

THE IMPLEMENTATION OF ISLAMIC VALUES IN FAMILY BUSINESS MANAGEMENT: A CASE STUDY ON MUSLIM FAMILY-OWNED CULINARY MSMEs IN INDONESIA

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ABSTRACT

Family businesses are one of the main pillars of Indonesia's economy due to their contribution to job creation and local economic resilience. However, many Muslim family businesses face challenges not only in maintaining business sustainability but also in integrating family and spiritual values into managerial practices. This study aims to analyze the implementation of Islamic values such as honesty (*shiddiq*), trustworthiness (*amanah*), responsibility, justice, and cooperation (*ta'awun*) in managing family-owned Muslim culinary MSMEs in Indonesia. Using a qualitative approach, this research employs a case study method focusing on several family-owned culinary enterprises. The findings reveal that Islamic values strengthen business ethics, improve family harmony, enhance customer trust, and ensure long-term business sustainability. The integration of these values also leads to a balance between profit orientation and spiritual goals (*barakah*). This study contributes to the development of the *Islamic Family Business Management* concept relevant to today's digital economy and globalization.

Keywords: Islamic values; family business management; business ethics; MSMEs; sustainability.

INTRODUCTION

Family businesses dominate Indonesia's business landscape, particularly in the MSME (Micro, Small, and Medium Enterprise) sector. These enterprises play an essential role in job creation, innovation, and community development. However, the sustainability of family businesses often depends not only on business strategies but also on the preservation of family values and ethics. In Muslim-majority societies like Indonesia, Islamic values form the moral foundation that shapes daily behavior, including business conduct.

Islamic teachings emphasize ethical values such as honesty, fairness, responsibility, and trust. In the context of family-owned culinary MSMEs, these values are reflected in product quality, halal assurance, fair employee treatment, and transparent transactions. Yet, many family businesses struggle to maintain these principles consistently as they grow or transition across generations.

Previous studies (e.g., Hasanah, 2020; Sulaiman & Rahman, 2022) highlight that integrating Islamic ethics in business management enhances trust, customer loyalty, and long-term sustainability. However, limited research explores how these values are practically implemented in family-owned culinary MSMEs. This study aims to fill this gap by examining how Islamic values guide managerial decisions, interpersonal relationships, and customer relations within family-owned Muslim culinary businesses.

METHOD

This research adopts a **qualitative descriptive approach** using a **case study method**. The study focuses on several Muslim family-owned culinary MSMEs in Indonesia that operate in halal food and beverage production. Data were collected through semi-structured interviews, observations, and document reviews.

The participants include family business owners, managers, and family members actively involved in operations. Data were analyzed thematically using Miles and Huberman's (1994) qualitative analysis framework—data reduction, data display, and conclusion drawing. The study emphasizes patterns of Islamic value implementation in business decision-making, employee management, and customer interaction.

RESULTS AND DISCUSSION

The study reveals four key themes related to the implementation of Islamic values in family-owned culinary MSMEs:

1. Honesty and Trustworthiness (*Shiddiq* and *Amanah*)

Honesty in pricing, transparent communication with customers, and accurate information about product ingredients were consistently highlighted by participants. These practices built long-term trust and positive word-of-mouth marketing.

2. Responsibility and Justice

Owners expressed strong commitment to treating employees fairly, paying wages on time, and ensuring halal production standards. Such ethical responsibility created a sense of harmony and mutual respect within the workplace.

3. Cooperation and Collective Spirit (*Ta'awun*)

Family members actively shared roles, supported one another, and made collective decisions in business operations. This cooperation was grounded in Islamic principles of unity and mutual assistance.

4. Pursuit of *Barakah* (Blessing)

Unlike conventional profit-maximization motives, many participants viewed success as achieving *barakah*—spiritual and material well-being. This perspective influenced their financial decisions, pricing strategies, and customer service approaches.

The findings align with Rahman and Abdullah (2021), who state that integrating Islamic ethics into management enhances both business performance and social responsibility. Additionally, this study contributes to the theoretical framework of *Islamic Family Business Management* by illustrating how Islamic values shape managerial culture and sustainability.

CONCLUSION

This study concludes that implementing Islamic values in Muslim family-owned culinary MSMEs significantly strengthens business ethics, family cohesion, and long-term sustainability. By internalizing principles such as *shiddiq*, *amanah*, *ta'awun*, and *barakah*, family businesses can balance economic objectives with spiritual goals. The integration of Islamic teachings not only fosters ethical conduct but also contributes to sustainable competitiveness in the digital economy era. Future research could explore quantitative validation or comparative studies across different business sectors.

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