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**THE ROLE OF MUSLIM ENTREPRENEURS IN INCREASING THE  
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**Abstract**

Ngingas Village is one of the villages that has a metal industrial center and is commonly referred to as a metal village. Ngingas Village itself is located in Waru District, Sidoarjo Regency, East Java Province. This village is neighboring Pandean Village which was formerly the originator of the metal industry. Ngingas became lively because metal production was varied and more in demand. Indeed, the Pandean area itself is a well-known metal-producing productive area in Sidoarjo. Even at a glance, people will not know that Pandean Village and Ngingas Village have the same special industrial center. Ngingas Village is a small, densely populated village whose majority of the population embraces Islam and has the same livelihood, namely working in the home metal industry, so it needs to be explored more deeply, which is research whose data is obtained from the actual location. While the method used is descriptive qualitative, namely the data obtained are presented in the form of interviews, documentation, and triangulation and then described so as to provide clarity.

**Keywords:** The Role of Muslim Entrepreneurs, Welfare, Society.



## INTRODUCTION

Indonesia is a country whose population is in the highest category in the world, reaching fourth place, namely  $\pm 269,600,000$  people, and the majority of the population is Muslim, reaching  $\pm 1,504,302,152$  people. It is because of this dense population that Indonesia needs to be supported by adequate technology and natural resources, not only that, it also needs to be supported by sufficient human resources to achieve the welfare of its people.

East Java is a province in the eastern part of Java Island whose city is located in the city of Surabaya which is known as the City of Heroes. Its area is  $\pm 47,922$  km<sup>2</sup> and the second largest population in Indonesia is around  $\pm 39,698,631$  people. East Java is included in the category with the most significant number of SMEs, which are around  $\pm 55,211$  million units, in the form of various kinds of SMEs which have become icons from each region and have different characteristics so this makes the GRDP very high compared to other sectors. shows the GRDP value of the East Java region.

Sidoarjo is one of the areas that is considered the largest industrial center area because it is located in a strategic area, namely along the eastern ring road Sidoarjo or also known as an alternative toll road specially prepared for industrial trade traffic.

Waru District has a male population density  $\pm 120,279$  people while the female population reaches  $\pm 120,247$  people so the total population of Waru District is  $\pm 240,526$  people, this data shows that the population of Waru District is the first largest of the 17 Districts in Sidoarjo Regency. As one of the largest industrial areas in the south of Surabaya City, Waru District has 17 villages that



stand out in their metal industry sector along with data from village names and their percentage of metal industry.

Ngingas Village is one of the villages that has a metal industry center and is commonly referred to as a metal village. has an area  $\pm$  189,400 Ha which divided into 39 RT and 11 RW with population of  $\pm$  14,605 souls and more than 320 entrepreneurs who is involved in the metal industry in the village. Ngingas Village itself is located in an area that is influenced by physiographic conditions, namely lowlands, and has the potential to provide a strategic transportation network and is flanked by transportation networks from land and air routes so that the development of its community is very possible to transform towards industrial development. Thus, from here, we want to know about the roles of entrepreneur Muslims towards the people of Ngingas Waru Sidoarjo Village in improving welfare.

## **LITERATURE REVIEW**

### **Entrepreneur**

An entrepreneur is a person who dares to make decisions to do business on various occasions, and has a courageous spirit in taking the right actions in taking opportunities, meaning that he is mentally independent and courageous in starting a business without being overwhelmed by fear or anxiety, even in conditions of uncertainty, an entrepreneur must be someone who can see opportunities in these conditions. anything, not only seeing opportunities but immediately being able to take advantage of opportunities to become a business to become an advantage, while Muslim entrepreneurs are people who carry out business or business based on the basic principles of Islamic economics.



As the word of Allah in QS Adz-Dzaariat (51): 56.

وَمَخْلَقْتُ الْجِنَّ وَالْإِنْسَ إِلَّا لِيَعْبُدُونِ ﴿٥٦﴾

“And I did not create the jinn and humans except that they serve Me” (QS Adz-Dzaariat (51): 56.

### **The Purpose of the Entrepreneur According to The Islamic View**

First, to meet the needs of life based on Sharia principles a Muslim works and tries to reach the goal.

Second, For the benefit of the family Business and work are required for the realization of a prosperous family. Islam requires all human beings to try and work, both men and women, according to their respective professions.

Third, Efforts to prosper the earth humans are destined by Allah SWT. To become caliph on earth, therefore in prospering the earth it takes hard work and effort for the welfare of the people, this is highly expected in Islam to prosper the earth.

Fourth, the obligation to try and work. According to Islamic law, in essence, every human being is asked to try and work even though the results of his business cannot be utilized by him, his family, or his community, so everyone who is able to work is still obliged to work because trying and working is the right of Allah and one of the rights of God. How to get closer to Him and worship is something as a spiritual effort to achieve happiness in the world and the hereafter.

### **Criteria to Become a Muslim Entrepreneur**

First, having an honest nature or commonly called *shiddiq* is a trait that must be present in everyone, especially an entrepreneur because to get the heart of the community one way to do it is with honesty.

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Second, having the nature of being trustworthy, the main capital of an entrepreneur is being trustworthy, especially when dealing with co-workers or subordinates a respected entrepreneur is an entrepreneur who has a trustworthy nature because people will feel calm and don't hesitate to work with entrepreneurs who can be trusted.

Third, having intelligence/ *fathanah* is where an entrepreneur must have the intelligence and skills to increase the progress of the company because a great entrepreneur is an entrepreneur who has the intelligence to lead an organization within his company.

Fourth, having the nature of *tabligh*/ conveying its meaning in every entrepreneur must not hesitate in conveying when indeed what is being faced includes negative or positive problems so that in deciding actions there are no mistakes.

### **Inhibiting and Supporting Factors in Business**

In the business world experiencing profit and loss are two common things. However, people who run a business are not always deceived by the results because logically the business does not lie about the results. Sometimes people who run a business bear the consequences of the loss of the business and there are also those who gain success in a business. As for achieving success, every business is determined by several factors including business capital, labor, skills, government, and Sharia principles.

### **Welfare**

Welfare is an activity that involves an organization as a whole and is organized both by government and private institutions in order to overcome, prevent and contribute to improving the quality of life of individuals, groups, or



society. The welfare function according to Islam is everything that includes human affairs, both economic and spiritual matters, and achieves overall balance, so someone whose life only cares for the hereafter will have difficulty in achieving his worldly needs but if someone who only takes care of worldly affairs (economic ) then it will neglect the affairs of the hereafter. Therefore a balance is needed in it so as not to suffer losses in this world and the hereafter

As Allah says in Surah Al-Jumuah verse 10:

﴿فَإِذَا قُضِيَتِ الصَّلَاةُ فَانْتَشِرُوا فِي الْأَرْضِ وَابْتَغُوا مِنْ فَضْلِ اللَّهِ وَاذْكُرُوا اللَّهَ كَثِيرًا لَعَلَّكُمْ تُفْلِحُونَ﴾ (١٠)

When the prayers have been performed, then scatter you on the face of the earth; and seek Allah's bounty and remember Allah much so that you may be successful." (Al Jumuah:10)

## RESEARCH METHOD

In fulfilling research that can be understood clearly, the research used is descriptive qualitative. The point is that the data collected is in the form of words or pictures, so it does not emphasize numbers and data collection techniques using observation, interviews, and documentation.

In collecting qualitative research data, you have to make a complex picture, examine words, detailed reports from the views of respondents, and conduct studies in natural situations, while the data collection techniques in this study are descriptive, namely using interview techniques. explore and reveal the honesty of informants in providing information. Structured interviews with entrepreneurs and employees. Interviews with entrepreneurs aim to analyze how far the attention of entrepreneurs is in providing the welfare of their employees. Interviews with entrepreneurs aim to find out what factors make

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workers choose to work in the metal industry compared to working in factories. The interview is data collection by asking questions directly by the interviewer (data collection) to the informant, and the informant's answers are recorded or recorded with a tape recorder. There are several parties that may be able to support the information needed by the author, namely: a) the entrepreneurs in Ngingas Village have been in this profession since 1998 until now; b) Employees who were only laborers have now become independent entrepreneurs.

Observation is systematic observation and recording of symptoms-studied symptoms. Observation becomes one of the data collection techniques if it is in accordance with the research objectives, planned, and recorded systematically. Documentation is a data retrieval technique using documents as sources that can be specified by viewing, recording, and perpetuating pictures to obtain information or a description of the object under study. Documents can be in the form of writing, pictures, or monumental works of a person.

## **RESULTS AND DISCUSSION**

Ngingas Village is one of the villages that has a metal industry center and is commonly referred to as a metal village, Ngingas Village itself is located in Waru District, Sidoarjo Regency, East Java Province, this village is adjacent to Pandean Village which was the originator of the metal industry, but over time the Village Ngingas became lively because the metal production was varied and more. Ngingas Village has an area of 189,400 Ha. Which is divided into 11 RW and 39 RT with a population of 13,605 people. Before the metal industry in Ngingas Village was established, the community was still said to be less prosperous, but after the birth of this metal industry, the community began to



rise from poverty and began to renew economic conditions. Ngingas Village was a densely populated settlement that was formerly a fertile rice field area.

### **Interview Results of People who Work as Employees in the Ngingas Village Metal Industry**

The community thinks that the Ngingas Village metal industry provides job opportunities so that unemployment in the village decreases. Because in this village almost all of the people work or have their own home industry which is no doubt the quality and quantity. This can be known from a resource person named Mr. Sholikhin following his presentation:

“I have been an employee here for almost seven years, many are grateful, especially in terms of financial, social, and convenience at work because it is very important to work with a lot of salaries but what is it uncomfortable for hehehe..... because in my opinion here it's good, the working system is conditional, you want a lot of income, right.....you have to be diligent over time, but if you want half a day, please, because of the system, like this, no factory is like this, the salary is not bad, if it's not extravagant, right... you can pay off a motorbike or get married if you only have a few orders... half a day from 08.00 WIB to 12.00 you can get a salary of approximately Rp. 80,000.00 especially if you add hours you will multiply it by boozzz... heheheh...” (Interview, 22 December 2020 13.30 ).

From the information above, it can be seen that the employees who work in the industry get a decent wage in accordance with their strengths and skills, therefore the welfare of the people in the village is guaranteed to be prosperous.





### **Interview Results of People who do not work as Employees but are in the Metal Industrial Area of Ngingas Village**

Islam requires all human beings to try and work, both men and women, according to their respective professions. This can be known from the resource person named Mrs. Baenah and her presentation:

“It’s not bad. So working here, even though I don’t work as an employee in the metal industry, I’m very grateful because my stall became crowded. Back in 1989, the buyers were mostly farmers who only bought cingur salad and ice, now they can sell more, cigarettes, and various kinds of rice. and ice and drinking water depots. For turnover hahahahaha.....I’m ashamed to say the point is *Alkhamdulillahhh* I was able to buy land and a house and send my five children to college.” (Interview, 21 December 2020 at 16.30).

From the results of the interview above, it can be seen that after the existence of the metal industry in Ngingas Village, welfare was felt, this can be proven by the traders in that location where the turnover before the existence of the metal industry had few buyers and after the existence of this metal industry, there were more and more buyers so that sellers could sell various kinds of merchandise ranging from food stalls, groceries, cigarettes and drinking water depots and he was able to buy a house, land and send his five children to college.

### **Interview Results of People who act as Muslim Entrepreneurs in Ngingas Village**

To become a Muslim entrepreneur who really upholds the values of Islamic Sharia, he must be able to imitate every step taught by the great prophet Muhammad SAW in running a business, therefore the author needs to research



more deeply to get information about the role of Muslim entrepreneurs in Ngingas village. has brought prosperity to the community or is the community still living in poverty following an interview with an entrepreneur in Ngingas village named Mr. Saad along with his presentation:

“As for support for employee welfare, there are various kinds. Then the forms maybe just a few, which I mentioned, for example:

1. Health insurance if you don't have BPJS, OK.....will be assisted along with the payment so employees can rest easy at work.
2. The basic salary and overtime must match, so if those who work are diligent, the salary is definitely different from those who are lazy, so they will be enthusiastic about working.
3. Severance pay if later, if someone is unable to work, the following is entered into the annual compensation recipient data so that it is not bad every year to receive THR benefits from the boz contributions which are intended for the less fortunate.

Provision of professional zakat or infaq, so the Boz don't have to go far. If you give zakat, it's better for the employees themselves so that the employees will be prosperous (Interview, 18 December 2020 at 20.30).

## CONCLUSION

Based on the analysis of the data used in this study, it can be concluded about the role of Muslim entrepreneurs in improving the welfare of society is as follows:

First, The production process is carried out by the entrepreneur Muslimin Ngingas Village, the home-based metal industry uses sophisticated machines



and even self-made ones, but because most of the homemade products are not registered with the recognition of copyrights, so most of them have not been tested for the level of security. In this case, entrepreneurs need assistance from the government regarding recognition. for copyrights so that they can be widely produced and have patents for their inventions, in terms of capital it is still minimal making it difficult for them to develop their business.

Second, The Ngingas Village metal industry is a business activity that is able to expand employment and provide broad economic services to the village community and play a role in improving the community's economy, reducing unemployment, and improving people's welfare.

Third, Based on an Islamic economic review, the Ngingas Village metal industry was carried out by entrepreneur Muslimin Ngingas Village is carried out well and in line with Islamic law, both in raw materials, capital, production, and marketing processes, so that the welfare of workers/employees and the surrounding community increases every year. However, it needs to be improved in terms of technology so that it continues to exist in the 4.0 era in order to improve welfare more broadly.

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