

Standardization of Companies and The Islamic Business Environment in Indonesia

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Abstract

Talking about Islamic business is closely related to *mu'amalah* (economy) which is based on Islamic law. Understanding of sharia companies and the current business environment is very necessary for Muslim business actors to support their understanding of sharia companies and the sharia business environment in accordance with sharia principles including noble moral values such as morals (fair, honest, trustworthy, professional, transparent, and ethical). honest), *al-amin/amanah*, avoiding the words "haram" and *dzalim*), these are the basic principles in carrying out business practices for Muslim entrepreneurs. This study aims to reveal and analyze related to Standardization of Companies and the Sharia Business Environment in Indonesia and the Urgency of Choosing Companies and the Sharia Business Environment in Indonesia?. The method in this study uses a library research method with the main sources from books, journals and the internet as well as other literature on Corporate Standardization and the Islamic Business Environment in Indonesia. The results showed that Islamic companies are companies that have obtained a halal certificate from the LPH (Halal Guarantee Agency) from the Indonesian Ulema Council, with various categories including; 1) Have a certificate of Halal Assurance Certificate (SJH); 2) Obtain "A" status in all listed facilities; 3) Perform timely renewal (register to CEROL-SS23000 three months in advance and finish no later than the previous validity period); 4) There were no weaknesses during the audit for the last four years (not the result of improvement of weaknesses). Therefore, the embodiment in creating an Islamic Business Environment that needs to be emphasized is Islamic business ethics itself, such as improving service to consumers, providing adequate company places/locations, superior facilities and so on.

Keywords: *Keywords: Islamic company, Islamic business environment, Islamic economy*

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1. INTRODUCTION

The importance of defining and understanding the Company and the Islamic Business Environment in the 4.0 era as it is today, where society is 5.0 to adapt to the era (era) that they are doing to make it more meaningful (PopojiCMS, 2019). Talking about Islamic business is very closely related to *mu'amalah* (economy) which is based on Islamic law. An understanding of Islamic companies and the business environment today is very necessary for Muslim business actors to support their understanding of

companies and Islamic business environments that are in accordance with Islamic principles including noble moral values such as character (fair, honest, trustworthy, professional, transparent, and honest). *al-amin* / trustworthy, avoiding the words "haram" and *dzalim*), all the principles and characteristics that contain noble moral values are the basic principles in carrying out business practices for Muslim business actors. In addition, these Islamic business principles are of course sourced from the main sources of the Islamic religion (Al-Qur'an and As-Sunnah) which are

framed with good morals (Alfaqiih, 2017). Society 5.0 (Suhada et al., 2021) explained that if the application of the concept of Islam (Rahmatan Lil 'Alamin) can be applied properly, it will produce Moderate Islam (Tawassuth), Safe, and Peaceful, exemplified in Indonesia, where Indonesia apply the legal system of continental Europe which is the legacy of the Dutch nation, and Indonesia is not an Islamic country, but Indonesia is a state of law, a country with Pancasila principles, Indonesia is a republic, where the concept of Rahmatan lil 'alamin exists in Indonesia with its Pancasila which includes Nationality, humanity or Internationalism, Consensus or democracy, and social welfare, as well as the One Godhead, where Pancasila is able to make the Indonesian state, which until now remains intact and still exists, safe-peaceful and peaceful, Gemah Ripah Loh Jinawi Toto Tentrem Kerto Raharjo.

Talking about Islamic business, the opinion (Norvadewi, 2015, p. 33) explains that business is one of the economic activities (mu'amalah) which has a very important role for the life of every ummah (human) in order to meet their needs. Business activities greatly affect aspects of the level of life of every human being, whether individually, socially, regionally, nationally and even at the international level. It is exemplified that every day millions of ummah (humans) carry out business activities, some become one (producer, intermediary, consumer). Business is an economic activity. Things that happen in this activity are exchanging, buying and selling, producing-marketing, hiring, and other human interactions, with the aim of making a profit (Bertens, 2000, p. 17; Norvadewi, 2015, p. 33). In business trading activities, for example, business actors and consumers share interests and needs between the two parties. Business actors must have responsibilities towards consumers, employees, shareholders, communities and the environment in all aspects of the company's operations. For this reason, it is very necessary to have rules and values that regulate these business activities so that no parties are harmed and exploited either from the first party (consumers), the second party Producers (employees) or anyone who is involved in the business activities involved. is being carried out.

In a company when it will take the opportunity in doing business, meaning that there are business opportunities if you want to get a profitable market share in the sharia market, Muslim entrepreneurs,

especially in Indonesia, need to use shariah siyasah to support the existence of sharia economics in Indonesia (Hakim, 2021).). This is the challenge for Muslim entrepreneurs in developing a shar'i business. Not just polish, but also principles, concepts, people, implementation and results that truly display the character of a sharia-based business that is complete and unique and has a blessing value (Huda, 2016, p. 166). From the above background where this is the importance of companies and the Islamic business environment, especially for adherents of the Islamic religion in Indonesia, the author wants to uncover and explore the analysis of Company Standards and the Islamic Business Environment in Indonesia and what is the urgency of choosing an Islamic Company and Business Environment in Indonesia ?.

2. LITERATURE REVIEW

Islamic Company in Indonesia

Referring to Law Number 13/2003 concerning Manpower as explained in Article (1) point (6.a) Companies, namely "every form of business that is a legal entity or not, owned by an individual, owned by a partnership, or owned by a legal entity, whether privately owned or not. belonging to the state that employs workers or laborers by paying wages or other forms of remuneration". Discussion of Islamic companies, as well as the announcement that was held to coincide with the ASSALAM event or the Gathering of LPPOM MUI and Halal Certified Companies on Monday, May 31, 2021, explained by Muti Arintawati as Executive Director of LPH LPPOM MUI, saying that this is a form of appreciation for LPPOM MUI to Halal-certified companies that are committed to implementing SJH (halal assurance system) (www.halalmui.org, 2021). So in the author's opinion that Islamic companies, especially in Indonesia, are companies that get a halal certificate from the LPH (Halal Guarantee Agency) from the Indonesian Ulema Council. The companies that won the HAS Award in 2021: 1) IFF-PT.Essence Indonesia; 2) Givaudan Europe; 3. PT. Sanghiang Perkasa; 4) PT. Garuda Food Putra Putri Jaya Tbk; 5) PT. CS2 Healthy Pattern; 6) PT.Musim Mas; 7) PT. Tempo Scan Pacific Tbk; 8) PT. Sarihusada Mahardhika Generation; 9) PT. Ajinomoto Indonesia; 10) PT. Haldin Pacific Semesta; 11) PT. Central Proteina Prima; 12) PT Macroprima Panganutama; 13) PT Putra Taro Paloma; 14) PT. Seasonal Supplies Indonesia.

The criteria or characteristics of the winners of the Halal Award in 2021 are; 1) Have a certificate of Halal Assurance Certificate (SJH); 2) Obtain "A" status in all registered facilities; 3) Perform timely renewal (register to CEROL-SS23000 three months before and finish no later than the previous validity period); 4) There are no weaknesses during the audit for the last four years (not the result of improvement of weaknesses). Large capital alone is not sufficient for the needs of a company, professional staff is needed, this is because professional staff will determine the strength of professionalism and management of a company. However, professional personnel are not only based on their expertise and skills. Another thing that is considered urgent in a company is their moral commitment (business actors, company employees and products produced), besides that discipline, loyalty, cooperation, personal integrity, responsibility, honesty, humane treatment are also needed in a company. certain. We see, for example, in business competition, what is prioritized is service to consumers/customers. Simply put, a company that is able to provide the best service to its customers will achieve real success. Forms of service to consumers include: 1) maintaining the value of the quality of goods and services, 2) demand from consumers through the right price service; 3) Manufacturers do not deceive consumers. This is what is said (Bertens, 2000, p. 17) that business must take place in a mutually beneficial social communication manner for the parties. This means that the search for profit in business is not only one-sided, but is carried out in the interaction between the owner of the company as a producer and the human resources/employees, as well as with their business relationships, as well as for the consumers. As a result, business ethics is considered to have played a very important role in realizing the company's goals in order to get the highest profit in today's increasingly competitive business world. This is what was alluded to by (Keraf, 1998, p. 5) which states that only companies that are able to serve the interests of all parties will be successful/win. Therefore, doing business properly and ethically is indeed a demand of every company that wants to build a successful and long-lasting business dynasty, especially nowadays in the era of disruption 4.0 as it is today, society / business people (especially Muslim business people) are required to prioritize ethics Islamic business, such

as improving excellent service to consumers (Nugraha et al., 2021).

Business is said to be an activity carried out by individuals and also groups (organizations) that create value through the creation of goods and services in order to meet the needs of society and gain profits through various transactions. While the Business Environment is a variety of factors on business activities in an organization / company. These various influencing factors do not only affect the internals of a company, but also externally (Kamaluddin, 2004, p. 41). We can also find the business environment in Indonesia through several factors that have an influence on ongoing business activities, exemplified by (Akbar et al., 2021) that Small Business Performance has a (positive) influence on Islamic Financial Literacy and Muslim Entrepreneurial Behavior. The occurrence of poor performance is influenced by many internal and external factors. Where the financial aspect is an aspect whose purpose is to know the estimated funding and cash flow, so that it can be known whether or not a business activity is being carried out. Opinions (Diana Djuwita, 2013; Akbar et al., 2021, p. 27) that Islamic financial literacy is important in expanding literacy in finance with values that are in accordance with sharia principles. This literacy can be seen by the existence of money and assets, as well as financial planning, and all aspects of social assistance such as waqf, infaq and shodaqoh. Moreover, cash waqf in Indonesia today needs to be continuously socialized in order to develop the potential of the sharia economy in Indonesia, where with cash waqf when its management is running well it will be able to prosper the Indonesian people (Hisam Ahyani & Muharir, 2021). Cash waqf can also be used for worship purposes and other purposes in realizing the welfare of the Indonesian people.

We can also meet the Islamic business environment easily through the offered business ethics, where Islamic business ethics affect employee performance in a company (Efendi & Trihudyatmanto, 2021). So in essence this Islamic business environment needs to be developed in order to realize friendly Muslims. In the era of 40 as it is today, which is marked by increasingly fierce competition, business people seem to prefer shortcuts by abandoning ethical values as long as their business is saved, rather than upholding ethics but the company is out of business. Such phenomena can be understood, among other things, from the results of

studies such as those conducted in the United States and in Indonesia. As an indication that moral norms are now almost certain to have no place in the hearts of business people. Self-interest is the same as starting to fade morals that teach caring for others (Djakfar, 2008). Eloknya A business activity that must be carried out with ethics or norms that apply in the business community. Ethics and norms need to be applied so that entrepreneurs/traders do not violate the rules that have been set and the business they run gets blessings from Allah SWT and gains sympathy from the community. In the end, these ethics form clean entrepreneurs/traders who can promote and clean up businesses that are run in a relatively longer time. In implementing correct ethics, there will be a balance of relations between entrepreneurs and the community, customers, government, and other interested parties. Each party feels valued and respected.

Comparison of Islamic and Non-Islamic Companies

The view (Zikwan, 2021) in his research explained that business is an effort made by one or more people to fulfill their needs through production activities, or buying and selling products. Some people say that business is an activity to seek maximum profit, so religion cannot be combined with business. Islam is not an anti-business religion but Islam is a religion that regulates business activities. The spirit of Islamic business is Islam, Iman and Ihsan. The principles of business in Islam include the principles (Illahiyah, Nubuwwah, al-Adaliyyah, al-Hurriyah, al-Musawwah, Ta'awun. Islam is not a religion that forbids business, but Islam is a religion that supports business activities. Exemplified by the great king Prophet Muhammad SAW as the bearer of prophetic messages (Islam), including business people, more than that the Prophet Muhammad SAW was the pioneer of business in Islam. Islam never forbids his people to muamalah/business, even Islam gives the value of freedom in carrying out activities in muamalah/business Even so, the comparison between Islamic and non-Islamic companies is a necessity. This means that Muslim business people may converse with non-Muslims, where Islam brings mercy, not avoiding companies led by non-Muslims. So that the integrity of the nation and state in Indonesia in particular can be achieved. running smoothly, safely, securely and Gemah Ripah Loh Jinawi Toto Tentrem Kert o Raharjo (Suhada et al., 2021).

Comparison of Islamic and Non-Islamic Business Environment

Likewise, if we compare the Islamic and Non-Islamic Business Environments, especially in Indonesia, which incidentally is not an Islamic country but is allowed to apply sharia business ethics, we can find this in conventional banks that exist in Indonesia until now. For example, BRI (Bank Rakyat Indonesia with its flagship slogan Serving with all your heart), Tagline of the word "Always by Your Side" by PT Bank Central Asia (BCA), BNI with its jargon "serving the country, pride of the nation", Bank Tabungan Negara with the slogan Shabat Indonesian families, and so on. We also need to highlight the slogan of banks/institutions/companies with Islamic labels, such as Bank Syariah Indonesia, with the jargon of "providing the best according to the rules" (Bank Syariah Indonesia, 2013). The existence of Bank Syariah Indonesia is also a reflection of the face of Islamic banking in Indonesia which is modern, universal, and provides goodness for all nature, namely Rahmatan Lil 'Aalamiin (bankbsi.co.id, 2021). In addition, the "anti-usury" jargon that has recently emerged on various occasions also has at least a positive influence on the development of the Islamic finance industry in the country (Linangkung, 2018). In addition, another jargon from Indonesian Islamic banks is "United for Indonesia" (Bebiraira Channel, 2021). Therefore, regarding the comparison between Islamic and non-Islamic business environments, especially in Indonesia, it is necessary to separate them without prioritizing unfair business competition, where in Law No. 5/1999 concerning the Prohibition of Monopolistic Practices and Unfair Business Competition, it is explained that unfair business competition is competition. which is carried out dishonestly or against the law or hinders business competition (Chapter I Article (1) Point 6 of Law No. 5/1999).

In the Islamic and non-Islamic business environment where this muamalah may be carried out by Muslim business people with non-Muslims referring to the opinion as proclaimed by (mui.or.id, 2020) that muamalah (transactions) with non-Muslims in world affairs is allowed as well as the practice of selling buying, leasing, pawnshops, and so on. Further explanation in a pluralistic life such as in Indonesia certainly cannot be separated from the relationship between groups (ethnic, religious, cultural), including in this case the mingling of Muslim groups related to

non-Muslims, be it in business matters, family affairs, relations matters. work, neighborhood affairs and so on. One thing that cannot be avoided is the relationship in muamalah / business / work, which is in the midst of the diversity of beliefs in a pluralistic Indonesian society of ethnicity, ethnicity, religion, culture. In his life, at that time the Messenger of Allah had a lot of muamalah (social) dealings with non-Muslims, both with infidels, polytheists, Jews, Christians, Magians, and so on. doing business, living as neighbors or joining in certain businesses, that is a form of permissible muamalah for Muslim business people with non-Muslims. The relationship is no more because there is a social relationship between fellow human beings (that is, humans are social creatures). However, what needs to be emphasized is that in the discussion of realizing an Islamic and Non-Islamic Business Environment this may be done in terms of muamalah (worldly affairs) only, no more if it has to do with religious affairs (rituals) for Muslims.

The Concept of Rahmatan Lil 'Alamin in Islamic Companies in Indonesia

As research findings by (Hisam Ahyani, Slamet, et al., 2021) that Rahmatan Lil 'Alamin (overshadows the entire ummah) makes the Existence of the Philosophy of Islamic Law, in which the use of economic development, especially in Indonesia, the main goal is not only to achieve happiness. only worldly, but also happiness later in the hereafter, where the shortcomings of the conventional economic system can be complemented by an Islamic economic system, this is evidence from Rahmatan Lil 'Alamin, with the conception that the Islamic economic law philosophy is based on the triangle concept, namely the philosophy of God , humans and nature. In the philosophical study of Rahmatan Lil 'Alamin in Islamic Islamic Economics, we can see in the form of the realization of the term religion that brings mercy to the universe (Rahmatan Lil'alamin) by applying social interests, such as waqf. Furthermore (Hisam Ahyani, Slamet, et al., 2021) explains that in Rahmatan lil-alamin in Islamic economics it is fundamental to a just life, in the context of reducing social inequality in human life. In addition, another form of embodiment is economic freedom which demands to always be Muslim friendly. As a result, the uniqueness of the concept of Rahmatan Lil 'Alamin philosophically towards the sharia economy is to make the realization of new, better developments in the Indonesian economy that are adapted to the

demands of the times, such as the presence of sharia economic brands, cash waqf, halal industry, halal food, halal tourism, and others. -other. In Islamic companies/institutions, when synergized with the concept of Rahmatan Lil 'Alamin, it is expected to be able to make companies which incidentally are considered not yet in the category of Islamic companies, perhaps by applying the concept of Tawassuth/, moderate/tolerant in overshadowing non-Islamic companies (muamalah with non-Islamic companies) It is hoped that this non-Islamic company will become a friend for Muslim companies/business actors.

Another example is the study of the preparation of halal tourism regulations in Indonesia. Where Indonesia is a Muslim majority, it can be illustrated that halal tourism regulations can be used to strengthen the Indonesian economic system. This means that Islamic economic opportunities in the tourism sector (tourism industry) need to be developed without leaving conventional tourism. Furthermore, in research conducted by (Effendi et al., 2021) it is explained that in terms of halal tourism, basic regulations are needed to be used as guidelines for implementing halal tourism. This can be utilized by both halal tourism businesses and tourists as consumers of halal tourism. Furthermore, in Law Number 33 of 2014 concerning Halal Product Guarantee and Government Regulation Number 31 of 2019 concerning Implementation of Law Number 33 of 2014 concerning Halal Product Guarantee, it is still considered inadequate as legal support for the halal tourism industry, especially in Indonesia.

A small example of the potential for halal tourism in the banjar city of West Java Province, where the potential continues to grow and needs regulations that remain in overshadowing the existence of this halal tourism (Hisam Ahyani, Muharir, et al., 2021). Moreover, the growing development of the halal industry in Indonesia needs clear legalization/legal umbrella where in Indonesia the population is the majority of Muslims, for example with the development of halal food as research by (Hisam Ahyani, Mahfud, et al., 2021) that halal food can support one of the economy in Indonesia, especially in the provinces of Central Java and West Java. When the concept of Rahmatan Lil 'Alamin in Islamic companies is applied in Indonesia, where the majority of the population is Muslim, it will produce a diversity of civilizations of life as exemplified by the Prophet

Muhammad when he was in Medina with the agreement in the "Medina charter" that the Medina Charter was able to unite tribes from the tribes in Medina (Yastrib) to live in peace, harmony, and protect each other when conflicts occur between tribes with one another (Burhanuddin, 2019). These are the examples of the Apostle of the light of darkness in which he always puts peace. For this reason, in terms of the concept of an Islamic company/institution, of course it becomes a necessity when companies that are not yet included in the "Islamic company" category need to be protected as well in order to realize a peaceful, tolerant attitude between fellow human beings, this is exemplified by the Prophet Muhammad SAW. An example is the distribution of zakat funds through digitalization and transparency at BAZNAS institutions in Indonesia, which is done to prevent uneven distribution of funds (Ahyani et al, 2022). Where Zakat, infaq, shadaqah is also one of the forms of helping in Islam, and this is recommended (Naisabur and Putra 2021). Usually digitization can also make doing business easier (Abduroman, Putra, and Nurdin 2020). In addition, by living in a way of tolerance, mutual aid, solidarity, and community spirit, it will produce peace as well as the Islamic concept of Rahmatan Lil 'Alamin (Kurniati et al. 2021).

Why choose Islamic Company, What is the importance?

The unique question of the big theme of the introduction to Islamic business is related to the theme "why should you choose an Islamic company?"; we can see in the business world that it cannot be separated from what is called "business ethics". Many research results that contain this (business ethics) show a positive relationship between business ethics and the success of a company. For example, the research launched by (Puspitasari, 2016) that the practice of dishonest business is a business that only thinks about maximum profit and harms other parties, then the impact is that it will bring the company to the verge of collapse. Together with this, the greater awareness of ethics in business, loyal people will begin to emphasize their purgency in terms of "ethical factors in business activities". Furthermore, when a company can apply the Islamic business ethics guidelines properly and correctly and carried out continuously, then this is believed by most consumers and employees, the result is that the interest rating for the company will increase.

For example, in the case of a company's business, the selling product is "Investment", where investment is a commitment to hold a certain amount of funds with the aim of obtaining a number of benefits in the future. However, when there are still people who use investment as a tool / market trick in collecting funds from the public with products and business activities that are not in accordance with sharia, then an explanation regarding sharia principles in investing is also important today, where we as a sharia economic community must always be ready at all times as a guide for the community (especially for Muslim business people). When investment activities, which are explicitly or implicitly contained in the Qur'an and al-Sunnah, who have run a business and become a partner of Mecca's investors at that time. Therefore, it is related to the principles of sharia investment, namely all forms of mu'amalah that may be carried out, provided that there is no evidence that prohibits it. For example, a business that is clearly prohibited is containing haram elements, contains gharar, contains maysir, contains usury, contains tadbis, contains talaqil rukban, contains ghabn, contains harar, contains rishwah, contains immorality and contains al-dulm. In investment, there are sharia rules regarding what contracts are allowed and what are prohibited, as well as risks that will later cause losses (Pardiansyah, 2017).

Why do we prefer Islamic companies, this is because companies/institutions that are not Islamic are feared that there will be transactions that are prohibited by sharia, such as interest transactions at conventional banks, where bank interest is clearly prohibited based on the MUI fatwa Number 1 of 2004 concerning Interest (Interest/Fa'idah), but interest on companies/financial institutions may be used in Hajj/emergency conditions. The same thing is said in the journal of works (Hisam Ahyani et al., 2020), (Hisam Ahyani & Muharir, 2020), (Hisam Ahyani, 2021) that what is in the norm "Riba in Islamic Economics is a matter of khilafiyah" as well as the law "Bank Interest" which the principle is mutual tolerance, mutual respect and also mutual respect between opinions that need to be established. This is because each group of scholars has devoted their energies to ijtihad to find the law of the matter, and in the end their opinion remains different. Profit sharing norms in Islamic Economics are an innovative step in Islamic economics that are not only in accordance with people's behavior, but more than that profit

sharing is a step of social balance in obtaining economic opportunities. Thus, the profit-sharing system can be seen as a more effective measure to prevent the conflict between the rich and the poor gap in social life from occurring. The impact of Bank Interest (Riba) on the State Economy includes the impact on several sectors including Economic Impact, The higher the interest rate, the higher the price that will be set on an item. Social Impact of Community, social impact of society related to Riba in terms of income earned unfairly. Impact of Company Resilience, only companies that have resilience will survive. As a result, why choose an Islamic company explicitly this is because in order to realize *siyasa syar'iyah* in the economy.

3. RESEARCH METHOD

The method in this study uses a library research method with the main sources from books, journals and the internet as well as other literature on Corporate Standardization and the Islamic Business Environment in Indonesia. The comparative analysis in this article is also used to compare and analyze Islamic Companies and the Business Environment in Indonesia. The results of the study indicate that Islamic Business when viewed from Concepts and Theories, especially in the theme "Companies and Islamic Business Environment" especially in Indonesia, Islamic Islamic companies in Indonesia will produce a major contribution to the economic progress of the Indonesian people, especially in the economic field. Islam.

4. RESULTS AND DISCUSSION

The Urgency of the Islamic Business Environment

Talking about the urgency of the Islamic business environment in the current era (4.0), it is necessary to remember and consider the role of the Islamic Political Strategy carried out in order to realize a superior Indonesian economy. It is explained as research launched by (Hisyam Ahyani & Nurhasanah, 2020) explained that what needs to be emphasized in Islamic business in Indonesia is to look at the potential and strategic roles carried out in terms of Islamic economic empowerment through a business partnership between Islamic financial institutions and businesses. small and medium enterprises, one of which is to develop business activities in the real sector in agriculture, for example, industry and trade and service lines as well as Islamic financial

institutions/companies that need to be empowered and accelerated as well as overall/national economic development and efforts to improve welfare. Indonesian people, especially in the economic sector. For example, with the Factors Affecting Disclosure of Islamic Social Reporting, where CSR activities or (Corporate Social Responsibility) were originally consensual/voluntary activities and not coercion, but now CSR activities are an obligation that must be carried out by institutions. /company as a form of corporate responsibility and concern for the environment and society. The government issued regulations regarding the obligation to practice CSR, namely in Law Number 25 of 2007 concerning Investment which states that every investment has an obligation to carry out corporate social responsibility, if it does not carry out these obligations, it will be subject to sanctions.

Further in Law no. 40/2007 concerning Limited Liability Companies in detail in article 66 states that "annual reports must contain some information, one of which is a report on the implementation of social and environmental responsibilities" (Nuraeni & Rini, 2019). In the aspect of market tricks so that a product sells quickly in the market is through Islamic business ethics, so the creation of an Islamic Business Environment needs to be done (Sufyanto & Hasan, 2021). Therefore, realizing an Islamic business environment is a necessity in order to provide opportunities for the potential of the sharia economy, especially in Indonesia to be more rapidly growing, where one form of embodiment of the evidence of developing a sharia economy in Indonesia is through literacy related to the field of sharia economics.

Analysis of Company Standards and the Islamic Business Environment in Indonesia

Talking about Islamic Business when viewed from Concepts and Theory, especially in the theme "Companies and Islamic Business Environment", it can be concluded that the urgency of the realization of Islamic companies in Indonesia is based on LPH from MUI in which the category of Islamic Companies is companies that get halal certificates. from LPH (Halal Guarantee Institution) from the Indonesian Ulema Council with various categories which include; 1) Have a certificate of Halal Assurance Certificate (SJH); 2) Obtain "A" status in all registered facilities; 3) Perform timely renewal (register to CEROL-SS23000 three months before and finish no later than the previous validity period); 4) There are no

weaknesses during the audit for the last four years (not the result of improvement of weaknesses). Therefore, the embodiment in making an Islamic Business Environment that needs to be emphasized is Islamic business ethics itself, for example related to improving services for consumers, providing adequate company place/location services, superior facilities and so on.

The Islamic Business Environment in Indonesia needs to be realized in order to provide understanding for Muslim business people in sorting and choosing an Islamic business environment, such as business people investing in Islamic banking, and not investing in non-Islamic banking. As a result, the comparison between Islamic and Non-Islamic Companies in relation to the development of the Islamic economy in Indonesia can be utilized in developing the Islamic economic system in Indonesia, where the potential of the Islamic economy today in Indonesia is growing rapidly, this is evidenced by the inauguration of the National Movement for Money Waqf and the Islamic Economic Brand by President Jowo Widodo on November 02, 2020 (Mudassir, 2021). In terms of comparing/comparing between the world of Islamic and Non-Islamic Companies, the most important thing is the efforts made in realizing the excellence of a business activity that must be carried out with ethics or norms that apply in the community/business world. Ethics and norms need to be applied so that entrepreneurs/traders do not violate the rules that have been set and the business they run gets blessings from Allah SWT and gains sympathy from the community. In the end, these ethics form clean entrepreneurs/traders who can promote and clean up businesses that are run in a relatively longer time.

Comparison of Islamic and Non-Islamic Business Environments in relation to the development of Islamic economics in Indonesia is the creation of Islamic business ethics that exist in the business environment itself. When implementing correct Islamic business ethics, it will result in a balanced relationship between entrepreneurs and the community, customers, government, and other interested parties. Each party feels valued and respected. In addition, based on the case of comparing the Islamic Business Environment with the non-Islamic environment, what is more important is competing in forming superior ethics in muamalah. This is like what has been exemplified by the Prophet SAW, that in muamalah (transactions) with non-Muslims in world affairs it is permissible as well as

the practice of buying and selling, leasing, pawnshops, and so on.

Regarding the concept of Rahmatan Lil 'Alamin in Islamic Companies, what needs to be underlined is related to the concept of Islamic companies/institutions, of course, it becomes a necessity when companies that are not yet included in the category of "Islamic companies" need to be protected as well in order to realize a peaceful, tolerant attitude between fellow human beings, this is exemplified by the Prophet Muhammad SAW. Furthermore, regarding why choosing an Islamic company, this is because companies/institutions that are not Islamic are feared that there will be transactions that are prohibited by sharia, such as interest transactions at conventional banks, where bank interest is clearly prohibited based on the MUI fatwa Number 1 of 2004 concerning Interest (Interest). / Fa'idah), but interest on companies/financial institutions may be used in Hajj/emergency conditions. As a result, why choose an Islamic company explicitly this is because in order to realize *siyasa syar'iyah* in the economy. The urgency of the Islamic Business Environment in Indonesia is important to do, this is what we need to think about together in order to provide opportunities for the potential of the Islamic economy, especially in Indonesia to develop more rapidly, where one form of manifestation of the evidence of developing a sharia economy in Indonesia is through literacy, related to Islamic economics. Another example is the development of MSMEs (Micro, Small and Medium Enterprises) in Indonesia (Damayanti et al, 2022). Where today's digitalization in business is needed (Nurdin et al, 2021). Likewise, the development of halal tourism villages in Indonesia, where this is a supporter of the economy in Indonesia (Ahyani et al, 2021).

By choosing an Islamic Company and knowing the urgency of choosing an Islamic Business Environment in Indonesia, the Indonesian people in general will know the difference between which companies/institutions fall into the category of Islamic and non-Islamic companies. This is important to do in order to realize the development of the potential of the sharia economy in Indonesia, of course by prioritizing the sharia economy that overshadows (*rahmatan lil 'alamin*) without putting aside companies and business environments that are not yet Islamic. This is what is needed for the Islamic economic community in

Indonesia by using siyasah syar'iyah through innovations that exist in sharia economics, which of course is inseparable from the support from the government through the policies launched by the government in supporting the existence of the sharia economy. in Indonesia in order to maintain it properly. Where the sharia economy in Indonesia has a great opportunity to prosper the Indonesian people through the advantages offered by sharia economics, for example with the inauguration of the Sharia Economic Brand and Cash Waqf.

5. CONCLUSION

From the above discussion regarding Company Standardization and the Islamic Business Environment in Indonesia, it can be concluded that in Sharia Business, Sharia Companies are companies that have obtained halal certificates from the LPH (Halal Guarantee Agency) from the Indonesian Ulama Council with various categories including; 1) Have a certificate of Halal Assurance Certificate (SJH); 2) Obtain "A" status in all listed facilities; 3) Perform timely renewal (register to CEROL-SS23000 three months in advance and finish no later than the previous validity period); 4) There were no weaknesses during the audit for the last four years (not the result of improvement of weaknesses). Therefore, the embodiment in creating an Islamic Business Environment that needs to be emphasized is Islamic business ethics itself, for example related to improving services to consumers, providing adequate company places/locations, superior facilities and so on. Regarding the concept of Rahmatan Lil 'Alamin in Sharia Companies, which needs to be underlined in relation to the concept of sharia companies/institutions, of course it becomes a necessity when companies that are not yet included in the category of "sharia companies" need to be protected as well in order to realize a peaceful, tolerant attitude between fellow human beings, This is exemplified by the Prophet Muhammad SAW. Furthermore, regarding why choosing a sharia company, this is because non-Islamic companies/institutions are feared that there will be transactions that are prohibited by sharia, such as interest transactions in conventional banks, where bank interest is clearly prohibited based on the MUI as stated in fatwa Number 1 of 2004 concerning Interest (Flower). As a result, why choose a sharia company explicitly because it is in order to realize siyasah

syar'iyah in the economy in Indonesia. The urgency of the Sharia Business Environment in Indonesia is important to do, this is what we need to think about together in order to provide opportunities for the potential of the sharia economy, especially in Indonesia to develop more rapidly, where one manifestation of the evidence of the development of the sharia economy in Indonesia is through literacy related to Islamic economics.

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