



RELIGIOUS BEHAVIOR OF MICRO, SMALL, AND MEDIUM ENTERPRISES AMONG MUSLIMS IN KUDUS

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Abstract

This study aims to explore the relationship between religious behavior and business activities among Muslim Micro, Small, and Medium Enterprise (MSME) entrepreneurs in Kudus Regency. Kudus, as one of the economic hubs in Central Java, shows significant potential in the MSME sector, supported by a majority Muslim population. This research employs a qualitative approach, using primary data collected from 30 MSME entrepreneurs and secondary data from related literature. The findings reveal that the religious behavior of MSME entrepreneurs reflects the integration of religious values into daily life and business practices. Most respondents perform obligatory prayers, as well as additional acts of worship such as Sunnah prayers, Quran recitation, *manaqiban*, *tahlilan*, and visits to the tombs of saints. Some entrepreneurs also provide prayer facilities for employees and organize regular religious gatherings to foster spirituality in the workplace.

Keywords: MSME, religious behavior, Islamic business

A. Introduction

Kudus is a growing trade center with the potential to operate on an international scale. It has been ranked as one of the top pro-investment regencies in Central Java, specifically the fourth out of 32 regencies/cities. Despite being one of the smallest regencies in Central Java, covering an area of only about 42.517 km², Kudus has established itself as an industrial city, housing various types of businesses, small and medium-sized economic hubs, and a rapidly developing economy that aligns with the community's economic activities.

Statistical data indicate that Kudus is home to 13,482 companies concentrated in three subdistricts: Kota, Jati, and Kaliwungu. Meanwhile, there are 10,954 MSMEs spread across different sectors in Kudus. The tobacco and cigarette industries play a significant role, with over 80,000 workers employed, making them important indicators of economic development and sources of livelihood for the local population.

The global economic crisis in 2008 affected economies worldwide, including Indonesia. However, Indonesia's economy did not collapse due to the crisis. One of the key reasons for this resilience was the role of MSMEs as economic buffers. If an economy is likened to a "building" supported by a few large pillars, the collapse of one pillar can destabilize the entire structure. In contrast, an economy supported by numerous small pillars will remain stable even if one pillar collapses.

Moreover, MSMEs possess unique characteristics that enable them to survive without relying heavily on macroeconomic trends or trade. First, MSMEs are flexible, meaning they can adapt or switch to other types of businesses if challenges arise. Second, MSMEs do not always depend on external funding and

can grow using internal resources. Entrepreneurs, particularly in specific sectors like trade, often demonstrate the ability to repay loans even with high-interest rates. MSMEs are distributed across Indonesia, serving as a means of distributing goods and services to meet community needs.

Abdullah (1994), in his study on Muslim entrepreneurs in Central Java, revealed that religious ideology (specifically Muhammadiyah) can inspire a business spirit among its followers to achieve success. This study differs in cultural and social settings, focusing not on specific ideologies but rather on the “gusjigang” spirit as local wisdom in the community. Similarly, Radjasa Mu’tasim & Mulkhan (2002) explored the influence of Sufi orders on business activities, concluding that Sufi practices and teachings do not deter individuals from work or business. Those involved in Sufi orders continue to run their businesses successfully.

Firman Menne (2017) emphasized spiritual values as a driving force in Islamic business. According to him, spiritual values derived from Islamic teachings must guide economic activities, including business. These values include honesty, trustworthiness, adherence to advice, avoidance of fraud, abstention from price manipulation (*najasy*), avoidance of monopolies, contentment (*qana’ah*), and fostering good social relations.

Further research on Kudus entrepreneurs was conducted by Abdul Jalil (2013) in his dissertation, “*Spiritual Entrepreneurship: A Study on the Spiritual Transformation of Kudus Entrepreneurs.*” Jalil’s research focused on entrepreneurial character and philosophy, while this study emphasizes the spiritual meaning of

business in a practical context, addressing cultural and spiritual factors that shape business character.

B. Research Methodology

This study is classified as field research using a qualitative approach, which considers the subjective views of the researcher and the subjects being studied. The researcher highly values and pays attention to the subjective views of each subject involved in the study.

The research subjects are Muslim entrepreneurs in Kudus Regency. Business activities in Kudus, particularly in the MSME sector, have shown significant numerical growth. The predominantly Muslim population of Kudus plays a substantial role in this economic phenomenon.

Primary data were collected from the research subjects, namely Muslim MSME entrepreneurs in Kudus Regency. A total of 30 respondents from various MSME business types, randomly selected across all districts in Kudus, were involved. Secondary data were obtained from literature, magazines, and other related publications.

C. Results and Discussion

Religious behavior is a state within individuals that motivates them to act in ways associated with religion. This behavior develops through direct experiences related to material and social environmental factors. While environmental influences shape behavior, individual factors also contribute (Wahab, 2015). All forms of individual experiences associated with understanding religion fall into the category of religious behavior.

If religion is considered a system of values and teachings that serve as a belief system, religiosity represents the empirical manifestation of that belief. All respondents in this study are entrepreneurs who follow Islam. Empirical practices of religiosity showed that most respondents claimed to implement religious teachings well. When asked about worship activities, most respondents stated they diligently performed the five daily prayers.

Prayer serves as a significant indicator of religious piety, as noted in Islamic traditions: prayer is the pillar of religion, the first deed to be evaluated in the afterlife, and the most visible indicator of a Muslim's actions. Using prayer as a parameter of religious adherence, these entrepreneurs can be classified as devout Muslims.

From the research data collected, when compiled, it was categorized into several categories that represent religious activities and behaviors:

1. Performing Prayers

Almost all MSME respondents claimed to perform prayers diligently. Some respondents also stated that they not only performed obligatory prayers but also Sunnah prayers. Although this research could not directly verify the prayer practices of each respondent, the interviews indicated that they claimed to perform religious rituals, particularly prayers, properly.

2. Providing Facilities for Employee Worship

One of the indicators of religious behavior is how respondents provide opportunities for employees

or human resources to perform worship. From the interviews, several respondents stated that they provided facilities for employees to perform obligatory prayers. Some entrepreneurs allowed breaks for prayers at 12:00 PM and 3:00 PM for Dhuhr and Asr prayers. Others provided *mushalla* (prayer rooms) for employees, while some did not, as there were mosques near their homes or workplaces. Employees could go directly to the mosque for prayers when the time came.

3. Organizing Religious Gatherings for Employees

One of the respondents' answers when asked about religious behavior was the organization of religious gatherings or activities for employees. One respondent, Muhama, mentioned that if they had a guest who was a religious scholar, the guest would be invited to provide religious motivation to employees. Another respondent stated that they organized weekly religious gatherings for their employees.

4. Participating in Monthly Manaqiban Rituals

One of the prominent Islamic religious rituals in Kudus, especially among Nahdlatul Ulama members, is the recitation of *manaqib*, or *manaqiban*. This ritual involves reading the biography of Sheikh Abdul Qadir al-Jailani, known as the *Sulthon al-Auliya* (Leader of Saints). Traditionally, these *manaqiban* rituals vary, ranging from those conducted for specific purposes to those routinely held weekly or monthly. Some respondents participated in these rituals as part of their religious behavior.

5. Attending Routine Religious Gatherings

Some respondents admitted to attending routine religious gatherings organized by the community. One respondent mentioned attending monthly gatherings regularly, while others actively participated in mosque activities such as religious lectures, *yasinan*, and *tahlilan*. Another respondent, a coffee business owner, stated that they regularly attended *Subulussalam* religious gatherings, focusing on fiqh and business ethics. Others noted frequent participation in both offline and online religious gatherings.

6. Reading the Quran Regularly

Reading the Quran is one of the indicators of religiosity. Several respondents indicated that they viewed reading the Quran regularly as part of their religious behavior. One respondent included Quran reading as part of their religious activities, alongside fasting and paying zakat. Another respondent stated that their religious activities included reading the Quran every evening after Maghrib prayers.

7. Yasinan/Tahlilan

Yasinan and *tahlilan* are religious activities characteristic of NU (Nahdlatul Ulama) communities. These activities serve as an “identity” for NU members, identifying them as part of the community. Some respondents stated that these activities were part of their religious practices.

8. Becoming a Mosque Imam

Serving as a mosque imam is a tangible indicator of an individual's religious commitment. One respondent mentioned serving as an imam at their local mosque. Despite their busy schedule running a fish cracker business, they made time to lead prayers at the mosque.

9. Pilgrimage to Saints' Tombs

Pilgrimage to saints' tombs is another tradition embedded in Nahdlatul Ulama practices. Visiting the tombs of the Walisongo saints is a common pilgrimage activity. One respondent noted that they organized annual pilgrimages to Walisongo tombs for their employees. The religious activities and rituals they participated in reflected their adherence to religious teachings.

The data above indicate that MSME entrepreneurs have their own "methods" of practicing religious teachings. Each individual undoubtedly has a unique way of understanding and implementing their religion, which can be referred to as religiosity. The religious behaviors and activities conducted by the respondents demonstrate their commitment to practicing religious teachings. Activities such as religious gatherings (*pengajian*), Quran recitation (*tadarusan*), *tahlilan*, *manaqiban*, and pilgrimages to saints' tombs are examples of religious practices adapted to the existing community traditions.

For instance, the traditions of the *Nahdlatul Ulama* (*nahdhiyin*) community, which emphasize *manaqiban*, *tahlilan*, and pilgrimages, often shape the religious behaviors of the community, including the respondents in this study.

According to Glock and Stark, there are five dimensions of religion: the ritual dimension, the ideological dimension, the intellectual dimension, the experiential dimension, and the consequential dimension (Ancok & Suroso, 2001). Based on these dimensions of religiosity, the MSME entrepreneurs have fulfilled these aspects as follows:

1. Ritual Dimension

They engage in rituals such as prayer, fasting, and other religious ceremonies.

2. Ideological Dimension

They adhere to religious doctrines they believe in, such as the belief in the “blessings” of reciting *manaqib* and the sanctity of saints by participating in pilgrimages to Walisongo tombs.

3. Intellectual Dimension

Their understanding of concepts such as worship, work, and intention forms part of their framework for understanding religion.

4. Experiential Dimension

Their participation in religious associations (*jamiyah*), which include rituals like *manaqiban* and *yasinan*, provides them with unique spiritual experiences.

5. Consequential Dimension

This dimension is reflected in how they apply their religious understanding in daily life. It can be seen in their

interactions with employees, their provision of religious facilities, and their participation in group religious rituals.

Furthermore, when adherents of a religion interact, they require a medium that serves as a platform to accommodate the needs of the religious community. Here, religious institutions represent a manifestation of the needs of religious people for affiliation, communication, and interaction with one another.

Religious social institutions can take the form of social organizations that fulfil human needs, either through formal or informal relationships. Social institutions related to religious life in a society serve to meet the needs of community members in worshiping their God.

The need for social institutions in this context can include worship, religious education and preaching (*dakwah*), religious law and courts, religiously based political parties, religiously based economics, family, social affairs, defense, science, literature, and the arts (Kahmad, 2006). When the range of religious adherence is expanded within a religious institution, not all respondents participate in religious activities or join religious organizations. However, some respondents admitted to being involved in both informal and formal religious organizations.

The research findings indicate that the number of respondents who claimed to participate in religious organizations is nearly balanced with those who do not, with a ratio of 14 to 16. This shows that participation in religious organizations is not a priority for MSME business actors. Some of the reasons for not affiliating with religious organizations include age, busyness, and time constraints. However, some

older respondents mentioned that they were relatively active in religious organizations when they were younger.

In terms of religious behavior, it can be understood that individually, the respondents are quite diligent in carrying out religious activities. Nearly all respondents stated that they fulfil religious obligations and practice additional religious rituals, such as performing Sunnah prayers and fasting, attending religious gatherings (*pengajian*), Quran recitation (*tadarus*), or routinely participating in *yasinan*, *manaqiban*, or *tahlilan*, and even visiting the tombs of saints. However, in the context of affiliation with religious organizations, not all respondents are involved.

This indicates that participation in religious organizations is not necessarily tied to the level of adherence to religious practices. Participation in religious organizations in this context is not something mandatory but rather part of the tradition of gathering within the community.

D. Conclusion

This study demonstrates that the religious behavior of Muslim MSME entrepreneurs in Kudus is deeply integrated into their daily lives and business practices. Respondents actively engage in obligatory and Sunnah prayers, Quran recitation, and rituals such as *manaqiban*, *tahlilan*, and pilgrimages. Many respondents also support their employees' spiritual needs by providing facilities and opportunities for worship and organizing religious gatherings.

Participation in formal religious organizations was relatively low, with respondents citing reasons such

as age, busyness, and time constraints. However, this does not diminish the religiosity of the entrepreneurs. Local traditions, particularly those of Nahdlatul Ulama, significantly influence their religious behavior. The dimensions of religiosity, the respondents fulfilled all aspects: rituals, ideological adherence, intellectual comprehension, spiritual experiences, and the practical consequences of their religious understanding.

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