

HOW ISLAMIC VALUE IMPLIED BUSINESS ACTIVITY ON MOSLEM WOMEN ENTREPRENEURS

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Abstract. This study aims to understand the implementation of Islamic values by Moslem women entrepreneurs in Surakarta that carried out in their business activities. Understanding Islamic value in their business activities showed from management, employee and financial aspects. Perception of Islamic values underlie the behavior of Moslem women entrepreneurs especially in their business activities. This study used qualitative method and phenomenology design to understand the behavior Moslem women entrepreneurs. Phenomenological approach appropriate to explore that embedded behind the human mind. This study found that Moslem women entrepreneurs have tried to apply Islamic values in the three aspects of business activities. There is a behavioral transformation caused by experience, understanding of Islamic Value, internal and external environment, belief in value. Transformation visible on intentions, motivations, and goals which is manifested in behavior. The process of this transformation there is time difference between one another which known as *hidaya*.

Keywords: Islamic Value, Moslem Women Entrepreneurs, Transformation, Hidayah

Abstrak. Penelitian ini bertujuan untuk memahami penerapan nilai Islam oleh Muslimah pengusaha di Kota Surakarta dalam menjalankan aktivitas bisnisnya. Pemahaman mengenai penerapan nilai Islam melalui kegiatan usaha dilihat dari aspek pengelolaan usaha, pengelolaan karyawan dan pengelolaan keuangan. Pengetahuan dan pemahaman nilai Islam berdampak pada perilaku Muslimah pengusaha terutama dalam aktivitas bisnisnya. Penelitian ini menggunakan metode kualitatif dan pendekatan fenomenologi untuk memahami perilaku Muslimah pengusaha. Pendekatan fenomenologi dianggap tepat untuk memahami perilaku di balik permukaannya, sehingga dapat menjelaskan apa yang tersembunyi di balik pikiran manusia. Hasil dari penelitian ini menemukan bahwa Muslimah pengusaha telah berusaha menerapkan nilai Islam dalam menjalankan usaha pada ketiga aspek tersebut. Terdapat transformasi perilaku yang disebabkan oleh pengalaman, pemahaman nilai Islam, lingkungan internal dan eksternal serta keyakinan terhadap nilai itu sendiri. Perubahan ini akan tampak pada niat, motivasi, dan tujuan yang diterjemahkan dalam perilakunya. Pada proses transformasi ini terdapat perbedaan waktu antara satu pengusaha dengan yang lainnya yang selanjutnya disebut sebagai hidayah.

Kata Kunci: Nilai Islam, Muslimah pengusaha, transformasi, hidayah

INTRODUCTION

The current study of entrepreneurial behavior correlate it with the teachings of Islam. The value of Islam is considered to be relevant to underpin entrepreneurial behavior which is part of the business ethics and managerial systems (Dana, 2009; Ali and Al-Owaihah, 2008). There are also differences between management with Islamic paradigm and conventional perspectives. It refers to the basic purpose of human existence that is to obey and fulfill the commands of Allah SWT, as the "representative of God", or the recipient of the mandate of Allah SWT (*khalifah*) (Kazmi, 2005). However, related studies are still rarely showing the correlation between it to women entrepreneurs. In general, it is interesting because women have a duty to balance themselves between domestic interests and the public interest.

The involvement of women in entrepreneurship has been identified and contributes to social improvement, promoting economic renewal and development, technological innovation and job (Bosma *et al.*, 2008). Abbas (2012) states that the coming of Islam brings freedom and enlightenment to women. Islam builds on equality of men and women. Prophet Muhammad himself encouraged women in various fields of activity including trade then his own wife (Khadija R) is an example of Moslem woman entrepreneur who achieve success in business (Hoque *et al.*, 2014). However, Moslem women entrepreneurs are inseparable from the barriers associated with gender and social norms (Dechant and Al-Lamky, 2005), although women participating in entrepreneurship have been claimed as important contributors of economic growth and job creation (Yu, 2011). Obstacles of Moslem women entrepreneurs are difficult access to capital (Verheul and Thurik, 2001); gender-based perceptions that the limited access to funding (Esses and Benschop, 2009) and barriers on network connections and membership in business associations (Dechant and Al-Lamky, 2005; Yetim, 2008).

Studies related to Moslem women entrepreneurs are mostly held in Arab countries (Dechant and Al-Lamky, 2005, Beekun and Badawi 2005; Tlaiss 2014) while studies in Indonesian countries are still rare even though the majority of the population is Moslem. This study focuses on Surakarta City which is familiar with the role of women in economic activity especially on trading. The 78.30% population of this city is Moslem as the majority (Statistics Bureau of Surakarta Municipality, 2017). The city of Surakarta is a trading city where the women have contributed in trading since antiquity. The society of Surakarta have known the market as the women's world (*donyane wong wedok*) and on the merchant community Surakarta, the majority of women become the main financials contributor in their family as textile entrepreneurs or market traders (Suzanne, 1998).

Specifically, the purpose of this study is to explore the application of Islamic values in business activities run by Moslem women entrepreneurs in the city of Surakarta. The behavior of Moslem women entrepreneurs in this study is based on experience, accessed information, and Islamic values. Implementation of Islamic values in business activities viewed from the aspects of management, employees, and finance. Other empirical studies that explore the value of Islam in business activities are just a few, and tend to discuss things normatively (Beekun and Badawi 2005; Ali and Al-Owaihah 2008; Hoque *et al.*, 2014).

The researchers's motivations to conduct this research are *first*, the research related to religious values and Moslem women entrepreneurs who get success in Indonesia is still limited. *Secondly*, there is a lot of supports from national, regional and local government agencies in increasing the potential of entrepreneurs, but the impact is unsatisfied to make women's business grow significantly. Thus, with an intepretative approach, this study provides chance for Moslem women entrepreneurs in the city of Surakarta to explain their behavior in carrying out business activities based on Islamic values.

This study is presented in five sections. *First*, the introduction part describing the importance of doing this research. *Second*, a literature review focusing on women entrepreneurs in Islamic perspectives and the application of Islamic values in business activities of Moslem women entrepreneurs. The *third* section discusses the methodology used in this research that is qualitative method with phenomenology approach. Section number four describes findings and discussions that are related to the mainstream literature that already exists. Finally, the end of the section presents the conclusions and implications of this research.

LITERATURE REVIEW

Women Entrepreneur in Islamic Perspective. It is appropriate if an entrepreneur is required to innovate everytime in creating new things with creative ideas. Similarly, the opinion expressed by Ullah *et al.*, (2015), that an entrepreneur must always innovate in order to change something to have more economic value. The need for innovation is to create and develop new methods in the production process, exploring raw materials sources, exploring new markets, and creating an updated strategy. Then Ullah *et al.*, (2015) added that entrepreneurs are someone who takes risks, making decisions smartly, identifies opportunities into potential profits, and drafting business strategies carefully. Entrepreneurship is also needed in the context of improving business performance of the company. The entrepreneurial dimension is proven to be able to encourage companies to be more innovative in creating new products and increasing competitiveness (Sukaryawan 2013).

According to Anggadwita and Dhewanto (2014), women entrepreneurs are women who participate in entrepreneurial activities, have ability to take risks, and have ability to identify opportunities in their environment by incorporating unique elements, thus creating an innovation for their business. Indeed, women entrepreneurs should be involved in social, financial and cultural activities (Hoque *et al.*, 2014). Some important reasons are said by Ramadani *et al.*, (2013) on women's entrepreneurship, firstly, a woman who creates jobs for herself and for others will enables her to draw on her experience, skills and training to reduce the effects of discrimination on women in the labor market. Secondly, establishing a company is an alternative to reduce unemployment and providing a balance for women to work and take responsibility for their family. Thirdly, the establishment of small-scale enterprises can help women to improve their autonomy and provide opportunities to play a role in economic and political life. Fourthly, women entrepreneurs are expected to step up efforts to combat women trafficking, which is a major concern in transition countries. Fifthly, being a women entrepreneur can be inspiring and role model for the young

generation which in the future can be used as an opportunity to get job. The prominent characteristics of women entrepreneurs are endurance and need of achievement, while risk taking propensity is primary weakness or shortcomings in the competency of women entrepreneurs in managing their businesses (Ismail 2014).

The entrepreneurial woman in Islamic perspective is a business with innovation based on Islamic guidance, by avoiding negative nature and behavior such as dishonesty, greed, exploitation and monopoly. Every entrepreneur does have different motives and goals. If the entrepreneurs are able to manage the business as well as possible and achieve success, they must also have a good responsibility in terms of faith and belief in Allah Almighty (Nayeam, 2006). According to Ali and Weir (2005) there are 8 principles of entrepreneurship in Islam: first, entrepreneurship is an integral part of Islam and there is no separation between business and religion. Second, Moslem entrepreneurs are "caliphs" and responsible to improve their welfare and viewing business as part of worship. Third, the motivation to achieve business success in Islam is not only measured by the result in the end, but rather the business process as a more important part. Fourth, business activity is part of worship or "good deed". Fifth, Islam encourages its people to run the business. Sixth, Making Al-Qur'an and Al-Hadith as a guide in determining the principles of entrepreneurship. Seventh, the principle of entrepreneurship in Islam lies within the realm of the Islamic economic system. Eighth, the ethics of entrepreneurship formed is the exemplary behavior of the Prophet Muhammad SAW. Moslem entrepreneurs or Moslem women should seek the blessings of Allah SWT above all other factors. Things to note for Muslim entrepreneurs is when running a business is not solely for profit, but to meet *fardhu kifayah*.

The Influence of Islamic Value. Value is defined as a form of belief that provides its own identity in shaping the way people think and behave (Darajat, 1984). But keep in mind that the value originated from the community environment which is formed from the elements of religion and culture. Particularly in the business world, value has a contribution in shaping the entrepreneurial spirit of each.

Similarly in economic activity, Islam teaches that work is a worship. The purpose of worship that is not only looking for material, but must prioritize the spiritual aspects of business activities. This is referred to as *falah* (Tlaiss, 2014; Hoque *et al.*, 2014). It means glory, victory, and luck to gain the world and the hereafter. The value of Islam is the basis of morals and *akhlak* to be a guide for every human being in determining his actions. The purpose of applying Islamic values in business activities is to make outputs that can giving benefit to all economic agents.

There are research results that prove that Islamic values have a significant relationship to business performance (Kotey and Meredith, 1997). This business performance itself is concerned with the performance of individuals who are part of business management. Especially honesty which is a proxy of the moral aspect in affecting the business performance of the company. However, Islamic values in influencing business activities consist of 4 values, namely Aqidah, Worship, Mu'amalat, and morals (Al-Sheha, 2001):

Aqeedah. This first Islamic value has a fundamental influence in influencing human life. The meaning of *Aqeedah* is belief in Allah SWT, belief in the Angels, belief in the Holy Book, belief in the Prophets, belief in the Day of Judgement, and belief in *Qada* and *Qadar* (God's Predestinaton). When a Moslem and a Moslem woman pray to Allah SWT, and then they feels serenity, peace, and closeness with Allah SWT, then he has practiced the value of Islam named *Aqeedah*.

The meaning of *Aqeedah* is the belief of one's life in believing in Allah SWT, to the Prophet, to the Holy Book, to the Angels, to the Day of Judgement, and to *Qada* and *Qadar* (God's Predestinaton). These six pillars of faith are called *Rukun Iman*. Therefore, in carrying out all economic, social and political activities, both Moslem and Moslem women must on the good intention and strong belief in implementing the teachings of Religion in every single activity as a *Rukun Iman* practice.

Worship. Anshari (1993) argued specifically about the rules of worship (*Qa'idah 'ubudiyah*). According to him worship is a human ritual relationship with his Lord, with all the ordinances set in the Qur'an and As-Sunnah. For Muslims, worship can be praying, *salah*, fasting, *zakah*, *infaq*, alms, and pilgrimage (The Hajj). Indirectly, worship can affect all the activities of Moslems and Moslems women. According to Geertz (1983), by pursuing puritanical Islamic teachings (*Shaleh*) can provide a passion for *santri* (student of Islam) in conducting trade activities. This opinion shows that worship can influence someone in carrying out economic activity.

Mu'amalat. As a rule for humans in regulating relationships between humans to humans and humans to objects then it needs the application of Islamic values, which is referred to *mu'amalat*. Similarly, Ansari (1993) reveals *Mu'amalat* as a divine order derived from the Divine with the aim of controlling the relationship between humans and humans, as well as humans in using the natural matter.

Akhlaq. Islamic value formed from daily personal habit until it called as *akhlaq*. Understanding of the meaning of *akhlaq* is a behavior that is formed from the habits and applied in life, and based on a sense of submission and submission to Allah SWT. According to Islamic teachings, *akhlaq* is universal that is a reflection of the human soul and naturally comes out into a behavior. Closely related to *akhlaq* with the level of faith of everyone. Good faith will make good *akhlaq* as well. Basically *akhlaq* is formed from hearts, thoughts, and habits that are transformed into behavior. So morals have an important role for humans in choosing the things that are good and beneficial for themselves and for the community.

METHOD

This research is using qualitative method with phenomenology approach to discover the research problem. This method does not use numeral data to measure the object, but focusing on the natural quality to discover and understand the research subject (Kaelan, 2012). According to Creswell (2013), qualitative researches use theoretical framework to understand the research problem that have a relation with the meaning of a social problem.

This research method has explorative purpose, which is to investigate various problems or phenomenon that attached to the subject that is going to be researched. Furthermore, explorative purpose is used to reveal research subject that is still new and rarely studied. Therefore, the researcher is required to think creatively, openly, flexibly, and implement investigative manner in investigating all of the information source (Neuman, 2014)

According to Babbie (2001) phenomenology perspective is used to learn and observe human behavior and their social life. So that the information that has acquired could be understood clearly (Yin, 1994). In essence, phenomenology perspective is considered a concealed phenomenon of something appeared in the surface (Bungin, 2003). The same applies to the behavior of Moslem women entrepreneur which cannot be judged only from the outer side. Therefore a process to convey (*verstehen*) the behavior of the informant is required (Bungin, 2006). Phenomenology approach in this research is used to answer the formulation of the problem regarding the behavior of the informants in implementing Islamic value on management, employee, and financial aspects.

The next step is the process of answering the formulation of the problem. The formulation of the problem that will be discussed is informant's behavior in implementing Islamic value on the aspect of management, employee, and financial. Therefore an observation on phenomenon and informant's behavior will be held in this step. The information source is obtained from 2 groups of informants that is women entrepreneur organization that consist of HIPMI-LC (Himpunan Pengusaha Muda Indonesia-Ladies Club) and IWAPI (Ikatan Wanita Pengusaha Indonesia). Determining the informants use purposive sampling method and the criteria are Moslems, domiciled in Surakarta city, have stable and more than 3 years business operation, have a family (husband and children), incorporated in businessman organization, and have concern to develop their business. From two said organization, researcher have acquired 4 primary informants that fulfil the criteria and 8 supporting informants to do data triangulation. The primary informants are Moslem women entrepreneur. And the supporting informants are the husbands, children, and employee of the primary informants. The function of the supportive informants is to provide complementary information to primary informants, and for the triangulation process. Later through phenomenology approach, researcher is expected to be passive and comprehend the phenomenon that appear from the information and behaviour of the informants

The data of this research is obtained through in depth interview. The in depth interview was done in an unstructured manner and done repeatedly. The data analysis including data reduction process, data presentation, and conclusion drafting with verification. The last step that needs to be done by the researcher is comparing the obtained meaning with relevant theory and concept. However, in explaining the meaning of phenomenon, researcher need to be active in developing their idea.

RESULTS AND DISCUSSION

The behaviour of a businessman will not be separated from the social and economy environment around the business. Furthermore, the response of the businessman in dealing with the business environment could be based on value and norm that is held or applied in the society where they stay. Moslem women entrepreneur that is being the subject of this

research have a religion that could underlie their perception in running their business. In accordance with their knowledge level and understanding, follower of a religion will try to implement the religious teaching in their daily social behaviour.

The teaching of Islam is a guide in every part of life, economics is no exception. Business activities also cannot be separated from rules or concept of Islamic teaching. Islamic teaching could gave additional perspective for the businessman; whether implemented or not. The assessment about the implementation of Islamic value in business activity then divided in three aspects, those are management, employee, and financial. From each aspects, will be explained the behaviour of the Moslem women entrepreneur either in responding to or implementing Islamic value in their business activity.

The Implementation of Islamic Value in Management. Business management function emphasize four things, planning, organizing, actuating, and controlling (Manullang, 2002). Those function are basic elements that is always attached in management process and is the basis of achieving the goal. Likewise, Moslem women entrepreneur that use those management function including decision making. Regarding the implementation, informant always step in to their daily business activity. As explained in following interview quotation: *“I know the business operational. The field executive from A to Z is me. But the concept is from my husband. So I have to take every decision.”* (Interview, 13/1/18).

The role of the informant as a Moslem women entrepreneur has an orientation on the management and creating maximum business management. Management is the key of informant’s business to be big as it is now. Other than that, the involvement of Prophet Muhammad SAW in trading and business activity could be a role model for Moslem women entrepreneurs. Informant also use prophet’s first wife as an example, which was also a merchant and the richest in the Arabian Peninsula, and her wealth often described as a mean for spreading Islam religion that is Siti Khadijah. That role model form believe and motivation for Moslem women entrepreneur to achieve success and implement Islamic value in their business activity. As explained by one of the informant:

“I say, Siti Khodijah could do export and import and Prophet Muhammad SAW is also a big businessman. There must be an Islamic concept for all of that. Then I try to implement those one by one according to my ability.” (Interview, 13/1/18)

Islam do not recognize the dichotomy of the world and the hereafter, in the sense that the world is a part of the hereafter where human live the life in the world is a form of unity with Allah. Moslem women entrepreneur also attempted to realize the value of *falah* that illustrated as the attainment of long term prosperity and glory (of the world and the hereafter). As explained by the informant that in running the business activity, informant have experienced ups and downs, but the informant never forget that we have to be thankful for everything Allah has given.

“The One who makes me smart is Allah. Allah entrusted it to me. It is okay if He wants to take it. Perhaps it is to test me. That’s how it is Lis, are you patient? Are you sincere?” (Interview, 13/1/18)

Informant, in the context of business development, prioritize product quality. This is applied to the raw materials of the finished goods. If there is unsuitable goods, informant do not hesitate to refuse the raw material or the finished goods offered to her. This is a form of

discipline that is emphasized in the business. Other than that, informant always set a quite high target in the business activity and show hard work. Informant admitted that the current goal is to keep expanding the business through establishment of branches in several places. *“So my targets are this and those, Ramayana Jogja running well, and Mbibis also safe. Safe in sense that people would see, come and buy the product. My target is this year the business could rise. Last time I want a business that persuade people to be good.”* (Interview, 18/1/17)

Hard work that is shown by Moslem women entrepreneur to create and maintain product quality that could be used to attract customer. This could help develop the business informant has. Readiness of the informant to serve good quality products is a part of implementing Islamic value in business activity. In this case it is called *iqtan* where Moslem women entrepreneur could maintain the quality of themselves and the business performance. Self-quality is also considered treating customer well. This is described by the informant as the following:

“The important thing is that we prepare the best. So the food is delicious, the price is affordable, and we know that there will be customers. If they come frequently it means the customers are comfortable and happy. That is how it is.” (Interview, 25/9/17)

Employee Management. Moslem women entrepreneur, in treating their employee, always putting the principle of justice first. In this case, obligations have to be fulfilled and rights have to be given. Although one of the informants don't have many employee, the management keep focusing on fairness and care for the employees.

“I only have one employee that must be paid routinely every month. The other 4 is not routine. The rule is if I have a job, I give them fee.” (Interview, 18/1/17)

In managing employees, the informants do not have special treatment. All employees is hired based on their capability and paid based on their performance. The fairness principle is of the utmost importance for the informant. If the employee keep trying and loyal to her business, then the informant will also give special treatment to said employee.

“Regarding to bonus, I usually let them sell the product in retail, sell it on account to others, it is okay if I then receive it in 3 month. That is how I usually do it.” (Interview, 10/8/17)

“In fact, I have a vacant room upstairs: Putri, because you come from Gemolong, if you want to, you may put out the stuff in this room and live there.” (Interview, 10/8/17)

This form of appreciation makes employees will show loyalty to the informant. This also affects business marked by the addition of outlets owned by the informant.

Informants in managing their employees also emphasize the understanding to treat employees in accordance with the teachings of Islam. Islam teaches that as a business owner, do not exploit the employees. As in an interview quote one of the following informants:

“In Islam, there is saying “Give their wages before their sweat dry. I have been applying that mindset, so if I reach a specific target, from that turnover, a few percents I share that day.” (Interview, 9/5/17).

This management concept is the highest form of respect for employees. As a gratitude, informants will grant employees for doing excellent work. Even to encourage employee morale, informants also provide bonuses for the employees. This bonus system

provides justice and togetherness that can lead to mutual ownership and respect for each other. As disclosed in the following interview.

"Happy or sad we are always together, they get a bonus from lowering this fish. Bonus per tail." (Interview, 1/18/17).

Excellence employee's performance is a reward for the trust. Evidently, the business undertaken by this informant can add dozens of other branches, even reach outside the island of Java. Employee welfare is a major concern for informants. In accordance with its loyalty, informants provide residential and motor facilities. Informant's initiative is uphold justice and build mutual trust with its employees. As revealed by the following informants:

"Especially in employee welfare, I bought them houses and motorcycles. I have bought them motorcycle and house. My employee already bought a house, the price is 300 million on his behalf, and I will pay the installment." (Interview, 18/1/17)

The selection of employees by one of the informants emphasized the special requirement of being Muslim. Discipline in performing worship also becomes important for employees. In addition to their own goodness, it is also a reflection of the effort for blessing. So as revealed by the following informants:

"My employees has to be Muslim. Because we are muslim here." (Interview, 5/9/17)

"Their rights resemble Friday prayers, so if there (other stalls) on Friday which temporarily closed. Because there are women, our store is open. Friday prayers is an obligation for male." (Interview, 5/9/17)

Moslem women entrepreneur emphasized mutual trust and honesty on employees. Informants trust the employees to manage management and Muslim entrepreneurs only provide direction and control. In addition, indirect informants impose penalties on employees who make mistakes, but still pay attention to tolerance and conditions. As disclosed by one of the following employees:

"If there is excess money, we will trace the origin. The cashiers lost. Do not do it again and no obligation to replace the money lost. Unlike in the mini market that have to be replaced." (Interview, 26/1/2018)

Financial Management. While the other informants in managing their finances always emphasize on honesty. Honesty will solve all financial problems. Openly, without lying about harmful thing that will not build a good relations with a partner. There is relation between cooperation built by informants with their husbands. As disclosed in the following interview:

"I hate dishonest act. Incidentally I also never bring money, my husband do it. Until now if I need money, I take and usually I wrote how much I took. For example five hundred thousand rupiahs for regular social gathering. It's in financial terms like that." (Interview, 13/1/18)

Financial management is the capital aspect. Regarding the capital, informants prefer to borrow funds from the people closest. This case use sharing system. Sharing system avoid interest on loans that can incriminate informants. One of the informants obtained the source of capital from the cousin's sister and formed an agreement based on honesty and mutual trust. Informants do not want the financiers's intervention in management. As the following informant discloses:

"Brother of my husband who lent money to us. He became the financier, and he earned a share. But the stock is up to us. So he should not interfere in management. Alhamdulillah, we return it with a turnover, with results per month until today." (Interview, 13/1/18)

In addition, financial records is the important aspect in financial management. Business financial records should be separated from the owner. Well managed financial records resemble the good management, therefore the business is expected to grow.

"According to accounting standards, separate household money and business money, set aside profits for capital, calculate bonuses for employees." (Interview, 13/1/18)

In managing her finances, other informants raise capital from private funds or loans with other parties such as friends or relatives who do not bear the interest from the loan. According to his personal experience, which once was heavily borne of considerable debt due to interest. So after having such experiences, the informant believes that everything related to interest and usury is a sin and has no blessing on either his business or his family. The following interview:

"The training includes the impact of usury such as debt. It affects us. For the next, if you open a business, do not use the loan money." (Interview, 5/9/17)

In addition, the pattern of capital management is referring to the spirit of informants, especially to strive so capital is not a problem in the future. The informants felt that the management based on the Islamic teachings that had forbidden usury in all its forms. Interest should be avoided.

"After the training, we opened a branch in Kartosuro using personal money and bought the house also use personal money rather than borrowing. Because of the teaching, and I believe with his knowledge, yes implemented. If you believe in the teaching, if not implemented there will be a loss. Learn from it. Compared to my parents first increased." (Interview, 5/9/17)

Financial management that subordinates the loan, which in turn also contributes to the informant's business. The desire to act naturally is instilled since the business established, so that it has a pattern of habits that should be keep.

Behavior of Moslem Women Entrepreneurs. Internalizing the Islamic teachings through the aspects of management, employee, and financial can be interpreted as the application planned behavior theory (TPO) Ajzein and Fishbein (2005). As described in Figure 1 that entrepreneur Moslem women through the process to realize the behavior in its business activities. Internalization is a process of introducing Moslem women entrepreneur to the value of Islam from its source. Based on existing results in the field, it appears that the internalization of Islamic values has occurred, even been applied by Moslem women entrepreneurs through several examples in that aspect.

First the acceptance of Islamic value by the Moslem women entrepreneur, then they will experience the next phase understanding. When a Moslem women entrepreneur has known the internalization of Islamic values, then he managed to understand meaning of Islamic values, the Moslem women entrepreneurs will reach the next phase application of Islamic values. After the implementation process is running, the entrepreneur Moslem women has experienced a behavior change or behavioral transformation, where between before and after the internalization of Islamic values can change that occurred.

As shown in Figure 1, informants are Moslem women who have Javanese culture family background. Concerning education, all informants have the same education level, which is Bachelor (S1). As for access to information and experience, among Moslem women entrepreneurs with each other may be different. TPB theory included access to information. The case of Moslem women entrepreneurs because of the ability to access the information relating to the teachings of Islam can be a benchmark in behaving. Access to information can be through various means such as mass media, electronic media, or Islamic religious studies. It forms the perception to transform the behavior of Islam according to the greater value than the informant who does not access the information.

This attitude according to Ajzen and Fishbein (2005) is the form of someone's assessment of a thing. Attitude based on someone's belief about result or consequences of the existence of a behavior. When a Moslem woman entrepreneur in conducting business activities later knows Islamic values, then furthermore she faced 2 choices those are accepting or not accepting the values. The understanding and acceptance of those Islamic values further will bring out intention to behave in the moslem woman entrepreneur personal, as the meaning of intention is the driving factor of a person to behave, and is an initial form of a behavior (Ajzen and Fishbein, 2005).

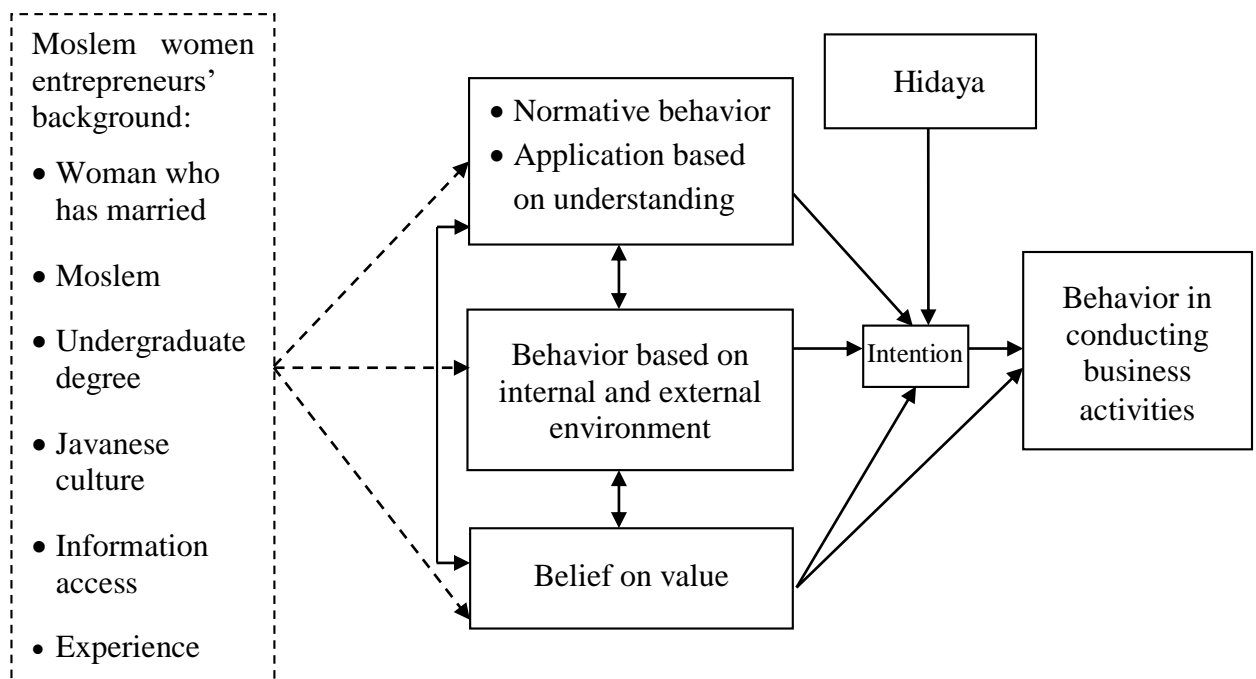


Figure 1. Moslem Women Entrepreneurs Behavior Based on The Theory of Planned Behavior Model

Source: Processed by researchers based on Ajzen and Fishbein (2005)

Besides attitude, other matter that has a role in behavioral transformation formation on Moslem women entrepreneurs is family environment. The role of family environment is a subjective norm; that is party who gives viewpoint or recommendation for someone to conduct a behavior (Ajzen and Fishbein, 2005). The more the Moslem women entrepreneurs

receive recommendation from her family to conduct a behavior, the more the Moslem women entrepreneurs will have intention to conduct the behavior. When the family environment of Moslem women entrepreneurs is Islamic family environment, then the Moslem women entrepreneurs will tend to behave like their family environment; at a time applying those Islamic values in their business activities.

Another thing that has a role in behavioral transformation process of Moslem women entrepreneurs according to the theory of planned behavior is the existence of comprehension control and value application. This control is the form of a Moslem woman entrepreneur's ability to perform a behavior. When a Moslem woman entrepreneur has understood and felt that she is able to apply Islamic values in her business activities, then those things will trigger intention which leads to the appearance of behavior. The perception on this ability can even directly cause Moslem women entrepreneurs to behave in accordance with the Islamic teaching application without having intention as the initial base. The example of comprehension control on the informants' businesses indicated by the application of Islamic teaching in the business, such as attending *halaqah* (gathering and meeting for the study of Islam) then making *du'a* and reciting the Quran. This form of application surely based on belief, willingness, and the consistency of Moslem women entrepreneurs to implement religion teachings included in the business activities. Islam is not opposite with economics and businesses, that entrepreneurship is the pursuit of opportunity beyond resources controlled (Faizal *et al.*, 2013).

We can see from the informant's behavior which have similarity with each other, that is equally applying Islamic values broadly in their business. It's not only about intention, but they also have showed behavior that is in line with Islamic values. With the result that can be said that this hidaya or guidance also has a role in behavioral transformation process of Moslem women entrepreneurs. This positive behavior can be said to be the result of God's hidaya that is meant for them. As for this giving of hidaya there is no benchmark to know how, when, and why someone can get guidance from God. It's all the power of God and only belongs to God.

These few factors then create behavioral transformation in the Moslem women entrepreneurs' personal in Surakarta. Behavioral transformation occurred through several phases, those are internalization or Islamic values introduction phase, then comprehension phase, implementation phase, and the last one is behavioral transformation phase. A Moslem woman entrepreneur who has experienced behavioral transformation means that she has experienced changes in behavior, where the new behavior is based on Islamic teaching. Behavioral transformation can occur suddenly, or even processing depends on the religion teaching comprehension. Moslem women entrepreneurs in Surakarta who has experienced behavioral transformation can also spread the Islamic teaching that has been received by her and influencing her surrounding environment. So if this happens continuously, it is not impossible that all Moslem women entrepreneurs in Surakarta will also experience behavioral transformation which implement Islamic values.

Discussion. The spirituality emergence in the informant's business activities is not without a cause. Based on the previous experiences, when their business is only economically oriented, they always feel like there is something missing. They feel that everything they've

gained is less beneficial broadly. The Islamic teaching has a role in shaping the awareness that the running business has not met the management goals with an Islamic perspective. Changes in mindset and perspective then occur, which previously oriented only to profit, then turned into the fulfillment of spiritual needs through business activities. This behavioral change is then called behavioral transformation. This is in accordance with Nayeem (2006) explanation where the responsibility to manage spirituality will arise after an entrepreneur is able to manage the business well.

Ajzen and Fishbein (2005) have stated that individuals in realizing behavior based on the ability, motivation and intention. In this case, Moslem women entrepreneurs have had the intention and motivation to achieve *falah* business or achieve the success in the world and the afterlife and *hayyatan thayyiban*, that is providing a better and prosperous life (Afif, 2016). The Moslem women entrepreneurs' behavior in Surakarta City shows that they have fulfilled the entrepreneurial aspect in Islamic perspective. The dimension of entrepreneurial in this Islamic perspective is oriented towards the fear in God, social welfare, customer orientation, honesty, patience, hard working (Hoque *et al.*, 2014). In addition, Moslem women entrepreneurs show that cooperation with husbands which attempts to worship together and earn the God's approval in the family.

Islamic entrepreneurial activity shape by the influence of Islamic laws and altruistic goals on entrepreneurs imposed by its laws (Hassan and Hippler 2014). When an entrepreneur uses Islamic perspectives in managing the business, then there are some rules those must be considered in order to keep in accordance with what has been taught in Islam. Monif and Laode (2014) mentioned some rules in the trading exemplified by the Prophet Muhammad SAW those are not cheating, giving time to buyers who can't pay in cash, avoiding overpromise promises, prioritizing both parties deal, being honest in measuring, and no monopoly and usury. Islam teaches that trading should aim for worship, in order to gain blessings and the benefits of the world and the afterlife (Afif, 2016). The Islamic religion itself actually does not teach trading only for profit. This is caused, if the economic motive becomes the main purpose then usually the business people will justify anything to achieve these purposes.

The form of behavior that prioritizes religious teachings in business activities is a distinctive feature in the business run by the informants. This is included in managing employees, Islam teaches several things to consider related to employees. These things according to Suripto (2012) are as follows: (1) recruitment of employees who have good moral, physical, sense and mind (2) assign tasks and obligations according to the employee ability (3) the existence of training and development to make the employee able to perform better.

In addition to those things that have been mentioned above, "They are your brothers (the slaves and servants). Allah has placed them under your authority. So he who has a brother under him should feed him and clothe him as he himself does, and should not take from him any work that is beyond his power. If he does tell him to do such work then he should also join in it – (and help him)." (Monif and Laode, 2014). Treating employees with fair and non-exploitative behavior are parts of managing employees based on Islamic perspective. Although employees are hierarchically under the entrepreneur, yet all have the same dignity in front of God (Kazmi, 2005). Thus an economic-based hierarchy applies only

for management in business management only, where in Islamic perspective it stills put forward justice.

The behavior of a Moslem women entrepreneurs towards an employee ideally assumes that the employee is a family of their own. So the relationship between employers and employees is not only a formal relationship. We can see this kind of behavior indirectly in the relationship of informants and the employees which pay attention to the interests of their employees, both worldly interests and *ukhrowi* interest. Besides the good management of employees, salary or wages also becomes a benchmark that is not less important. Monif and Laode (2014) re-explains the words of Prophet Muhammad SAW related to this as follows: "Give the worker his wage before his sweat dries. And tell him about the stipulation of his salary, of what he does." "(Baihaqi, Hadith). The principle of openness and fairness is part of Islamic values that can be applied to create a *falah* business (Beekun and Badawi, 2005).

CONCLUSION

The implementation of Islamic values by Moslem women entrepreneurs in Surakarta in the business management, employee management, and financial management aspects goes hand in hand with the high level of comprehension of Islamic values. Accordingly there is a change of perspective that shaped their pattern in the activities of these three aspects. Management to create a *falah* business became the informants' orientation, and Siti Khadijah is a role model for them to achieve business which in accordance with Islamic principles. Employees are family, and the fairness and non-exploitative principle became the guideline for informants to manage employees. The financial aspect of the informants prioritizes the profit-sharing system to avoid usury and debt which could be a burden for the informants. Transformation also occurs in the behavior of Moslem women entrepreneurs related to the implementation of Islamic values in running their business. This transformation is caused by the personal experience that the person encounter, then the comprehension of religious values, and the implementation in their business activities. These changes appear in the intention, motivation, and purpose in running their business activities. These conditions changed their behavior in running the business.

This study has implications on government policy in empowering women especially Moslem women entrepreneurs in Surakarta. The policy is expected not only to focus on capacity improvement but also to be adjusted to the characters, intentions, and objectives of the women entrepreneurs. For example by creating women empowerment programs which themes are based on the provision and improvement of services for the community, and education to community in order to accept the involvement of women in the public sphere better. For example business training activities for women that emphasizes managerial skills such as leadership, motivation and attitude. Islamic/Shariah personality training, which aims to explore the attitude as a Moslem women which purpose is to understand that Islam is for worship and serving others, seeking benefit.

The implementation of the phenomenological approach in this study allows us to understand the behavior and transformation especially religious or spiritual phenomena. This approach tends explain the phenomenon better than the cause and effect approach. For

example, it is necessary to interpret more deeply about the behavioral transformation that occurs within the Moslem women entrepreneurs in Surakarta, so that it will be possible to understand what matters related to the cause, process, and the result of the transformation.

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