

# Study of Increasing Business Performance Through the SiFATI Approach and Its Implications in Business Conditions (Study of the Food Industry in Southeast Sulawesi Province)

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## Abstract

Empirical facts prove that a lot of the food industry in Southeast Sulawesi Province is unable to maintain its business continuity. Based on data from the Department of Industry and Trade of Southeast Sulawesi Province, in 2012 the number of food industries was recorded at 463 business units. This number became 452 business units, down 2.38 percent in 2013. Furthermore, in 2014 the number of food industries was recorded at 465 business units or an increase of 2.88 percent. Then in 2015 it became 417 business units or fell 10.32 percent and in 2016 it became 339 business units or down 18.71 percent. This means that there are 124 food industries unable to maintain their business continuity. Therefore this study aims to improve business performance through the SiFATI approach, namely: (1) Effect of business morals on the performance of the food industry. (2) Implications of business performance on business continuity. (3) The moderating effect of the policy of the Regional Government of Southeast Sulawesi in strengthening the influence of business morals on business performance. The method used in this study is the survey method, which is conducting a field survey of the food industry that was used as the research respondent in the Southeast Sulawesi Province with a sample of 150 business actors distributed in Kendari City and Baubau City. The data analysis technique uses (1) qualitative descriptive, (2) quantitative analysis with PLSSmart program tools. The results of the study concluded that business performance can be optimized or improved through the SiFATI approach. In this case: (1) Business morals have a significant positive effect on the performance of the food industry. (2) Business performance has significant positive implications for business continuity. (3) Southeast Sulawesi Regional Government policies can moderate the influence of business morals on business performance. Thus the factors that cause the inability of businesses to maintain the viability of their business are business morals, government policies, and business performance. Therefore the right approach model is the SiFATI model (*Sidig, Fathanah, Amanah, Tabliq, Istiqamah*).

**Keywords:** Business performance, SiFATI approach, business continuity

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## 1. Introduction

Every food industry must be able to maintain and improve its business continuity. Business continuity is a long-term business continuity both from the economic, social and environmental aspects. Economic aspects are related to the security of the continuity of the financial condition of the business which includes the continuity of own capital, loans, the ability to repay loans, pay employees' wages and pay taxes. The social aspect is the guarantee of business continuity relating to labor and consumers which includes guaranteeing employee work safety, training opportunities and consumer safety and health for the consumption of products offered by business actors. While the environmental aspects are guarantees related to business adaptation to a dynamic business environment including the use of raw materials, utilization of electricity, water, telephone and social responsibility to the community in the surrounding environment (Burton, 2008).

Empirical facts prove that many food industries cannot maintain the continuity of their business, including the food industry in Southeast Sulawesi Province. Based on data from the Department of Industry and Trade of Southeast Sulawesi Province, in 2012 the number of food industries was recorded at 463 business units. This number became 452 business units, down 2.38 percent in 2013. Furthermore, in 2014 the number of food industries was recorded at 465 business units or an increase of 2.88 percent. Then in 2015 it became 417 business units or fell 10.32 percent and in 2016 it became 339 business units, down 18.71 percent. This means that there are 124 food industries unable to maintain their business continuity.

The business continuity of the food industry is largely determined by business performance. This is based on the results of Münstermann, Eckhardt, & Weitzel, (2010), Urban & Naidoo (2012), Aggarwal (2013), Utami & Ryadi (2013) and Mishra & Napier (2015). However, the business performance of the food industry in Southeast Sulawesi Province also declined, which was marked by a decline in the value of production. Where in 2012 the production value was Rp 8,344,000,000. Whereas in 2016 it was IDR 6,102,000,000 (down 26.78 percent). Likewise, the absorption of labor in 2012 was 2,315 while in 2016 it was 1,893 people, down 18.23 percent (Department of Industry and Trade, Southeast Sulawesi Province, 2017).

The business performance itself is greatly influenced by business morals, as the results of the research of

Saifullah (2011), Imam, Abbasi, & Muneer (2013), Santosuosso (2013), Abdi & Radzi (2014), Phatshwane, Mapharing, & Basuhi (2014), Peters, Lau, & Ng (2014), Tom & Biobebe (2015). Business morals are a set of moral principles that distinguish what is right from what is wrong, so morals are very necessary for the business, especially in the food industry. Every businessman tends to make a collision of interests, justifying each other's methods to get as much profit as possible, even killing each other, so that strong business people dominate, while the weak are mired in the corner of the business space. Therefore Islam as a perfect religion provides signs in conducting transactions mentioned in the Qur'an. The signs are related to the Republic of Indonesia's government program, namely mental reform. But in this study called behavioral reform by imitating the morality of the prophet Saw, abbreviated as SiFATI (Siddiq, Fathanah, Amanah, Tablig and Istiqamah).

Based on the data and results of the study it can be seen that (1) 124 food industries are unable to maintain the viability of their business. (2) There is no model for implementing behavioral reform from food industry entrepreneurs. Therefore this study aims to find out and analyze: (1) Factors that cause the inability of the food industry to maintain the continuity of their business. (2) Produce the right model to guarantee and improve the sustainability of the food industry business in the future.

## 2. Literature Review

Sustainability means ensuring human well being (and achieving global food security without depleting or diminishing the capacity of the earth's ecosystem to support life or at the expense of others' well being (Vastola, 2015). Goldstein (2011) explains sustainability to create and maintain conditions, under which humans and nature can exist in productive harmony, that permit fulfilling the social, economic, and other requirements of present and future generations. Another expert, Andreas (2011) suggests A sustainable system is one that fulfills present and future needs while using, and not harming, renewable resources and unique human environmental resources of a site: air, land, water, energy, mineral resources, and human ecology and/or those of other (off-site) sustainable systems.

Based on the opinions of the three experts, it was concluded that the continuity of business is ensuring the continuity of the food industry business continuously accompanied by an increase in the long term from generation to generation.

Setiadi (2009) argues that the business world has a role to encourage healthy economic growth by considering environmental factors. Now the business world no longer only pays attention to the company's financial records but must cover the financial, social and environmental aspects. These three aspects are commonly called the *triple bottom line* (TBL). The synergy of these three aspects is the key to business continuity. Based on this opinion, it is known that there are three indicators of business continuity, namely financial, social and environmental sustainability. Warhurst (t.t.) also put forward the same thing as follows: *Indicators sustainability are often partitioned into the three indicators: environmental, social and economic or integrated in some way to give a means of measuring progress towards away from sustainability*. The meaning of business continuity is divided into three indicators, namely: environmental, social and economic or integrating into several ways to provide a way to measure business continuity Münstermann, Eckhardt, & Weitzel, (2010).

Hamner (2008) describes in more detail the examples of each indicator, namely: (1) Economic: total sales by market, goods, services purchased by country, total payroll and benefits by country, taxes paid by country, infrastructure spending (e.g. schools, roads). (2) Social: workforce by country, type of employment, employment creation and turnover, percent union representation, layoff notification policies, health and safety record, hours training and education for employees, economic policies, child labor practices, policies to evaluate suppliers/contractors, political contributions, customer safety, and health. (3) Environmental: material usage, waste by type and destination, energy consumption, renewable energy sources used, water usage, biodiversity indicators, greenhouse gas emissions, discharges to water, significant spills of chemical, oil, and penalties paid.

The business continuity of the food industry is largely determined by business performance. This is based on the results of the research by Münstermann et al. (2010), Urban & Naidoo (2012), Aggarwal (2013), Utami & Ryadi (2013), and Mishra & Napier (2015). While the business performance itself is strongly influenced by business morals, as the results of Saifullah (2011), Imam et al. (2013), Santosuosso (2013), Abdi & Radzi (2014), Phatshwane et al. (2014), Peters et al. (2014), and Tom & Biobebe (2015).

Morals (plural forms of Khalq) are character, temperament, behavior, and personality. Terminologically, morals refer to the innate nature of the human being that is embedded in the soul which gives birth to good and bad deeds without the need for thought or consideration. The concept of morality refers more to morals, namely the general belief of the Islamic community towards good and bad deeds, right or wrong. In the Qur'an, the word khulq is mentioned twice, namely in QS. As-Syu'ara (26) verse 137 in terms of custom and QS. Al-Qalam (68) verse 4 in terms of noble character. " *And indeed, you are of a great moral character*". The meaning of a noble character is what is meant by morals. The moral words themselves are taken clearly from the famous Hadith of the Prophet "Indeed I was sent to perfect morality".

The concept of morality in Islam describes the goodness and grandeur of human status because human beings

are perfect creations and aim to achieve goodness in life as in QS. At Tiin (95) verses 4-6: *We have certainly created man in the best of stature. Then We return him to the lowest of the low, Except for those who believe and do righteous deeds, for they will have a reward uninterrupted.*

Morals are closely related to actions. If someone does a good deed then the deed is said to be a noble character. Conversely, if someone is doing a bad deed then the deed is said to be a bad character. Ibn Miskawih in the book "Tahdzibul Akhlak" says that morality is a state of motion of the soul that encourages someone to do an act without thinking and considering it first. Soul movement includes two things, namely: (1) The state of the soul which is natural and departs from the character. For example, some people are quickly angry because of trivial problems or excessive laughter because they hear the exciting news. (2) The state of the soul formed by habit or practice. At first, it happened because of thought and consideration, but because it was used to be done, in the next stage the situation became one character that was attached without consideration and thought through.

By this understanding, morality is a manifestation of Faith, Islam, and Ikhsan as a reflection of the nature and soul of a person spontaneously and patterned. He then gives birth to behavior that is consistent and does not depend on consideration because of certain desires. The stronger and stronger the faith of a person, the more obedient to worship, the better the morals. Thus, morality cannot be separated by worship or aqidah because the quality of the faith will affect the quality of worship which will also greatly affect moral quality.

Sukarno (2014) explains that several Islamic business values take the concept of the example of the Prophet. The value of this Islamic business is a guide in doing business so that later the concept of morality in Islamic business can be created. The values come from the following characteristics:

1. Siddiq means to have honesty and always underlie the words, beliefs, and actions based on Islamic teachings. There is no one saying that is contrary to the deed. Allah Almighty commands every believer too has a shiddiq nature and creates a shiddiq environment (good personality). In QS. Al Imran (3) verses 15-17 are explained: *Say, "Shall I inform you of [something] better than that? For those who fear Allah will be gardens in the presence of their Lord beneath which rivers flow, wherein they abide eternally, and purified spouses and approval from Allah. And Allah is Seeing of [His] servants. Those who say, "Our Lord, indeed we have believed, so forgive us our sins and protect us from the punishment of the Fire,". The patient, the true, the obedient, those who spend [in the way of Allah ], and those who seek forgiveness before dawn.* Based on the paragraph, the attitude of the siddiq becomes important in everyday life, including in carrying out business activities.
2. Fathanah: know, understand and deeply appreciate everything that is a duty and obligation. This nature will lead to creativity and the ability to carry out various useful innovations (value-driven).
3. Amanah: has the meaning of responsibility in carrying out each task and obligation. Amanah is displayed in openness, honesty, excellent service and good at everything. Trustworthy nature must be owned by every Muslim who conducts trade/business. When a trader/businessman gets a trust then it is obligatory to try our best to implement it. QS. An Nisa (4) verse 58: *Indeed, Allah commands you to render trusts to whom they are due and when you judge between people to judge with justice. Excellent is that which Allah instructs you. Indeed, Allah is ever Hearing and Seeing.*
4. Tabligh is conveying God's commands. Inviting while giving examples to other parties to implement the provisions of Islamic teachings in daily life (social return). As Allah says in QS. Al Ahzab (33) ayat 70-71: *O you who have believed, fear Allah and speak words of appropriate justice. He will [then] amend for you your deeds and forgive you for your sins. And whoever obeys Allah and His Messenger has certainly attained a great attainment.* Ali ra. say: Invite people to speak with something they understand and leave behind what they (don't understand). Do you want Allah and His Messenger to be denied "(H. R. Bukhari). Islamic Shari'a has no room to justify deceptive behavior. The Qur'an condemns all forms of false statements, baseless accusations, and false testimonies.
5. Istiqamah means consistent. This gives the meaning that someone in business is always istiqamah in applying sharia, a businessman must be able to keep his promise. Istiqamah in faith and good values, despite facing temptations and challenges. Istiqamah in goodness is displayed in determination, patience, and tenacity to produce something optimal (value-added) in the business.

Is morality needed in business? When moral is understood as a set of moral principles that distinguish what is right from what is wrong, morality is needed in business. As is known, that business is a series of events involving business people. Business people tend to make collisions of interests, justify each other to get as much profit as possible, even kill each other, so that stronger business people dominate, while the weak are mired in the corners of the business space. The commission of the Prophet is to improve morals, including morals in business. The business morals practiced by the Prophet Muhammad need to be adopted by business people in the present who sometimes easily get out of morals as practiced by the Prophet.

The results of Saifullah's research (2011) concluded that the business morals of the Prophet Muhammad were honest, trustworthy, appropriate in weighing, avoiding gharar, not hoarding goods, not doing al-ghab and tadtis, and mutual benefits between sellers and buyers. The results of research conducted by Berrone, Surroca, & Tribó (2005) concluded that business morals influence stakeholder satisfaction so that it can improve business

performance. In line with the results of these studies, Imam et al. (2013) have examined and concluded that business morals have a significant influence on business performance. Also, the research results of Abdi & Radzi (2014), concluded that business morals have a very strong relationship with business performance. Other researchers namely Hoq & Ali (2010) found that business morals can affect a company's reputation. Likewise, the results of research by Tom & Biobele (2015) concluded that business morals are very important for companies to improve their business performance. Also, the results of research by Phatshwane et al. (2014) concluded that business morals can expand the business so that they can guarantee business continuity. Furthermore, the research of Santosuosso (2013) found business morals can be one of the important aspects in the budget system which ultimately can improve business performance. Then, the results of Agbim (2013) and Peters et al. (2014) concluded that business morals have a significant positive effect on business performance to ensure business continuity.

### 3. Methods

The design of this study is a survey, which is to visit directly in the field to explore information in depth about the sustainability of the food industry business, the factors that cause inability to maintain business continuity, a form of local government support and information about implementing the SiFATI behavior model. The location of this study was Kendari City and Baubau City in the Southeast Sulawesi Province using survey design. The research sample is a small-scale food industry that grows naturally, then the Department of Industry and Trade in Kendari City and Baubau City establishes as an object of guidance and facilitation in access to capital, including fostering business management and providing technical product training. The number of businesses is 150 which is determined by purposive sampling. Data collection uses questionnaires, document studies, and interviews. The data analysis technique uses descriptive statistics and Structural Equation Modeling based on Partial Least Square.

## 4. Result

### 4.1. Characteristics of Business Actors

Based on the results of the research the characteristics of food industry actors are shown in Table 1.

Table 1. Respondents of Food Industry Actors Based on Individual Characteristics

Age (Years)	Amount of Respondents (Person)	Percentage (%)
27 - 30	11	7.33
31 - 34	16	10.67
35 - 38	27	18.00
39 - 42	51	34.00
43 - 46	21	14.00
47 - 50	9	6.00
51 - 54	8	5.33
55 - 58	7	4.67
<b>Gender</b>		
Male	67	44.67
Female	83	55.33
<b>Level of education</b>		
Elementary School	11	7.33
Junior High School	13	8.67
Senior High School	96	64.00
Diploma	9	6.00
Bachelor	20	13.33
Postgraduate	1	0.67
<b>Family members (person)</b>		
1 - 2	44	29.33
3 - 4	92	61.33
5 - 6	14	9.34
<b>Amount</b>	<b>150</b>	<b>100.00</b>

Table 1 shows that in terms of age most respondents (96.33 percent) are productive. Based on gender, it indicates that the food industry entrepreneurs are women. This is because the food industry is related to the production and marketing of food and beverage ingredients. Furthermore, in terms of the level of formal education, it indicates that the education of food industry entrepreneurs is classified as medium. In terms of family members, it is indicated that food industry entrepreneurs have a small burden and are expected to improve their welfare and are expected to improve their business performance to ensure business continuity through the implementation of Islamic values, especially business morals.

#### 4.2. Business Characteristics

Based on the research results, the business characteristics of the food industry actors shown in Table 2.

Table 2. Respondents of Food Industry Actors Based on Business Characteristics

<b>Business Experience (Years)</b>	<b>Amount of Respondents (Person)</b>	<b>Percentage (%)</b>
3 - 5	76	50.67
6 - 8	40	26.67
9 - 11	23	15.33
12 - 14	3	2.00
15 - 17	4	2.67
18 - 20	3	2.00
21 - 24	1	0.67
<b>Manpower (Person)</b>		
1 - 4	110	73.33
5 - 19	40	26.67
<b>Sources of Manpower</b>		
Family (husband / wife / child)	24	16.00
Relatives	36	24.00
Not Family / Relatives	90	60.00
<b>The Origin of Business</b>		
Built alone	149	99.33
Parental inheritance	0	0.00
Other (cooperation)	1	0.67
<b>Source of Capital</b>		
Personal Savings	114	76.00
Savings + Islamic Bank	12	8.00
Savings + Conventional Banks	18	12.00
Savings + Non-bank loans	6	4.00
<b>Type of business</b>		
Bread business	12	8.00
Abon business	8	5.33
Chips business	22	14.67
The business of various cakes	32	21.33
Enterprises of processed seafood/agriculture	8	5.33
Tofu Tempe business	3	2.00
Chocolate business	6	4.00
The business of coconut sugar and brown sugar	2	1.33
Jipang business	2	1.33
Various nuts business	12	8.00
Stick Business	2	1.33
Snack business	4	2.67
Wet noodle business	1	0.67
Kasoami business	1	0.67
Various ice businesses	10	6.67
Refill drinking water business	25	16.67
<b>Jumlah</b>	<b>150</b>	<b>100.00</b>

Table 2 shows that the food industry players have sufficient business experience. Based on the number of workers, generally are micro-enterprises. Furthermore, based on labor sources, most of them use labor, not family/relatives. Based on the origin of the business, the results of the study showed that 99.33 percent was built alone. Then, based on the source of capital, 76.00 percent use personal savings. Based on the type of business, it is very varied, but most are various cakes, namely 21.33 percent. Other businesses are various nuts, there is 8.00 percent. Abon businesses have 5.33 percent. Various chocolate businesses are 4.00 percent. Tempe Tofu business is 2.00 percent. The business of marketing coconut sugar and brown sugar is 1.33 percent. Refill the drinking water business is 16.67 percent. The variety of business types is due to avoiding intense competition among similar businesses, providing many choices to consumers and facilitate the development effort by the Department of Industry and Trade. Besides that because of the increasing creativity and innovation in business.

### 4.3 Descriptive Research Variables

Based on this research, descriptive respondents' perceptions of the variables studied (business morals, government policy, business performance, and business continuity) are shown in Table 3.

Table 3. Descriptive Research Variables

Variable	Indicator	Indicator Average	Variable Average
Business Morals	Honesty	5.57	5.46
	Understanding	5.51	
	Responsible	5.53	
	Exemplary	5.43	
	Consistent	5.25	
Government Policy	Strengthening business institutions	4.41	4.45
	Expansion of business base	3.41	
	Production technical training	4.43	
	Hope coaching prayer in congregation	5.53	
Business Performance	Income	4.43	4.42
	Capital	4.41	
	Profit	4.40	
	Labor	4.39	
	Consumer	4.44	
	Peace of business	4.43	
	Maslahah	4.43	
Business Continuity	Economic continuity	4.48	4.46
	Social sustainability	4.47	
	Environmental sustainability	4.46	
	Falah	4.41	

Based on Table 3 perceptions of the implementation or practice of business morals, local government policies, business performance, and business continuity are explained as follows:

#### 4.3.1. Business Morals

Business morals are perceived to be good in their implementation with an average value of 5.46 if observed from indicators of honesty, understanding, responsibility, exemplary and consistency. Nevertheless, separately the implementation of business morals is perceived differently. Where honesty is the most important thing to be considered and implemented in running a business. This means that business people always intend to be honest in business, understanding honesty is a good character in business, saying honesty when selling food/drinks to buyers, always reviewing the benefits of honesty through reading materials, evaluating, it turns out honesty makes business progress and creates a slogan in business to glorify themselves with honesty. Nevertheless, consistency still needs to be optimized.

#### 4.3.2. Regional Government Policy

The government policy of Southeast Sulawesi Province is perceived as optimal and important in its implementation. Nonetheless, separately, the implementation of the Southeast Sulawesi Provincial Government policy was perceived differently by business actors in terms of business institutional strengthening, expansion of the business base, production technical training and hope for mental formation through prayer in congregation. The perceived strengthening of business institutions has not been fully optimized. Besides that business institutional strengthening is perceived to be quite important by business actors. The expansion of the business base is perceived as not fully optimal in its implementation. Nevertheless, it is perceived as very important in supporting performance improvement. Empirical facts show that production technical training is also perceived as not fully optimal in its implementation, but it is perceived as very important to be carried out by local governments in supporting increased business performance.

#### 4.3.3. Business Performance

Business performance in its implementation is perceived as not fully optimal but it is very important to be improved if observed from indicators of sales development, business capital, profits, labor, the development of the number of consumers, business calm and masalahah. However, business performance indicators separately in perceptions differ in terms of changes in income, business capital, profits, labor, development of the number of consumers, the calmness of business and masalahah.

#### 4.3.4. Business Continuity

Business continuity is ensuring the continuity of the business of the food industry along with the long-term improvements observed from the indicator: economic viability of the food industry, social sustainability, environmental sustainability, and Falah. The sustainability of the environment is perceived as not fully optimal in its implementation. However, it is perceived as quite important in running a business. Likewise, Falah in its

implementation is perceived as not fully optimal in its implementation and is perceived to be quite important in running a business.

## 5. Model Testing

Based on research data obtained as follows:

Table 4. Path Coefficients

Direct Effect	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ( O/STDEV )	P Values* (*)
Business Morals on Business Performance	0.475	0.487	0.093	5.136	0.000
Business Performance of Business Continuity	0.920	0.921	0.012	73.740	0.000
Moderating Effect on Business Performance	-0.142	-0.147	0.087	1.639	0.102
Business Morals * Government policy towards the Moderating Effect	1.064	1.063	0.086	12.382	0.000

Note: \*\*) p-value  $\leq 0,05$  significant, p-value  $> 0,05$  non significant.

## 6. Discussion

### 6.1. Factors Causing the Food Industry Not Able to Maintain Continuity of Business

Analysis of the causes of the inability of businesses to maintain the continuity of their business is analyzed based on the factors that exist in the SiFATI Approach (honesty, understanding, responsibility, exemplary, consistency). SiFATI Approach is a set of principles and norms adopted by food industry entrepreneurs in behaving, making business agreements and in business relations to achieve their business goals which are also criteria for rewards and penalties observed from five indicator items, namely: honesty, understanding, responsibility, exemplary, consistency. These values form the behavior and actions of business actors whose implementation begins with intention, then try to understand the nature of morality, then practice and then analyze and evaluate self-deficiencies and create good moral conditions in the business.

Based on the research results, the business performance of the food industry in Southeast Sulawesi Province cannot be optimized significantly through the practice of Islamic values by business people based on the SiFATI Approach. That is, the SiFATI practices that business actors observe from the values of honesty, understanding, responsibility, exemplary and consistency, have not fully been able to encourage the optimization of business performance. This is because:

1. The SiFATI approach in the form of exemplary is not optimal in its practice. That is, business actors do not have a strong intention to be a good example, have not fully understood that exemplary business conduct is important, nor has it fully provided a good example for employees, not yet able to convey clear and polite instructions so that it can be done well by employees, and not yet optimal in creating a business that others can emulate. Therefore exemplary needs to be optimized by giving a good example to employees, namely give instructions politely and understandably, do not discriminate against employees and provide compensation or pay wages on time.
2. The SiFATI approach in the form of consistency is also not fully optimal in its practice. That is, business actors have not been fully maximized to always intend to be consistent in selling food, not yet fully aware that persistence in business is an attitude of *istiqamah*, impatient and less resilient and has not been fully acted consistently in running the business. Therefore consistency needs to be optimized by consistently implementing the existing provisions in the business such as the timeliness of the time of entry and return to work.

Empirical facts prove that honesty is the most important thing to be considered and implemented in running a business. That is, businesses always intend honest in business, understand honesty is good morals in business, utter honesty when selling food products to buyers, always examine the benefits of honesty through learning, creating a slogan in an attempt to glorify themselves with honesty.

Understanding is also good in practice. That is, businesses have a strong intention to better understand the business activity in the food industry, knowing and acting creatively in selling food and drinks, analyzing and innovating for business progress, always evaluate the weaknesses that arise in the business, and act creatively and innovatively in overcoming weaknesses.

The SiFATI approach in the form of the responsibility of businesses in its practice has also been good. In this case, the business actor intends to always carry out his responsibilities well in the business, being open, evaluating any deficiencies in providing services to customers, and create improvements to the weaknesses that arise in running a business.

About the lack of optimal example and consistency, it is necessary to increase exemplary and consistency so

that business performance is expected to be more optimal, especially on aspects of capital, profits, and labor. A good SiFATI approach can improve business performance.

It has been proven by several research results such as those conducted by Berrone et al. (2005) to conclude that Islamic work ethics influences on improving business performance. In line with the results of these studies, Imam et al. (2013) have examined and concluded that Islamic work ethics has a significant relationship to employee performance. Also, the research results of Abdi & Radzi (2014) concluded that performance has a relationship with Islamic work ethics.

Other researchers namely Hoq & Ali (2010) found that work ethics can affect a company's reputation. Similarly, the results of the research Tom & Biobele (2015) study concluded that ethics is very important for organizations to improve their ethical codes. Also, the results of the study of Phatshwane et al. (2014) concluded that business ethics can expand the business. Furthermore, Santosuosso's research (2013) found that business ethics can be one dimension in the budget system which can ultimately improve business performance. The results of the study by Agbim (2013) and Peters et al. (2014) concluded that business ethics has to do with business performance.

Referring to the description of optimizing business performance through the SiFATI Approach, it can be seen that the business performance of the food industry in Southeast Sulawesi Province has not been fully optimized through the practice of Islamic values by business people based on the SiFATI Approach. Therefore, exemplary and consistency need to be improved by providing exemplary to employees and consistency in carrying out the provisions in business such as paying employees' wages on time.

## **6.2. Application of the Right Model to Maintain and Improve the Sustainability of the Food Industry**

The application of the right model to maintain and improve the sustainability of the food industry is to implement the SiFATI Approach optimally. In this case, Sidiq (honesty) must be practiced properly, namely, the businessman always intends to be honest in business, understands honesty as a good character in business, speaks honestly when selling food products to buyers, always examines the benefits of honesty through learning, creates slogan to glorify themselves with honesty.

Fatanah (understanding) must be carried out properly. That is, business people need to have strong intentions to better understand the activities in the food industry, knowing and acting creatively in selling food and drinks, analyzing and innovating for business progress, always evaluating weaknesses that arise in the business, and acting creatively and innovatively in overcoming weaknesses.

Amanah (responsibility) must be carried out properly by business actors. In this case, the business actor intends to always carry out the responsibilities well in the business, being open, evaluating any deficiencies in providing services to customers, and creating improvements to the weaknesses that arise in running a business.

Tabligh (exemplary) needs to be optimal in its practice. This means that business actors must have a strong intention to be a good example, understand that exemplary business conduct is important, provide a good example for employees, deliver clear and polite instructions so that they can be done well by employees, and create businesses that can be replicated by others.

Istiqamah (consistency) needs to be optimal in its practice. That is, business people should be maximally intending to be consistent in the business of selling food, knowing that firmness in business is an attitude of istiqamah, patient and tenacious and acting consistently in running a business.

If the SiFATI approach is carried out properly then that is what will improve the performance of its business so that it can guarantee the sustainability of the business. Associated with business performance is the result of work or the working ability of the business run by the food industry in Southeast Sulawesi observed indicators for changes in income, capital, income, consumer and labor. Besides that, it is business tranquility and *masalah*.

Based on the results of the study, business performance has significant positive implications for the sustainability of the food industry business in Southeast Sulawesi Province. That is, a good business performance that is implemented in changes in income, consumers, peace of business and community can guarantee the continuity of businesses that are implemented on economic sustainability and social sustainability of the food industry.

This is reasonable because of the development of optimal income in its implementation. It means that changes in income of business actors are in a good category based on the scale of perception and are considered very important. Also, quantitatively the number of business actors who earn an average monthly income of Rp 13,000,000 to Rp 23,999,000, increased from 6.67 percent to 10.67 percent. Likewise, business actors who earn Rp 24,000,000 to Rp 35,000,000 increased from 1.33 percent to 4.00 percent. The change in income reflects business performance which tends to improve.

Based on the consumer change side it is also optimal in its implementation and is very important to be considered by business actors. Business calm is also optimal in its implementation and is considered very important. The same is true of the optimal *masalah* in its implementation and is quite important.

The implication of the condition of business performance on business continuity is the guarantee of economic continuity and social sustainability. Where economic continuity is quite good in its implementation and is



considered very important in running a business. This means that the continuity of self-capital is guaranteed and increases from year to year, obtaining bank loans in larger amounts from time to time for those who use bank loans, able to repay loans on time, able to increase employee wages each year and income tax increases from year to year.

Social sustainability is also optimal in its implementation and is considered very important in running a business. This means that businesses can increase work safety guarantee benefits to employees from time to time, always provide training opportunities to employees and businesses not to get claims from consumers related to the safety and health of consuming products. Nevertheless, the continuity of the environment has not been fully optimal in its implementation. This means that the continuity of the use of raw materials, electricity usage, telephone, water has not been optimally increased over time. Also, business people have not been fully optimal in providing social assistance to orphanages, the poor and have not been optimal in providing social assistance for the construction of houses of worship every year. The perception of environmental sustainability is quite important in running a business.

Falah is also not fully optimal in its implementation. This means that business people are not yet fully convinced that they will continue to gain good fortune in the long term in this world, besides that business people have not been fully convinced that their efforts bring benefit to the people and will gain good fortune in the hereafter. In an effort, it is necessary to have firm faith that will gain good fortune in this world and in the hereafter provided that the business is managed by observing Islamic values. Falah is perceived as quite important in running a business. So there is no need to overestimate the belief of obtaining continuous luck in the long run in this world. Besides that, the effort will bring benefits to the people and will gain good fortune in the hereafter. Thus it is expected that business performance, especially the capital, profits, and labor can be optimized.

Good business performance can improve business continuity as stated by Hamner (2008) that business performance is related to business continuity. Business viability can continue to be maintained if business actors can manage various activities that lead to resources that focus on the company's ability to obtain important resources in the environment as a determinant in the survival of its business.

Growing up is easy when the environment is rich in resources (all the resources needed by the company are fully available). Thus the company must appoint people who are capable of being responsible for guaranteeing important resources that must always interact with the group of providers through collaboration. Only companies can maintain continuity of access to resources that can sustain their lives. Based on the description it is known that business performance is an important determinant of business continuity.

Some of the studies conducted by Waddock & Graves (t.t.), Preston & O'Bannon (1997), Münstermann et al. (2010), Urban & Naidoo (2012), Aggarwal (2013), Utami & Ryadi (2013) and Mishra & Napier (2015) concluded that business performance influences business continuity. It means that with the existence of good business performance, it can guarantee business continuity.

Based on the results of the discussion, it can be seen that business performance has a significant positive effect on the sustainability of the food industry business in Southeast Sulawesi Province. That is, a good business performance that is observed from income, consumers, business calm and community can guarantee the continuity of businesses that are implemented on the economic continuity of the food industry and the social continuity of the food industry. However, the increase in capital, profits, and labor still needs to be optimized to ensure the optimization of the sustainability of the food industry and Falah.

## 7. Conclusions

Based on the results of the study conclusions can be drawn: (1) The cause of the food industry that is unable to maintain the continuity of its business is the practice of the value of Tabliq (exemplary) and the value of Istiqamah (consistency) that has not been optimal by business actors. (2) The right model to maintain and improve the sustainability of the food industry is to use the SiFATI model, which is to practice the values of Sidiq, Fathanah, Amanah, Tabliq, and Istiqamah in trying.

## 8. Limitations and Suggestions for Further Research

Research limitations: (1) The assessment of business performance based on consumer changes cannot be analyzed quantitatively because businesses do not collect data on the number of consumers who shop every day. Therefore further research can involve this matter with observation techniques in each business actor with a daily allocation of time to make observations at the place of business. (2) The scope of research is only the food industry (food and beverage) in two cities, Kendari and Baubau, therefore this research can be developed in other industries (non-food) in a wider area.

Based on the limitations of the study it is suggested: (1) For business actors: (a) It is better to give exemplary to employees and consistency in carrying out business conditions such as praying on time, and paying employees' wages on time, (b) It is necessary to improve the performance of its business in terms of increasing capital, profits and labor by increasing the number and variety of production, managing quality standards, halal labeliasi and utilizing social media for marketing. (2) For further researchers: The scope of research is only the food industry

(food and beverage) in two cities, Kendari and Baubau. Therefore it can be developed in non-food industries in a wider area.

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