

# INTRODUCTION

## CHAPTER 1

### A. Background of study

Welfare is a good condition of society where it can be able to fulfill basic needs, improve the quality of life guaranteed and avoid poverty, fear, or worry so that life in a safe state of peace, both physically and mentally<sup>1</sup>. The welfare must be balanced between the social-material aspect and spiritual aspect and also the welfare in the worldly life and the day after<sup>2</sup>. To realize prosperity in Islam, there are 5 things that must be fulfilled and Al-syaitibi in his book divided it to be 5 parts called by maqashid syariah, there are Hifdzu Diin, Nafs, Maal, Aql and Nasl<sup>3</sup>. In other side, Welfare is a goal of humanity and spirituality, then efforts and works are needed to achieve it<sup>4</sup>, including the establishment of Muhammadiyah charity efforts in various fields and various places. As AUM is build in many places between the society, Muhammadiyah also has a direct role in improving community welfare<sup>5</sup>.

Muhammadiyah is a religious organization that is widespread in Indonesia. He brought Amar Ma'ruf nahi munkar and had a tajdid character,

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<sup>1</sup> Rosni, "Analisis tingkat kesejahteraan masyarakat nelayan di desa Dahari selebar kecamatan Talawi kabupaten Batubara". *Jurnal geografi* e-ISSN: 2549-7057 p-ISSN: 2085-8167 (Vol 9 No. 1 – 2017) P 56.

<sup>2</sup> Rahmat Ilyas, "Etika konsumsi dan kesejahteraan dalam perspektif ekonomi Islam", *Jurnal At-Tawassuth*, (Vol. 1, No. 1, 2016) P 165.

<sup>3</sup> Amirus Sodiq, Konsep kesejahteraan dalam Islam. *Jurnal Equilibrium*, (Vol. 3, No. 2, Desember 2015) P 395.

<sup>4</sup> Qurratul A'yun Nailufarh. Kesejahteraan Ekonomi Rakyat Di Antara Harapan Dan Realitas. Balance Economics, Bussiness, *Management and Accounting Journal* (VII No. 12 Jan 2010) P 25

<sup>5</sup> Isma Asmaria Purba dan Ponirin. Perkembangan Amal Usaha Organisasi Muhammadiyah di Bidang Pendidikan dan Kesehatan. *Jurnal Ilmu Pemerintahan dan Sosial Politik* ISSN: 2549 1660 (vol 11 no 3 2013) P 105

based to the Qur'an and the Sunnah<sup>6</sup>. For Muhammadiyah tajdid is an active and creative process to solve concrete and realistic problems<sup>7</sup>. So some of the efforts that have been made by the Muhammadiyah organization today are a manifestation of what was expected by the founders and the realization of tajdid, one of them is Muhammadiyah's charity<sup>8</sup>. Since the establishment of AUM, it has the aim of solving Indonesian society from ignorance and poverty. The implementation are establishing thousands of schools wich are ranging from kindergartens to universities, hospitals, maternity centers, orphanages, nursing homes, social homes, and economic institution<sup>9</sup>.

The development of Muhammadiyah in Ponorogo is fairly rapid, it has been proven that there are a lot of charity businesses that are establishing in this district such as BMT, hospitals, 13 orphanages, universities, schools, and some supermarkets in various districts<sup>10</sup>. In fact, it was reported from [sangpencerah.id](http://sangpencerah.id), that PDM Ponorogo have the best development in Indonesia<sup>11</sup>. So, suspected the Muhammadiyah charity will be able to bring prosperity to the community, reduce poverty and unemployment as aspired by its previous founders<sup>12</sup>. At the same time, the poverty rate in Ponorogo in every year fluctuates as mentioned in the chart below

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<sup>6</sup> Ida Ayu Lestari *Peranan Muhammadiyah dalam membina masyarakat Islam di Jeneponto (suatu tinjauan historis)*. Skripsi Fakultas Adab dan Humaniora UIN Alauiddin Makassar 2016. P 11

<sup>7</sup> Reported from Abdul Mu'ti Secretary of PP Muhammadiyah dan chief of PP Pemuda Muhammadiyah in website <http://www.suaramuhammadiyah.id> on 22 october 2018 at 10:05

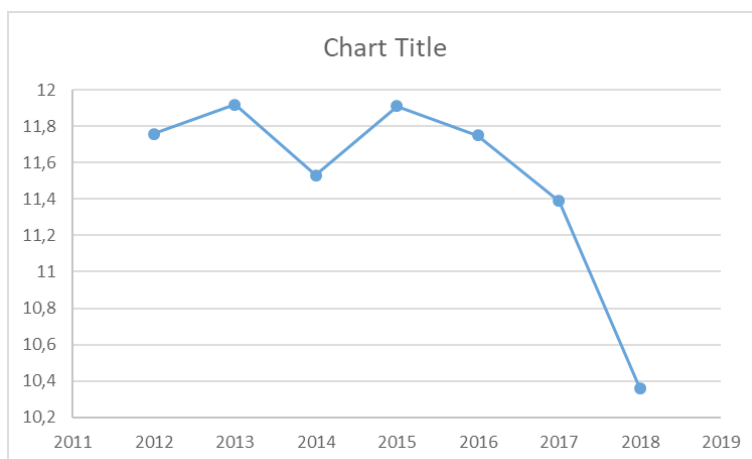
<sup>8</sup> Reported from website Muhammadiyah [www.muhammadiyah.or.id](http://www.muhammadiyah.or.id) diakses at 22 October 2018 10:29

<sup>9</sup> Hafidh Arif Rahman *Peran Pimpinan Cabang Muhammadiyah Dalam Peningkatan Mutu Pendidikan Islam Masyarakat Kecamatan Banyudono Kabupaten Boyolali*. Skripsi (IAIN Salatiga 2015) P 3

<sup>10</sup> Reported from website "ponorogo. muhammadiyah.or.id" written by LPP Universitas Muhammadiyah at 22 oktober 2018 pukul 11:51

<sup>11</sup> Reported from [mentari.online](http://mentari.online) at 04 november 2018 pukul 22:06

<sup>12</sup> Isma Asmaria, *Perkembangan...* P 105



Sumber: BPS ponorogo

From the data above, the poverty rate was recorded in 2014 as 11.53% or 99.86 thousand people, then in 2015 there was an increase in the number of poor population to 11.91% or as many as 103.22 thousand people. But in 2016, the poverty fell back to 11.75% or 102.6 thousand lives, while the decline in poverty was very small at 0.16%<sup>13</sup>. With a fluctuating economy and a slight decline in poverty, economic stability is disrupted and has an impact on the welfare of its people.

From the background above, the researcher chose ponorogo district because AUM in Ponorogo has positive improvement and rapid so that it is expected to have an impact on the welfare of the people of Ponorogo. From the hypothesis above, researcher took the appropriate title " the role of Muhammadiyah's charity in improving the welfare of the ponorogo society. AUM is a large institution In order to make it not expanding the discussion too much the research is limited by using the PDM office and Surya mart.

## B. Problem formulation

The formulation of the problem contained in this study is

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<sup>13</sup> Badan pusat statistika kabupaten Ponorogo <https://ponorogokab.bps.go.id> diakses pada hari senin 15 oktober 2018 pukul 21:14

- a) How is the role of Muhammadiyah buissiness Charity in improving the welfare of the Ponorogo Society?
- b) What is the obtacles of Muhammadiyah buissiness Charity in improving the welfare of the Ponorogo Society?

### **C. Research purposes**

There are several research objectives currently available.

- a) To identify the role of Muhammadiyah buissiness Charity in improving the welfare of the Ponorogo Society
- b) To identify obtacles of Muhammadiyah buissiness Charity in improving the welfare of the Ponorogo Society

### **D. limitation of Research**

The limitation of the problem in the preparation of this thesis is as follows

- 1) This study discusses AUM in general and Surya Mart as part of AUM specifically
- 2) This study only discusses 4 maqashid sayriah and does not discuss one of them (Hifdzu Nasl)

### **E. Benefits of research**

Based on the formulation and objectives above it can be known that the benefits of this research are

- 1) Benefits for Academics:

The benefits of this study for academics are:

- a) Increase students' understanding of well-being both in Islam and conventional
  - b) Preparing students who are able to realize the main goal of the Indonesian people, i.e for the welfare of all Indonesian people.
- 2) Benefits for related organizations

The benefits of this study for the government are

- a) Assisting related organizations in realizing welfare in Islam

- b) Assisting related organizations in improving community welfare
- 3) Benefits for society
  - a) Understanding the community's Islamic welfare-based development strategy
  - b) The realization of welfare, peace, through development

## **F. Research methodology**

### **1. Types of research**

This study uses a qualitative research. According to Moleong, qualitative research is a study used to understand a phenomenon experienced by the subject in the study<sup>14</sup>. Qualitative methods are used in research with natural objects that make researchers key of instruments<sup>15</sup>. Qualitative research is inductive, which is based on the facts found later designed to be a hypothesis or theory<sup>16</sup>. This study aims to make a systematic, factual, and accurate description of the Muhammadiyah's charity efforts in improving the welfare of the people of Ponorogo, and to explore the data and then describe it according to what happened in the field. The data sources in this study were obtained directly from the Muhammadiyah branch leader, PDM ponorogo office clerk, Surya employees and some people directly involved with AUM, as well as data obtained from annual reports, monthly reports, and supporting electronic sources like the official website.

### **2. Location of research**

The chosen locations by the researcher are places that are directly related with the Muhammadiyah ponorogo charity business, such as the PDM office and Surya mart,. This location was chosen because Muhammadiyah's business charity developed rapidly and

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<sup>14</sup> Koenjoto, “*Metode Penelitian*” (Kediri 2009) P 14

<sup>15</sup> Sugiyono, *Metode Penelitian Kualitatif Untuk Penelitian yang Bersifat Eksploratif, Enterpretif, Interaktif dan Konstruktif*. (Alfabeta, Bandung 2107) P 9.

<sup>16</sup> Ibid P 10.

involved the community in its operation.

### **3. Source and type of data**

The sources and types of data used in this study are primary data and secondary data as will be explained below

#### a) Primary data

Primary data is the main data in qualitative research which is directly obtained from data collectors<sup>17</sup>. The source will be in the form of words and actions because the data obtained directly<sup>18</sup>. In this study the primary data was obtained from observations and interviews directly to the PDM chief of leadership ponorogo, PDM staff, ta'mir mosque, Surya mart staff, business people, and some people directly involved with the charity of Muhammadiyah business

#### b) Secondary data

Secondary data is data taken not directly from the object or not directly to the data collector but through some intermediaries such as documentation<sup>19</sup>, while in this study the researcher took the secondary data from annual reports, monthly reports, BPS data, and other actual sources such as official website that supports primary data.

### **4. Data collection technique**

#### a) Documentary

Documentation comes from the word document which is a record of previous events. In this case Bogdan stated "*in the most tradition of qualitative research, the phrase personal document is used broadly to refer to any first person produced by an individual which describes his or*

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<sup>17</sup> Sugiyono. *Metode penelitian bisnis (pendekatan kuantitatif, kualitatif dan R&B)*. (Alfabeta, Bandung 2014), P 402.

<sup>18</sup> Ida Ayu Lestari *Peranan muhammadiyah dalam....* p 17

<sup>19</sup> Sugiyono. *Metode penelitian bisnis....* P 402

*her own actioun, experience and belief*"<sup>20</sup>. Documentation in qualitative research takes a considerable role, data from documentation is used if there are deficiencies and can display some data that may not have been retrieved<sup>21</sup>. The data can be in the form of written notes and drawings needed to assist in analyzing the data. As for this study documentation is obtained from annual reports, monthly reports, and other actual sources such as official websites that support

#### b) Interview

According to Lincoln and Guba, interviewing is a conversation to obtain certain intentions between two parties (interviewer or interviewee) with the intention of constructing about people, organizations, events, and verifying and extending information obtained from others<sup>22</sup>. This study uses structured interviews, using systematic interview guidelines, i.e in the form of an outline of the problems to be asked<sup>23</sup>. Structured interviews are chosen because the object submitted is in the form of questions to the institutions that have been determined. In this study the interview will be conducted with the PDM chief of staff, PDM staff, director of the Surya mart, and several related companies.

#### c) Observation

Bogdan and Biklen stated that observation is a note in the form of writing about what is seen, heard and experienced in the context of collecting field data in qualitative research<sup>24</sup>. Observations are usually used to analyze and conduct systemic records by observing the behavior of the community or individuals directly in the field

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<sup>20</sup> Sugiyono. *Metode Penelitian Kualitatif...* P 125.

<sup>21</sup> Subandi, Deskripsi kualitatif sebagai satu metode dalam penelitian pertunjukan. *Jurnal harmonia*, (Volume 11, No.2 / Desember 2011) P 177.

<sup>22</sup> Lexy J. Moleong. *Metodologi Penelitian Kualitatif Edisi Revisi*. (PT Remaja Rosdakarya, Bandung 2016), P 186.

<sup>23</sup> Sugiyono. *Metode penelitian bisni....* P 413

<sup>24</sup> Lexy J. Moleong. *Metodologi Penelitian Kualitatif...* P 209.

to create a broad picture of the problems observed. Observations at this stage include general observations of everything related to research, then identifying aspects of concern and limiting the object of observation and recording<sup>25</sup>. This study uses straightforward observation, its mean data collection carried out continuously for related objects<sup>26</sup>. This research uses straightforward observation, because researchers have obtained permission with the relevant institutions, and observation by method will frankly get help from those observed. The object of observation in this study is the PDM office and Surya mart ponorogo, while the observed activity is an activity based on Muhammadiyah's charitable endeavors..

## 5. Data analysis technique

The data analysis technique in this study uses descriptive analysis, i.e by selecting important data, new unique and related to the formulation of the problem. The analysis was also carried out with data collected through three data collection techniques as described above. While the data analysis model uses the Miles and Huberman models<sup>27</sup>. They suggested that analyzing the quality data was carried out continuously and interactively so that the data obtained was truly valid and in accordance with what was desired<sup>28</sup>. The step of analyzing the data according to miles and Huberman is divided into four method

### a) Data collection

Data collection on qualitative methods using observation, interviews and documentation. The initial stage is to do general exploration of the object under study by recording and writing<sup>29</sup>.

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<sup>25</sup> Basrowi dan surwandi. *Memahami penelitian kualitatif*. (Rineka Cipta, Jakarta 2008) P 94.

<sup>26</sup> Sugiyono. *Metode penelitian bisnis (pendekatan kuantitatif, kualitatif dan R&B)*. (Alfabeta, Bandung 2014) P 405.

<sup>27</sup> Sugiyono. *Metode Penelitian Kualitatif...* P 175.

<sup>28</sup> Ibid P 133.

<sup>29</sup> Ibid P 134.



As for this research, data collection uses structured interviewing techniques, using tools such as mobile phones as recording and shooting tools as documentation and notebooks, and direct observation and using documentation in the form of annual reports, monthly reports, BPS data, and actual sources others such as official websites that support.

b) Data reduction

The data collected from the field is usually very complex and needs to be reduced. Reducing means summarizing and sorting the main data and focusing on the research title, so that clearer data is formed and makes it easier for researchers to know the strengths and weaknesses of data. This reduction technique can be done with aids in the form of electronic devices<sup>30</sup>. Data reduction is done by the researcher by recording the results of interviews and documentation to then be selected according to the research needs

c) Data display

The next step after finishing reducing the data is to display it. In qualitative research the presentation of data is usually in the form of narrative texts, charts, flowcharts etc. Display data is useful to make it easier for researchers to understand object, and to make easier for next step based on what has been understood<sup>31</sup>. As for this study the data display is in the form of narrative text as written in chapter 3.

d) Conclusion Drawing / verification

The last step in data analysis is drawing conclusions and verification. After data has been reduced the data can be concluded. The conclusion can be revised because the data obtained is temporary, but if the data displayed is supported by valid and

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<sup>30</sup> Ibid P 135.

<sup>31</sup> Ibid P 137.

consistent evidence then conclusions are credible<sup>32</sup>. Testing the credibility of the data use three technique. First Checking from the sources its mean the validity of the data obtained through several sources. If what is checked is the charitable role of the Muhammadiyah business, it is necessary to check not only the relevant agencies but also the employees and the community involved in the charity business. The method is carried out by researchers by asking the same questions to different sources.

Second, cheking from the techniques its mean checking data from the same source but using different techniques. If data from interviews, observations and documentation vary, it is necessary to have further discussion regarding the data collected. The researcher conducted this method with observations to obtain the truth from the results of interviews with the speakers. Third, cheking from the time, because time also often affects the credibility of the data, so that in checking it needs to be conducted research with different times and conditions, even though the data collection techniques are the same i.e observation, interview and documentation<sup>33</sup>. The researcher applied it by conducting interviews at different times, the example in the first study was carried out in the morning, in the second study conducted during the day and so on.

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<sup>32</sup> Ibid P 141 & 142.

<sup>33</sup> Ibid P 191.