in this study were divided into three, namely egg Trader Coordinator, namely Mr. H. Abdullah, egg trader, namely Mrs. Hj. Rukiyani, buyers or Consumers, namely Mrs. Sulaikhah, the village official is Ms. Melinda. Data Collection Techniques through Observation, interviews, documentation. Implementation of this observation, researchers used non-participant observation. Non-participant observation is that the researcher is not involved with the daily activities of the person being observed. While making observations, researchers only get data or information sources from the head of the group of traders and consumers or buyers. Then the data obtained will be more complete and arrive at the level of meaning of each behavior that appears.

The data the researcher is looking for is from this non-participant observation technique. Observation or observation is observation is a data collection tool that is done by systematically observing and recording the symptoms investigated. Interview is a method of

collecting data by asking directly (direct communication) with sources or respondents. conversation that takes place with a specific purpose. The conversation was conducted by two parties, namely the interviewer who asked questions and the interviewee who answered the questions. Those interviewed included egg Trader Coordinator, namely Mr. H. Abdullah, egg trader, namely Mrs. Hj. Rukiyani, buyers or Consumers, namely Mrs. Sulaikhah, the village official is Ms. Melinda, documentation Method. The documentation method is a method of finding data about the things or titles of researchers in the form of notes, books, newspapers, magazines, inscriptions, minutes of meetings, agendas and so on. The documentation method is the method used to find the data needed in this study.

### **3. Result and Discussion**

Egg traders at the Krempeng Market in Pagerwojo, in carrying out their business activities, have understood Islamic business ethics. They are seen providing good service by being friendly and smiling at buyers, coupled with friendly chatting with each other, traders also offer free delivery services when buyers cannot get to market and need eggs. They are also honest by not reducing the scale and telling the buyer the condition of the eggs. Such an attitude is made a habit by egg sellers in Krempyang Market, Pagerwojo, Buduran, Sidoarjo, because they, with all their transactional activities carried out in accordance with Islamic teachings, will get the blessing of Allah SWT. Implementation of Islamic Business Ethics on the Behavior of Krempyang Market Traders in Pagerwojo, Buduran, Sidoarjo.

Based on the observations and interviews that were held on 12 and 13 February 2023, researchers can conclude that 54 egg traders at the Krempyang Market, Pagerwojo, Buduran, Sidoarjo have applied the five principles of Islamic business ethics as follows principle of Unity. The behavior of Pasar Krempyang traders, Pagerwojo, Buduran District, Sidoarjo in applying the principle of monotheism is illustrated by always having the intention to trade in the way of Allah, they help each other, trying to earn fortune by trading to support their families in the way of Allah. They also don't forget to always share with others, always pray on time, and be friendly. They believe that everything that is done in this world will be rewarded later in the hereafter. The Principle of Balance. It is shown by carrying out activities or activities that must be balanced, not only pursuing the world or not only pursuing the hereafter. But balance between the world and the hereafter. They still trade, selling eggs to make a living, but when it's time for prayer, they immediately close their previous stall to immediately perform the prayer. They also pray on time.

Principle of Free Will That implementation of the behavior of Pasar Krempyang Traders, Pagerwojo, Buduran, Sidoarjo. Here it is shown by the seller giving freedom to the buyer to choose whoever's egg shop/store they like and they make a subscription.

Traders also give freedom to buyers to buy whatever the buyer wants, and choose the eggs the buyer likes. Principle of Responsibility. This means that the seller will be fully responsible when the merchandise purchased by the buyer turns out to be damaged and does not match the quality that the seller offers. Traders are also responsible when buyers complain. It is Honesty Principle. Whereas the majority of egg traders in Krempyang market (78%) have applied honest principles, for example in trading the seller will separate eggs that are still good, big and perfect, eggs that are good, small and perfect, eggs that are good but the shells are dirty, and eggs that are good but cracked, as well as eggs that are not suitable for consumption. Traders are also honest by not reducing the measure of the scales. So that buyers are not deceived and are happy to shop for eggs at the Krempyang market traders. Sellers usually don't hesitate to give bonus eggs when buyers order and buy lots of eggs.

Principle of Ihsan Merchants are polite and friendly to buyers, help with carrying or delivering goods. The principle of cooperation and fair competition. This is evidenced by the presence of many egg traders in the Krempe market, which makes buyers confused. But between fellow sellers, they never make fun of each other, pit them against each other, slander. They even help each other. When there are other traders whose stock of chicken eggs runs out, they work together to sell other traders' chicken eggs with profits according to their agreement.

#### 4. Conclusion

Based on the results of the research and discussion in this study, it can be concluded as follows based on the observations and interviews that were held on 12 and 13 February 2023, researchers can conclude that 54 egg traders at the Krempyang Market, Pagerwojo, Buduran, Sidoarjo have applied the five principles of Islamic business ethics as follows principle of Unity. The behavior of Pasar Krempyang traders, Pagerwojo, Buduran District, Sidoarjo in applying the principle of monotheism is illustrated by always having the intention to trade in the way of Allah, they help each other, trying to earn fortune by trading to support their families in the way of Allah. They also don't forget to always share with others, always pray on time, and be friendly. They believe that everything that is done in this world will be rewarded later in the hereafter. The Principle of Balance. It is shown by carrying out activities or activities that must be balanced, not only pursuing the world or not only pursuing the hereafter. But balance between the world and the hereafter. They still trade, selling eggs to make a living, but when it's time for prayer, they immediately close their previous stall to immediately perform the prayer. They also pray on time. Principle of Free Will That implementation of the behavior of Pasar Krempyang Traders, Pagerwojo, Buduran, Sidoarjo. Here it is shown by the seller giving freedom to the buyer to choose whoever's egg shop/store they like and they make a subscription. Traders also give freedom to buyers to buy whatever

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