

SUSTAINING THE LOCAL ECONOMY THROUGH ISLAMIC PRODUCTION MANAGEMENT: A CASE STUDY OF THE KOPI MOJAGO HOME INDUSTRY IN NORTH SULAWESI

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ABSTRACT

This study aims to analyze in depth the implementation of production management based on Islamic values in the Mojago Coffee home industry located in Bilalang 1 Village, Kotamobagu City, North Sulawesi. This study is crucial to fill the gap in the academic literature on how Sharia principles are practically internalized in micro business operations to support sustainable local economic resilience. This study uses a descriptive qualitative method with a field research approach. Empirical data collection was carried out through triangulation techniques, which included participant observations on the production flow, in-depth interviews with business owners and workers, and documentation studies. The results of the study

show that Kopi Mojago applies unique operational management practices that are driven by religious consciousness (God-consciousness) and not just material profits. First, in the Planning function, the main priority is placed on the concept of *Halalan Thayyiban* through the strict selection of raw materials as well as seasonal inventory management strategies to mitigate the risk of uncertainty (*gharar*) and avoid waste (*israf*). Second, in Organization, a harmonious work structure based on *Ukhuwah* (brotherhood) is applied, where the wage system strictly adheres to the principle of Justice ('*Adl*) according to the workload and punctuality of payment. Third, the Direction function applies a prophetic leadership style that frames work activities as a manifestation of worship (*jihad iqtishadi*) and an example of leadership. Fourth, Supervision rests on the concept of *Muraqabah* (feeling supervised by Allah) as an internal self-control mechanism that is effective in preventing fraud (*tadlis*) and ensuring product quality. In addition, halal certification is a strategic instrument to build market trust. This study recommends that local governments provide technological assistance for the standardization of roasting machines and subsidize halal certification costs to empower the local creative economy.

Keywords: Home Industry, Local Economy, Mojago Coffee, Muraqabah, Sharia Production Management.

INTRODUCTION

The development of the *home industry* in the agribusiness sector has transformed into a vital support for local economic resilience, especially in absorbing labor and driving the economic wheels in rural Indonesia (Nurlailly et al., 2024). In the midst of global economic dynamics, the coffee commodity no longer only plays a role as a superior export product, but has become the main livelihood backbone for millions of farming families who depend on fluctuations in the price of this commodity for their livelihood (Rahman & others, 2024). This phenomenon is clearly seen in North Sulawesi Province, where robusta coffee varieties such as those developed by Mojago Coffee become the economic basis of the village community through a simple home processing process, but with high scalability potential.

However, as the global market demand for high-quality and high-standard processed coffee products increases, the home industry is faced with increasingly complex demands. Business actors are required to transform traditional production patterns to be more efficient, hygienic, and sustainable (Widodo, 2023). Structural challenges such as limited adoption of appropriate technologies, fluctuations in the supply of raw materials due to climate change, and price competition with large-scale industries are often the main obstacles. In fact, if managed with proper management, the potential added value from local coffee processing can strengthen regional competitiveness and create economic independence.

From the perspective of Islamic economics, the management of production cannot be separated from the *worldview* that places economic activities as part of worship. Production management must be aligned with Sharia principles that emphasize justice, halalness of substance and process, blessings, and orientation to the benefit of the ummah (*maslahah*) (Sari, 2025). This principle expressly prohibits the practice of usury, ambiguity (*gharar*), and speculation (*maysir*), while prioritizing social responsibility and environmental conservation. This approach creates a clear demarcation between sharia economics and conventional economic models that are often stuck on the orientation of material profits (profit maximization) without considering the socio-spiritual impact.

The implementation of sharia production management requires the integration of Islamic values (monotheism, caliphate, and justice) into the entire supply chain, from the ethics of raw material procurement to the distribution mechanism to the final consumer. In the context of the home coffee industry, the manifestation of this value can be seen in the selection of *suppliers* that guarantee halal, a *thayyib* (hygienic/good) drying and grinding process, and a pattern of working relationships based on the spirit of brotherhood (*ukhuwah*), not just a transactional relationship between employers and workers (Nurlailly et al., 2024). The characteristics of the home industry that are closely related to the nuances of

family are actually very compatible with the values of *shiddiq* (honesty) and *amanah* (trustworthiness), which are the foundation of Islamic business.

However, the empirical reality in the field shows that there is a gap between the ideals of the sharia concept and operational practices. Many home coffee industries in the region are still heavily reliant on traditional methods without the support of a formal and accountable managerial structure (Widodo, 2023). Although sharia values are often applied intuitively through local wisdom, the absence of formal legalities such as halal certification and standard Standard Operating Procedures (SOPs) often hinders their access to the wider modern market. In North Sulawesi, this challenge is even more unique given the heterogeneous social context of the community, which adds complexity in the overall adaptation of sharia principles.

A review of the previous literature revealed that there is a sharp dichotomy in the study of coffee in Indonesia. On the one hand, agribusiness technical studies are very dominant in discussing aspects of supply chain and cultivation techniques in major production centers such as Gayo and Kintamani. On the other hand, Islamic economic studies tend to be "downstream-centric", which focuses more on aspects of halal marketing, labeling, and consumer behavior (Nurlailly et al., 2024). Research that specifically dissects sharia production management in *the upstream sector* of the home industry, especially in the North Sulawesi region with its peculiarities of local wisdom, is still very limited (Dewi et al., 2025). There is not much empirical data that examines how transcendental values (divinity) are translated into technical production activities in local micro coffee businesses, such as in Bilalang Village 1.

This condition leaves academic space that needs to be filled. Previous research in western Indonesia (such as Bogor and Lampung) has indeed highlighted the suitability of farmer management with sharia, but has not explored the internal dynamics of household-scale industries in eastern Indonesia (Nurlailly et al., 2024; Sari, 2025). Therefore, this study offers novelty through a comprehensive analysis of sharia production management practices in Mojago Coffee, by placing sharia values not only as a label, but as the main operational framework. Different from the previous normative study, this study reveals the internalization of sharia principles in daily decisions, simple technology adaptation, and family-based work relationship management.

Based on this background, the core problem raised is how Sharia production management practices are applied in the Mojago Coffee home industry in Bilalang 1 Village in the midst of existing resource limitations (Widodo, 2023). The purpose of this study is to systematically analyze the implementation and identify its contribution to strengthening the local economy and the development of a *sustainable* and value-based household industry model.

METHODS

This research used a qualitative approach with a type of field research. The qualitative approach was chosen because this study aims to explore a deep understanding of the meaning behind production management practices carried out by business actors, as well as how Sharia values are internalized in daily economic activities that cannot be measured just by statistical numbers (Moleong, 2017). This method allows researchers to photograph social and economic realities in their entirety in their natural context.

The research focused on the Mojago Coffee home industry in Bilalang 1 Village, Kotamobagu City, North Sulawesi. The selection of Mojago Coffee as the location of the research was based on purposive considerations with the criteria of uniqueness. Unlike other conventional coffee industries in North Sulawesi, which are generally fully oriented towards machine efficiency, Mojago Coffee maintains traditional processing methods (local wisdom) but is still able to compete in the modern market. In addition, pre-research shows the integration of Islamic ethical values in labor recruitment patterns (family-based) and strict selection of raw materials, making this business unit representative as a case study model for sharia-based production management at the local level.

Data is collected through three main techniques:

1. **Passive Participant Observation:** The researcher directly observed the production flow starting from the sorting of coffee beans (green beans), roasting process (roasting), grinding, to packaging to see the compatibility between sharia claims and practices in the field.
2. **Semi-Structured Interview (In-depth Interview):** Conducted with purposively selected key informants, namely the Owner of Kopi Mojago, to explore the managerial vision and policy, as well as production workers, to verify the implementation of the policy.
3. **Documentation:** The researcher examined supporting documents in the form of raw material purchase records, production logs, and digital marketing documentation to strengthen the empirical evidence (Sugiyono, 2019).

To ensure the validity and reliability of the findings, this study applies a data triangulation technique, namely:

1. **Source Triangulation:** Comparing information obtained from business owners with the information of workers and consumers to ensure data consistency regarding the application of Sharia values.
2. **Triangulation Technique:** Double-checking the interview data with the results of field observation. For example, comparing the owner's statement about the "cleanliness of the process" with the real conditions in the

production room during the observation. This is done to avoid the subjectivity bias of the researcher (Creswell, 2016).

Data analysis was carried out using the interactive model Creswell, 2016, which included three flows of activities that occurred simultaneously:

1. Data Condensation: Sorting and focusing raw data from fields relevant to Sharia production management indicators (Sharia POAC).
2. Data Display: Compiling data that has been reduced in the form of a systematic descriptive narrative so that the pattern of relationships between variables can be understood.

Conclusion *Drawing/Verification*: Formulating the final findings regarding the PSharia production Management Model at Kopi Mojago which answers the formulation of the research problem.

RESULT AND DISCUSSION

Based on field data obtained through in-depth observation and interviews with key informants at Kopi Mojago, Bilalang 1 Village, it was found that the production management applied was not only oriented to physical output targets. Furthermore, this management system internalizes Islamic values into the four fundamental functions of management (*Planning, Organizing, Actuating, Controlling*), intending to achieve material welfare and spiritual blessings (*falah*). The following is a comprehensive description of the findings.

Production Planning (*At-Takhthith*)

Production planning at Kopi Mojago begins with a commitment to provide *halal thayyiban* (halal and good) products. The main focus of this planning includes managing the availability of raw materials, determining premium quality standards, and developing strategies to maintain production continuity. Field findings show that coffee raw materials are prioritized to come from plantations of the local community of Bilalang Village 1. The management explained that this strategy was chosen not only because of the logistical distance factor, but also as a form of strategic planning to empower the economy of the people in the nearby environment (*aqrabin*).

The main obstacle identified in this stage is the seasonal nature of the coffee harvest (August-February), which risks creating supply uncertainty (*gharar*). As a solution, management implements a long-term raw material storage strategy (inventory management) by ensuring that coffee beans have a very low moisture content before storage. The business owner emphasized that this step is a form of effort to maintain customer trust so that product availability is maintained throughout the year, even outside the harvest season.

In the aspect of raw material selection, Mojago Coffee applies strict "red picking" standards as a form of *itqan* (quality) principles. Based on the owner's account, there are often obstacles where farmers mix the quality of the seeds to catch up in weight. In response to this, the management does not reject the raw materials roughly, but takes an educational approach to farmers regarding the importance of honesty in the sale and purchase contract. Raw materials that do not meet premium standards are still purchased with different price classifications for secondary products, so that farmers are not harmed, and the quality of the main product is maintained.

Production Process and Organization (*At-Tanzhim*)

The production process is carried out through a systematic workflow (*tartib*) which includes sorting, washing, sorting, and packaging. Cleanliness (*thaharah*) is an absolute priority, where all workers are required to maintain personal hygiene and tools as part of faith and the quality requirements of food products.

The organization of labor in Kopi Mojago uses *a ukhuwah* (brotherhood) based structure. This business unit employs permanent workers and freelance daily workers recruited from residents. The constraint of limited technical skills in new workers is overcome through *a direct mentoring* mechanism and a mutual help work pattern (*ta'awun*), so that there are no rigid barriers between workers.

The most crucial aspect of this organization is the application of the principle of justice (*'Adl*) in the wage system. Based on the informant's information, the determination of wages does not simply follow the lowest market standards, but is adjusted to workload, risks, and the need for a decent life. The business owner emphasized that wage payments are made immediately after the work is completed, reflecting compliance with Sharia recommendations not to delay workers' rights. The workers also revealed that they were treated like their own family, which had an impact on their high loyalty and sense of belonging to the company.

Production Briefing (*At-Taujih*)

The direction function at Mojago Coffee is carried out with an exemplary approach (*Uswah Hasanah*). The business owner acts as a leader who goes directly to the production floor, providing technical instructions as well as examples of work behavior. In the daily briefing session, spiritual values were also instilled. Management consistently reminds workers that production activities to earn a living are a form of worship (*jihad iqtishadi*), so work must be done with seriousness.

To overcome the obstacle of work saturation that has the potential to reduce quality, management conducts simple task rotation and uses a persuasive approach (*qaulan layyinan*) in giving reprimands. Business owners believe that the psychological condition of workers greatly affects product results. If workers

process coffee with a sincere and joyful heart, it is believed that it will bring blessings to the taste and quality of the final product that consumers receive.

In addition, written rules are mutually agreed upon as a mechanism to build responsibility (*mas'uliyah*). Fluid interactions between owners and workers, such as dining together with the same menu, successfully remove social distancing and strengthen employees' intrinsic motivation to work more disciplined without feeling pressured.

Production Control and Supervision (*Ar-Riqabah*)

Production control is carried out through a combination of goods flow control and order control to maintain a supply-demand balance. However, a unique aspect of supervision at Mojago Coffee is the application of the concept of *Muraqabah* (consciousness is supervised by Allah SWT). This system establishes self-control in each worker, so that strict physical supervision is no longer the only instrument of control.

In technical terms, quality control is carried out through periodic machine maintenance and layered manual checks. If a defective product is found, the management strictly separates the product so that it is not sold to consumers. The business owner stated that this practice was carried out to avoid *tadlis* (fraud/concealment of defects) that are prohibited by religion.

Supervision is also strictly applied to the aspects of measurements and scales. Based on the owner's narrative, calibration of the scales is carried out routinely to ensure the net weight is on the label. In fact, packaging operators are instructed to overdose a little as a form of prudence (*wara'*) so as not to get caught up in scale fraud, with the belief that the honesty of the scales will be accounted for before God. Responsiveness to customer complaints is also part of the continuous evaluation (*ishlah*) to maintain market confidence.

Halal Certification as a Strengthening of Sharia Production

This study also found that the ownership of MUI halal certificates since 2017 has been an element of strengthening production management. This certification functions as a quality assurance that the entire supply chain is free from haram elements. Despite cost and administrative constraints at first, management's commitment to penetrate the broader market successfully overcame these obstacles.

The impact of this certification has proven significant. Internally, halal standards discipline the recording of raw materials and sanitation. Externally, sales data shows a trend of increasing demand by 20-30% post-certification, especially in the modern retail market. This confirms that compliance with Sharia standards is positively correlated with business sustainability and consumer confidence.

Production Planning (*At-Takhthith*)

Production planning (*At-Takhthith*) is a fundamental step in operational management to ensure the smooth running of business processes. In the Mojago Coffee home industry, planning is not only interpreted as a technical activity to predict demand, but also as a manifestation of piety to avoid adverse uncertainties. Theoretically, this practice adopts the classic forecasting model as described by Slack et al. (2016), which emphasizes the importance of accurate demand prediction for efficient resource allocation. However, Mojago Coffee complements this secular theory with sharia principles, namely avoiding *israf* (waste) in the use of raw materials, as stated by Allah SWT in the Qur'an. Al-A'raf verse 31.

In implementation in the field, the planning of raw materials for Mojago Coffee is highly dependent on the local robusta coffee harvest cycle. Business owners map the harvest schedule to determine the volume of *green bean* purchases. This strategy aims to maintain the *istiqamah* (consistency) of product availability in the market. This is in line with the findings of Hanifah (2024) on coffee farmers in Bogor, which shows that sharia-based planning can increase the efficiency of raw materials by up to 15% due to careful calculation and not excessive stocks, as well as avoiding hoarding (*ihtikar*) that is prohibited by religion.

Another crucial aspect in the planning of Mojago Coffee is the determination of *halalan thayyiban* quality standards. Quality planning begins with the selection of coffee beans with a moisture content of below 12% through natural drying. This approach reflects the principle of *itqan* (seriousness/quality) in Islam. When compared to Kustriyanto (2024) research on Cening Jaya MSMEs, it was found that the integration of halal values in product design planning (Quality Function Deployment) is the key to innovation and market acceptance. Mojago Coffee plans product variants not only based on taste trends, but also on the halal assurance of the process.

In terms of inventory management, Kopi Mojago implements a safety stock reserve strategy for three months. This step was taken to mitigate the risk of volatility in global coffee prices, which are often volatile. The capacity planning theory from Heizer & Render (2017), which usually focuses on cost efficiency, is enriched here with the dimension of *maslahah* (general welfare). Business owners do not suppress the purchase price to farmers during the harvest for unilateral profit, but rather set a fair price so that partner farmers remain prosperous.

This humanist planning practice distinguishes Mojago Coffee from the findings of Sulastri & Rahmawati (2023) in Lampung. If medium-scale SMEs in Lampung tend to use advanced technology for rigid mass efficiency, Kopi Mojago's home planning model is actually more flexible and adaptive. This flexibility allows businesses to survive in the midst of economic uncertainty without having to

terminate employment, a form of social responsibility inherent in Islamic business planning.

In addition, production planning also includes diversification of derivative products, such as coarse, refined coffee grounds and ready-to-brew packaging. Conventional aggregate planning strategies suggest a balance between demand and supply, but the sharia perspective adds an ethics of yield distribution. Jaya et al. (2021) highlight the importance of halal supply chains on a macro scale, and the findings in Kopi Mojago provide empirical evidence at the micro level that simple planning based on local values can reduce production costs by up to 20% without sacrificing quality.

Overall, the application of *At-Takhthith* in Kopi Mojago proves that production planning in Islam is holistic. He is not only talking about numbers and targets, but also about the blessing of the process and the harmonious relationship with the supplier. This fills the literary gap that has separated modern operational management and local spirituality values in the North Sulawesi region.

Production Process and Organization (*At-Tanzhim*)

The organization of production (*At-Tanzhim*) at Kopi Mojago applies a unique structure, combining workflow efficiency with family values. Technically, the layout of the facility follows a process layout where raw materials move from sorting, roasting, grinding, to packaging stations. The job design theory from Heizer & Render (2017), which emphasizes the specialization of tasks, is adapted to the trust approach. Each worker is given specific responsibilities based on a verbal contract based on trust, not just a rigid transactional contract.

The organizational structure applied is flat without convoluted bureaucracy. This allows for fast communication and flexible decision-making. There are 5-7 daily workers who are divided into work shifts, especially in the drying and packaging sections. The principle of *ukhuwah* (brotherhood) is the main glue of inter-line coordination. This is different from the findings of Salsabila (2024) on culinary MSMEs in Jakarta, who face bureaucratic challenges when trying to scale their businesses. At Kopi Mojago, the absence of bureaucratic barriers actually increases the response to sudden orders.

In terms of the division of duties, the principle of '*adl*' (justice) is applied by placing workers according to their physical abilities and skills (the right man in the right place). Heavy work, such as lifting sacks and operating hot roasting machines, is given to male workers, while the process of sorting details and packaging that requires precision is left to female workers. Hakiki (2024) in his study on coffee shops in South Kalimantan found that organizing based on the Halal Assurance System (SJH) was able to increase productivity; the same thing happened at Kopi Mojago, where clarity of gender-based tasks and expertise minimized production errors.

Hygiene and halal aspects are the main focus in the process of transforming raw materials. Mojago Coffee ensures that there is no cross-contamination with non-halal ingredients. All production equipment, such as grinding machines and workbenches, uses food-grade stainless steel material that is easy to clean. When compared to the study of Ahmadi et al. (2024) regarding sharia charcoal production, Mojago Coffee has advantages in waste integration. Processed coffee husks are not just thrown away, but are reprocessed into organic fertilizer, a zero-waste practice that is in line with environmental conservation.

The organization of technology at Kopi Mojago is also interesting to observe. This business chooses to use low-tech technology, such as semi-manual milling rather than energy-consuming fully automatic machines. This option, in addition to being cost-efficient, is also in line with the spirit of QS. Ar-Rum verse 41 is about the prohibition of destroying the earth. These findings are enriched by Alainashani (2025), who highlights the empowerment of coffee in Kendal; Simple technology is actually absorbing more local labor, making the social function of businesses more dominant than just automation.

Obstacles in the organization, such as worker fatigue or burnout, are overcome with dynamic work rotations. The business owner acts as a central coordinator who has the nature of *mas'uliyah* (full responsibility). No foreman is just showing off; The owner also works with the employee. This participatory leadership model in the organizational structure creates a strong sense of belonging among workers.

Thus, *At-Tanzhim*, from the perspective of Mojago Coffee, is about arranging human resources and nature in harmony. This organization proves that efficiency is not always synonymous with sophisticated machinery or complicated organizational structures, but rather with the clarity of contracts, fairness in the division of tasks, and the spirit of family wrapped in Sharia values.

Production Briefing (*At-Taujih*)

The direction function (*At-Taujih*) at Kopi Mojago is carried out with a very personal and spiritual approach. In contrast to secular management theory that relies on material incentives as the main motivator, Kopi Mojago uses a *Qiyamah*-Oriented Leadership approach. Business owners lead by example (*uswah hasanah*) and foster employee work ethic through a short tausiah before the shift starts. The Transformational Leadership Theory of Robbins & Coulter (2018) is enriched with a transcendental dimension, where the vision is built not only of the company's success, but also of safety in the hereafter.

Work motivation is built by instilling the understanding that working for a halal livelihood is worship. This creates a strong intrinsic motivation in employees. In line with the research of Anwar et al. (2024) on sharia cooperatives, it was found that briefings based on trust values significantly increase employee loyalty. At Kopi

Mojago, workers do not feel supervised because they are afraid of having their salaries deducted, but because they are afraid of betraying Allah's trust.

The communication pattern applied is two-way communication or deliberation (*shura*). Business owners involve workers in providing input related to roasting technique innovations or packaging efficiency. Field observations noted that this participatory approach increased loyalty and morale by an estimated 20% compared to the one-way command system. This provides a different perspective from the study of Damayanti et al. (2024), which focuses on external competitiveness; Mojago coffee proves that the team's internal strength is the main foundation of competitiveness.

In Maslow's hierarchy of motivation, the highest need is self-actualization. However, in the concept of Sharia direction at Mojago Coffee, the highest hierarchy is the pleasure of Allah. This religious advice-based briefing has proven to be effective in reducing employee turnover rates. It has been recorded that in the last two years, the turnover rate has been almost zero. This is in stark contrast to the findings of Beddu et al. (2021), who, despite being successful in digital marketing, experienced obstacles in the solidity of the internal team due to a lack of personal value.

Business owners also conduct soft skills and manners coaching. Work mistakes are not immediately responded to with punishment, but with polite reprimands (*qaulan layyinan*) and coaching. This approach is relevant to the findings of Jaya et al. (2021) that the sustainability of supply and production is highly dependent on the stability of the human resources that drive them. At Kopi Mojago, stability is maintained by humanizing humans.

Direct briefings by owners on a home industrial scale provide advantages in the form of speed of value transfer. Owners can monitor the quality of worship and the quality of employee work simultaneously. It fills a gap in management studies that often overlooks the role of spirituality in the daily operational direction at the micro business level. *At-Taujih* Sharia is the foundation of a blessed work culture. He changed the paradigm of the relationship between superiors and subordinates to a relationship between fellow servants of Allah who help each other in goodness (*ta'awun*), which ultimately has an impact on sustainable productivity.

Production Control and Supervision (*Ar-Riqabah*)

Production control (*Ar-Riqabah*) at Mojago Coffee combines modern technical inspection methods with the concept of divine inherent supervision (*Muraqabah*). Technically, quality control adopts the TQM (Total Quality Management) cycle in the style of Deming, but enriched with *Thayyib* standards. Daily inspections are carried out on the moisture content of raw materials and visual defects in coffee beans. This is in line with the Asriyana et al. (2024) study, which

states that the implementation of the Halal Assurance System (SJH) in the coffee industry requires a Critical Control Point that is closely monitored.

The uniqueness of the supervision system at Kopi Mojago lies in the concept of *moral hisbah*. Supervision is not only carried out vertically by the owner, but also horizontally between workers and internally within each worker. Workers feel supervised by Allah SWT, so they do not dare to commit fraud, such as reducing scales or hiding defective products. Rachmatullah (2023) discusses halal sustainability at the post-market level, but the findings in Kopi Mojago show that operational supervision upstream (production process) is actually more crucial in shaping product integrity.

Field data shows that the product failure rate (reject rate) at Mojago Coffee is very low, which is below 5%. This success is achieved thanks to a multi-layered check and re-check mechanism: from the farmer, to the warehouse, to the packaging. The grand theory of control charts, which usually uses complex statistics, is adapted into manual recording in a simple but disciplined production logbook. This practice ensures product traceability in case there are consumer complaints.

Control is also focused on the aspect of device segregation to ensure zero non-halal contamination. Conveyors and storage containers are specially marked and are prohibited from being used for other purposes outside of coffee production. This discipline strengthens Hanifah (2024) argument that sharia efficiency is not only about money, but also about ensuring the purity of products that "calm" consumers.

The problem correction mechanism is carried out through quick deliberation. If a decrease in flavor quality is found due to temperature variations during roasting, the production process is temporarily stopped for recalibration. This responsive attitude is a form of producer responsibility to consumers. Mojago Coffee does not hesitate to destroy products that do not meet taste standards, even if it means material losses, to maintain trust.

This supervision system also complements the literature on *Ar-Riqabah* in SMEs, which are often considered weak. Kopi Mojago proves that without an expensive ERP system or sophisticated CCTV, supervision can run effectively if it is based on the moral integrity of its human resources. Sharia control at Mojago Coffee produces high-quality consistency. Stable product quality is not the result of fear of sanctions, but rather the result of spiritual awareness to provide the best for fellow human beings.

Halal Certification as a Strengthening of Sharia Production

The MUI halal certification owned by Kopi Mojago since 2017 is not just an administrative label, but a strategic commitment to the concept of *halalan*

thayyiban. This certification has increased market trust up to an estimated 30% based on sales data. This compliance basis refers to MUI Fatwa No. 10 of 2018 concerning Food and Beverage Products, and aligns itself with sharia-based ISO and HACCP standards. These findings support Kustriyanto (2024), who emphasizes that Quality Function Deployment (QFD) in halal coffee products is a vital element of customer satisfaction.

The audit process of the Halal Assurance System (SJH), which is carried out periodically, forces the management of Mojago Coffee to continue to improve. This strengthens the production chain from upstream to downstream, from checking incoming raw materials to distribution. In contrast to the findings of Salsabila (2024) in the culinary industry, where the complexity of raw materials is high, in single-origin coffee commodities, the implementation of SJH is relatively easier to control, but the impact is very significant in raising the brand image.

The ownership of halal certificates opens up access to premium markets that were previously difficult for home industries to penetrate, such as modern supermarkets and airport souvenir shops. In fact, the export potential is wide open considering the global halal market that continues to grow. This is in line with Alainashani (2025), who researches MSMEs in Kendal, where halal legality is a passport for wider market expansion and increasing the bargaining power of products in the face of competitors.

Halal certification also serves as a continuous competitive differentiation. In the midst of the rise of local coffee products, halal labels are a guarantee that Mojago Coffee products are safe, hygienic, and a blessing. This fills the research gap on the impact of halal certification on the micro business level in the region, proving that the cost of certification is not a burden, but a long-term investment.

In addition to external impacts, this certification also disciplines internal administration. The recording of raw materials has become neater due to audit demands. Employees have become more aware of cleanliness due to strict halal SOPs. This creates a professional work culture that is rare in similar home industries. Halal certification at Mojago Coffee is empirical proof that sharia encourages the growth of MSMEs. It transformed traditional management into a modern management that was accountable without losing its spiritual identity. The strengthening of production through this certification confirms that Mojago Coffee not only sells the taste of coffee, but also sells value, safety, and inner peace for its consumers.

CONCLUSION

This study concludes that the practice of production management in the Mojago Coffee home industry in Bilalang 1 Village is not just an activity of converting inputs into outputs, but a manifestation of worship that integrates Islamic values into operational functions comprehensively.

Mojago coffee proves that planning on a micro-scale does not have to rely on advanced software, but rather on the foresight of combining seasonal harvest predictions with anti-waste principles (*israf*). The long-term raw material storage strategy carried out is not the practice of hoarding (*ihtikar*), but an effort to maintain *istiqamah* (consistency) of supply and avoid businesses from the uncertainty (*gharar*) of raw materials, while still prioritizing *halal thayyiban* quality standards from the farmer level.

The organization of production succeeded in breaking the assumption that family-based industries tended to be unprofessional. Mojago Coffee shows that a fluid (*flat*) and *ukhuwah-based* organizational structure actually creates workflow efficiency. The application of the principle of justice ('*adl*) in a payroll system that is adjusted to the workload and paid on time has proven to be the main instrument in maintaining the stability and productivity of the local workforce.

The direction function is carried out through a prophetic leadership approach that emphasizes example (*uswah hasanah*). Instilling the value that "work is worship" succeeds in building the intrinsic motivation of employees. This emphasizes that in sharia management, worker loyalty is not only built through material incentives, but through a humanist-religious approach that humanizes workers as partners of worship.

The quality control system of Mojago Coffee rests on the concept of *muraqabah* (awareness is supervised by Allah SWT). This creates a self-control mechanism that effectively reduces the level of product defects (zero defects) and prevents fraudulent practices (*tadlis*) such as weighing reductions or quality mixing. This inherent supervision has proven to be more cost-efficient for MSMEs than rigid external supervision systems.

The possession of halal certification is empirical evidence that sharia compliance is positively correlated with market competitiveness. This certification transforms traditional management into more administratively accountable and hygienic, while being key to unlocking premium market access and significantly increasing consumer confidence.

This research fills the gap in the literature by proving that the concept of sharia production management is very compatible and applicable to the *home industry*, not exclusively for large corporations. Practically, these findings imply that the integration of Islamic ethical values such as honesty, wage justice, and halal assurance is a vital social capital for the sustainability of micro-businesses amid limited capital and technology.

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