

CHAPTER I

INTRODUCTION

1.1 Background of The Study

Ngawi City is a region that is part of East Java province. With the vast area of this region, it can advance the economy of the community, making Ngawi City one of the cities with advantages in the agricultural sector to boost the economy in Ngawi. The city of Ngawi also relies on the industrial and mining sectors to contribute to the income of the Ngawi community, with the Ngawi region encompassing about 72% of rice fields, forests, and plantation lands, in addition to the agricultural sector, which accounts for around 76%. Next, in the year 2000, Ngawi Regency ranked first in rice production among several regencies such as Jember, Banyuwangi, and Lamongan.¹ Ngawi Regency is one of the regions with fertile land, as evidenced by its area of 1,295.9851 km².² In the following year, there was a growth increase in the electricity, gas, and drinking water sectors of 7.83% in 2015.

Ngawi City has several sub-districts, one of which is the Mantingan sub-district, which has an average elevation of 67 to 100 meters above sea level. The land area of Mantingan is 62.21 km². Km².³ Mantingan is a sub-district in Ngawi Regency, East Java, Indonesia. The economy in Mantingan, like many rural areas in Indonesia, generally relies on the agricultural sector, livestock farming, small trade, and home industries. One of the prominent sectors in the Ngawi District is agriculture, which covers an area of approximately 2,452 hectares of rice fields or around 2,645.65

¹ Alih Aji Nugroho, "Pembangunan Ekonomi Berbasis Potensi Wilayah Dan Pemberdayaan Masyarakat: Analisis Pengembangan Ekonomi Kabupaten Ngawi," *Jurnal Pembangunan Dan Kebijakan Publik* 8, no. 2 (2018), p.30–36.

² Deshinta Anisa, "Analisis Sektor Basis Pertanian Dalam Pertumbuhan Ekonomi Di Kabupaten Ngawi" (Universitas Jember, 2023).

³ Badan Pusat Statistik Kabupaten Ngawi, "Kecamatan Mantingan Dalam Angka Mantingan Subdistrict in Figures" (Pemerintah Kabupaten Ngawi, 2023), p.10,

hectares, with the remaining 18.06 percent being non-agricultural land or about 1,123.35 hectares.⁴

To advance the economy in the village, a business was established called the Village-Owned Enterprise (BUMdes). The Village-Owned Enterprises (BUMdes), which is an institution owned by the village government, operates in the economic sector as a manifestation and effort of the government towards the village community to continuously develop and explore the village's potential and the needs of the village community, and its management mechanisms can be carried out by the community and the village government. The existence of BUMdes serves as a place for small and medium business actors to expand and develop their businesses.⁵ The business units established by the MSMEs in Sambirejo Village have been widely developed in Indonesia, especially the MSMEs in Sambirejo Village. The data on the number of SMEs in the district in 2021 currently amounts to 80,395. In addition, the presence of MSMEs adds creativity to the Sambirejo Village in creating product innovations. However, these MSME businesses cannot stand alone as they require government policies. The aspects of government policies include the improvement of financial service services, especially for MSME actors, which cover service improvements, market access, insurance capital, enhancement of financial service infrastructure such as market access, collection and payment services, ease of investment and saving, as well as general support for trade transaction implementation. Additionally, it includes enhancing capabilities and mastery of technical and business management

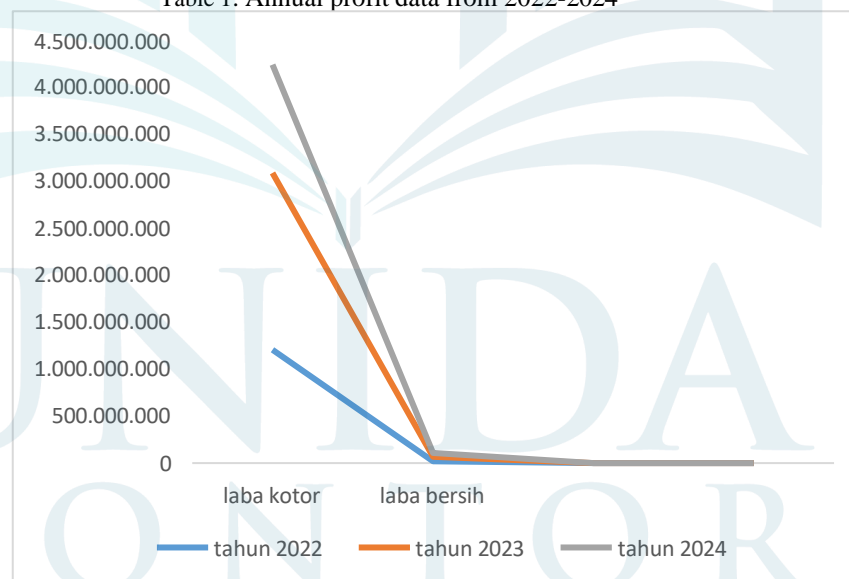
⁴ Badan Pusat Statistik Kabupaten Ngawi, *Kecamatan Mantingan Dalam Rangka Mantingan Subdistrict in Figures*, 2023, Kabupaten Ngawi, p.3.

⁵ Martin Bahri, Salmi Yuniar, Khalik, Abdul, Romiza, "Peran Badan Usaha Milik Desa (BUMdes) Dalam Meningkatkan Pendapatan Usaha Kecil Menengah (UKM) Di Desa Gerung Permai, Kecamatan Suralaga Kabupaten Lombok Timur," *Jurnal Ilmu Sosial Dan Pendidikan* 6 (2022);, p.1.

aspects, product and sales development, financial administration, and comprehensive entrepreneurship.

The economic growth in the village is certainly not solely the responsibility of the government, but there must also be involvement from the village administration. Especially in the area of Sambirejo Village, which has an area of 839.665 ha, with a latitude of 737.032 and a longitude of 111.1785.336, characterized by a lowland surface and a distance of 4 km from the sub-district government center and 30 km from the district center.⁶ Rural economies, in particular, are greatly influenced by small-scale economic activities. BUMdes is a business entity that oversees capital and generates income for the village. It is included among those businesses. This village-owned enterprise (BUMdes) aims to maximize profits while boosting the local economy and serving as a means to uphold community morality.⁷ Here is the profit table for BUMdes Sambirejo Mart from 2022 to 2024.

Table 1. Annual profit data from 2022-2024



Source: BUMdes Sambirejo Mart Data, 2022-2024

From these profits, it is hoped that they can help the economy of the village community and indirectly have an independent principle

⁶ Pak Sumargo, "Wawancara Dengan Pak Sumargo Tentang Desa Sambirejo," 2024.

⁷ Amelia Sri And Kusuma Dewi, "Sebagai Upaya Dalam Meningkatkan Pendapatan Asli Desa (Pades) Serta Menumbuhkan Perekonomian Desa" V, No. 1 (2014):, p. 1–14.

in circulating finances without government assistance, with the results also being allocated into the state budget (APBN).⁸

The Sambirejo Mart business unit aims to do just that. The residents of Sambirejo Village sell at Sambirejo Mart and earn profits after collaborating with the Sambirejo Mart BUMdes partners. The goal of the BUMdes is to reduce the urbanization process that has seemingly become a necessity for the village community.⁹

Bumdes is a social institution that has a significant contribution in providing social services to increase the village's original income (PAD).¹⁰ Bumdes plays an important role in strengthening the village economy by meeting the village's potential needs and improving the welfare of the village community.¹¹ With this, BUMdes is related to this research because BUMdes Ngawi focuses more on the agriculture, tourism, and local product sectors, whereas BUMdes Sragen BUMdes is more active in the trade, services, and household industry sectors, while the government policies in Ngawi are more supportive of business development based on natural and agricultural potential. In contrast, BUMdes Sragen has policies that encourage the development of the service and trade sectors and support the creative industry. The goal of BUMdes Sambirejo Mart is to use its profits to help the community.¹²

The purpose of this operational activity of profit distribution is to keep the BUMdes organization running, and the continuously improving organizational balance will help fulfill the managers'

⁸ Sabahuddin Azmi, *Menimbang Ekonomi Islam, Keuangan Publik, Konsep Perpajakan Dan Peran Bait Al-Mal* (Bandung: Nuansa, 2005), p.9-10.

⁹ Departemen Pendidikan Nasional, *Pendirian Dan Pengelolaan Badan Usaha Milik Desa*, Universita (Universitas Brawijaya: Pusat Kajian Dinamika Sistem Pemerintahan(PKDSP), 2007).

¹⁰ Alviant, "Efektivitas Pengelolaan Badan Usaha Milik Desa (BUMDes) Terhadap Kesejahteraan Ekonomi Masyarakat Desa Kupa, Kecamatan Mallusetasi Kabupaten Barru," 2022, p. 32.

¹¹ Alja Yusnadi, "Analisis Strategi Pemberdayaan Ekonomi Melalui Anggaran Desa," *Biram Santani Sins 4 2* (2021):, p.4-5.

¹² T Sugihan Bahrein, *Sosiologi Pedesaan* (Jakarta: Balai Pustaka, 1997), p.22.

tasks and responsibilities in the financial field. The presence of BUMdes has a direct impact on the community, although it has not yet reached the entire population.¹³

BUMdes is an economic institution that is expected to contribute to the village's original income, thus having a significant benefit and impact in Sambirejo Village.¹⁴ Because BUMdes is one of the business entities in the village of Sambirejo that is useful for empowerment, one example of the benefits of the existence of BUMdes is to reduce cash contributions in Rt Sambirejo, the researcher wants to understand the profit-sharing mechanism at BUMdes Sambirejo Mart in order to improve the welfare of the village of Sambirejo.

Based on the description of the problem above, the researcher wants to understand the profit-sharing practices between the Village-Owned Enterprises (BUMdes) and the MSMEs in BUMdes Sambirejo Mart in fulfilling the provisions of practices in accordance with Islamic law, under the title "Profit-Sharing Practices Between Village-Owned Enterprises (BUMdes) and MSMEs in BUMdes Sambirejo Mart from the Perspective of Fiqh Mu'amalah 2024 (Study in Sambirejo Village, Ngawi Regency)."

1.2 Formulation of the Problem

Based on the background description above, the problem in this research will be formulated as follows:

1. How is the profit-sharing practice between the Village-Owned Enterprises (BUMdes) and MSMEs at BUMdes Sambirejo Mart?
2. How is the profit-sharing practice between the Village-Owned Enterprises (BUMdes) and MSMEs at BUMdes Sambirejo Mart of fiqh mu'amalah?

¹³ Dasmi Husin, Hilmi, and Azhar, "Perhitungan Laba Rugi Model Bagi Hasil Usaha Peternakan Sapi Pada Bumdes Banna Lhokseumawe," *Dinamisia : Jurnal Pengabdian Kepada Masyarakat* 5, no. 2 (2021): 450–57,

¹⁴ David Prasetyo, *Peran BUMdes Dalam Membangun Desa* (Pontianak: CV Derwati Press, 2019), p.24.

1.3 Purposes of Study

In accordance with the problem formulation above, the objectives of this research are as follows:

1. Understanding the profit-sharing practices between the Village Owned Enterprises and SMEs at Bumdes Sambirejo Mart.
2. Knowing the profit-sharing practices of UMKM BUMdes Sambirejo Mart with BUMdes Sambirejo Mart from the perspective of fiqh mu'amalah.

1.4 Benefits of Study

Through this research it is hoped to provide benefits including:

1. Theoretical benefits

The results of this research are expected to provide scientific insights that can be beneficial regarding profit-sharing practices, contributing to the development of literature related to profit-sharing practices between BUMDes and UMK. This research can enrich the understanding of local-based economic cooperation models oriented towards community empowerment. In addition, this study is expected to serve as a reference for the development of theories on distributive justice, particularly at BUMDes Sambirejo Mart.

2. Practical Benefits

The results of this research are expected to provide scientific insights that can be beneficial regarding profit-sharing practices, contributing to the development of literature related to profit-sharing practices between BUMDes and UMK. This research can enrich the understanding of local-based economic cooperation models oriented towards community empowerment. In addition, this study is expected to serve as a reference for the development of theories on distributive justice, particularly at BUMDes Sambirejo Mart.

The research to be conducted by this researcher is hoped to serve as a scholarly study to enhance information and understanding regarding the profit-sharing practices between BUMdes Sambirejo Mart and the surrounding MSMEs in Desa Sambirejo from the perspective of fiqh mu'amalah.

1.5 Literature Review

Table 2. Literature Review

Page	Name & year	Research Title	Similarities&differences
1.	Novita Sari in 2023.	The implementation of profit-sharing contracts from the perspective of muamalah fiqh (an analytical study of the Aulia 21 grocery agent in Gunung Sahari Selatan, Kemayoran District, 2023).	The similarity of this research with the research that will be conducted by the researcher lies in the principles used for analysis in the review of fiqh mu'amalah. The difference in this research lies in the location of the research object, which is focused on the Aulia 21 grocery agent located in the Gunung Sahari Selatan village area, Kemayoran sub-district.
2.	Shintia Afrilla in 2021	"Review of mu'amalah fiqh on the profit-	The similarity in this research uses a qualitative method with a review of mu'amalah jurisprudence. The difference in this research is that the research object is on

		sharing system in nutmeg management (case study in Meukek District), 2021.	nutmeg production, whereas the research to be conducted by the researcher is on BUMdes Sambirejo Mart with MSMEs in BUMdes Sambirejo Mart.
3.	Sri Wirdiangsih in 2023.	"Profit-Sharing Practices Between Village-Owned Enterprises (BUMdes) and the Community in Cacao Seedling Cultivation MCC 02 from the Perspective of Fiqh Mu'amalah (Study in Ceringin Astri Village, Wayratai	The similarity in the research lies in its perspective, which is fiqh mu'amalah, while the difference is in the research object, which is the Cacao MCC 02 plant.

		District, Pesawaran Regency, 2023."	
4.	Okta Liani in 2017.	"Review of Mu'amalah Jurispruden ce on the Profit- Sharing System for Opening Rubber Plantation Land in Air Limau Village, Rambang Dangku District, Muaraenim Regency, 2017,".	The similarity in this research lies in its review tool, which is fiqh mu'amalah, and its research method, which uses a qualitative method. The difference lies in the research object, which is rubber plantation land.
5.	Muhammad Ali Munji, Roni, Hidayat Iqbal Fadli Muhammad in 2023.	"Analysis of Mu'amalah Jurispruden ce on the Profit- Sharing System by Shrimp	The similarity in this research is the analysis using fiqh mu'amalah. The difference lies in the object, which is shrimp farmers.

		Farmers in Lampung.	
6.	Oktarijayanti, Daharmi Astuti, Boy Syamsul Bakhri in 2020	The concept of profit-sharing cooperation for palm oil in Dayun District, Siak Regency, Riau Province (A Review of Mu'amalah Jurisprudence).	The similarity is viewed from the perspective of mu'amalah fiqh, while the difference lies in the object, which is the profit-sharing with palm oil.
7.	Riski Basri in 2023.	Review of Mu'amalah Jurisprudence on Profit-Sharing Cooperation in Corn Farm Management.	The similarity is in the review of fiqh mu'amalah, the difference is in the research object, which is a cornfield.

8.	Surya Atmaza in 2019	A Review of Mu'amalah Jurisprudence on the Profit-Sharing Practices between Palm Oil Middlemen and the Community in Alim Village, Batang Cenaku District, Indragiri Hulu Regency.	The similarity lies in the perspective of fiqh mu'amalah and the method used, which is the qualitative method. The difference lies in the research object, which is the profit-sharing that occurs between palm oil middlemen and the community in Alim Village, whereas the researcher will discuss the profit-sharing practices between BUMdes Sambirejo Mart and MSMEs in BUMdes Sambirejo Mart.
9.	Almiyah in 2021.	Review of mu'amalah fiqh on the implementation of profit-sharing in rice field management in	The similarity is in the review, which is fiqh mu'amalah. The difference lies in the research object, which is the management of rice fields in Kepayang Village, whereas the research that will be conducted by the researcher is between BUMdes and SMEs in BUMdes Sambirejo Mart.

		Kepayang Village, Lempuing District, Oki Regency, South Sumatra,	
10.	Ayu Safitri, Nandang Ihwanuddin, Intan Manggala Wijayanti in 2023.	Review of Mu'amalah Jurisprudence the Profit-Sharing Practices of Goldfish Ponds.	The similarity in this research lies in the analytical tool, which is fiqh mu'amalah, and it also uses a qualitative method. The difference in this research is the research object, which is a goldfish pond, if the researcher wants to study the profit-sharing practices between BUMdes and SMEs at BUMdes Sambirejo Mart.

Novita Sari in 2023, The implementation of profit-sharing contracts from the perspective of muamalah fiqh (an analytical study of the Aulia 21 grocery agent in Gunung Sahari Selatan, Kemayoran District, 2023). The method used is the qualitative method, The agreement on profit-sharing is made verbally and based on mutual trust, and the manager does not interfere with the business management. Secondly, the annual profit is divided equally, with 50% for the capital owner and 50% for the manager. Thirdly, 10% of the daily profit is taken as a percentage. The novelty in this research is that the contract execution in the Aulia21 grocery business is conducted verbally, with the agreement stating that one party acts as the investor and the other party as the business manager. Its contribution is to provide new insights into the agreements made by both parties regarding the practice of profit-sharing from the perspective of fiqh mu'amalah and to take descriptions or summaries from previous theses to serve as references or illustrations for conducting further research. The value of the usefulness of this research panda is that in this research, the usefulness derived is to take advantage of always conducting the contract with mutual trust and honesty.

Shintia Afrilla in 2021, "Review of mu'amalah fiqh on the profit-sharing system in nutmeg management (case study in Meukek District), 2021. The methodology in this research uses qualitative methods." The discussion in this research is about the profit-sharing system in the management of nutmeg in Meukek District, where the agreement is made only verbally, not in writing, through joint deliberation regarding the agreed profit-sharing system for nutmeg management. The duration of the cooperation period depends on the mutual agreement between the landowner and the cultivator. The division of the results is done in the form that after the nutmeg is harvested, the laborer sells it first, and then the money from the sale of the nutmeg is shared between the owner and the laborer. The novelty in this research lies in the profit-sharing agreement between both parties, which occurs during the musaqah contract between the landowner and the person who employs someone to

cultivate the agricultural land. The value of this research lies in the analysis of profit-sharing practices that are in accordance with the principles of fiqh mu'amalah. This is demonstrated through the implementation of a profit-sharing system that is fair and does not disadvantage either party. Additionally, this research provides a deeper understanding of how the principles of fiqh mu'amalah are practically applied in economic activities, particularly in profit-sharing practices. The contribution of this research is that it enriches the literature on the application of fiqh mu'amalah principles in profit-sharing practices.

Sri Wirdiangsih in 2023, "Profit- Sharing Practices Between Village-Owned Enterprises (BUMdes) and the Community in Cacao Seedling Cultivation MCC 02 from the Perspective of Fiqh Mu'amalah (Study in Ceringin Asri Village, Wayratai District, Pesawaran Regency, 2023." The methodology used employs a qualitative method. The results and discussion in this study are about the profit-sharing practices carried out on MCCO2 cacao plants by the BUMdes and the community of Ceringin Asri Village. The operational procedure is that the BUMdes provide the plants to the community to cultivate, and after the harvest period, the plants are returned to the BUMdes to be sold again. However, the situation on the ground shows a discrepancy between certain community members before the plants are handed over and after they are given, specifically in the yield of the cacao type provided by the BUMdes to the community. The novelty in this research lies in the data collection technique, specifically in the observation stage, which is derived from phenomena and psychological symptoms through observation. This method is used as a supporting method to validate the accuracy of data obtained from interviews. The value of this research is to draw conclusions in conducting cooperation agreements by always prioritizing the principles of Islamic Shari'ah and placing greater importance on group interests over individual interests. The contribution of this research is to understand the principles of fiqh mu'amalah that have been presented in this study and can serve as a reference for future research.

Okta Liani in 2017, "Review of Mu'amalah Jurisprudence on the Profit-Sharing System for Opening Rubber Plantation Land in Air Limau Village, Rambang Dangku District, Muaraenim Regency, 2017," The methodology used employs a qualitative method. The results and discussion in this research are related to the profit-sharing system on rubber plantation land in Air Limau Village, Rambang Dangku District, Muaraenim Regency. This transaction is based on the principle of ta'awwun among community members to realize social embodiment in the society of Air Limau Village, Rambang Dangku District, Muaraenim Regency. In this case, it can be concluded that the profit-sharing system found in the rubber plantation land in Air Limau Village, Rambang Dangku District, Muaraenim Regency, is in accordance with the principles of muzara'ah in Islamic commercial jurisprudence. This is evidenced by the existence of rukun in the profit-sharing practice between the landowner, the land cultivator, and the muzara'ah object. The novelty of this research is that the agreement made in this study is considered better than the agricultural land lease agreement, and the profit-sharing occurs at the end of the agreement, in contrast to BUMdes Sambirejo Mart and the BUMdes SMEs, which distribute profits every month instead of once a year. The value of its usefulness is to develop the customary values present in each region and not to abandon the principles of fiqh mu'amalah within it. The contribution of the research results is In this collaboration, the researcher found that the cooperation between landowners and land cultivators in the community of Air Limau Village has been based on customs that have been practiced since ancient times and continue to this day.

Muhammad Ali Munji, Roni, Hidayat Iqbal Fadli Muhammad in 2023. "Analysis of Mu'amalah Jurisprudence on the Profit-Sharing System by Shrimp Farmers in Lampung, Qualitative. The results and discussion here pertain to the profit-sharing system in shrimp farming ventures in Bandar Negeri Village, which has a cooperative agreement mechanism aimed at mutual support among the community in

Bandar Negeri Village. Essentially, the shrimp farm owners lack the manpower and time, so they seek assistance from others to collaborate in shrimp farming and then share the profits from the venture. The novelty of this research lies in the clear agreement made by both parties, where the division in this practice is 80% and 20%. The value of benefit in this research lies in its significant impact on the mudharabah partnership agreement, which invites the residents of Seri Begawan to contribute to building a business while adhering to the principles of Sharia, specifically fiqh mu'amalah, where the results received by both parties are in accordance with the efforts put into the business. The contribution of this research is to utilize natural resources as capital for business ventures so that they are always beneficial for the local community to earn money by contributing to the shrimp farms in Bandar Negeri Village.

Oktarijayanti, Daharmi Astuti, Boy Syamsul Bakhri in 2020, The concept of profit-sharing cooperation for palm oil in Dayun District, Siak Regency, Riau Province (A Review of Mu'amalah Jurisprudence), Qualitative Method, The research results show that the profit-sharing concept of the Dayun Village community in Dayun District is a syirkah mudharabah, where the owner provides land and equipment for the oil palm plantation, while the manager provides time and effort to manage the plantation. The novelty in this research is the form of cooperation carried out by both parties using two types of systems, namely the wage system paid by the palm oil plantation owner to the harvesters and the

profit-sharing system. This profit-sharing system demonstrates the mutual benefits for both parties, where each party gains from the palm oil harvest in accordance with the mutually agreed contract. The contribution to this research is the use of qualitative methods with a more in-depth case study approach to examine beneficial profit-sharing practices, aiming to deepen the study of fiqh mu'amalah through the research to be conducted by the researcher.

Riski Basri in 2023, Review of Mu'amalah Jurisprudence on Profit-Sharing Cooperation in Corn Farm Management, using qualitative methods. Based on the research findings, it can be stated that the profit-sharing cooperation practice in the corn field cultivation that occurs in Tanjung Agung Village, Katibung District, South Lampung Regency, is that the profit distribution is carried out by the Based on the research findings, it can be stated that the profit-sharing cooperation practice in the corn field cultivation that occurs in Tanjung Agung Village, Katibung District, South Lampung Regency, is that the profit distribution is carried out by the landowner not in accordance with the initial agreement, where in the initial contract, the profit distribution was determined by profit-sharing for the corn field cooperation. The innovation in this research is the implementation of contractual agreements with the relevant parties, and the contribution to the research is the concept of profit-sharing cooperation in the cultivation of corn fields. The value of the benefit lies in the understanding of the profit-sharing cooperation concept that aligns with fiqh mu'amalah.

Surya Atmaza in 2019, A Review of Mu'amalah Jurisprudence on the Profit-Sharing Practices between Palm Oil Middlemen and the Community in Alim Village, Batang Cenaku District, Indragiri Hulu Regency. Using qualitative methods. Based on the research findings, the profit-sharing cooperation (mudharabah) practiced by palm oil middlemen with the community in Alim Village, Batang Cenaka District, is deemed fasid (invalid) because it does not comply with the principles of mu'amalah. The innovation in this research is the existence of laws

that discuss disputes between capital owners and managers, as well as the presence of a mudharabah contract scheme. The contribution of this research is the understanding of whether this practice is in accordance with fiqh mu'amalah as reflected in its mudharabah practice. Meanwhile, its value lies in reducing unemployment in Ali Village by employing workers with palm oil middlemen.

Almiyah in 2021, Review of mu'amalah fiqh on the implementation of profit-sharing in rice field management in Kepayang Village, Lempuing District, Oki Regency, South Sumatra, Qualitative method. The result of the discussion is that profit-sharing agreements in Kepayang Village are generally conducted orally based on trust without the presence of witnesses. After the agreement is reached, the profit-sharing cooperation automatically begins. The innovation in this research is. The landowner entrusted his land to his brother as a tenant farmer, so they never found a time limit. The contribution to this research is the understanding of the review of fiqh mu'amalah, where the harvest is divided between 30% for the farmer and 70% for the landowner. Its value lies in the benefit mechanism of profit-sharing using the bawon system, which is the innovation in this research is. The landowner entrusted his land to his brother as a tenant farmer, so they never found a time limit. The contribution to this research is the understanding of the review of fiqh mu'amalah, where the harvest is divided between 30% for the farmer and 70% for the landowner. Its value lies in the benefit mechanism of profit-sharing using the bawon system, which is referred to as wages from the cost of plant maintenance taken from the total harvest.

Ayu Safitri, Nandang Ihwanuddin, Intan Manggala Wijayanti in 2023, Review of Mu'amalah Jurisprudence on the Profit-Sharing Practices of Goldfish Ponds. Qualitative method. The research findings indicate that profit-sharing practices fall under the mudharabah contract, but there are still several conditions that have not been met in the profit-sharing practices of goldfish pond cultivation. Like the The research

findings indicate that profit-sharing practices fall under the mudharabah contract, but there are still several conditions that have not been met in the profit-sharing practices of goldfish pond cultivation. Like the agreement is made verbally without any written evidence in the form of documents. The innovation in this research is the presence of several unmet conditions, namely the profit-sharing agreement not being documented in writing and the profits not aligning with the initial agreement. The contribution of the research is the creation of job opportunities for local residents to earn a livelihood. The value of its usefulness is in accordance with the principles of mu'amalah jurisprudence, but it still relies on verbal agreements.

1.6 Research Method

The researchers in this case used qualitative research methods due to the natural conditions of the objects occurring at Sambirejo Mart and the presence of original documentation without manipulation, as well as the consistency observed in the objects before and after the research, with no changes in the form regarding the empowerment of the Sambirejo Mart community.¹⁵

In this research, the data is divided into two types: primary data and secondary data.

1. Types of Research

The type of research is empirical research, which examines the phenomenon of Sharia law based on empirical data obtained from the field. This research involves data collection through observation, interviews, questionnaires, and case studies. By using a descriptive approach, which means that if the researcher wants to know the status of something and so on, then the research is descriptive in nature, that is, it explains events and things.¹⁶

¹⁵ Sugiyono, *Metode Penelitian Kuantitatif Kualitatif Dan R & D* (Bandung: Alfabeta, 2013), p.76.

¹⁶ Lexy J Moleong, *Metodologi Penelitian Kualitatif* (Bandung: PT. Remaja Rosdakarya, 2018).

The reason the researcher used qualitative research methods with a descriptive approach and empirical research type in this study is that by using this approach, I can describe and analyze various aspects such as social activities, attitudes, beliefs, perceptions, and thoughts related to profit-sharing practices in BUMdes with SMEs in BUMdes Sambirejo Mart from the perspective of fiqh mu'amalah in 2024.

2. Research Object

The research object of this research is BUMdes Sambirejo Mart with MSMEs in BUMdes Sambirejo Mart.

3. Data Sources

a. Primary data: Primary data sources are data sources with obtained directly from the field, originating from informants, namely the managers of BUMdes Sambirejo Mart.

1) Interview at the BUMdes Sambirejo Mart location in Mantingan District.

b. Secondary data: The secondary data to be used in this research comes from books, journals, and research results related to the profit-sharing practices between BUMdes Sambirejo Mart and the surrounding MSMEs in Desa Sambirejo, reviewed through Fiqh mu'amalah.

4. Data Collection

Data collection is defined as a systematic approach used to obtain the data required by researchers. The definition of data according to Suharsini Arikunto is the result of the researcher's recording, both in the form of facts and numbers displayed in the report of the results. Meanwhile, at this stage, the researcher obtains valid and accountable data, which is obtained through:

1. Observation

The concept of observation that the researcher wants to choose is participatory observation, where the researcher is

directly involved in the daily activities of the people being observed or used as data sources for the research.¹⁷ According to Bungin, the definition of observation is as follows.¹⁸ Activities carried out by humans using observations through the five senses, then reviewed more deeply by observing, seeing, and further assisted by hearing, smelling, tasting, and also touching. Another definition is a scientific activity to prove an event in the field without any manipulation. In this study, the researcher chose non-participant observation, which involves observing the profit-sharing practices that occur between both parties. In this case, the researcher is not involved and acts only as an independent observer. Additionally, there is structured observation; from this observation, the researcher aims to systematically design opinions on profit-sharing practices and to observe the fairness perceived by both parties when dividing the obtained profits.

2. Interview

The data collection technique through interviews is a method of all the data that has been analyzed by the researcher by asking the informants about the issues to be studied by the researcher. The purpose of this interview data is to collect observational data.¹⁹ The interview technique used in this research is structured interviews, which is a technique conducted in data collection by directly interviewing and the answers to the questions can be answered at another time. From here, the researcher wants to study the SMEs in Sambirejo Mart village related to the profit-sharing practices between SMEs and BUMdes Sambirejo Mart. The interviews we conducted involved 6 people, namely the Head of Sambirejo Village, the

¹⁷ Sugiyono, *Metode Penelitian Kuantitatif Kualitatif Dan R & D*, p.23.

¹⁸ Faheem Hyder Pottoo et al., "Thymoquinone: Review of Its Potential in the Treatment of Neurological Diseases," *Pharmaceuticals* 15, no. 4 (March 2022): 408, <https://doi.org/10.3390/ph15040408>.

¹⁹ Metodologi Penelitian Ekonomi, (Jakarta: PT Raja Grafindo Persada, 2005), p.32.

manager of BUMdes Sambirejo Mart, members of BUMdes Sambirejo Mart, the owner of the banana sale UMKM, the owner of the cassava chips UMKM, the owner of the onde onde and stick UMKM.

3. Documentation

Documentation is a technique used to obtain data in the form of books, archives, documents, written numbers, and images that serve as reports and descriptions that can support research.²⁰ Documentation used to collect data in this research includes small notes and images obtained from the field.

5. Data Analysis Technique

Before the data is analyzed, it is first processed briefly and systematically through observations, interviews, recordings, and documentation, followed by clarification, reduction, and presentation. This activity consistently takes place from entering the field, so data analysis continues throughout the data collection process. In general, the stages in data analysis are undertaken as follows:

- a. Data reduction, which involves the researcher thoroughly rereading interview transcripts, field notes, or other documents to gain an understanding of BUMdes Sambirejo Mart, MSMEs, and the profit-sharing practices that occur between the two parties. From the obtained data, the researcher categorizes it into a summary of important information, as well as selecting and discarding data related to BUMdes Sambirejo Mart and MSMEs.
- b. Data presentation, which involves presenting key points while ensuring their accuracy, is delivered in the form of a detailed and in-depth narrative or descriptive story. The researcher also describes experiences, views, or

²⁰ Sugiyono, *Metode Penelitian Kuantitatif Kualitatif Dan R&D* (Bandung: Alfabeta, 2015), p.25.

phenomena found based on interviews, observations, or documentation obtained during interviews at BUMdes Sambirejo Mart and UMKM. Additionally, the data is presented in the form of a table comparing the original prices sold by UMKM with the prices sold at BUMdes Sambirejo Mart.

- c. Conclusion and verification, which involves drawing tentative conclusions, allowing for verification during the research process. This stage is always carried out repeatedly according to the sequence of analysis steps, allowing data collection and analysis to proceed simultaneously.

1.7 Systematic Writing

To facilitate readers in studying and understanding the content of this writing, the researcher has organized it into several chapters arranged systematically. The systematic discussion in this research consists of 4 chapters.

In Chapter 1, the researcher will discuss the introduction, which includes the background of study at BUMdes Sambirejo Mart, problem formulation, purposes of study, benefits of study, literature review, research method divided to three types they are types research, research object, and data sources, data collection divided into three types they are three types they are observation, interview, documentation, data analysis and systematic writing.

In chapter II, the researcher will discuss the theoretical framework covering about BUMdes Sambirejo Mart, and definition of profit sharing

Chapter III, the researcher will discuss descriptively about the research objects such as a general overview of the research objects and the banana sale SMEs, cassava chip SMEs, and onde onde SMEs, and also discuss the implementation of profit-sharing practices that occur between the village-owned enterprises and the SMEs in BUMdes

Sambirejo Mart, as well as the results and discussion regarding the fiqh mu'amalah review on the profit-sharing practices between BUMdes Sambirejo Mart and the SMEs in BUMdes Sambirejo Mart.

In Chapter IV, the researcher will discuss the author's conclusions regarding the profit-sharing practices from the perspective of fiqh mu'amalah between BUMdes Sambirejo Mart and the MSMEs within BUMdes Sambirejo Mart, as well as the researcher's recommendations or inputs for the parties involved in the research findings.



