

Strengthening Competitive Advantage for Prospective Young Muslim Entrepreneurship with the SAMARA Finance Concept



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ABSTRACT: Through market entry, young entrepreneurs increase employment opportunities by creating new jobs. Increased productivity of new firms has the most impact on employment in the medium term, as displacement of existing businesses is a major factor. To increase competition in the market and have a competitive advantage, this study aims to look at the strengths, weaknesses, opportunities, and threats of a SAMARA Finance Concept in encouraging competitive advantage for young Muslim entrepreneurs. This research is descriptive qualitative research with literature study techniques that use secondary data obtained through scientific articles and other relevant documents. The data obtained is then analyzed by producing descriptive explanations in the form of words, pictures, and symbols related to the object of research. To strengthen and deepen the discussion, this research also uses the SWOT Analysis Technique approach. SWOT analysis is a way to systematically identify various factors to formulate a strategy. Based on the results of the swot analysis conducted, it can be seen that the position of SAMARA Finance concept in encouraging the competitive advantage of young Muslim entrepreneurs is in the position of Opportunity and Strengths, namely Quadrant 1. This means that the SAMARA Finance concept is a concept that can be applied to young Muslim entrepreneurs, with an Aggressive strategy of utilizing strengths to benefit from opportunities to make the business superior and competitive.

KEYWORD: SAMARA Finance Concept, Islamic Business, Islamic Finance

INTRODUCTION

Economics is one of the problems that can affect human life. To answer the problem, various theories and strategies are raised, one of which is through entrepreneurship. Entrepreneurship is a noble activity, that has been done since the time of the Prophets of Allah SWT until the Prophet Muhammad SAW. In Islam entrepreneurship is part of doing business that uses the rules - the rules of Allah S.W.T. Imam Shafi'i stated that the best livelihood is entrepreneurship. Entrepreneurship will be more beneficial to increase economic growth with entrepreneurs who can operate flexibly, develop their ideas, and are creative, innovative, productive, and highly competitive. Specifically, creative, productive, and highly competitive entrepreneurs are young entrepreneurs, as they introduce innovation and promote economic growth (Wiyono & Wu, 2022).

Young entrepreneurs typically create new technologies, make new products, or use innovative processes, and find new markets (Audretsch & Belitski, 2022). Entrepreneurs such as Pierre Omidyar (eBay), Larry Page and Sergey Brin (Google), Larry Ellison (Oracle), Dietmar Hopp and Hasso Plattner (SAP), Bill Gates (Microsoft), Steve Jobs (Apple), and Stelios Haji-Ioannou (easyJet) are some examples of young entrepreneurs who make radical innovations. Often, economic growth results from radical innovations (Valliere & Peterson, 2009). Entrepreneurs who bring innovations to the market are key drivers of economic progress. New firms invest more to find new opportunities than old firms. Due to the inertia or defensiveness of their organizations, existing firms may not be able to innovate or respond to market changes (Kritikos, 2014).

Through market entry, young entrepreneurs increase employment opportunities by creating new jobs. Increased productivity of new firms has the most impact on employment in the medium term, as displacement of existing businesses is a major factor. This happens for two reasons. First, new firms increase competition in the market, reducing the power of old firms, and forcing them to become more efficient or go out of business. Second, only firms that have a competitive advantage or are more efficient can

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enter the market. However, after this initial phase, there is usually stagnation or even decline as new businesses gain market share from existing firms, which cannot compete and eventually fail (Carree & Thurik, 2008).

To increase competition in the market and have a competitive advantage, this study aims to look at the strengths, weaknesses, opportunities, and threats of a SAMARA Finance Concept in encouraging competitive advantage for young Muslim entrepreneurs.

LITERATUR REVIEW

Islamic Economics

The concept of Islamic economics is based on teachings derived from the Qur'an and Hadith. Several universal values in Islamic economics become the foundation for economic development and a starting point for economic policies among Muslims that are extracted from and based on both. The universal values in Islamic economics are al-tauhid (faith), al-'adl (justice), Al-nubuawah (prophethood), Al-Khilafah (government), and Alma'ad (return/results). These five values are the basis of inspiration for compiling propositions and theories of Islamic economics. According to Khurshid Ahmad, the universal values of Islamic economics and at the same time as a philosophical foundation for the development of Islamic economics are Al-Tawhid (oneness and majesty of God), Al-rubiyah (God's regulation of natural resources), Al-khilafah (government), and cleanliness, purity, and development. Tawhid is the main core of Islamic teachings in the form of recognition that there is no god but Allah, the only substance that deserves to be worshiped. In this view, Allah is the absolute God. He encompasses and transcends everything. He is God and others must worship Him. Tawheed al-rububiyah deals with Allah as the Lord, creator, and regulator of the universe. The existence of God in this sense can be known mainly through His creations (Yanti & Rafidah, 2009).

In addition, Islamic economics is defined as the science and use of Sharia commands and rules to protect against injustice in the procurement and use of natural resources to meet human needs and to enable them to carry out their responsibilities to Allah SWT and society as a whole. Islamic economics is a social science that studies the economic problems of a group of people who hold Islamic values, with these Islamic values humans can achieve al-falah. According to (Choudhury, 1986), Islamic economics is a historical, empirical, and theoretical study that will analyze the needs of man and society under the guidance of the Islamic values system. Thus, here it is clear that every economic activity has a goal.

To achieve this goal, it requires the acquisition, consumption or management of resources. Therefore, Islam provides guidelines for the acquisition and use of resources called sharia. As the Khalifah of Allah SWT. on earth, humans do not make the world the ultimate goal but rather serve as a way to provision for the hereafter (Misjaya et al., 2019).

The final goal of all human activities is to achieve the pleasure of Allah SWT, meaning that humans will achieve al-Falah in this world and the hereafter. When the term paradigm is combined with this expression of Islamic economics, then the definition of Islamic economic paradigm is formed. Therefore, the Islamic economy in question is a comprehensive and essential description of the Islamic economy that aims to explain the concept correctly and thoroughly so that it becomes the basis for all procurement, use, or source management activities. This is for the good of oneself, society, and the state spiritually and physically to get the pleasure of Allah SWT. There are various concepts in the process of forming patterns of Islamic economic thought. The role of scientific development and socialization of Islamic economics. This is because an Islamic boarding school is recognized as a legitimate cadre of scholars and preachers in a religious society. Islamic boarding school product scholars have the potential to become Islamic economic scholars who are indispensable in the development of Islamic economics. In addition, they can also act as a mouthpiece for the socialization of Islamic economics in the community, because they are role models and their voices are more heard than scholars and preachers from non - Islamic boarding school institutions. Another advantage is that they are more proficient in fiqh muamalat, so they can explain sharia economics to the public better so that in running a business it does not conflict with Islamic economic values (Lugina, 2018).

Islamic Business

In language, al-syariah or sharia means a source of drinking water or can also be interpreted as a straight path. In terms, sharia means laws or rules revealed by Allah SWT through His messenger, namely the Prophet Muhammad SAW. This rule applies to all mankind and covers a variety of things. Starting from matters of worship, morals, food, drink, clothing, and even muamalat, or how humans interact with each other so that they can achieve happiness in this world and also in the hereafter. Business in this case is included in muamalah or interaction between fellow humans in various aspects of life. Therefore, in the Sharia business, the vision is emphasized on faith, and the mission is worship. So, in Sharia business, every activity will be worth worship. In contrast to conventional business, the ideology is commercial with a mission to do professionalism in production. Therefore, in Islamic Boarding school it is suitable to develop sharia-based businesses (Matlaudin, 2016).

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In running a business, therefore, a Muslim must adjust to the legal basis of the sharia that Allah has set. The business units developed are adjusted to the geographical conditions and the potential that develops around the pesantren. The business unit, apart from being a practice area for student entrepreneurial education, can also attract the participation of residents to develop Sharia-based Islamic Boarding school businesses (Basit & Widiastuti, 2020).

Principles of Islamic Business

Business in Islam is built on a paradigm based on the following values:

a. Unity (Tawhid)

Unity in this context is unity as reflected in the concept of tawhid which integrates all aspects of Muslim life in the economic, political and social fields. As the Word of Allah:

إِنَّ رَبَّكَ يَبْسُطُ الرِّزْقَ لِمَن يَشَاءُ وَيَقْدِرُ إِنَّهُ كَانَ بِعِبَادِهِ خَبِيرًا
بَصِيرًا

Indeed, your Lord extends provision for whom He wills and restricts [it]. Indeed He is ever, concerning His servants, Acquainted and Seeing. (QS. al-Isra:30).

The verse instructs us that business cannot be separated from the value of divinity, because all the efforts we make the results have been determined by Allah. Based on this divine value, Muslim entrepreneurs will not discriminate among workers in their business activities. They are also not forced or coerced into business practices that are prohibited by Islam. Entrepreneurs have no desire to hoard wealth or be greedy because wealth is essentially a mandate from Allah.

b. Balance

Balance describes the horizontal dimension of Islam that relates to the overall harmony in the universe. Balance behavior in business is explicitly explained in the context of business activities so that Muslim entrepreneurs perfect the measure when measuring and weighing with the right balance, because it is the best behavior and brings the best consequences as well. As the word of Allah:

وَأَوْفُوا الكَيْلَ إِذَا كِلْتُمْ وَزِنُوا بِالْقِسْطَاسِ الْمُسْتَقِيمِ ذَلِكَ خَيْرٌ
وَأَحْسَنُ تَأْوِيلًا

And give full measure when you measure, and weigh with an even balance. That is the best [way] and best result (QS. al-Isra: 35).

c. Free Will.

Humans as caliphs on earth, have free will to direct their lives to the goal of achieving self-sanctity, with certain limits. Humans are endowed with free will to guide their lives as caliphs, as Allah says:

* وَإِلَى ثَمُودَ أَخَاهُمْ صَالِحًا قَالَ يَا قَوْمِ اعْبُدُوا اللَّهَ مَا لَكُمْ مِنْ
إِلَهٍ غَيْرُهُ هُوَ أَنشَأَكُمْ مِنَ الْأَرْضِ وَاسْتَعْمَرَكُمْ فِيهَا فَاسْتَغْفِرُوا
ثُمَّ تَوْبُوا إِلَيْهِ إِنَّ رَبِّي قَرِيبٌ مُّجِيبٌ

And to Thamud [We sent] their brother Salih. He said, "O my people, worship Allah; you have no deity other than Him. He has produced you from the earth and settled you in it, so ask forgiveness of Him and then repent to Him. Indeed, my Lord is near and responsive (Hud: 61).

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Based on this verse, humans are given the freedom to manage the earth and its contents for human life but with the limits set by Allah, namely, they must not create damage to the earth. Based on this value, then in business humans have the freedom to agree occupying or reneging. A Muslim who believes in the will of Allah will fulfill all the promises he has made.

d. Responsibility

Islam strongly emphasizes responsibility, although it does not mean ignoring individual freedom. This means that Islam gives freedom to humans to do anything, but they must be responsible not only before humans, but most importantly they must be responsible for their actions before God. As Allah says:

كُلُّ نَفْسٍ بِمَا كَسَبَتْ رَهِينَةٌ

Every soul, for what it has earned, will be retained. (QS. Al-Muddaththir: 38).

This kind of thing also applies to business. After they do business activities and get the results as desired, it does not mean that the problem is over, they must be accountable for what they have done, both related to transactions, production of goods, marketing, and so on.

e. Ihsan (kindness)

Ihsan means doing good deeds that can benefit others, without any particular obligation to carry out these actions. Ihsan is performing an act of worship with the belief that it is as if he sees Allah, and if he does not see him, then he is sure that Allah sees him. As Allah said:

* إِنَّ اللَّهَ يَأْمُرُ بِالْعَدْلِ وَالْإِحْسَانِ وَإِيتَاءِ ذِي الْقُرْبَىٰ وَيَنْهَىٰ عَنِ
الْفَحْشَاءِ وَالْمُنْكَرِ وَالْبَغْيِ يَعِظُكُمْ لَعَلَّكُمْ تَذَكَّرُونَ

Indeed, Allah orders justice and good conduct and giving to relatives and forbids immorality bad conduct, and oppression. He admonishes you that perhaps you will be reminded. (QS.an-Nahl:90).

Ihsan is a truth value that is recommended and does not contradict Islamic teachings. In the context of business, righteousness is intended as the right intention, attitude, and behavior that includes the contract process, the process of finding or obtaining commodities, the development process, and the process of achieving or setting profit margins.

The Purpose of Business in Islam

The purpose of business is to make a profit, with these profits, humans can maintain their survival. Profit is also a motivation for workers to do their work efficiently. Often the measure of the company's success is also measured by the amount of profit from period to period. However, for a Muslim, business is part of worship. Business in Islam aims to achieve four main things, namely:

a. Result Target: Material profit and non-material benefits.

The purpose of business is not only to seek the highest profit (material value), but also to be able to obtain and provide non-material benefits to the internal organization of the company and external (environment), such as creating an atmosphere of brotherhood, social care, and so on.

b. The growth.

If material profit and non-material profit have been obtained, then the Company must strive to maintain growth so that it always increases. This improvement effort must also always be in the corridor of sharia, not legalizing all kinds of ways.

c. Sustainability.

The target that has been achieved with growth every year must always be maintained so that the company can exist for a long time.

d. Blessing.

All goals achieved will mean nothing if there is no blessing in it. So Islamic business places blessings as a core goal, because it is a form of acceptance of all human activities.

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SAMARA Finance Concept

SAMARA Finance is Sakinah, Mawaddah, Warahmah, Barrakah and Rahmatan Lil Alaamiin. Sakinah here means peace, peace in entrepreneurship if done honestly, Amanah, selling halal and tayib (good) products, and the use of transparent marketing strategies. Mawaddah in this case means Affection, affection in entrepreneurship if done when friendly to buyers, mutual benefit between buyers - sellers, employee salaries are considered on time and health is considered. Running a business with love and compassion for others. Warahmah in this case means empathy, empathize in this case is to take reasonable profits and compete fairly among entrepreneurs. Barakah which means filled with blessings by running a business starting with the intention because of Allah, not easily despairing, and not neglecting worship as the main task of human beings created. Rahmatan lil alaamiin which means it can be utilized by everyone.

Rasulullah is a role model for Muslims. As the word of Allah:

لَقَدْ كَانَ لَكُمْ فِي رَسُولِ اللَّهِ أُسْوَةٌ حَسَنَةٌ لِمَن كَانَ يَرْجُو اللَّهَ
وَالْيَوْمَ الْآخِرَ وَذَكَرَ اللَّهَ كَثِيرًا

There has certainly been for you in the Messenger of Allah an excellent pattern for anyone whose hope is in Allah and the Last Day and [who] remembers Allah often. (QS. Al-Ahzab:21).

The Prophet not only gave principles in matters related to religion, he also taught principles in all aspects of life. The business principles taught by the Prophet are:

- a. Always maintain customer satisfaction.
In running his business, Rasulullah always maintains customer satisfaction by applying honesty, justice, and trustworthiness in carrying out business contacts. If there is a difference of view, it is resolved peacefully without any element of fraud.
- b. Transparency
Openness and honesty in business is the key to a successful business. Transparency is the openness of producers to consumers regarding the quality, quantity, and composition of the goods so that consumers do not feel disadvantaged.
- c. Healthy competition
Islam prohibits free competition that justifies all kinds of means because it is contrary to the principles of Islamic business. Muslims are commanded to compete in goodness, which means that competition no longer means an attempt to kill other competitors, but is done to provide the best for their business.
- d. Justice
Rasulullah always upholds justice in doing business by taking care of each other so that other people's rights are not disturbed. Forms of justice to consumers by not committing fraud and causing harm to consumers. The form of justice for employees is to provide fair wages and not exploit them and maintain their rights. In addition, the form of justice in business is to eliminate all elements of usury.

In running a successful business 4 things need to be considered, namely: Product, Market, Money, and People. Based on the principles of the Prophet S.A.W above, SAMARA Finance is conceptualized based on **products, markets, money, and people** based on the principles of the Prophet S.A.W.

1. Product / Type of Business

Production is a company's activity to produce goods or services from materials or sources of production factors with the aim of resale. Islam views producing something not just for self-consumption or sale to the market, these two motivations are not enough because they are still limited to economic functions. Islam specifically emphasizes that every production activity must also realize a social function.

وَعَلَّمْنَاهُ صِنْعَةَ لُبُوسٍ لِّكُمْ لِتُحَصِّنَكُمْ مِنَ بَأْسِكُمْ ۗ فَهَلْ أَنْتُمْ
شَاكِرُونَ

And We taught him the fashioning of coats of armor to protect you from your [enemy in] battle. So will you then be grateful? (QS. Al-Anbiyaa:80).

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The purpose of production in Islam is to meet the needs of the individual reasonably, meet the needs of the family, provide for future generations, as well as assist the community to worship Allah.

The principles of production in Islam:

- a. Production is carried out in a halal manner
- b. Justice in production.
- c. Environmentally friendly production.
- d. Production orientation and targets
- e. Production that is in line with community needs.
- f. Halal certified

In SAMARA finance concept, production in creating products must be based on Islamic principles:

a. Production is carried out in a halal manner so that the products sold are halal

The aspect of goods or services sold is important in carrying out the concept of Islamic business. In Islamic business, something that is haram according to sharia should not be traded. For example, such as pork, blood, carcasses, liquor or khamr, gambling, selling humans, and also prostitution. Also, the production process from the selection of raw materials, the production process, to the distribution of output to consumers must be by the provisions of Islamic law. And only sell halal products of the highest quality.

b. Justice in production

In carrying out production, it is prohibited to commit injustice such as usury, or hoarding goods so that goods are scarce and the price of these goods rises.

c. Environmentally friendly production

Production in Islam is very concerned about the impact on the environment, minimizing pollution, and maintaining the availability of natural resources.

d. Production orientation and targets

The target is to achieve self-sufficiency in the field of commodity or service self-sufficiency which in turn creates a decent life that Islam recommends for humans. For this reason, production has the main objectives to be achieved, namely individual self-sufficiency targets and community and community self-sufficiency targets.

e. Production by the needs of society

Production is intended to meet individual and community needs and achieve prosperity. The needs that must be met must be based on the priorities set by religion, the preservation of religion, soul, mind, offspring, and material prosperity. As well as the benefits of rahmatanlilalaaamiin can be felt by all creatures on earth.

f. Halal certified

This halal certificate is issued by a government agency in charge of checking and guaranteeing the halalness of a product. This is very necessary so that consumers become convinced that the product purchased is halal.

2. Market

In running an Islamic business, the concept of justice is something that is important and must always be held by business people. With this concept of justice, both sellers and buyers will be free from dhimmitude or persecution and arbitrary attitudes that can harm one party. Likewise, the Islamic concept gives freedom to price determination, in Islam, this is all regulated in legislation and Islamic law. Laws concerning business are based on taking various maslahah (benefits). Because Islamic law aims to uphold justice and fight injustice. So everything that is obligatory becomes obligatory as well, and what helps the course of justice is a common sunnah, while carrying it out is the path that must be taken to get blessings (Yanti & Rafidah, 2009).

There is an ijab Kabul between the seller and the buyer. Ijab Kabul in the sharia business is a clear handover made by the seller and buyer. Sometimes, the term ijab Kabul in sharia business is also called a business contract or a sale and purchase contract.

Four characteristics in sharia marketing can be used as guidelines in Islamic marketing management:

- a. Rabbaniyyah
- b. Akhlaqiyyah
- c. Al-Waqi'iyah
- d. Al-Insaniyyah

In SAMARA Finance, the concept of conducting market activities must be based on characteristics that are by Islamic law:

- a. *Rabbaniyyah*

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It is one of the characteristics of Islamic marketing that is not owned in conventional marketing because this characteristic is created not because of compulsion, but departs from the awareness of religious values that are considered important and color marketing activities so as not to be mired in actions that can harm others.

b. *Akhlaqiyyah*

Is a derivative of the nature of rabbaniyah. Thus sharia marketing management is a marketing concept that prioritizes ethical moral values, regardless of religion. Because moral and ethical values are universally taught by all religions.

c. *Al-Waqi'iyah*

Is a realistic nature that implies that Islamic marketing is not an exclusive, fanatical, anti-modernity, and rigid concept. Islamic marketing management is a flexible concept as the breadth and flexibility of the Islamic sharia that underlies it.

d. *Al-Insaniyyah*

Is a humanistic trait that implies that by having humanistic values he will become a controlled and balanced human being, not a greedy human being, who justifies all means to achieve maximum profit.

3. Money

The basic concept of Sharia business is that must be known and run a business by the guidance of Islamic law. This Islamic business must always be applied in every business activity carried out in everyday life. By applying this basic concept of sharia business, every business person will avoid harming one party to achieve personal gain. In Islam, everything that is business is regulated so that everyone does not hurt others and also does not feel harmed by others. So, by being fair to each other in running your business, the wheels of business will also continue to run healthily. (Lugina, 2018).

Islamic business must be free from usury. In addition, in the concept of Islamic business, anything that is received as additional profit without being justified by one of the parties cannot be justified. This is referred to as *riba al-fadl* and an example is the usury obtained from bank interest. The basic transaction agreement is free from *gharar* (uncertainty) and *maysir*. *Gharar* is anything that creates an element of uncertainty in the transaction or something that is hidden in the transaction. Meanwhile, *maysir* is anything that is fortuitous so it contains an element of gambling in it. Therefore, in Sharia business, everything must be clear from the start and explained in the transaction contract. Both in terms of the contract and the causes or risks that will be accepted because of the contract.

The principles of finance in Islam include:

- a. Every action performed by humans will be held accountable.
- b. Every asset that is obtained has the rights of others that must be spent.
- c. Avoiding all contracts that contain elements of usury.
- d. Avoiding contracts in which there is an element of *gharar* (uncertainty).
- e. Seeking, managing, and using assets by Islamic rules.
- f. Every profit in investment is obtained in a legal and Sharia-compliant manner.

In the SAMARA concept, organizing and managing finances must be by Islamic principles:

- a. *Have financial planning, both incoming finances and outgoing finances within a certain time.*
- b. *Having a financial budget, after formulating financial planning.*
- c. *Financial search, namely finding sources of funds by Islamic law for company operations. By using own capital, angel investor capital, Islamic fintech loans (p2p lending & crowdfunding), Islamic bank loans, and Waqf funds.*
- d. *Financial storage, namely collecting company data and preparing documents or financial data safely.*
- e. *Financial control, namely evaluating and improving the company's financial system, including honest and transparent financial condition reports.*
- f. *Inspection, namely conducting internal audits of the Company's finances so that no irregularities occur.*
- g. *Making Financial Statements, namely making financial reports with Sharia financial standards, including ZISWAF in the profit/loss statement.*

4. People

Human resource management is a way of organizing and implementing a planning system for human resource needs. Islam teaches that the recruitment of human resources must be by what we need. This is as explained in the Qur'an:

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قَالَتْ إِحْدَاهُمَا يَا أَبَتِ اسْتَأْجِرْهُ إِنَّ خَيْرَ مَنِ اسْتَأْجَرْتَ الْقَوِيُّ
الْأَمِينُ

One of the women said, "O my father, hire him. Indeed, the best one you can hire is the strong and the trustworthy." (QS. al-Qasas: 26).

Some of the traits that must be possessed by economic actors and which are the key to success in managing a business are (Aravik, 2016):

- a. Siddiq (True and Honest)
In doing business must provide correct information and there is no element of deception. If in his product there are defects or weaknesses, then he conveys honestly on the kelimahan or defects that exist in his product.
- b. Fathonah
In business, the economic implication of the nature of fathonah is that all activities in the management of a company must be smart by optimizing all the potential of the existing mind to achieve goals.
- c. Amanah
An entrepreneur must have a trustworthy nature because Allah mentions the nature of the lucky believers who can maintain the trust given to him. Amanah can be displayed in openness, honesty, and optimal service.
- d. Tabligh
Tabligh means inviting as well as giving examples to other parties to implement the provisions of Islamic teachings in everyday life. Islamic business actors must be able to communicate the advantages of their products by not lying and deceiving. Clear sales goals, transparent marketing, honesty, and trustworthiness.

In SAMARA Finance Concept, the human resource management recruitment system is as follows:

- a. *Prepare the best human resources who understand the concept and nature of the Islamic economy and business.*
- b. *Recruitment is concerned with developing a reserve of prospective employees in line with the HR plan by selecting employees who have the traits of siddiq, fathonah, amanah, and tabligh.*
- c. *Selection includes using application forms, curriculum vitae, interviews, skills assessments, and matching information from references to evaluate and screen potential employees for managers, who will ultimately select and accept candidates. This is done to find out if the prospective employee has the 4 basic traits exemplified by the Prophet S.A.W.*
- d. *Socialization (Orientation) on Islamic economics and business designed to help the selected person adjust smoothly into a business that complies with Islamic law.*
- e. *Training and development in Islamic economics and business, as both aim to improve the ability of employees to contribute to the effectiveness of businesses that comply with Islamic law.*

RESEARCH METHODS

This research is descriptive qualitative research with literature study techniques that use secondary data obtained through scientific articles and other relevant documents. The data obtained is then analyzed by producing descriptive explanations in the form of words, pictures, and symbols related to the object of research (Creswell, 2012). Data analysis in this study was carried out in three stages, namely:

1. Data reduction, data reduction in this study was carried out by selecting all data through cutting and simplifying existing data according to the research topic.
2. Data categorization, data that has been reduced is categorized according to the research topic.
3. Data verification, data verification to draw conclusions which is the researcher's interpretation of the data. Verification is carried out using triangulation techniques, namely comparing one data source with other data sources (Djamba, 2002).

This research also uses the SWOT Analysis Technique approach to strengthen and deepen the discussion. SWOT analysis is a way to systematically identify various factors to formulate a strategy. This analysis is based on the logic of maximizing strengths and opportunities but simultaneously minimizing weaknesses and threats (Rangkuti, 1998). SWOT analysis helps organizations face growing challenges to maintain stability and increase productivity (Osita et al., 2014). By using SWOT analysis it is possible to

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compare external factors in the form of opportunities and threats with internal factors in the form of strengths and weaknesses that result in strategic choices such as Figure 1, namely SWOT quadrant analysis.

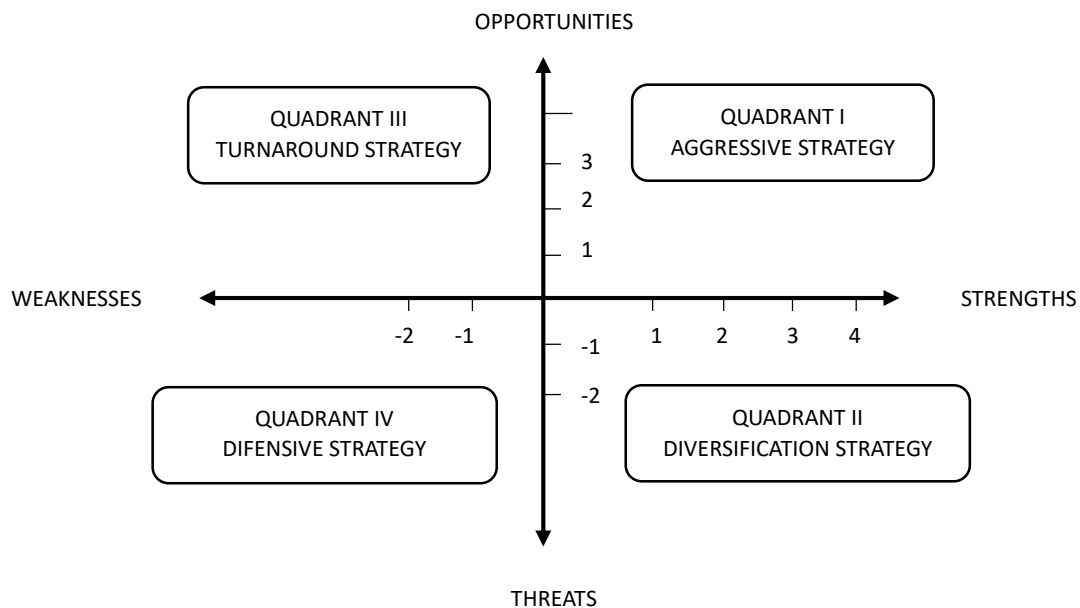


Figure 1. Quadrant of SWOT Analysis

The data analysis techniques used in this research are Internal Factor Analysis Summary (IFAS) and External Factor Analysis Summary (EFAS), the final value of this analysis is obtained from weighting and rating. The next step is to determine the position of competitive advantage of young Muslim entrepreneurs using the SAMARA Finance concept in the Internal-External Matrix (IE Matrix) (Rangkuti, 1998). The next analysis is SWOT Analysis which is used to determine alternative strategies.

1. In the data analysis, weights are determined based on the level of importance, significance, or urgency, with a scale of 1 to 4 (1 = not important, 4 = very important).
2. Then, the weights of strengths and weaknesses are summed up, as a basis for determining/calculating the relative weight for each indicator contained in the strengths and weaknesses, so that the total value of the weight becomes 1 or 100%. In the same way, the weights and relative weights for opportunities and threats are calculated.
3. Next, determine the rating. Rating is an analysis of the possibilities that will occur in the short term (e.g. one year ahead). The rating value for the strength and opportunity variables is given a value of 3 to 5. The higher the value means that the performance of the indicator is a better concept.
4. The lower the value means that the indicator has more weaknesses in the concept, and vice versa. The rating value for the weakness and threat variables is the opposite of the rating value for the strength and opportunity variables.
5. The score value is obtained based on the result of the multiplication between the weight value and the rating. The total score value for each variable will determine the coordinate points on the IE Matrix, about the choice of strategy to be taken.

RESULTS AND DISCUSSION

Strengths and Weaknesses of SAMARA Finance Concept In Encouraging Competitive Advantage Of Young Muslim Entrepreneurs

The SAMARA Finance concept has several strengths to encourage the competitive advantage of young Muslim entrepreneurs, especially in Indonesia. However, this concept also has some weaknesses in encouraging the competitive advantage of young Muslim entrepreneurs.

Table 1. Internal Factor Analysis

INTERNAL	
Strengths	Weaknesses
1. Large number of MSMEs	1. Limitations in production capacity.

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<ol style="list-style-type: none"> 2. Increased awareness of religious values in starting a halal business 3. Easy access to quality halal raw materials. 4. Authenticated and guaranteed production process. 5. Guaranteed product quality. 6. Strong brand attraction. 7. Good reputation as a leading halal producer or entrepreneur. 	<ol style="list-style-type: none"> 2. Dependence on certain raw material suppliers. 3. Limited variety of products offered. 4. Relatively high price level compared to non-halal products. 5. Lack of awareness to avoid usury 6. Lack of information about making financial statements by Islamic law. 7. Relatively low knowledge of HR skills about halal business
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From the internal side as presented in Table 1, the main strength of the SAMARA finance concept to encourage the competitive advantage of young Muslim entrepreneurs is that in Indonesia, there are a large number of MSMEs. This is the main strength of the application of the SAMARA finance concept because MSMEs are the most important pillar in the Indonesian economy (Ministry of Cooperatives and SMEs 2021). Based on data from the Ministry of Cooperatives and SMEs, the number of MSMEs currently reaches 64.2 million with a contribution to GDP of 61.07% or worth 8,573.89 trillion rupiah (Ministry of Cooperatives and SMEs 2021). In addition, the awareness of religious values in starting a halal business continues to increase. Making access to quality halal raw materials easier, so that the production process is authenticated and guaranteed halal and the quality of the product is guaranteed halal. This gives MSMEs a strong brand appeal and a good reputation as a leading halal producer or entrepreneur because halal products are a part of the world business whose value is very large and promising, not only among Muslim communities but also non-Muslims (Mastuki, 2021). So that by applying the SAMARA finance concept, young Muslim entrepreneurs have more direction and ways to develop a business that is Halal and Tayyib.

However, internally, the SAMARA Finance concept in encouraging the competitive advantage of young Muslim entrepreneurs also has weaknesses. Such as limited production capacity due to the lack of raw materials that are processed according to Islamic standards (animal slaughtering process, alcohol, etc.). In addition, the limited raw materials are due to the limited raw material suppliers that make MSMEs very dependent on certain raw material suppliers. This limitation is the cause of the limited variety of products offered and makes the price level relatively high compared to non-halal products. Then in terms of sources of funds, because there are still very limited Islamic financial institutions (1% of the total financial institutions in Indonesia according to OJK 2022), MSME players have a low awareness of avoiding usury. Also, the lack of information about making financial reports by Islamic law is due to the relatively low knowledge of HR skills about halal business, even though the role of human resources (HR) is needed to adapt to the halal business (Byun et al., 2019; Li & Hendrischke, 2020).

Opportunities and Challenges of SAMARA Finance Concept in Encouraging Competitive Advantage of Young Muslim Entrepreneurs

In addition to strength and weakness factors, the concept of SAMARA finance also has opportunities and challenges in encouraging competitive advantage in young Muslim entrepreneurs.

Table 2. External Factor Analysis

EXTERNAL	
Opportunities	Threats
<ol style="list-style-type: none"> 1. Effective and targeted marketing communications. 2. Certification from a trusted halal institution. 3. Strategic partnerships with trusted halal suppliers and distributors. 4. Increased market demand for environmentally friendly halal products at home and abroad. 5. Large loyal customers 6. Increased investment in the halal industry and tourism sector. 	<ol style="list-style-type: none"> 1. Increased competition in the halal industry at home and abroad. 2. The high cost of procuring the required halal certification 3. There are still many Halal MSMEs that have not been certified 4. Lack of funding distribution for MSMEs 5. Lack of educational institutions and certification in Islamic business 6. Lack of supervision and checking of the halal process / Halal value chain

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<ol style="list-style-type: none"> 7. Increased government cooperation and related institutions in developing halal products. 8. Increased attention to sustainability and the environment in halal business. 9. Increased access to financial institutions that support the development of halal products. 10. Opportunities to develop halal business online. 11. Rise of Islamic Financial Technology 12. The large number of mosques, Islamic boarding schools and Islamic educational institutions in Indonesia 	<ol style="list-style-type: none"> 7. Weak capital sourced from capital institutions that are in accordance with Islamic law
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From the external side, the SAMARA Finance concept in encouraging the competitive advantage of young Muslim entrepreneurs has very open opportunities as presented in Table 2 above. Among them, effective and targeted marketing communication, this is because the target market is very clear, namely Muslim consumers and non-Muslim consumers who are very concerned about hygiene. Then there is already a certification agency from a trusted halal institution where this institution helps consumers choose halal products on the market. Have strategic partnerships with trusted halal suppliers and distributors. As well as an increase in market demand for environmentally friendly halal products at home and abroad. Because Indonesia is a country that is serious about developing the Islamic economy and the national halal industry. One of them is to make Indonesia the world's halal center or destination (global halal hub) in 2024 on the Global Islamic Economy Index (Kartasasmita, 2021). Having large loyal customers, because Muslims in Indonesia are the largest population in Indonesia, namely 243 million people in 2023, equivalent to 86.8% of the total population in Indonesia (RISSC, 2023), and the emergence of a halal lifestyle trend (halal lifestyle) (Mastuki, 2021). Then there is currently an increase in investment in the halal industry and tourism sector. Increased government cooperation and related institutions in developing halal products. This is evident from the many government programs in R&D related to the halal industry and tourism. This is marked by the strengthening of the halal value chain consisting of the food and beverage industry, tourism, Muslim fashion, media, recreation, pharmaceutical and cosmetic industries, and the renewable energy industry (National Sharia Finance Committee, 2018). Increased attention to sustainability and the environment in halal businesses. Increased access to financial institutions that support the development of halal products with the existence of Islamic banks and Islamic micro institutions (BMT), as well as Islamic fintech. These all provide opportunities to develop halal businesses online and the rise of Islamic Financial Technology. As will as, the opportunity for this concept to be adapted into halal business because in Indonesia there are many mosques, Islamic boarding schools, and Islamic educational institutions that will greatly support this concept to run.

However, externally, the SAMARA Finance concept in encouraging the competitive advantage of young Muslim entrepreneurs also faces challenges. Increased competition in the halal industry at home and abroad, makes domestic entrepreneurs have to think harder to create innovations in this halal business. Then the high cost of halal certification procurement required for halal identification of products makes entrepreneurs discourage the intention to register halal certificates on their products. Thus, there are still many Halal MSMEs that have not been Halal certified. indirectly this has an impact on the achievement of halal industry development (Sukoso et al., 2020). The lack of distribution of funds to MSMEs is due to non-standardized financial reports caused by the lack of educational institutions and certification on Islamic business. So capital sourced from capital institutions that comply with Islamic law is still very limited. And the lack of supervision and checking of the halal process or there is no standard for using the Halal value chain.

Positioning Strategy

From the identification of internal and external factors in the analysis of the SAMARA finance concept in encouraging the competitive advantage of young Muslim entrepreneurs from the aspects of strengths, weaknesses, opportunities, and challenges, then weighting and rating of these strategic factors (internal and external) are carried out to obtain positioning and strategic choices that can be taken. Table 3 below is a table of the acquisition of positioning values from internal factors, namely strengths and weaknesses.

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Table 3. Strength and Weakness Analysis

No	Strategic Factors	Weight	Rating	Score
Strengths				
1	Large number of MSMEs	0.08	5	0.41
2	Increased awareness of religious values in starting a halal business	0.08	4	0.32
3	Easy access to quality halal raw materials.	0.08	3	0.24
4	Authenticated and guaranteed production process.	0.08	4	0.32
5	Guaranteed product quality.	0.08	4	0.32
6	Strong brand attraction.	0.08	5	0.41
7	Good reputation as a leading halal producer or entrepreneur.	0.08	5	0.41
Total Score (S)				2.43
Weaknesses (W)				
1	Limitations in production capacity.	0.08	2	0.16
2	Dependence on certain raw material suppliers.	0.08	2	0.16
3	Limited variety of products offered.	0.05	2	0.11
4	Relatively high price level compared to non-halal products.	0.05	2	0.11
5	Lack of awareness to avoid usury	0.05	1	0.05
6	Lack of information about making financial reports by Islamic law	0.05	1	0.05
7	Relatively low knowledge of HR skills about halal business	0.05	1	0.05
Total Score (W)				0.70
Total S+W		1.00		1.73

Table 4 below is a table of the acquisition of positioning values from external factors, namely opportunities and challenges.

Table 4. Analysis of opportunities and threats

No	Strategic Factors	Weight	Rating	Score
Opportunities				
1	Effective and targeted marketing communications.	0.06	5	0.29
2	Certification from a trusted halal institution.	0.06	5	0.29
3	Strategic partnerships with trusted halal suppliers and distributors.	0.05	4	0.19
4	Increased market demand for environmentally friendly halal products at home and abroad.	0.06	5	0.29
5	Large loyal customers	0.06	5	0.29
6	Increased investment in the halal industry and tourism sector.	0.06	4	0.23
7	Increased cooperation with government and related institutions in developing halal products.	0.06	5	0.29
8	Increased attention to sustainability and the environment in halal business.	0.05	4	0.19
9	Increased access to financial institutions that support the development of halal products.	0.06	4	0.23
10	Opportunities to develop halal business online.	0.06	5	0.29

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11	The rise of Islamic Financial Technology	0.06	5	0.29
12	The number of mosques, Islamic boarding schools and Islamic educational institutions in Indonesia	0.06	5	0.29
Total Score (O)				3.15
Threats				
1	Increased competition in the halal industry at home and abroad.	0.04	2	0.08
2	The high cost of procuring the required halal certification	0.04	1	0.04
3	There are still many Halal MSMEs that have not been certified	0.04	1	0.04
4	Lack of Funding for MSMEs	0.04	1	0.04
5	Lack of educational institutions and certification in Islamic business	0.06	1	0.06
6	Lack of supervision and checking of the halal process / Halal value chain	0.06	1	0.06
7	Weak capital sourced from capital institutions that comply with Islamic law	0.06	2	0.12
Total Score (T)				0.42
Total (O+T)		1.00		2.73

Based on the analysis tables of internal (strengths and weaknesses) and external (opportunities and threats) factors in Tables 3 and 4, the position coordinate points in the SWOT Quadrant Model in Figure 2 below can be made.

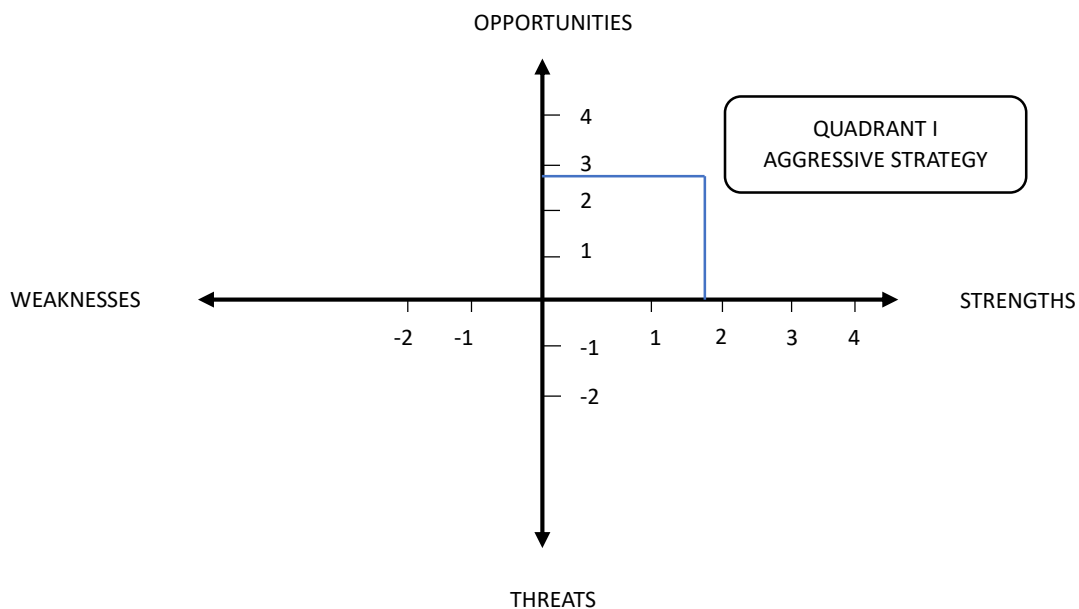


Figure 2: Results of Quadrant analysis of SWOT model

Based on Figure 2 above, it can be seen that the position of the SAMARA Finance concept in encouraging the competitive advantage of young Muslim entrepreneurs is in the position of Opportunity and Strengths, namely Quadrant 1. This means that the SAMARA Finance concept is a concept that can be applied to young Muslim entrepreneurs, with an Aggressive strategy of utilizing strengths to benefit from opportunities to make the business superior and competitive.

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CONCLUSION

To increase competition in the market and have a competitive advantage, this research aims to see the strengths, weaknesses, opportunities, and challenges of a SAMARA Finance Concept in encouraging competitive advantage for young Muslim entrepreneurs. This research wants to see whether the SAMARA Finance concept can be used to encourage young Muslim entrepreneurs to start their businesses and have a competitive advantage. Based on the SWOT analysis above, the SAMARA Finance concept is a concept that can be applied to young Muslim entrepreneurs, with an aggressive strategy of utilizing strengths to benefit from opportunities to make the business superior and competitive. Because in terms of strengths in Indonesia, there are a large number of MSMEs, awareness of religious values in starting a halal business continues to increase. As well as making access to quality halal raw materials easier, so that the production process is authenticated and guaranteed halal and the quality of the product is guaranteed halal. This gives MSMEs a strong brand appeal and a good reputation as a leading halal producer or entrepreneurs because halal products are a part of the world business whose value is very large and promising. In terms of effective and targeted marketing communication opportunities, this is because the target market is very clear, namely Muslim consumers and non-Muslim consumers who are very concerned about hygiene. Then there is already a certification agency from a trusted halal institution which is very helpful for consumers to choose halal products on the market. Indonesia also has strategic partnerships with trusted halal suppliers and distributors. And there is an increase in market demand for environmentally friendly halal products at home and abroad. Indonesia also has large loyal customers, because Muslims in Indonesia are the largest population and the emergence of halal lifestyle trends can increase investment in the halal industry and tourism sector, increase government cooperation and related institutions in developing halal products, increase attention to sustainability and the environment in halal business, increase access to financial institutions that support the development of halal products with the existence of Islamic banks and Islamic micro institutions (BMT), and Islamic fintech. As well as, the opportunity for the SAMARA Finance concept to be adopted in Indonesia because in Indonesia there are many mosques, Islamic boarding schools, and Islamic educational institutions that will greatly support this concept.

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