

## The Impact of Islamic Business Ethics on The Profits of Muslim Traders in The City of Sambas, Indonesia

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### ABSTRACT

Sharias-based ethics seems to be a trend that can increase profits or as a way to attract customers. As well as the increasing literacy of the community or business actors who are not only looking for profits but also getting blessings from Allah Swt. This study will examine the extent to which Muslim Traders' Islamic Business Ethics Understanding of Weighing Practices. This research was conducted at the Sambas Morning Market. The samples used are permanent traders in Pasar Pagi, who have stalls, and are Muslim. The number of samples to be studied is 30 traders in the Morning Market. This research focuses on Weighing Practices carried out by traders. The analytical tool in this study is to use Linear Regression. Based on the results of the study, it can be concluded that there is a significant influence between the Understanding of Muslim Trader's Islamic Business Ethics on Weighing Practices. Based on the description above, it is interesting to investigate further whether there is an influence between Islamic business ethics and profit.

**Keywords:** islamic business ethics, weighing, muslim trader

### INTRODUCTION

Islam gives high priority to the human mind to analyze the shari'a laws which are guided by the existing texts so that Islamic law is elastic. For example in terms of economy or trade. Islam teaches to always follow the rules that have been set by Allah SWT. Islamic values that become the philosophy of Islamic Economics can be found in the underlying principles of Islamic economics which are taken from a series of Islamic doctrines. According to Abdullah, these principles are, First , the principle of consensual consent, which is a real willingness not a pseudo-willingness and instantaneous. This willingness must be expressed in various forms of legal and accountable muamalah. Second, the principle of justice which is defined as balance or equality between individuals and communities. Justice does not mean absolute equality that all individuals must be equal. However, justice must be able to place everything according to its proportions according to its potential. Third , the principle of mutual benefit, in

Islamic Economics it is forbidden to make transactions that are maysir, gharar, and usury because in the transaction there will be a party who is harmed. Fourth, the principle of mutual assistance and it is forbidden to extort and exploit. Business ethics in Islam is considered important to restore morality and spirituality to the world of business or commerce. Ethics can be defined as a systematic effort by using reason to make sense of our individual or social, moral experiences, which in this way can determine the roles that will govern human actions and useful values in life.

The market is a place where sellers and buyers meet and is marked by direct seller and buyer transactions. Most sell daily necessities such as fish, vegetables, meat, fruits, clothing, electronics, services and others. Everyone who runs his business certainly expects profit or profit from the seller. One of the business goals (trade) is to make a profit which is a reflection of the growth of assets. This profit arises from the turnover of capital and operating it in trading and monetary activities. Islam strongly encourages the utilization of assets/capital and prohibits its storage so that it is not consumed by zakat so that the property can realize its role in economic activity.

Indonesia as one of the most populous Muslim countries in the world should stipulate Islamic rules or Islamic business ethics in aspects of life, including in its economic aspect, both rules for business competition and protection of the rights and obligations of consumers and business actors in the supervision and use of goods and services. The fact is still found in people who do not apply ethics in their economic activities where they only see that running a business can be done by all means to achieve business success. Along with the times, the development of business in Indonesia has also progressed so rapidly. The existence of a consumptive culture as a result of the development of the era increasingly spurred business people to try to provide for the needs and desires of the community. Every day there are business people who introduce their products with new creativity and innovation. Even business activities themselves have penetrated various parties in society, so this has led to increasingly competitive competition.

The fact is still found in people who do not apply ethics in their economic activities where people only see that running a business can be done by all means to achieve success. So that serving the community is not in accordance with the teachings of Islam such as serving the community unfriendly, not too concerned about buyers and showing unpleasant facial expressions to consumers. This is because consumers move to other places because they are not satisfied when shopping, even consumers tell their friends and colleagues that the merchant serving consumers is not in accordance with Islamic business ethics, this is also because other traders do not want to shop at the company. If it continues to be left like that, it will affect traders, they will lose buyers and will affect their profits in traders. After the author looks for research that is directly related to the Influence of Islamic Business Ethics on Profits for Muslim Traders in Sambas Market, Sambas District. Based on the description above, it is interesting to

investigate further whether there is an influence between Islamic business ethics and profit. This is formulated in the research title, namely " The Effect of Islamic Business Ethics on Profits for Muslim Traders in Sambas Market, Sambas District.

## METHODS

This research is a field research that uses a quantitative approach, namely analyzing in the form of data in the form of numbers. The data used in this study is primary data. Primary data is data that is directly obtained from the first data source at the research site. Data obtained from the results of questionnaires distributed to respondents, namely Muslim traders in the Sambas market. This questionnaire is used to administer business ethics and business benefits.

### Research Place

This research took place in the Sambas market. With the consideration that the Sambas market is a place for transactions between sellers and buyers that are carried out every day. This location was chosen as the object of research based on the following considerations:

1. There is no research that focuses on observing the influence of Islamic business ethics on the profits of Muslim traders in the Sambas market, Sambas District.
2. Researchers know the research location so that it is possible to simplify work, streamline time and streamline costs.

Researchers will set certain times to carry out the data collection process with informants. This is so that research activities can run effectively. In addition, so that data collection runs smoothly and the presence of the researcher is accepted by the informant, the place that the researcher uses starts from introducing the researcher himself to the informant, then expresses the intent and purpose to the informant, then determines the time and place to conduct the interview.

### The scope of research

#### 1. Research variable

Variable as something being studied which becomes the concentration of research studies.<sup>1</sup> A variable is an attribute of a person or object that varies from one person to another or from one object to another.<sup>2</sup>

Based on the opinion above, it can be concluded that the variable is a symptom that is observed and then used as the object of research. In this study the variables used are independent variables and dependent variables. For more details will be described, as follows:

##### a. Independent variable

The independent variable is a number of symptoms or factors or elements that determine or influence the presence or appearance of the second

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<sup>1</sup>Rasyid Harun, *Qualitative Research Methods in the Field of Social Sciences and Religion* ( Pontianak: Stain Pontianak, 2000), 53.

<sup>2</sup>Sugiyono, *Qualitative, Quantitative and R&D Research Methods*, (Bandung: Alfabeta , 2009), 38.

symptom or factor or element, which is called the dependent variable.<sup>3</sup> Independent variables are research variables that affect other variables.<sup>4</sup>

Based on the opinion above, it can be understood that the independent variable is a symptom that can be measured or observed to determine the effect of the dependent variable. So the independent variable of this research is Islamic business ethics.

#### b. Dependent variable

The dependent variable is something that is measured by the researcher to determine the existence of a relationship with other phenomena being measured.<sup>5</sup> The dependent variable is the variable that is influenced or that becomes the result, because of the independent variable.<sup>6</sup>

Based on the opinion above, it can be understood that the dependent variable is a symptom that is measured by researchers to determine the existence of an influence on other phenomena. The dependent variable in this study is profit.

### 2. Operational definition

Efforts to avoid differences in perception in understanding some of the terms used in this study, it is necessary to explain operationally, namely as follows:

- a. Islamic business ethics in question is an act of a person in running a business to seek the pleasure of Allah SWT based on Islamic law, namely being monotheism, justice, free will, responsibility and virtue.
- b. The benefits in question are material benefits, namely the rate of customer arrivals, net profit growth, time required to break even, high percentage and actual profit achievement. Immaterial advantages, namely brotherhood, justice, benefit, balance and universalism.

## Population and Sample

### 1. Population

Population is the subject of research. Research in the research process in the research process must determine the population as the object of research.<sup>7</sup> Population is the whole or set of objects with the same characteristics, the population can consist of people, objects, events, times and places with the same characteristics or characteristics. <sup>8</sup>According to

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<sup>3</sup>Hadari Nawawi, *Research Methods in the Social Sector*, (Yogyakarta: Gajahmada University Press, 1991 ), 56 .

<sup>4</sup>Hadi and Hariyono, *Educational Research Methodology*, (Pustaka Setia, 2005), 206.

<sup>5</sup>Rasyid Harun, *Qualitative Research Methods in the Field of Social Sciences and Religion* ... , 56.

<sup>6</sup>Sugiyono, *Qualitative, Quantitative and R&D Research Methods* ... , 39.

<sup>7</sup>Arikunto Suharsimi, *Research Procedure A Practical Approach* , (Jakarta: Rineka Cipta, 2011), 137.

<sup>8</sup>Hamid Darmadi, *Educational Research Methods* , (Bandung: Alfabeta, 2011), 14.

data from the Pendawan Village Office, the number of Muslim traders in 2018 was 86 traders.

## 2. Sample

The sample is part of the number and characteristics possessed by the population.<sup>9</sup> The sample is part or representative of the population under study.<sup>10</sup>

Some of the explanations above, it can be understood that the sample is part of the number and characteristics possessed by the population that will be the source of data in the study. To determine the number of samples to be studied, the researcher used the slovin formula as follows:<sup>11</sup>

$$n = N/(1 + N(e))^2$$

Where:

n : sample size

N : population

e : allowance for inaccuracy due to tolerable sampling error (10%)

The population in this study has been known as many as 82, so the number of samples can be determined through the following calculations:

$$n = 82/(1 + 82(10))^2$$

$$n = 82/(1 + 82(0.1))^2$$

$$n = 82/1 + 82(0.01)$$

$$n = 82/1 + 0.82$$

$$n = 82/1.82 = 45.05$$

From the results of calculations using the Slovin formula above, the number of samples obtained is 45 samples. Considering this, it was decided that the number of samples to be taken in this research was 45 Muslim traders.

The sampling technique in this study uses simple random sampling, which is a method of taking samples randomly from the population regardless of level. This technique provides an equal opportunity for each member of the population to be a sample.

## Data Collection Techniques and Tools

That a researcher who uses a quantitative approach in data collection should not appear as a researcher. If you are forced to put

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<sup>9</sup>Sugiyono, *Qualitative research ...*, 81.

<sup>10</sup>Arikunto Suharsim, *Research Procedure ...*, 138.

<sup>11</sup>Husein Umar, *Business Research Methods, Student Guide for Conducting Research with Sample Proposals and Research Results in Management and Accounting* (Jakarta: Pt Gramedia Pustaka Utama, 2003), 142.

forward your position as a researcher, you should try not to patronize or evaluate informants.<sup>12</sup>

Data collection techniques are very important in order to obtain data that is in accordance with the focus to be studied, while the data collection that researchers do is through:

### 1. Observation Technique

Observation is a complex process, a process composed of various biological and psychological processes.<sup>13</sup> Observation is the collection of data by means of systematic observation and recording of phenomena related to research problems.

### 2. Questionnaire ( *questionnaire* )

Questionnaire is a data collection technique that is done by giving a set of questions or written statements to respondents to answer.<sup>14</sup> Questionnaire is a data collection tool in *non-test assessment* , in the form of a series that is submitted to respondents.<sup>15</sup>

Based on the opinion above, it can be understood that the questionnaire is a list of questions or written statements that must be filled out by respondents.

In this study, data collection techniques were used with a *questionnaire* to Muslim traders as respondents who would answer all question items.

The questions presented in this *questionnaire* are closed questions, namely the answer model has been provided, so that respondents only choose from alternative answers that are in accordance with their opinions or choices.<sup>16</sup>

From the answers, the list of questions presented to the respondents was processed using the word *Likert scale* . The *Likert scale* relates to statements about a person's attitude towards something. Alternative questions, for example, are from agree to disagree, happy to dissatisfied, satisfied to dissatisfied or good to not good. *Likert scale* which contains five levels of answer preference with the following choices:

ST = Strongly agree

S = Agree

KS = Disagree

TS = Disagree

STS= Strongly disagree

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<sup>12</sup>Rasyid Harun, *Qualitative Research Methods in the Field of Social Sciences and Religion*, 117.

<sup>13</sup>Sugiyono. *Quantitative, Qualitative, and R&D Research Methods* ..., 145.

<sup>14</sup>Sugiyono. *Quantitative*, 142.

<sup>15</sup>Gantina Komalasari et al, *Counseling Theory and Techniques*, (Jakarta: PT. Index, 2011), 81.

<sup>16</sup>Husein Umar, *Research Methods For Business Thesis and Thesis*, 6th Print, (Jakarta: PT Raja Grafindo Persada), 78.

Where, a score of 5 for answers strongly agree, 4 for answers agree, 3 for answers less agree, 2 for answers disagree and 1 for answers strongly disagree.

### Data analysis technique

Data analysis is the process of systematically searching and compiling data obtained from interviews, field notes, and documentation, by organizing data into categories, describing them into units, synthesizing, compiling into patterns, choosing important names and that will be studied, and make conclusions so that they are easily understood by themselves and others.

#### 1. Test Data

##### a. Validity test

Validity test is carried out to measure the validity or validity of a data obtained through a questionnaire.<sup>17</sup> Valid is defined as the extent to which the speed and accuracy of a measuring instrument in carrying out its measuring function.

To determine the level of validity of the research instrument, the SPSS 25 program was used. The output of the interpreted validity test was the *Pearson Correlation table* which was the result of the correlation of the score on the item with the total score of the item. With sample (n) = 45 and = 0.05.

##### b. Reliability Test

Reliability is a tool to measure a questionnaire which is an indicator of a variable or construct.<sup>18</sup> To measure the reliability of this research instrument using *Alpha Cronbach*. The criteria for a research instrument are said to be *reliable* using the *Alpha Cronbach technique* if the reliability coefficient is greater than 0.60.<sup>19</sup>

#### 2. Simple Regression Test

The measurement scale of the two variables analyzed by regression is the interval or ratio scale. For example, the two variables are X and Y, so the relationship between Y and X is known as Y and X regression. The X variable is called the independent variable and Y is called the dependent variable. The relationship is expressed in a mathematical equation as follows:<sup>20</sup>

$$Y = a + bX$$

Information:

Y = Predicted value

a = Constant

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<sup>17</sup>Ghozali, *Application of Multivariate Analysis with the SPSS Program* (Semarang: Diponegoro University, 2009), 51.

<sup>18</sup>Ghozali, *Application of Multivariate*, 45

<sup>19</sup>Syofian Siregar, *Quantitative Research Methods*, (Jakarta: Prenadamedia Group, 2013), 57

<sup>20</sup>Rachmat Trijono, *Quantitative Research Methods* , (Depok: Papas Sinar Sinanti, 2015), 63

X= independent variable

### 3. Hypothesis testing

Hypotheses are statements that describe a relationship between two variables related to a particular case and are temporary assumptions that need to be tested true or false about the allegations in a study and have benefits for the research process to be effective and efficient. The hypothesis is a temporary answer to the research problem formulation, where the research problem formulation has been stated in the form of a question sentence, said to be temporary because the answers given are only based on relevant theory, not based on empirical facts obtained through data collection.<sup>21</sup> The steps for testing this hypothesis begin by establishing the null hypothesis (H<sub>0</sub>) and the alternative hypothesis (H<sub>a</sub>), selecting statistical tests and their calculations, determining the level of significance, and determining the testing criteria.

#### a. t test

Before the correlation coefficient is used to make conclusions, the significance of the correlation is first tested, for that the t-test statistic is used with the formula:

$$t = r \sqrt{\frac{n-2}{1-r^2}}$$

s = Information

r = correlation

t = correlation coefficient value with degrees of freedom ( dk ) = n-2

n = number of samples

The results of the t-test test are then compared with the table obtained using the significant level ( $\alpha$ ) and n-2 degrees of freedom. The established hypothesis will be tested based on the acceptance and rejection areas which are defined as follows:

If t count > t table, then H<sub>0</sub> is rejected

If t count < t table, then H<sub>a</sub> is accepted

#### b. F Uji test

This test basically shows whether all the independent variables included in the model have a joint effect on the dependent variable.<sup>22</sup> The explanation of the hypothesis of the F test can be explained below:

- 1) H<sub>0</sub>: Islamic business ethics equally has no effect on profits.
- 2) H<sub>a</sub>: Islamic business ethics jointly affect profits.

This F test was carried out with the help of the SPSS 25 program and the criteria used to determine if the independent variables jointly affect the dependent variable or not are as follows:

- 1) If the value of Fcount > Ftable and the probability value of Sig. <  $\alpha$  (0.05), then H<sub>0</sub> is rejected and H<sub>a</sub> is accepted, Islamic business ethics has an effect on profits.

<sup>21</sup>Sugiyono, *Qualitative Approach* ..., 93.

<sup>22</sup>Supranto, *Statistics*, (Jakarta: Erlangga, 1998), 88

- 2) If the value of  $F_{count} < F_{table}$ , the probability value of  $Sif. > (0.05)$ , then  $H_a$  is rejected and  $H_0$  is accepted, the Islamic business ethics variable has no effect on profits

Data processing will be carried out using SPSS 2.5 software application tools so that the measurement of the resulting data is more accurate. The criteria for the correlation coefficient analysis are:

- If the coefficient is close to zero (0), it means that the influence of the *independent variable on the dependent variable* is low .
- If the coefficient is close to one (1), it means that the influence of the *independent variable on the dependent variable* is strong

The guidelines for providing the interpretation of the correlation coefficient or how much influence the independent variables (*Independent*) on the dependent variable (*Dependent*).<sup>23</sup>

#### 4. Coefficient of Determination Test

The Coefficient of Determination test essentially measures how far the model's ability to explain the variation of the dependent variable. The coefficient of determination can be obtained by squaring the correlation coefficient or  $R^2$ .<sup>24</sup>

Guidelines for Providing Interpretation of Coefficients	Coefficient Interval Correlation	Relationship Level
0.00 – 0.199	Very low	
0.20 – 0.399	Low	
0.40 – 0.599	Currently	
0.60 – 0.799	Strong	
0.80 – 1000	Very strong	

## RESULT AND DISCUSSION

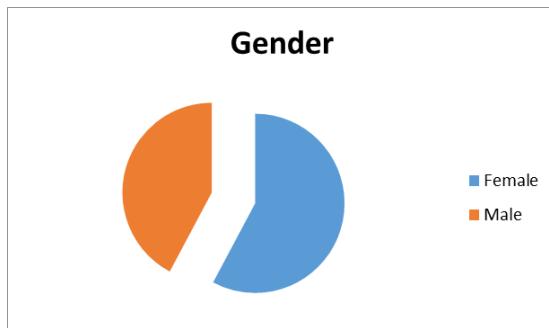
### Respondent Identity

#### 1. Identity of Respondents by Gender

Based on data obtained from questionnaires that have been given to 45 Muslim traders in the Sambas market, Sambas District, it can be seen that there are fewer men who open a trading business compared to women. Of the 45 respondents, 57.8% of the sample were women and the remaining 42.2% were men who opened a trading business. The following is an image showing the number of respondents by gender:

<sup>23</sup> Supranto , *Statistics*, 214

<sup>24</sup> Supranto , *Statistics*, 87



**Figure 1. Respondent Identity Based on Gender**

Based on data, 57.8% of respondents or 26 business owners are women. Now women are no less competitive with men, there are many natural talents possessed by women and the awareness to improve the family's economy. Respondent Identity Based on Age

From table 4.1 below, it is known that 2 respondents (4.4%) aged 15-24 years, 13 respondents (28.9%) aged 25-34, 17 years old respondents (37.8%) aged 35-44 years , 13 respondents (28.9%) aged > 50 years. The following is a table showing the number of respondents based on the age of the trading business owner:

**Table 1. Respondent Identity Based on Age**

Respondent Age	Number of Respondents	Percentage (%)
15-24	2	4.4
25-34	13	28.9
35-44	17	37.8
>45	13	28.9
Total	45	100

Most of the respondents are 35-44 years old, this is because at that age the respondents are active in running and developing a business.

## 2. Respondent Identity Based on Education Level

Based on the data obtained from the questionnaire distributed to 45 respondents, it can be seen the identity of the respondents based on the level of education. Table 4.2 shows that on average the owners of trading businesses in the Sambas market, Sambas District, are high school graduates, namely 55.6% of 45 respondents, while junior high school graduates are 22.2%, elementary school graduates are 15.5% and for college graduates by 6.7% of respondents.

**Table 2. Respondent Identity Based on Education Level**

Last education	Number of Respondents	Percentage (%)
SD	7	15.5
Middle school/equivalent	10	22.2
High school/equivalent	25	55.6
College	3	6.7
<b>Total</b>	<b>45</b>	<b>100</b>

Most of the trading business owners in the Sambas market, Sambas District, are high school graduates. This is because the respondents come from families who are not so concerned with education, so that after graduating from high school the respondents immediately looked for work to build the family economy.

### 3. Respondent Identity Based on Trade Type

From the table below, it can be seen that 23 respondents (51.1%) opened a food business, 11 respondents (24.4%) opened a clothing business, 5 respondents (11.1%) opened a vegetable business, 3 respondents (6.7%) ) opened a fruit and accessories business.

**Table 3. Respondent Identity Based on Trade Type**

Trade Type	Number of Respondents	Percentage (%)
Food	23	51.1
Vegetables	5	11.1
Clothes	11	24.4
Fruits	3	6.7
Accessories	3	6.7
Total	45	100

Most traders open a food business because it is in great demand by everyone, even more so that food can be produced every day. By opening this business is very promising hope for success and achieve great profits.

### 4. Identity of Respondents Based on the number of Employees

From the picture below, it can be seen that 15 respondents (33.3) used 2 employees to help run their trading business, as many as 14 respondents (31.1%) did not use employees, as many as 12 respondents (26.7%) used 1 employee, and as many as 4 respondents (8.9%) use more than 3 employees. The following is an image showing the number of respondents based on the number of employees:



**Figure 2. Identity of Respondents Based on Number of Employees Owned**

Most respondents have no employees and 2 people to help run their business. The trading business in the Sambas market, Sambas sub-district, is a micro-small business so it does not require many employees. Too many employees will make the business run inefficiently because it adds to the operational burden of the business which will hinder the achievement of the success of the business.

### Description/ Data Exposure

#### 1. Description of Research Variables

The variables used in this study consist of Islamic business ethics as the independent variable and profit as the dependent variable. The independent variable uses 4 indicators consisting of monotheism, balance, responsibility and virtue. Furthermore, profit as the dependent variable in this study was measured using 10 indicators consisting of brotherhood, justice, benefit, balance, universalism, customer arrival rate, net profit growth, time required to break even, high percentage and actual profit achievement.

#### Test Description of Islamic Business Ethics Variables

The following is a distribution table of respondents' responses to each question/statement item on the Islamic business ethics variable as follows:

##### 1) Respondents' responses to the blessings obtained from Allah SWT.

Based on the table above, it shows the respondents' responses to the X1 variable. Question item 1 is a question of the monotheism indicator. In question item 1, namely the favor that I get is a deposit from Allah SWT, 53.4% of respondents answered strongly agree, 42.2% answered agree and 4.4% answered disagree.

**Table 4. X1 Response X1**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid3	2	4.4	4.4	4.4
4	19	42.2	42.2	46.7
5	24	53.3	53.3	100.0
Total	45	100.0	100.0	

##### 2) Respondents' responses to when serving customers the ritual of praying 5 times a day is maintained

**Table 5. X2 Response X2**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid3	2	4.4	4.4	4.4
4	22	48.9	48.9	53.3
5	21	46.7	46.7	100.0
Total	45	100.0	100.0	

Ethics comes from the Greek word ethos , which means customs or habits. Ethics is a science that studies how to behave honestly, rightly and fairly. In addition, ethics is knowledge about a person's mind in accordance with ethical norms. In Islam, ethics or morals are more often known as morals. In this sense, ethics is related to good living habits, both in a person or in a community group that is passed down from one person to another or from one generation to

another. This habit is then revealed in repeated behavior as a habit. The word business in the Qur'an is used al-ijarah , al-bay' , tadayantum , and isytara . But often the word used is in Arabic al-tijarah which means trade. Business is a trade, commercial business in the world of business trade. Based on the opinion above, business is a business activity that produces goods and services to achieve a profit. Business ethics is a systematic study, investigation or study of the behavior of a person or group in transactions in order to create a better life. Business ethics is defined as a set of principles and norms that business people must commit to in transacting, behaving and relating in order to achieve business goals safely. Business ethics is a set of moral rules relating to good and bad, right and wrong, lying and honest, which aims to control human behavior in carrying out business activities in order to obtain blessings through mutually beneficial transactions. Based on the above opinion, Islamic business ethics is an act of a person in running a business to seek the pleasure of Allah SWT based on Islamic law, namely being monotheism, justice, free will, responsibility and virtue.

#### a. Basic Axioms of Islamic Ethics

The business ethics of the Prophet Rasulullah SAW are spiritual values , humanism , honesty, balance, and his passion to satisfy his business partners. Business implementation is based on the values of monotheism that are believed to be. Islamic ethics has basic axioms formulated and developed by Muslim scholars. These axioms are derivatives of contemporary translations of the fundamental concepts of Islamic moral values. These axioms are monotheism, justice, free will, and responsibility.

##### 1) *Tauhīd*

The Islamic ethical system, which covers human life on earth as a whole, is always reflected in the concept of monotheism which, in an absolute sense, relates to God. Humanity is nothing but the vessel of truth, and must reflect the light of its glory in worldly affairs. The Prophet Muhammad applied in economic activities, that every property in business transactions essentially belongs to Allah Swt.

Economic actors (humans) only get the mandate to manage, and therefore all assets and transaction elements must be managed in accordance with the provisions of the ultimate owner, namely Allah SWT. This concept means that the main source of Islamic ethics is total and pure belief in the oneness of God. The universe, including humans, belongs to Allah, who has perfect omnipotence over His creatures. The concept of monotheism means that Allah as God Almighty sets certain limits on human behavior as caliph, to provide benefits to individuals without sacrificing the rights of other individuals.

##### 2) Balance (Fair)

The Islamic view of life stems from a divine perception of the harmony of nature. Social balance or harmony, but rather a dynamic trait that directs a great force against all injustice. Balance must also be realized in economic life. Indeed, in all types of business that the Prophet Muhammad lived, making fair value as the main standard

##### 3) Free Will.

Islam requires its adherents to act justly and do good. Even doing justice must take precedence over doing good. In warning, the most basic fair requirement is in determining the quality (quality) and size (quantity) of each measure or scale. This principle of freedom flows in Islamic economics, the principle of economic transactions which states that the principle of economic law is lawful, as if allowing the perpetrators to carry out economic activities as desired, fostering creativity, modification and expansion as widely as possible, even business transactions can be carried out with anyone cross-religious.

#### 4) Responsibility

Responsibility means that all decisions of a leader must be accounted for by the person concerned. The axiom of individual responsibility is so fundamental in Islamic teachings, especially when it comes to economic freedom. This acceptance of the principle of individual responsibility means that everyone will be personally judged on the Day of Judgment. There is no one way for a person to get rid of his evil deeds except by asking Allah's forgiveness and doing good deeds. Islam does not recognize the concept of inherited sin at all, therefore no one is responsible for the mistakes of others.

#### 5) Virtue

Virtue means carrying out good deeds that can bring benefits to others, without any particular obligation that requires it in other words, is to worship or do good as if seeing Allah, if it is not like that, then rest assured that Allah sees what his servant is doing.

#### b. Principles of Business Ethics

Business ethics has general principles that are used as a reference in carrying out activities and achieving the desired business goals.

The principles of business ethics are as follows:

##### 1) Autonomy Principle

The principle of autonomy is that the company freely has the authority in accordance with the fields carried out and its implementation is in accordance with the vision and mission it has. In the principle of autonomy, business ethics is more defined as the will and engineering to act fully based on the knowledge and expertise of the company in an effort to achieve the best achievements in accordance with the mission, goals and objectives of the company as an institution. In addition, the aims and objectives of this institution are without harming other parties or external parties.

Understanding business ethics, autonomy is related to the company's executive policies in carrying out the mission, the vision of the company that is oriented towards prosperity, the welfare of its workers or the community it faces.

##### 2) Honesty Principle

Honesty is an attitude that is considered easy to implement for ordinary people when they are not faced with severe tests or faced with worldly temptations. will succeed brilliantly if managed with the principle of honesty.

### 3) The Principle of No Bad Will

The business was established with the intention of improving the welfare of the consumer community and society in general. Not a few crossed intentions for evil purposes to the community. This principle is closely related to the principle of honesty. The strict application of the principle of honesty was able to reduce the company's evil intentions.

### 4) Principle of justice

Islam supports the principle of justice, in general Islam supports all the principles in the approach of justice to ethics, but in a balanced proportion. Islam does not support the principle of blind justice. Necessity alone does not require justice. Because a Muslim who is trying to get out of an oppressive situation needs more help than people just demanding the rights of all wealth from rich people.

Do business fairly, says Allah. As he said, "Try to be fair and you must not act unjustly". Allah loves the just and hates the wrongdoers. Islam has forbidden every business relationship that contains injustice and the obligation to fulfill justice which is applied in relations in trade relations and business contracts.

#### 1. Profit (Profit)

##### a. Definition of Profit

Profit is the difference between income and the balance of costs and expenses for a certain period . Profit is the calculation of profit obtained from revenue minus all costs. Profit is a company activity that reduces some of the costs incurred with the sales results obtained.

Based on the opinion above, that profit is the subtraction between income and all costs incurred with the sales proceeds obtained. The benefits in question are. Immaterial advantages, namely brotherhood, justice, benefit, balance and universalism. Material benefits, namely the rate of customer arrivals, net profit growth, time required to break even, high percentage and actual profit achievement

##### 1) Customer arrival rate

Maintaining good relationships with regular customers is a basic thing that is important for a company because it is the last key that must be held to achieve success in business. If you want customers to continue to buy products regularly, they should provide purchase incentives, service improvements and even discounts.

##### 2) Net profit growth

Net profit growth is the excess of all income over all expenses for a certain period after deducting income tax. Good profit growth implies that the company has good finances, which in turn will increase the value of the company, because the amount of dividends to be paid in the future depends on the condition of the company.

##### 3) The time it takes to break even

The break-even point is an economic term indicating when the total profit of a business equals the invested capital. The break-even point is a situation where the company does not experience a profit and does not experience a loss,

meaning that all costs incurred for production activities can be covered by sales income.

#### 4) High percentage

The high percentage is a measurement of the company's overall ability to generate profits with the total amount of assets available within the company.

#### 5) Real profit achievement

In running a business, of course, what you want is the maximum profit you get every day. But if you run a business, you don't want to try your best, of course, it's useless. For this reason, it is better to improve product quality, friendly service, and make careful financial calculations.

#### b. Advantages According to Islam

One of the goals of trading is to make a profit which is a reflection of the growth of assets. This profit arises from the process of revolving capital and its operations in trading and monetary activities. Islam strongly encourages the utilization of assets/capital and prohibits its storage so that it is not consumed by zakat, so that the property can realize its role in economic activity.

According to Islam, profit has a special meaning as explained by the salaf and khalaf scholars. The profit is combined with the principal capital for the purpose of calculating zakat, and even establishing clear criteria for determining the level and ratio of zakat, namely the accounting methods for calculating zakat.

The ethics of profit-taking in Islam according to the scholars, are as follows:

##### 1) Wahbah al-Zuhaili

Basically Islam does not have clear limits or standards about profit or profit. So that traders are free to determine the desired profit from an item. It's just that, according to Wahbah al-Zuhaili, a blessed profit (good) is a good profit that exceeds a third of the price of capital.

##### 2) Ibn Arabi

Determination of profit must pay attention to business actors and buyers. Ibn Arabi said that it should not take too big an advantage. Ibn Arabi categorizes it with people who eat other people's property in an unrighteous way, besides that it is also included in the category of fraud. Because in Ibn Arabi's view, it is not tabarru' (voluntary giving) nor is it mu'awwadah (exchanges), because usually in mu'awwadah it is not to take too big a profit.

Ibn Arabi's opinion is the same as the opinion expressed by Iman Malik bin Anas. In the view of Iman Malik, business actors or market traders are not allowed to sell their goods above the market price. Given that traders must also pay attention to the benefit of the buyers. In this case, Iman Malik very stern warning. If there are traders in the market selling outside the market price, then they must be removed from the market.

##### 3) Malikiyyah

Limiting the maximum profit taking should not exceed one third of the capital. Malikiyyah equates it with wills, where the Shari'ah limits it to only one third in terms of wills. Because the will that exceeds the limit will be detrimental

to the other heirs. Likewise, excessive profits will harm consumers (buyers). Therefore, the highest profit should not exceed one third.

In Islamic accounting, from transactions obtained income in the form of profit. The profit is in the form of profit sharing, profits in buying and selling, and wages for services. Sharia transactions are based on the following principles:

1) Brotherhood (ukhuwah)

The principle of ukhuwah means that transactions are held as a form of social interaction and harmonization of the interests of the parties to make general use of them in the spirit of mutual help.

2) Justice (' is )

The principle of ' is the meaning of putting something in its place. The implementation of justice in business activities is in the form of the principle of muamalah which prohibits the elements of usury, maysir, gharar, and the use of unlawful elements in goods, services, or in operating activities.

3) Benefit (maslahah)

The principle of maslahah means that sharia transactions must be all forms of goodness and benefits with worldly and hereafter, material, and spiritual dimensions, as well as individual and ṭayyib (beneficial and bring goodness).

Benefit is all forms of goodness and benefits with worldly and hereafter, material and spiritual dimensions, as well as individual and collective dimensions.

4) Balance (tawazun)

The principle of tawazun means that transactions must pay attention to the balance of material and spiritual aspects, private and public aspects, financial and real sectors, business and social, as well as balance aspects of utilization and preservation.

5) Universalism (shumūliyah)

The principle of universalism is that sharia transactions can be carried out by, with, and for all interested parties (stakeholders) regardless of ethnicity, religion, race, and class in accordance with the spirit of rahmatanlil'alammin.

The general Islamic criteria that can influence the determination of profit limits are as follows:

1) Eligibility in determining profit

Islam recommends that traders should not be excessive in taking profits. This statement explains that the ideal profit limit (which is reasonable and reasonable) can be done by lowering the price. This situation often leads to an increase in the number of goods and an increase in the role of money which in turn will lead to an increase in profit.

2) Balance between difficulty and profit

The higher the level of difficulty and risk, the greater the profit desired by the trader. The further the journey, the higher the risk, the higher the trader's guidance on his standard of profit. And vice versa, but all of this is related to the Islamic market which is characterized by freedom of muamalah to the functioning of the supply and demand elements.

3) Capital turnover

The role of capital affects the standard of profit desired by traders, namely the longer the turnover period and the increased level of risk, the higher the standard of profit desired by traders. Likewise, with the decreasing level of danger, traders and entrepreneurs will lower their profit standard.

#### 4) How to cover the selling price

Buying and selling may be at a cash price as well as for a credit price on condition that there is the pleasure of both the seller and the buyer.

#### 5) Supporting elements

Elements that can have an influence on profit standardization, such as elements that differ from time to time, or economic conditions, both marketable and non-marketable, however, these elements do not conflict with the principles of Islamic law.

### 2. The Influence of Islamic Business Ethics on Profit

An entrepreneur in the view of Islam is not only looking for profit, but also a blessing, namely the stability of the business by obtaining reasonable profits and being blessed by Allah SWT. This means that what must be achieved by a Muslim businessman is not only material (material) profits, but the most important thing is immaterial (spiritual) profits. The company's goal must not only seek the highest profit, but also be able to obtain and provide non-material benefits to the company's internal external (environment), such as creating an atmosphere of brotherhood and social care.

The Japanese way of thinking is that business is more of a commitment than a transaction. Therefore, personal relationships are considered very important in developing emotional and human bonds and it is necessary to believe in mutual trust that business relationships will not end as soon as the business relationship is over. This is in stark contrast to what is often done according to the Western way of thinking. A business relationship based on personal gain is not the Japanese way.

It can be understood that the Japanese business philosophy is that the important thing between the seller and the buyer is not only to pursue material profits, but behind that there is the value of togetherness to maintain mutual cooperation that is built through friendship. With this friendship, according to Islamic teachings, wisdom will be achieved which will be promised, namely that sustenance will be expanded and life will be extended for anyone who does it.

In terms of business, the meaning of facilitating sustenance and prolonging life can mean that for business people who frequently conduct friendships, their business will develop. Because it is possible that the relationship that will be carried out will expand the network that can be built and more information will be absorbed, as well as the support obtained from various groups. Thus, the life of the business will be longer, in the sense that it will continue to survive and develop as expected by everyone.

The business helps to find the coffers of profit. In life, business can increase the welfare of oneself and others. But business can also be detrimental if you are not serious about working on it.

According to Islamic business ethics, every business behavior in trading should not solely aim to seek the maximum profit, but the most important thing is to seek pleasure and achieve blessings for the sustenance given to Allah SWT. Profit is not the only goal that must be prioritized. The business world must also function as a social and must be operated with due regard to the ethics that apply in society. Entrepreneurs must also avoid abusing all means to pursue personal gain without caring about the consequences that harm other parties.

Islamic business ethics calls for business behavior to create an ethical business image so that business is worthy of acceptance by all parties who believe in ethics in business. This at the same time dispels the bad image of the business world as a dirty, cunning and deceitful activity.

Rasulullah Saw. encouraged Muslims to be generous to anyone, people who are generous will be liked by the community and loved by Allah Swt. and get an outpouring of mercy and forgiveness, their sustenance is expanded and their lives are peaceful and prosperous. Based on this, a Muslim trader who runs his business while still prioritizing ethics in business that does not only expect profit so that he will get an outpouring of grace and forgiveness and sustenance is expanded from his business activities so that that person will live in peace and prosperity. The profit that can only be obtained by a Muslim trader is only oriented to the Qur'an as written in Surah al-Baqarah verse 16.

أُولَئِكَ الَّذِينَ أَشْرَوْا بِالْهُدَىٰ فَمَا رَبَحْتَ بِتَجْرِيْثِهِمْ وَمَا كَانُوا مُهَدِّدِينَ

Translation: These are the people who buy misguidance with guidance, So their business is not profitable and they are not guided.

The meaning of the above verse is that those who prefer misguidance over guidance are like a merchant who buys goods that have been damaged and are not selling well. As a result, they do not get a clue in their actions.

#### A. Framework

Based on the previous literature review, the research model can be explained through the framework of thought, as follows:



#### Hypothesis

The research hypothesis is a theoretical conclusion and provisional in research. It can be said that a temporary answer to a research problem is theoretically considered the most probable or the highest level of truth. From research that must be verified through research. In other words, a hypothesis is a conjecture that may or may not be true that requires verification or testing.

From the description above, the following hypothesis can be proposed:

H 1 = The influence of Islamic business ethics on the profits of Muslim traders in the Sambas market, Sambas District.

H 0 = There is no influence of Islamic business ethics on the profits of Muslim traders in the Sambas market, Sambas District.

## CONCLUSION

Islamic business ethics emphasizes achieving profits alongside ethical conduct and social responsibility. It aims to create a positive impact on all stakeholders involved, including the business itself, its customers, employees, and the wider community. By following these principles, Islamic business ethics encourages businesses to be not just profitable, but also beneficial and a source of good in the world. Key takeaways include; Balance between profit and ethics: Profit is a desirable outcome, but it should not be pursued at the expense of ethical principles. Importance of fairness and justice: Business transactions should be conducted fairly, ensuring a win-win situation for all parties involved. Social responsibility: Businesses should contribute positively to society and the environment. Long-term benefits: True success goes beyond immediate profits and involves building a sustainable and ethical business with a positive reputation.

### Author's Contribution

Sumar'in: Contribute to formulating research ideas, and collecting data.

Mokmin Basri: Contributing to writing systematics, research methods, and the language proofread.

Andi Maryam: Contributing to processing and interpreting data, analyzing interpretation results.

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The author declares that there is no conflict of interest.

### Ethical Approval

Ethical approval No patient-identifying parts in this paper were used or known to the authors. Therefore, no ethical approval was requested.

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