

Conference Paper

The Effect of Maqashid Sharia, Competitive Advantage, Entrepreneurial Networking and Sharia Compliance on KS212 Performance

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Abstract

This study aims to analyze Sharia Maqashid, Competitive Advantage, Entrepreneurial Networking, and sharia compliance on the performance of KS212 (Koperasi Syariah212). Case study on the 212mart.

The hypothesis test is using multiple linear regression analysis with Maqashid Sharia, Competitive Advantage, Entrepreneurial Networking, and sharia compliance as independent variables, and cooperative performance as the dependent variable.

The data used in this study are primary data with purposive sampling techniques collected through interviews and questionnaires in May 2018. The 112 respondents in this study consist, KS212 manager, 212 community administrators and managers of 212mart in Bekasi City, Bekasi Regency, and Bogor Regency. The results showed that all independent variables simultaneously had a positive and significant effect on the dependent variable, although partially maqashid sharia, entrepreneurial networking, and sharia compliance did not significantly influence cooperative performance.

Keywords: Maqashid Sharia, Competitive Advantage, Entrepreneurial Networking, sharia compliances, KS212, 212mart.

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1. Introduction

In terms of etymology, the word koperasi is "ko," which means joint and "operation," which means working. Koperasi is cooperative associations in achieving a goal. In the cooperative, there are not a few members working on hugging their hands. All work together to achieve a common goal (Hatta, 1954). In according with law number 25/1992 concerning cooperatives are business entities consisting of people or legal entities of cooperatives by basing their activities based on cooperative principles, as well as economic movements based on the principle of kinship. The cooperative not only maintains but also maintains the Indonesian cultural identity. Nation personality cooperation will thrive in cooperatives. Thus, cooperatives can foster a weak economic power to face globalization competition. Therefore, cooperatives are the backbone

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of the nation's industrial constitutional trust which summarises all aspects of life. This aspired cooperative has not yet materialized, because, in practice, it has only become a symbolic complement to the modern economy.

Sharia cooperative is a conversion of conventional cooperative through an approach that is in line with Sharia. In 2004 the operation of the sharia cooperative was inaugurated with the issuance of its legal foundation in the form of the Decree of the State Minister of Cooperatives and Small and Medium Enterprises of the Republic of Indonesia No 912004 concerning the Guidelines for the Implementation of Sharia Cooperative Services Business Activities (KJKS). The Minister of Cooperatives and Small and Medium Enterprises of the Republic of Indonesia (regulation No.6 / 2007) issued a Technical Guidance for Sharia Cooperative Patterns and Micro Productive Financing Program (P3KUM) It regulates Sharia Financial Services Cooperatives (KJKS) and Service Units sharia Finance.

212mart is a modern mini-mart brand owned by KS212 that is overgrowing. Since it was first launched on May 6, 2017, until now there have been hundreds of mini-mart opened. The concept of this mini-mart is to collaborate with 212 alumni who are members of the 212 community and mosque congregations around the mini-mart location as franchisees in the group. The concept of ownership in this congregation makes the 212marts overgrow in today's Muslim communities. The 212 Alumni is a nickname used by the participants of the peaceful action at Tugu Monas Jakarta on December 2, 2016, which was attended by around 7 million Muslims from all over Indonesia. Furthermore, to preserve and maintain the enthusiasm carried out in the peaceful action, the participants of the movement made 212 communities throughout the country.

The difference in this research with previous research is: 1) The researcher examines motivation from the Shari'a perspective, where the strong urge of a Muslim in spending his assets must be following sharia guidelines. So that the motivation of members to revive the cooperative not only meets in sight but also in fulfilling religious demands to apply sharia maqashid. 2) This study also measures the variable compliance with sharia principles and their effects on cooperative performance. 3) The research object is 212mart in Bekasi City, Bekasi Regency, and Bogor Regency, which is the highest population of 212mart growth throughout Indonesia.

This study aims to analyze and prove the influence of sharia maqashid factors, competitive advantage, entrepreneurial networking, and sharia compliance on the performance of KS212 empirically.

2. Theoretical Basis

Perception is often also referred to as perception, picture, or view that is subjective because it depends on the abilities and circumstances of each. One individual's understanding of a matter can be different from other individuals depending on their conditions, skills, and knowledge. Perception can be interpreted as a picture, response, interpretation or individual assessment of something that is seen, heard, felt, touched or kissed by the senses in the form of opinions, attitudes, and behavior. Rachmat (2011) defines perception as an experience of objects, events, or relationships obtained by deducing information and interpreting messages.

Maqashid sharia is needed to formulate macroeconomic policies, Islamic banking, and financial products as well as regulating banking and other sharia financial institutions. Without maqashid sharia, all regulations, fatwas, financial and banking products, fiscal policies, and monetary will lose the substance of sharia (Mingka, 2013). This Islamic Maqashid must be a motivation for every Muslim in economic behavior. So that every industrial practice is following Islamic teachings because maqashid sharia is a quintessence of Al Quran and Sunnah. Maqashid sharia and maslahah as sources of Islamic law are very important to be implemented and developed for the realization of a sharia economy.

According to Imam Asy Syatibi (Amalia: 2014), human benefit can be realised if the five primary elements, namely religion, soul, mind, descent, and property. The goal of sharia is to understand the benefit of humanity in the world and the hereafter. Imam Asy Syatibi divides maqashid into three levels:

Dharuriyat which is intended to preserve the five essential elements in human life as described above.

Hajiyat intended to eliminate difficulties or to maintain the five main elements to be better. So that humans can do their best to perfect the five essential elements.

Competition is the core of success or failure, depending on the courage of companies to compete. Success can't be obtained without daring to fight (Porter, 1994). Competitive strategies are intended to maintain profit levels and positions that remain superior when facing competition. According to Porter (1994), The concept of competitive advantage cannot be understood by looking at a company as a whole. But it must be from the origin of competitive advantage that is a variety of different activities carried out by companies in designing, producing, marketing, delivering, and support the product.

Social capital is a collection of useful relationships between people, trust, mutual understanding and similarities in values and behaviors that bind members in a network

and community that enables the collaboration (Cohen and Prusak: 2001). In the view of Brehm and Rahm (2007), a social network is a network of cooperation between communities that facilitates the search for solutions to the problems faced by them.

The definition of entrepreneurial networking is any relationship that supports the formation of new business as part of a network (Dodd and Patra, 2002). Dougherty and Bowman (1995) emphasize the importance of networking originating from individual relationships. Entrepreneurial networking in this research is the nature of Muslims who are brothers and sisters because of religion (ukhuwah Islamiyah). In the Muslim teachings of fellow Muslims are brothers who follow the Prophet Muhammad as buildings that mutually reinforce each other (Bukhari 2446, Muslim 2585). A sense of brotherhood bound by religious beliefs penetrates the boundaries of heredity, ethnicity, class, race, and interests.

Sharia compliance complies with sharia principles. Sharia Co-operative is a financial institution that operates follow sharia principles, meaning that the cooperative operates following Islamic sharia provisions, especially regarding the Islamic way of praying. The main reason for the need for sharia compliance is the emergence of an awareness of Muslim communities who want to carry out all their financial activities based on the Qur'an and Sunnah. Therefore, the guarantee regarding the fulfillment of Shari'a (Syariah compliance) from all activities of managing customer funds by sharia cooperatives is fundamental in the business activities of sharia cooperatives. Allah says in QS As Syuura 18 which means:

"He has told you about the religion that He has given to Noah and what we have revealed to you and what we have testified to Abraham, Moses, and Jesus, namely: Establish religion and do not divide about it, very heavy for the polytheists who you call them to him. God draws on religion that is the person He wants and goes to (the religion) of those who return (to Him) "

According to Arifin (2009), the meaning of sharia compliance (Syariah compliance) in Islamic banks is the application of Islamic principles, sharia and its traditions in financial and banking transactions and other related businesses. Also, Ansori (2001) also stated that sharia compliance is one indicator of Islamic disclosure to ensure the accordance of Islamic banks with principles. While as one of the financial institutions in Indonesia, sharia cooperatives are regulated by the Ministry of Cooperatives and Small and Medium Enterprises. As banking is governed by the central bank and the current Financial Services Authority. Sharia compliance for sharia cooperatives compliance with the rules of the Ministry of Cooperatives and Small and Medium Enterprises, including accordance with sharia principles that have been determined by the relevant agencies. According

to Sutedi (2009), operational sharia compliance is compliance with the Fatwa of the National Sharia Council (DSN). The DSN Fatwa is the embodiment of sharia principles and rules that must be adhered to in Islamic banking.

The definition of performance is a quantitative and qualitative measure that describes the level of achievement of a goal or goal set by the organization (Moehleriono, 2012). Gibson (2012) said that performance is a series of management activities that provide an overview of the extent to which results have been achieved in carrying out their duties and responsibilities. In the form of public accountability in the form of successes and shortcomings that occur. Achievement of the results of a series of activities in question includes work results standard, targets, or criteria that have been determined from the start of the business.

Rue and Byars (2003) also say that performance can be interpreted as the level of achievement of the results or objectives of the organization. Business performance is a series of work outcomes of a business actor in carrying out his business activities. Both in developing products and in terms of marketing, in the context of his authority and responsibilities.

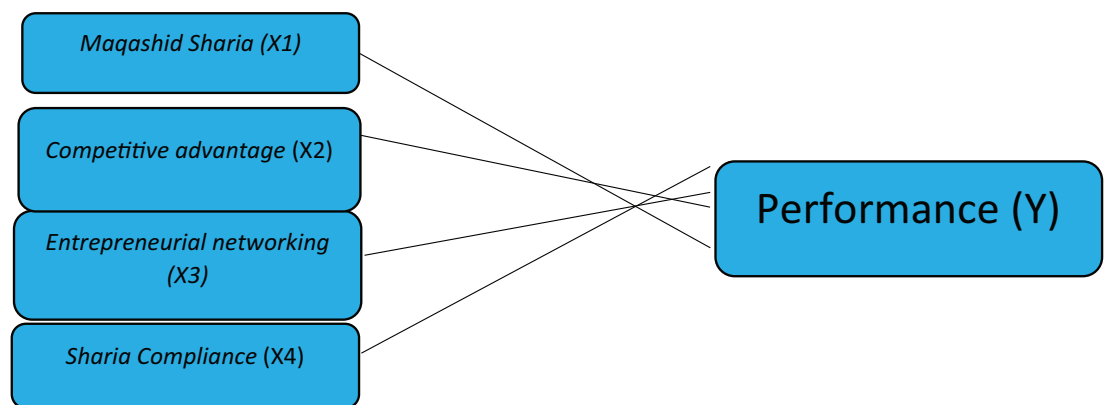


Figure 1: Conceptual framework.

2.1. Development of Hypotheses

The hypothesis is a guess or a temporary answer to the question asked. Scientific writing concludes with two main steps, namely, submitting a hypothesis which is the submission of theory and the incorporation of empirical data to question the truth that supports or rejects the hypothesis.

Based on the formulation of the problem and the conceptual settlement that has been completed before, the hypothesis for this study is:

2.1.1. The influence of sharia maqashid on KS212 performance

According to Ash Syatibi, the goal of Allah Subhanahu Wa Ta'ala to create the Shari'a is to realize goodness (maslahah) and reject evil (mafsadah) in the world and the hereafter. In other words, the legal rules that God determines are only for the benefit of humanity itself. The goodness and ugliness of humanity towards the Glory and Glory of Allah Subhanahu Wa Ta'ala. The five ways to make dharuriyat are religion, protecting the soul, asking for trust, and retaining property can be done by maintaining the things that can perpetuate it. Needed to eat and drink. In fulfilling the needs for the happiness of Muslims, they must also accept religion and appreciation as a Muslim by fulfilling needs through good, right, and lawful ways. Maintaining religion in the sense of meeting the needs of a permanent life for religious people will be maintained. It is important considering the hadith of the Prophet Sallahu 'Alaihi wa sallam, which reminded his people of why it is more entitled to the meat that grows from unclean food (HR Ahmad 14032).

Maqshid sharia can be achieved if the five human needs have been fulfilled. Likewise, in the economic system, the economic system can be said to be successful if it can prosper society. Communities are said to be prosperous if their basic needs are met.

212mart as a brand of KS212 which is rolled out by Muslims in the spirit of building respect together (izzah) providing needs that are appropriate to Islamic teachings halal and thayyib and in transactions also based on Islamic values set by the National Sharia Council of the Ulema Council Indonesia. The awareness of Muslims to shop in the 212mart is a common thread between fulfilling the necessities of life and maintaining religion and maintaining the honor of the people simultaneously. The participation of the ummah in working in the 212mart will be able to maintain the sustainability of cooperatives and improve performance. The research of Reza and Violita (2018), said the application of Islamic values had a positive effect on the performance of Islamic banks.

Based on the description above, the hypothesis in this study are:

H1: Maqashid Syariah has a positive effect on KS212 performance

2.1.2. The influence of competitive advantage on KS212 performance

Competitive advantage is an important factor for an industry in winning the competition. Without excellence, a business will be forgotten and abandoned by customers. Competitive advantage is an added value owned by industry to attract customers.

This added value can be done by innovating, reducing costs, and improving quality. The concept of the mosque-based congregation and the community promoted by the KS212 in establishing a mini-mart is a strategy in customer screening innovations.

Moreover, the requirement for a minimum of 100 (one hundred) members as the main requirement for the establishment of a mini-mart can be a safety line for a mini market to run a business that provides benefits.

Another advantage of the 212mart is service with Islamic values standards by employees. Both in terms of dress, greetings and blessing prayers from every customer who visits, does not sell items that are not halal labeled from trusted agencies, provides prayer rooms, closes when the prayer time arrives and enough space for members to leave merchandise at the store with profit-sharing scheme is the main attraction for the members. Besides, theoretically, members will get the remaining business profits (SHU) from cooperative activities, members can also become market participants and take double profits by entrusting products or merchandise as objects of sale and purchase. Benefit from buying and selling transactions and get the remaining operating results from cooperative activities.

Opportunity for members to be directly involved in the process of buying and selling at outlets by becoming suppliers of merchandise, services with Islamic values standards, outlets closed during prayer times, available representative rooms to perform prayer services and new halal-labeled merchandise from trusted institutions is a competitive advantage mart212. Marthavita (2010), Kristiningsih and Trimarjono (2014), Dewi and Ekawati (2017) concluded that competitive advantage has a positive effect on company performance.

From the description above, the hypothesis in this study are:

H2: Competitive advantage has a positive effect on KS212 performance

2.1.3. The influence of entrepreneurial networking on KS212 performance

Entrepreneurial networking in this research is a feature of Muslims who are brothers and sisters because of religion (ukhuwah Islamiyah). In the Muslim teachings of fellow Muslims are brothers who are likened to the Prophet Muhammad as buildings that mutually reinforce each other (Bukhari 2446, Muslim 2585). A sense of brotherhood bound by religious beliefs penetrates the boundaries of heredity, ethnicity, class, race, and interests. With the number of Muslims currently around 223,325,646 people, this sense of brotherhood is a huge capital for industry.

The power of Islamic brotherhood, the power of worship and the power of buying owned by Indonesian Muslims inspire KS212 to start their business in the field of distribution which can be directly felt by the wider community. By choosing a mini-market as a line of business, KS212 gives alternative Muslims to fulfill their life needs. Ratnawati and Hikmah (2012) and Lestari, Lubis, and Widiyanto (2015) research concluded that social networks positively influence the performance of MSMEs.

Based on the explanation above, the hypothesis in this study are:

H3: Entrepreneurial networking has a positive effect on KS212 performance

2.1.4. The influence of sharia compliance on KS212 performance

The role of the Sharia Supervisory Board (DPS) is expected to be able to improve the implementation of sharia compliance in sharia cooperative business activities. The Sharia Supervisory Board is a board that provides recommendations regarding the products and operations of cooperatives to conform to sharia provisions based on the fatwas of the National Sharia Council (DSN). Based on the Decree of the State Minister of Cooperatives and Small and Medium Enterprises of the Republic of Indonesia Number 91 of 2004 concerning Implementation Guidelines for KJKS Business Activities. Then in 2007, the Republic of Indonesia Minister of Cooperatives and Small and Medium Enterprises Regulation Number 6 of 2007 was issued concerning the Technical Guidelines for Pola Syariah Cooperative and Micro Productive Financing Program (P3KUM), which regulates Islamic Financial Services Cooperatives (KJKS) and Service Units Islamic Finance.

As long as compliance with sharia principles is a must for all sharia financial institutions, supervision of sharia compliance must be carried out both for the Islamic banking financial industry (IKBS) and the Islamic non-bank financial industry (IKNBS). For non-bank financial industries such as cooperatives, compliance with sharia principles is a competitive advantage compared to conventional cooperatives. Compliance with these sharia principles has become a unique attraction for Muslims who make up the majority of Indonesia's population. From the description above, the hypothesis in this determination is: the research of Reza and Violita (2018), said that Shariah compliance has a positive effect on the performance of Islamic banks.

H4: Shariah compliance has a positive effect on KS212 performance

3. Methodology

This study uses a causal descriptive approach that emphasizes more on aspects of the objective measurement of social phenomena that occur when the research is conducted. Measurements on each social event are translated into several components of problems, variables, and indicators.

The independent variables in this study are sharia maqashid, competitive advantages, entrepreneurial networking, and sharia compliance.

3.1. Maqashid Sharia

In this research, Maqashid sharia uses the theory of maqashid sharia Al Syatibi, which divides maqashid sharia into 3 (three) levels, namely dharuriyat, haajiyat, and tahsiniyat. Dharuriyat consists of guarding religion (hifdzuddin), the soul (hifdzu nafs) the mind (hifdzu aql), the offspring (hifdzu nasal) and preserving property and honor (hifdzu mall and hifdzu 'aradh). Sharia Maqashid value has four statements: Shopping at the 212mart to support the economic revival of the ummah. Shopping at the 212mart is self-actualization to fulfill basic needs of halal and thayyib. Shopping at the 212mart to achieve mutual benefit in the congregation, shopping at the 212mart is an effort to gain the trust and independence of the ummah. Febriadi (2017).

3.2. Competitive Advantage

Competitive advantage in this research is the concept of competitive advantage, according to Day and Wensley (1998), which defines competitive advantage as a different competition in this superiority of expertise and resources. Broadly shows what is researched in the market, namely positional advantage based on the existence of superior customer value or achieving lower relative costs and generating market share and profitable performance. Competitive advantage has seven statements: Building better communication with customers can expand and maintain the existence of business markets. Build good communication with customers can know customer satisfaction. Build good communication with customers can reduce risks that harm the business. Build good communication with customers can prevent potential problems with customers. The addition of MSME products has differences with a similar business competitor. MSME products in outlets can increase turnover, MSME products in outlets can increase member loyalty, Islamic outlets make a distinct impression. Marthavita (2010)

3.3. Entrepreneurial Networking

Entrepreneurial networking in this research is a social network that characterizes Muslims who are brothers and sisters because of religion (ukhuwah Islamiyah). In the Muslim teachings of fellow Muslims are brothers who follow the Prophet Muhammad as buildings that strengthen each other (HR Bukhari 2446, HR. Muslim 2585). A sense of brotherhood bound by the religious beliefs penetrates the boundaries of heredity, ethnicity, class, race, and interests. Entrepreneurial networking value has seven statements: Building good communication with customers can expand and maintain the existence of business markets. Build good communication with customers can know customer satisfaction. Build good communication with customers can reduce risks that harm the business. Build good communication with customers can prevent potential problems with customers. Establish good relationships with suppliers can provide benefits to business activities. Establish good communication with suppliers can prevent the potential risk of loss that may occur. Build good relationships with business partners to support the progress and development of the business. Lestari, Lubis dan Widyanto (2015).

3.4. Sharia compliance

Sharia compliance in this study was measured by adherence to the Decree of the State Minister of Cooperatives and Small and Medium Enterprises of the Republic of Indonesia Number 91 of 2004 concerning Implementation Guidelines for KJKS Business Activities. Then in 2007, the Republic of Indonesia Minister of Cooperatives and Small and Medium Enterprises Regulation Number 6 of 2007 was issued regarding Technical Guidelines for Pola Syariah Cooperative and Micro Productive Financing Program (P3KUM), which regulates Islamic Financial Services Cooperatives (KJKS) and Service Units Islamic Finance. In this regulation, the ministries of small and medium enterprises and cooperatives accommodate the fatwas of the National Sharia Council (DSN) regarding Islamic finance contracts and operations. Sutedi (2009).

Sharia compliance value has six statements: Halal-certified products from MUI to become a magnet for customers coming to the outlet. Shari'a-compliant services, greetings, and blessings to be the main attraction for customers. The appearance of shari'a-based servants adds to the attractiveness of customers. Closing during prayer times do not interfere with the fulfillment of targets, transactions using Islamic banks can

increase customer trust regarding sharia principles adopted by cooperatives, provided prayer rooms become value-added outlets.

The dependent variable in this study is the performance variable. Performance is a quantitative and qualitative measure that describes the level of achievement of goals or objectives determined by the organization (Moeheriono, 2012). Based on research by Purwaningsih and Kusuma (2015), five items of operational performance resolution are:

- A. Calculation of sales,
- b. Discuss capital,
- c. Contract labor,
- d. Past the market,
- e. Marketing and profit growth

Each variable will get a weighted value with a Likert scale from 1 to 5 and agree-disagree opinion.

The data used in this study are primary data collected through interviews and questionnaires to the correspondents. The correspondents in this study were KS212 manager, community administrators, and managers of 212mart in Bekasi City, Bekasi Regency, and Bogor Regency. The population in this study were managers of mini market 212 in Bekasi City, Bekasi and Bogor Regency, which amounted to 36 mini-marts. Respondents returned 112 questionnaires. The three cities were chosen considering that the highest 212mart populations were in the three cities. There were 36 outlets of the total 212marts in Indonesia, totaling 107 outlets or in other words 34% of the 212mart population in all of the cities. Sampling is carried out based on the purposive sampling method. Purposive sampling is a sampling technique where the researcher determines the sampling itself by specifying specific characteristics that are suitable with the objectives of the study so that it is expected to answer the research problems.

According to Sugiyono (2015), the population is a region of generalization consisting of objects or subjects that have certain qualities and characteristics set by researchers to be studied, and conclusions are taken while the sample is part of the number and characteristics possessed by the population.

The data analysis method used in this study is Multiple Linear Regression because this tool can be used as a predictive model for the dependent variable with several independent variables, with mathematical equation models as follows:

$$P = a + b_1MS + b_2CA + b_3EN + b_4SC + e$$

where:

- Y1: Performance (P)
- a: Constant
- X1: Maqashid Sharia (MS)
- X2: Competitive Advantage (CA)
- X3: Entrepreneurial Networking (EN)
- X4: Sharia Compliances (SC)
- e: error.

Analysis of multiple linear regression models, includes validity test, reliability test, normality test, multicollinearity test, heteroskedasticity test, F test, t-test, and coefficient of determination analysis (R Adjusted Square). The t-test is used to determine the effect of the independent variable on the dependent variable partiality, while the F test is used to determine the effect of the independent variable on the dependent variable. Test the coefficient of determination to determine the percentage of the effect of the independent variable on the dependent variable.

4. Results and Analysis

The following are the respondents' profiles:

TABLE 1: Profil Respondent.

Gender		Age		Education	
Man	95 (85%)	20-30	25 (22.5%)	<D3	20 (18%)
Woman	17 (15%)	31-40	16 (14%)	S1	67 (60%)
		41-50	35 (31%)	S2	18 (16%)
		51-60	36 (31,5%)	S3	7 (6%)
Total	112		112		112

Out of a total of 112 respondents consisting of 85% men and 15% women with ages between 20-30 years 22.5%, ages 31-40 years 14%, age 41-50 years 31% and age above 50 years 32.5%. The average education of respondents is undergraduate at 60%, masters and doctors as much as 22% and the remaining 18% for senior high schools up to three diplomas.

Model testing in this study was carried out according to the stages of analysis of structural equation models. Validity and reliability testing needs to be done to ensure that the indicators and variables used in this study are valid and reliable to analyze. Validity testing is intended to measure the accuracy and accuracy of indicators of a

variable. In this study, the measurement of model validity was tested using SPSS. Validity test is performed on all variables that form the model partially after all variables are declared valid based on all measures of goodness that have been determined. Then test the validity simultaneously on all variables as a whole while reliability testing is to measure the internal consistency and indicators of a model. Reliability is tested using SPSS. Reliability test is performed on all variables that form the model partially after all variables are declared reliable based on all measures of goodness that have been determined. After testing the validity and reliability, a classic assumption test (normalities, heteroskedastic, and Multikolinieritas) was carried out where all the tests gave good results.

TABLE 2: T-test.

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	7.333	3.612		2.030	.045
Maqashid_Syariah	.469	.294	.219	1.594	.114
Competitive_Advantag	.342	.162	.324	2.105	.038
Entrepreneurial	-.057	.187	-.046	-.304	.762
Sharia_Compliance	.235	.207	.155	1.136	.259

a. Dependent Variable: Kinerja_Koperasi

Based on the table above it can be seen that:

Maqashid sharia has a significant probability value of 0.114 > of the significance value of 0.05 with the results of this study does not support the one hypothesis proposed. So it can be concluded that there is no significant influence between sharia maqashid on cooperative performance.

Competitive advantage has a significant probability value is 0.038 < from the 0.05 significance value with the results of this study supporting the proposed two hypotheses. Then it can be concluded that there is a significant influence between competitive advantages in the performance of cooperatives.

Entrepreneurial Networking has a significant probability value of 0.762 > of the 0.05 significance value with the results of this study does not support the proposed third hypothesis. Then it can be concluded that there is no significant influence between entrepreneurial networking on cooperative performance.

Sharia compliance has a significant probability value of 0.259 > of the 0.05 significance value with the results of this study does not support the proposed fourth

hypothesis. Then it can be concluded that there is no significant influence between sharia compliance with cooperative performance.

TABLE 3: The simultaneous test result (Uji F).

ANOVA^b

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1145.910	4	286.477	14.836	.000 ^a
	Residual	2066.081	107	19.309		
	Total	3211.991	111			

a. Predictors: (Constant), Sharia_Compliance, Maqashid_Syariah, Entrepreneurial, Competitive_Advantage

b. Dependent Variable: Kinerja_Koperasi

The simultaneous test results of Islamic maqashid variables, competitive advantages, entrepreneurial networking, and sharia compliance have a significant effect on cooperative performance. The significance value of 0,000 is smaller than the significance level α (0.05); it can be concluded that the independent variables in this research model can simultaneously influence the performance of the cooperative.

Analysis of Determinant Coefficient Test is done to find out the relationship between variables with results as in the following table:

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.597 ^a	.357	.333	4.39422

a. Predictors: (Constant), Sharia_Compliance, Maqashid_Syariah, Entrepreneurial, Competitive_Advantage

Analysis of the Determination Coefficient Test in the table above the magnitude of the correlation (R) is 0.597 which means it shows the existence of a correlation/relationship that is currently between sharia maqashid, competitive advantage, entrepreneurial networking, and sharia compliance with cooperative performance. The amount of coefficient of determination (adjusted R2) is 0.333 or 33.3%, which means that the independent variables can explain the changes in the cooperative performance variable by 33.3%. 66.7% is explained by other factors outside of this study.

5. Discussion of Research Results

Cooperatives are business institutions that are established jointly by several people to improve the welfare of its members. In Islam, this collaboration is called syirkah, which

aims to help each other help one another in terms of goodness. The good thing meant in cooperating is helping each other improve the welfare level of the members. The KS212, which was founded based on the Islamic brotherhood or the ukhuwah Islamiyah, even had the same purpose. The members of the KS212 in carrying out business activities and the role of participation in reviving cooperatives must have other goals that are more meaningful than just fulfilling their daily needs. Whatever is done by a Muslim will be of value to worship if it is based on obedience to the commands of Allah SWT, even though the activity is always to fulfill life's needs. With the added value of worship, the ultimate goal of every activity of a Muslim is to seek the blessing of Allah SWT so that it will bring benefits to life after death, which is the eternal afterlife.

Discussion of the results of this study are as follows;

1. Analysis of the influence of the sharia maqashid on KS212 performance

Maqashid sharia is a guide for a Muslim in carrying out daily activities so as not to be separated from his connection with the Khaliq. Maintaining religion, keeping, soul, maintaining mind, guarding offspring, and safeguarding property are the expected goals of the activities of a Muslim. By adhering to the element of maintaining religion, a Muslim in carrying out his activities still refers to the guidance of religion, so that in fulfilling the necessities of life the halal and haram elements are the main guidelines. By consuming halal, it will get offspring whose right and reason are maintained from potential damage.

The results of this study indicate that sharia maqashid shows there is no influence between the sharia maqashid and cooperative performance. That people's understanding of muamalah activities which include buying and selling are not following sharia guidelines. People see economic activity as mere mundane activities that have nothing to do with religion so that in carrying out economic activities they have not made the variable of sharia objectives one of the considerations in carrying out buying and selling activities — the low participation of members in transactions in the 212mart. The problem of product prices is still a sensitive problem considering the price of products in the 212marts is estimated to be higher than the same product price in the competitor's mini-mart. Then it is very important for cooperatives to always work together with da'i, ustadz, muballigh and sharia economic scholars to educate the Ummah to increase knowledge and awareness as members of cooperatives about the aims and objectives of religious teachings in the field of muamalah. Moreover, KS212 are born from religion or religious sentiments, so maintaining the consistency of the scholars in calling for good muamalah is an inseparable part of efforts to improve the performance of cooperatives.

The scholars and good scholars who are directly involved in the moral movement on December 2, 2016, known as "212movement" and who are not directly involved in

these activities are expected to become motivators of the ummah in raising awareness of economic activities. Economic activity is a basic activity in meeting life's needs. In a hadith, the Prophet (peace be upon him) said (HR Tirmidzi 614, Ahmad 14032) "that the flesh grows out of something unclean, then hell is more entitled." This hadith motivates the people to fulfill the needs of halal life, halal ways to get it and halal ways to spend it. It is important to increase people's awareness about the meaning of partiality towards Islamic finance and economics as an inseparable part of carrying out religious law. The results of this study contradict the research of Reza and Violita (2018), who said that the application of Islamic values has a positive effect on the performance of Islamic banks.

2. Analyze the influence of competitive advantage variables on KS212 performance

Competitive advantage, according to Barney and Hesterly (2008), is the basic strategy of a market and industry in maintaining business continuity. The results of the study show that competitive advantage has a positive and significant effect on the performance of KS212. It means that cooperative performance will increase along with the increase in competitive advantage.

The two-dimensional competitive advantage (Porter 1997), which is a low-cost strategy and unique strategy, is owned by the KS212. In terms of the low cost of KS212 in operating the 212mart assisted by volunteers who are qualified in their respective fields, thus reducing costs operational. While in terms of uniqueness, the existence of MSME products in mini-mart outlets is unique and does not yet exist in similar mini-marts. Marthavita (2010), Kristiningsih dan Trimarjono (2014), Dewi and Ekawati (2017) who concluded that competitive advantage has a positive effect on company performance.

3. Analysis of the influence of entrepreneurial networking on KS212 performance.

While according to Cohen and Prusak (2001) is a collection of relationships between humans, trust, mutual understanding, and similarity of values and behaviors that bind members in a network and community that allows cooperation. This concept is following ukhuwah Islamiyah in Islamic teachings, where fellow muslim are bound in one agreed-upon value, mutual assistance, mutual trust in building cooperation.

In this study, entrepreneurial networking does not have a positive influence on the performance of KS 212. It means that the addition of social networks does not affect the increase in performance. It can happen because all the entities of the people who are members of the KS 212 do not feel bound by the same values and behavior as Muslims. Each party still prioritizes both personal and sectoral egos.

The results of this study contradict the results of previous studies conducted by Ratnawati and Hikmah (2012) and Lestari, Lubis and Widiyanto (2015) research which concluded that social networks positively influence the performance of MSMEs.

4. Analysis of the influence of sharia compliance on KS212 performance

Sharia compliance is the compliance of a sharia financial institution to the fatwas of the National Sharia Council in carrying out its business operations. The fatwa of the National Sharia Council is an embodiment of sharia principles and rules in financial transactions.

In this study, cooperative sharia compliance does not have a positive effect on cooperative performance. According to the researcher, this was since the business run by KS 212 is currently a mini-mart, which is the practice only business of buying and selling cash between mini-marts as buyers and consumers, there are no delayed payment or savings and loan activities. While transactions using debit cards are essentially cash transactions. Transactions using credit cards are considered as cash payments, regarding the interest charged to owners of credit cards as compensation for delayed payments is an issue between the two parties that do not involve cooperatives. The results of this study contradict previous research conducted by Reza and Violita (2018).

6. Conclusions and Suggestions

The research aims to look at the influence of maqashid sharia, Competitive Advantage, Entrepreneurial Networking, and Sharia Compliance on KS212 Performance (case study in 212mart), which is the KS212 core business. After testing and analyzing the data using multiple linear regression, the results showed that Maqashid Sharia, Competitive Advantage, Entrepreneurial Networking, and Sharia Compliance simultaneously have a significant effect on the Performance of KS 212. While partially, the influence of each variable is as follows: Maqashid Sharia has no significant effect on cooperative performance. Competitive advantage has a significant effect on cooperative performance. Entrepreneurial networking has no significant effect on cooperative performance. Sharia compliance has no significant effect on cooperative performance.

Likewise, limited research time cannot reach more respondents to get more comprehensive results. The KS212, with its 212marts, will continue to grow and be managed by young business people who have the opportunity to progress rapidly. It is hoped that this research can be continued by other researchers using more variables with more diverse respondents to get better results.

For future assessments, researchers suggest that:

Subsequent research should add more variables to respondents who are more diverse with different methods. Further research should also focus on aspects of human

resources following Islamic sharia to show the influence of the teachings of the Islamic religion on the professionalism of managers.

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