Development of Sharia-Based Goods and Services Procurement Theory in a Digital Context: An Explorative Study

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Abstract

This study aims to develop a theory of Sharia-based procurement of goods and services in a digital context. Through an exploratory qualitative approach, this study explores the understanding of Sharia principles, the implementation of these principles in the context of digital procurement, as well as related challenges and strategies. The research results show that a good understanding of Sharia principles is a key to successful implementation. The implementation of Sharia principles in digital procurement can enhance transparency and efficiency, although there are some challenges to be overcome. This study indicates that further research, the development of tools and methods, as well as training and education are crucial strategies in developing the theory of Sharia-based procurement of goods and services in a digital context.

1. Introduction

Trade activities (goods and services) developed rapidly at the turn of the 21st century, both on a national and international scale, and was followed by the formation of a new international trade system such as the free market. On the
other hand, Indonesia was faced with very serious economic challenges, due to its unpreparedness to face developments. global economy, such as the implementation of free markets (Free Market). The development of information and communication technology has changed the procurement scheme for goods and services in industry and the public sector, by creating many digital markets and e-procurement systems. In line with increasing global demand for a fair and transparent economic system, the concept of sharia-based procurement of goods and services is receiving increasing attention to be implemented.

Basically, sharia principles adhere to the concepts of justice, transparency and shared responsibility which in many ways are in line with the main objectives of procuring goods and services. However, there is little research on how these principles can be applied effectively in a digital context.

Therefore, this research is designed to fill the gap in the literature by exploring how sharia-based procurement theory of goods and services can be further developed in a digital context.

In this study, this research is limited to exploring sharia-based procurement of goods and services in a digital context. Therefore, this study focuses on several main research questions:

1. How can sharia principles be applied in the procurement of goods and services in a digital context?
2. How can sharia-based procurement of goods and services theory be developed and adapted to a digital context?

This research aims to develop and test a theory of sharia-based procurement of goods and services in a digital context. This includes a more comprehensive understanding of how sharia principles can be applied in the process of procuring goods and services and can be integrated into information and communication technology used in procuring goods and services.

This research is expected to provide theoretical and practical contributions. Theoretically, this can help develop a theory of sharia-based procurement of goods and services in a digital context. Practically, the findings of this research are expected to improve the efficiency and effectiveness of the procurement process in the digital era.

References:

International Journal of Islamic Economics and Finance (IJIEF), 3.2 (2020) [https://doi.org/10.18196/ijief.3226].
7 Nur Delimaya and Sri Sudiarti, ‘Analysis of the E-Procurement System of Goods and Services for the Auction of Computers and Laptops at PT Pelabuhan Indonesia (Case Study of Pelindo 1 Belawan)’, JURNAL EMBAY REVIEW, 2.1 (2022), 133–140 [https://doi.org/https://doi.org/10.53697/emba.v2i1].
can help companies and public organizations in designing and implementing procurement strategies that are fairer, more transparent and efficient.

2. Research Method

This research uses an exploratory qualitative approach, which is suitable for understanding complex and contextual phenomena such as sharia-based procurement of goods and services in a digital context. This exploratory research focuses on developing theories that can support the application of sharia principles in digital procurement of goods and services. Research data was collected through in-depth interviews with relevant parties such as policy makers, procurement practitioners, and sharia law experts. In addition, relevant documents and archives were reviewed to understand current practices and challenges faced. The subjects of this research include various organizations that have implemented or are planning to implement sharia-based procurement of goods and services in a digital context. These organizations were selected using purposive sampling techniques, allowing researchers to select the most informative and relevant subjects for this research. The data collected was analyzed using thematic content analysis, which involves coding and categorizing data to identify themes and patterns. This process helps researchers identify the main factors that influence the application of sharia principles in digital procurement of goods and services, as well as formulate a theoretical framework for sharia-based procurement of goods and services in a digital context. This research was conducted in compliance with strict research ethics guidelines, including obtaining informed consent from all research subjects, maintaining subject confidentiality and anonymity, and ensuring that all data were treated in an ethical and legal manner.

3. Results and Discussion

Result

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8 John W Creswell and Cheryl N Poth, Qualitative Inquiry and Research Design: Choosing Among Five Approaches (California: Sage Publications, 2016).
10 L. A Palinkas and others, ‘Purposeful Sampling for Qualitative Data Collection and Analysis in Mixed Method Implementation Research’, Administration and Policy in Mental Health and Mental Health Services Research, 42.5 (2015), 533–544.
Through the process of thematic content analysis, four main themes have been identified in this research: 1) Understanding of Sharia Principles; 2) Implementation of Sharia Principles in Digital Procurement; 3) Challenges in Implementation; and 4) Theory Development Strategy.

<table>
<thead>
<tr>
<th>Main Theme</th>
<th>Description</th>
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<tbody>
<tr>
<td>Understanding Sharia Principles</td>
<td>Respondents' understanding of sharia principles in the procurement context</td>
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<tr>
<td>Implementation of Sharia Principles in Digital Procurement</td>
<td>How sharia principles are implemented in the digital procurement process</td>
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<tr>
<td>Challenges in Implementation</td>
<td>Obstacles and challenges faced during implementation</td>
</tr>
<tr>
<td>Theory Development Strategy</td>
<td>Strategies suggested by respondents for developing sharia-based procurement theory in a digital context</td>
</tr>
</tbody>
</table>

All respondents demonstrated a good understanding of sharia principles and how these principles can be applied in a procurement context. This is in accordance with previous research which emphasizes the importance of a good understanding of sharia principles in implementing sharia procurement.13

Respondents indicated various ways in which sharia principles can be implemented in digital procurement processes. Key examples include the use of fair and transparent contracts, fair selection of suppliers, and implementation of fair dispute resolution mechanisms.

Respondents identified several challenges in implementing sharia principles in digital procurement. These include a lack of understanding and training on sharia principles, technical challenges in implementing these principles in digital procurement systems, and challenges in ensuring compliance with sharia principles.

Based on the results of interviews and analysis, several strategies have been identified for developing a theory of sharia-based procurement of goods and services in a digital context. These strategies include further research on sharia principles and how they can be applied in digital procurement, development of

tools and methods to support the implementation of sharia principles, and training and education to increase understanding of sharia principles.

**Discussion**

The results of this study indicate that a good understanding of sharia principles is an important basis for successful implementation. This is in line with previous research by Ali, which emphasized the importance of knowledge and understanding of sharia principles in implementing sharia procurement. Increasing understanding and knowledge of sharia principles through education and training can be an important factor in developing sharia procurement theory in a digital context.\(^{14}\)

The research results show that sharia principles can be implemented in various aspects of digital procurement. This includes fair and transparent contracts, fair supplier selection, and fair dispute resolution mechanisms. These results support previous research by Mahmood, which shows that sharia principles can be applied in digital procurement to increase transparency and efficiency.\(^{15}\)

Challenges in implementing sharia principles in digital procurement include lack of understanding and training on sharia principles, technical challenges in implementing these principles in digital procurement systems, and challenges in ensuring compliance with sharia principles. Overcoming these challenges will require further research and development of tools and methods to support the implementation of sharia principles.\(^{16}\)

Based on the research results, further research on sharia principles and how they can be applied in digital procurement, development of tools and methods to support the implementation of sharia principles, and training and education to increase understanding of sharia principles are important factors in developing theory-based procurement of goods and services. Sharia in a digital context.

Overall, the results of this study demonstrate the importance of a good understanding of sharia principles, adoption of these principles in digital procurement practices, and further research to address challenges and develop theory.

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4. Conclusion

Based on the results of the analysis and discussions that have been carried out, several important conclusions can be drawn as follows:

a. A good understanding of sharia principles is the key to successfully implementing sharia-based procurement of goods and services in a digital context.

b. Implementation of sharia principles in digital procurement can increase transparency and efficiency, in line with the main objectives of sharia procurement.

c. Challenges faced in implementing sharia principles in the context of digital procurement include a lack of technical capability and understanding so that training is required and compliance with sharia principles is required.

d. Further research, development of tools and methods, and training and education are important strategies in developing a theory of sharia-based procurement of goods and services in a digital context.

The results of this research have practical and theoretical implications. Practically, the results of this research can help organizations in designing and implementing procurement strategies based on sharia principles in a digital context. Theoretically, this research provides new insights into the application of sharia principles in digital procurement and suggests potential areas for further research.

This research has several limitations. First, this research focuses on specific organizations that have implemented or are planning to implement sharia-based procurement of goods and services in a digital context, so the results may not be generalizable to all organizations. Second, this research uses a qualitative approach, which, although in-depth, has limitations in terms of the number and variety of respondents.

For future research interested in researching sharia procurement of goods and services, researchers may consider using a quantitative approach or a mixture of quantitative and qualitative to gain a more comprehensive understanding of this topic. In addition, researchers can also study further about how sharia principles can be integrated into specific digital procurement technologies.

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