



Study of Literature on Business Ethics for Entrepreneurs

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ABSTRACT

Bank Indonesia as the monetary authority is responsible for the smooth running of the payment system. In general, the payment system in Indonesia is divided into two, namely the cash payment system and the non-cash payment system. In the cash payment system, the tools used are in the form of currency or commonly called banknotes and coins as a means of payment. Then in the non-cash payment system, the tools used are Card-Based Payment Instruments, bilyet giro, checks, debit notes, and the latest instruments, namely electronic money. The range of cashless payment systems is divided into two types of transactions, namely transactions with large transaction values (wholesale) and retail transactions. While the number of entrepreneurs in Indonesia is still recorded at 0.43% of the total productive age population, this figure is very far behind neighboring countries, such as Singapore where the number of entrepreneurs has reached 7%, Malaysia

5%, and Thailand 3%. Meanwhile, according to the chairman of KPPU said that in 2017 the number of entrepreneurs in Indonesia ranged from 1.6% - 1.8% of the total population in Indonesia. This number is still very far from the standards of developed countries with a minimum number of entrepreneurs of 2% of the total productive age, to overcome this the government seeks to create 20,000 new entrepreneurs and the development of 1,200 Small and medium industry centers or can be called SMIs. In this article, we provide an idea from Bank Indonesia for business ethics for entrepreneurs. The method used in this article is to study the literature and review some of the references obtained. So it is hoped that this idea will have a good impact on readers and provide changes for Indonesian entrepreneurs in the future.

Keywords:

Literature, Bank Indonesia, Business, Entrepreneurship

INTRODUCTION

New systems of thought are rapidly evolving along with technological advances. The fairly rapid development of technology affects almost all human activities. Similarly, new systems of economic activity go hand in hand with the needs of the community every day. New ideas emerged in economic activities that also developed and were fast, safe and efficient. When society is required to be fast with technological advances, the latest innovations of the emerging economic system go hand in hand with what society needs. Indonesia itself is experiencing rapid changes from the progress of financial transactions and the digital economy.

Bank Indonesia policy contained in PBI no. 14/22/PBI/2012 and amended to PBI no. 17/12PBI/2015 article 2 paragraph 3: until 2014 MSME credit financing to total loans in accordance with the Bank's ability or business plan. In 2015 'MSME loan financing to total loans was at least 5% of total loans. In 2016, MSME credit financing to total loans was at least 10% of total loans. In 2017, MSME loan financing to total loans was at least 15% of total loans. In 2018, MSME credit financing to total loans was at least 20% of total loans (Lumintang et al., 2019).

Bank Indonesia as the monetary authority is responsible for the smooth running of the payment system. When the payment transaction mechanism is requested to always meet the needs of the community in matters of transferring funds (transfer) quickly, safely and efficiently, the innovations of payment transaction technology are increasing very rapidly. Bank Indonesia as the central bank in Indonesia is required to always ensure that payment transactions are always within the applicable regulations. In general, the payment system in Indonesia is divided into two, namely the cash payment system and the non-cash payment system. The most fundamental difference between these two systems is the transaction tool used. In the cash payment system, the tools used are in the form of currency or commonly called banknotes and coins as a means of payment. Then in the non-cash payment system, the instruments used are Card-Based Payment Instruments, bilyet giro, checks, debit notes, and the latest instrument, namely electronic money. The range of cashless payment systems is divided into two types of transactions, namely transactions with large transaction values (wholesale) and retail transactions.

The emergence of non-cash payments greatly affected economic activity. In terms of recording economic activity, the presence of electronic money and transactions carried out electronically (computer systems) makes it easier to record and minimize the loss of numbers recorded in economic activity. In economic development, it is expected that the

maximum results obtained go hand in hand with a more optimal recording of economic activity so that economic researchers will more easily see (more clearly) and predict what is happening and what will happen in economic activity (WICAKSONO & HUDA, 2022).

Each country faces problems arising from high unemployment. Unemployment rates in various countries have increased for decades. Indonesia also experienced the same thing, especially with the 1998 economic crisis which also contributed to unemployment. In Indonesia, the highest unemployment rate is actually created by educated groups (Engin, 2002). In Indonesia, the concept of entrepreneurship has officially existed since 1995 spelled out in government policies for the development of an entrepreneurial culture. The presence of this policy touches all education clusters from an early age, Vocational High Schools began to apply to the curriculum in 2013 while for universities since 1997 focused on how to improve students' abilities and knowledge (cognitive) to foster entrepreneurial interest. The creation of a scientific community in entrepreneurship emphasized the role of education began in the 1960s, in the United States has appeared where entrepreneurship and small business management courses, previous cognitive domains such as such courses were also offered in Europe (Ranah et al., 2022).

The number of entrepreneurs in Indonesia is still recorded at 0.43% of the total productive age population, this figure is very far behind neighboring countries, such as Singapore where the number of entrepreneurs has reached 7%, Malaysia 5%, and Thailand 3%. Meanwhile, according to the chairman of KPPU said that in 2017 the number of entrepreneurs in Indonesia ranged from 1.6%-1.8% of the total population in Indonesia. This number is still very far from the standards of developed countries with a minimum number of entrepreneurs of 2% of the total productive age, to overcome this the government seeks to create 20,000 new entrepreneurs and the development of 1,200 Small and medium industry centers or can be called IKM (Juliana et al., 2019).

Basically, the obstacles and obstacles faced by MSME entrepreneurs in improving business capabilities are very complex and cover various aspects where one with the other is interrelated. These obstacles include; lack of capital both in quantity and source, lack of managerial ability and operating skills and the absence of formal form of the company, weak organization and limited marketing (Hafni & Rahmawati, 2020).

Based on the above background, it became my motivation to create an article on the study of Bank Indonesia literature for business ethics for entrepreneurs. The formulation of the problem that will be discussed in this article is how Bank Indonesia is defined and

how business ethics for entrepreneurs. It is hoped that this idea will have a good impact on readers and provide changes for Indonesian entrepreneurs for the better.

METHOD

Data Collection Methods

The method of data collection in this scientific work uses the method of literature study. The type collected is secondary data. Secondary data collection is carried out by using and studying literature in accordance with the topic of writing from journals, books and trusted media.

Information Processing Methods

After obtaining existing references, sorting information in accordance with the topic of discussion is carried out, then processing appropriate information is carried out in the literature review.

Synthesis Analysis Methods

Based on the literature study that has been done, the author gets the information needed in the preparation of this scientific paper which then becomes a creative idea in problem solving. This creative idea is put in discussion which is the answer to the problem formulation mentioned earlier.

Method of Retrieving Conclusions and Recommendations

Conclusion making is carried out at the final stage of writing, where the conclusion is the answer to the problem formulation. The recommendations that are in the sub-chapter after the conclusion are the author's suggestions based on the discussion.

RESULTS

Bank Indonesia is the national bank of the Republic of Indonesia. Its status and position is as an autonomous state institution in completing its obligations and expertise, free from obstacles from public authorities or potentially different associations, except for matters expressly regulated in laws and regulations. A bank is "A bank channels capital from those who cannot utilize it productively to individuals who can make it more useful to support society". In its ability as a national bank, Bank Indonesia has one objective, namely to achieve and maintain the strength of the rupiah value. To achieve this goal, Bank Indonesia is trusted to oversee three regions, namely Money related, Installment Framework and Monetary Framework Steadiness (Quispe, 2023).

Bank Indonesia is the central bank of the Republic of Indonesia. As the central bank, Bank Indonesia has a single objective, namely to achieve and maintain rupiah stability. The stability of the rupiah value contains two aspects, namely the stability of the value of the currency against goods and services, and stability against the currencies of other countries. The level of Human Resources Performance at Bank Indonesia Semarang City is still considered to be less than optimal (Pradana & Nugraheni, 2015).

DISCUSSIONS

Entrepreneurial

Entrepreneurship is generally said to be an agent of change that raises creative and innovative ideas in running a business, or helps the development of the company so as to achieve the goal of profit. Entrepreneurship as a dynamic process of creating additional wealth where wealth is created by individuals taking risks related to equity, time, and career. Some experts then define Entrepreneurship is a gradual process that is influenced by exogenous factors and endogenous factors, such as the existence of a business-friendly environment, the availability of perennial factors needed, the ability to obtain the desired resources, and the ability to carry out and manage a business.

Entrepreneurship as a Market Function. Entrepreneurship has a long history in economics, but it is difficult to identify the uniformity of use of the concept. However, what they have in common is an interest in entrepreneurial functions in the market. Five functions of entrepreneurship have been proposed by different economists over time such as entrepreneurs as opportunity creators and/or innovators. Entrepreneurs as risk takers and/or risk managers. Entrepreneurs as coordinators of limited resources. Businessmen as Capitalists. Entrepreneurs as vigilant opportunity seekers (Ranah et al., 2022).

The objectives of the financial statements are: 1. Provide information about the type and amount of assets (assets) owned by the company at this time; 2. Provide information about the type and amount of liabilities and capital that the company currently has; 3. Provide information about the type and amount of income earned in a certain period; 4. Provide information about the amount of costs and types of costs incurred by the company in a certain period; 5. Provide information about changes that occur in the company's assets, pasiva, and capital; 6. Provide information about the performance of company management in a period; 7. Provide information about notes to financial statements; 8. Other financial information (Takengon, 2023).

Entrepreneurship is a flexible process in which to improve welfare is made by parties who bear so much risk to receive time or career that can provide value from some products or services products or services that do not become something new or unique in order to get more value than entrepreneurs by using the skills and variations of average resources that have been possessed.

The classification of MSMEs is stipulated in article 6 with the support of its explanation in Law Number 20 of 2008 concerning MSMEs, the criteria for MSMEs, namely: (1) The classification of micro enterprises, among others, is : a. a net worth of at most 50,000,000 excluding land and buildings for business premises or b. Annual sales proceeds of a maximum of 300,000,000, (2) The classification of small businesses is as follows: a. the wealth obtained is a maximum of 50,000,000 to a maximum of 500 million excluding land and buildings for business activities or b. Have a maximum annual sales value of 300,000,000 up to a maximum of half a billion (3) The criteria for medium enterprises are as follows: a. Have a wealth of more than 500,000,000 to at most 10 billion excluding land and buildings for business premises or b. It has annual sales results of more than two and a half billion to at most 50 billion.

There are five qualities of entrepreneurship: (1) purposeful, setting goals and achieving them, (2) persuasive, influencing others to help them achieve goals, (3) peristent, achieving goals gradually even though sometimes going through difficult times, (4) association, daring to act as they want when others are still in doubt, (5) perceptive, able to understand the relationship between a series of choices in achieving goals. As well as entrepreneurial characteristics or traits, including: (a) instrumental nature, (b) prestativ nature, (c) sociability nature, (d) hard work nature, (e) self-confidence nature, (f) risk taking nature, (g) self-control nature, (h) innovative nature and (i) independence nature (Ardiansyah, 2019).

There are five major challenges that are often faced by MSME businesses, in running a business, profit and loss is something that must be accepted. Almost all micro, small, medium or large businesses must have received many challenges that are not light. To face these challenges requires dedication and hard work from the businessman himself. Problems that are often faced include: Recruiting talented employees, Getting a business model, Getting customers, Business strategy and cash flow management. Cash flow management is certainly very influential with existing capital. Believe it or not, 82 percent of businesses fail because of poor cash flow management. A reality show about

entrepreneurship found that 51 percent of thousands of business people say that cash flow is one of the biggest challenges in business. In addition, research on MSMEs in various countries presented also shows that cash flow is a big challenge for business people in the world. 76% of Central Java MSMEs find it difficult to get capital. Capital problems are still a major obstacle for micro, small and medium enterprises in Central Java. Even 76% of these MSME players in the southeast have difficulty accessing banks to get capital loans. Many MSME players in Central Java have difficulty applying for loans to financial institutions because they are considered not bankable even though from the business side it is feasible. Around 3 million MSME players in Central Java who are able to apply for loans to banks or who have access to banking are no more than 24%. While the remaining 76 percent could not apply for a loan because they were considered ineligible (Ardiansyah, 2019).

Human behavior is divided into behavior seen from the point of view of the purpose of the behavior and behavior seen from the side of the process. When humans do a job, the needs of each human will affect their behavior when doing the work. Abraham Maslow laid out a theory about the hierarchy of human needs, namely physiological needs, security, love and belonging, self-esteem, and self-actualization. About 500 years before Maslow expressed his opinion, Abu Ishaq al-Shatiby had put forward theories and concepts about the basic need (al-hajat al-dharuriyat), which was summarized in maqashid al-shariah. The discussion of behavior always accompanies many activities. The study of behavior is done a lot to get a lot of behavior is done to get a lot done to get a solution to a problem or get new information that is useful for the development of a science. The study of behavior related to business people and entrepreneurs is very interesting to do, especially if the study of behavior is specific to one group only (Fauzia, 2018).

CONCLUSIONS

Bank Indonesia is the national bank of the Republic of Indonesia. Its status and position is as an autonomous state institution in completing its obligations and expertise, free from obstacles from public authorities or potentially different associations, except for matters expressly regulated in laws and regulations. Entrepreneurship is the process of creating something of different value by using the effort and time required, assuming the accompanying financial, psychological and social risks, and receiving monetary rewards and personal satisfaction. Quality ethics of entrepreneurship: (1) purposeful, setting goals and achieving them, (2) persuasive, influencing others to help them in achieving goals, (3)

persistent, achieving goals gradually even though sometimes going through difficult times, (4) association, daring to act as they wish when others are still in doubt, (5) perceptive, able to understand the relationship between a series of choices in achieving goals. As well as entrepreneurial characteristics or traits, among others: (a) instrumental nature, (b) prestantive nature, (c) sociability nature, (d) hard work nature, (e) self-confidence nature, (f) risk taking nature, (g) self-control nature, (h) innovative nature and (i) independence nature.

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