

Islamic Business Ethics in The Process of Termination of Employment Amid the Covid-19 Pandemic

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Abstract: This study aims to understand the application of Islamic business ethics in employee layoffs during the Covid-19 pandemic. This research method uses qualitative research methods. The data source is from the agenda of direct and indirect interviews with speakers selected by 10 participants: five entrepreneurs and five victims of layoffs. The finding shows that some business actors in Sukoharjo still need to understand the importance of instilling Islamic business ethics. This situation is proved by the discovery of ethical violations in doing business carried out by entrepreneurs, namely attaching importance to their business in the form of suddenly dismissing their employees, not giving severance pay to employees, being late in providing salaries, not being able to develop the business properly, and not instilling honesty. The violations committed by layoff victims are providing poor service, lack of expertise, and being undisciplined. This research should help future studies apply Islamic business ethics to layoffs. Islamic business principles protect entrepreneurs and layoff victims, allowing them to continue business during the pandemic and grow.

Keywords: Islamic business ethics; layoffs; covid-19 pandemic

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INTRODUCTION

In Islamic teachings, it is not accessible for a person to work at will to achieve his desires and goals by allowing all means to work, such as committing *gharar* (fraud), cheating, and other commendable deeds. Islam is a life guideline that distinguishes between good and evil deeds (Sulistiyo, 2005). Islamic teachings are given a boundary between do's and don'ts, those that are justified and blamed, and those that are justified and forbidden. These limits are called ethical terms (Jauhari, 2020). Ethics ultimately helps us decide what actions need to be done, and it needs to be understood that this ethic can be applied in any aspect or side of life (Masykuroh, 2020). Unfortunately, the reality faced now in society is behavior that deviates from religious teachings, namely the decline of ethical values in business (Norvadewi, 2015).

Islamic business involves helping others. After establishing Islamic business, all commercial activities must be ethical, including not deviating from Islamic norms.

(Maydiana & Cahyono, 2020). Islamic enterprises must follow excellent ethics, but their managers must also understand Islamic concepts and business challenges.

Business is not only about profit-seeking but also contact with social and psychological aspects of individuals, so Islamic ethics in business is needed, namely instilling an excellent and correct principle to not harm other parties (Fauzia, 2013). According to Sampurno (2016), applying good and correct Islamic business ethics is necessary for business people to carry out practices that harm consumers and their companies. Islamic ethics is a moral (behavior) for a Muslim to do all kinds of business activities. Islamic business can be interpreted as a series of business activities limited by the Quran and the Al-Hadith provisions.

The entry of the COVID-19 virus in Indonesia has triggered employers to do actions that employees should not get. As a result, employees get bad behavior, namely injustice. The step of termination of employment (layoffs) is a path employers use to avoid company losses. An injustice that employees feel about inappropriate actions.

The supposed employee must work to make ends meet (Atmoko et al., 2020). However, it is difficult for employees to avoid termination of employment, which causes the need for work termination (Nashrullah, 2020). Termination of Employment is the beginning of misery for employees. With layoffs, employees will lose their source of livelihood (Komalasari, 2017). Termination of Employment is felt by some employees in the company, both high positions and subordinate employees, as well as those felt by employees who work at the Sukoharjo factory.

In dismissing employees' work, there are violations of Islamic ethics committed by employers and employees. As a result, some employers act arbitrarily and abruptly lay off employees. Not only problems arise from employers but also because employees need to gain knowledge of Islamic ethics properly, so ethical violations arise. For this reason, it is necessary to provide an understanding of ethics in Islam, especially in the scope of Sukoharjo.

The study of ethics in termination of employment is still minimal. The Swari & Permadi Research Study (2019) analyzed the prevalence of ethical deviations in business and found violations of company ethics in the termination process. Meanwhile, Muslim Studies (2020) Assessing the Impact of Layoffs and Various Forms of Job Termination on Employees in the Middle of a Pandemic This study fills a gap that previous studies have not examined. This study focuses more on Islamic business ethics both from the employee and company sides.

This study wants to answer how violations of Islamic business ethics in a termination process. This research focuses on discussing forms of violations of Islamic business ethics that employers and employees have committed in the process of employee termination (layoffs) amid the COVID-19 pandemic. This study is expected to contribute to disclosing matters related to violations of Islamic business ethics in the termination of employment amid the pandemic. This study can be a reference for academics and business practitioners in formulating termination policies that do not violate Islamic business ethics.

LITERATURE REVIEW

Previous Research

Swara & Permadi (2019) conducted research on business ethics issues to measure ethical violations. Previous research has shown that there have been business ethics violations from policies carried out by the management of PT HM Sampoerna. Muslim research (2020) discussed the form of work stoppage for employees and the impact of layoffs on employees. Previous research stated that termination of employment is carried out by dismissing temporary layoffs and permanent layoffs, meaning that the form of work termination for the employee is temporarily out of work or temporary termination. In contrast, permanent layoffs are the termination of the work bond between the employee and the company or what he calls the termination of the employment contract. The impact of layoffs leads to the loss of jobs and income. Layoffs are felt by someone who has experienced work stoppages and other employees working because of impaired concentration, so there is a lack of focus at work.

This research discusses ethical violations committed by employers and employees in terminating employment. It was found that some business actors in Sukoharjo needed to understand the correct and good ethics in doing Islamic business by aiming to provide an understanding of ethics properly following Islamic law. There has been no detailed research on ethical violations committed by employers and employees during employee layoffs amid the COVID-19 pandemic. This research is expected to provide an excellent ethical reference in doing business according to Islamic law and can be used as further research.

Islamic Business Ethics

The definition of ethics is a handle of principles that govern human life (Baidowi, 2011; Mujiyati et al., 2018). Business ethics is a business carried out with methods and principles based on how to conduct business (Mulyaningsih & Hermina, 2017). Islamic ethics is a science that studies how to behave honestly, correctly, and somewhat (Echdar, 2019). Ethics includes diverse business activities, including maintaining a balance of work-life behavior in everyday life. Aswand (2018) stated that business ethics in companies have a crucial role. A company will succeed based on sound management and must have good ethics (Ningtyas & Aris, 2016). Amalia (2013) The application of Islamic business ethics must also be carried out by employers and employees in daily work activity. This research will provide a good understanding of Islamic business ethics and can be an example for other business actors. Budiman (2020).

Business ethics is a reference for the way that the company must take to achieve predetermined goals. Islamic business ethics has Islamic principles to carry out activities and achieve business objectives (Shobastian & Aini, 2020). According to Nawatmi (2010), Islam places ethical values in the highest place. The basic principles of Islamic ethics in the Qur'an are unity, equilibrium, free will, responsibility, truth, benevolence, and honesty. Islam is also an ethical code of conduct for human life. So, it is concluded that Islam is the source of ethics for all aspects of human life in the business world, related to employees, entrepreneurs, and society.

Layoff Process in Islamic Business Ethics

When employees feel attached to their work, they will feel compelled to achieve maximum goals, want to succeed, and have a personal commitment to achieving company goals (Arnold & Michael, 2010). Therefore, company rules must be obeyed by every employee, and if violated will be subject to sanctions in the termination of employment (layoffs).

Employers should also only arbitrarily lay off employees if they provide severance pay. The government regulates the provisions for the obligation to pay severance pay to employees due to termination of employment in Article 156, paragraph 1 of Law No. 13 of 2003 concerning employment. "In the event of termination of employment, employers are required to pay severance pay or employment award money and reimbursement money that should have been received." Taniady et al. (2020) stated that the process of termination of employment carried out by several companies harmed employees. Especially in Article 36 of Government Regulation 35 of 2021 concerning the reasons for termination of employment.

Employers terminate employment because of laziness in work, poor service, and arbitrary actions committed by employees. In such cases, employees violate ethics because they misbehave at work. The company should also not be arbitrary on employees, including in the event of termination of employment. In carrying out termination actions, employers should have a conversation between employees and employers per the labor law provisions, which state that companies must seek deliberation in resolving industrial relations disputes (Zulaichah, 2019). In such cases, it is one of the forms of violation of business ethics committed by the entrepreneur.

The problem of violating ethics in terminating employment contradicts the Islamic view because a hadith explains that "*One must provide wages for workers/laborers who have worked before their sweat dries*" (HR. Ibn Majah and at-Thabrani). Islam teaches to reward employees with good treatment and promptly provide wages/salaries. Islam also gives guidelines that hiring others must include the principle of justice. The principle is also found in a hadith: "*Give wages to the worker before the dry sweat and tell the terms of his wages, against what is done*" (HR. Imam Al-Baihaqi).

The form of violation of Islamic business ethics that occurs in the company and employees makes the branches of the problem. The problems employees feel are that not a few get cases of termination and problems that employers feel that their company has decreased demand for products, so losses arise in their company. Baihaki (2020) The COVID-19 pandemic has caused an upward wave in layoffs and a decrease in profits for companies due to the disruption of business activities in most sectors. Utami (2021) explained that the existence of COVID-19 caused its impact on employees to decrease or even lose profits due to layoffs. Juaningsih (2020) revealed a policy in Government Regulation No. 21 of 2020 concerning PSBB (Large-Scale Social Restrictions). This policy has made several companies take steps to reduce losses due to Covid-19. The steps taken by several companies carry out the employment termination process (LAYOFFS) for employees.

METHOD

The research method used in this study is qualitative. According to Bogdan and Taylor in Lestari & Sukmawan (2018), the qualitative method is a research procedure that produces descriptive data in the form of written or spoken words from people's observable behavior. By producing data in the form of written data that can be observed as a source of research. Descriptive data words directly from the data source and not in the form of number analysis. The method used by this study is to understand, explore, and uncover certain phenomena of the respondents of his research. (Alharis, 2020) Researchers use a phenomenological approach. This research focuses on analyzing and describing individual experiences in everyday life. (Helaluddin, 2018) This research can emphasize the conditions in interpreting their lives based on the point of view they experience. Yuksel (2015) This research aims to understand an event against a severe problem and obtain the essence of the participant's life experience on a phenomenon. This research will make examples of the results of relevant case studies to be used as the basis for further research to provide an understanding of Islamic ethics in the process of victims of termination of employment.

In data collection, this study conducted an interview agenda to determine the form of data collection techniques needed and identify the questions formulated in the research focus (Wahid, 2017). The interview technique in this study uses a semi-structured method. This semi-structured method can find problems openly. Furthermore, the interviewee is asked for opinions, so the interviews in this study are flexible and based on participants' thoughts (Rachmawati, 2007).

The procedure at the initial stage, namely this study, tries to make direct observations at the research location to obtain data. The source data was taken from entrepreneurs and victims of layoffs in the MSME sector of Sukoharjo. In the second stage, researchers record victims of layoffs and industrial entrepreneurs at the research site to be used as resource persons. Then, the interview stage with the relevant sources directly and gradually. Researchers use two methods: directly meeting with the source and indirectly through WhatsApp messages. The researcher conducts the interview stage starting with submitting an application permit as a prospective research resource person in the form of recognizing the identity of the researcher, conveying the purpose and purpose of conducting this research, and asking for a willingness to spend time on his activities to answer the questions given by the researcher and conveying questions submitted by researchers to several Sukoharjo entrepreneurs and victims of layoffs in the Sukoharjo MSME sector. Questions posed to layoff victims include what business ethics were violated by employers during employee layoffs and for interviews by their employers and whether there were violations of business ethics by their employees that led to the termination of employment (layoffs).

In conducting direct interviews, researchers pay attention to current conditions. They must comply with government regulations by paying attention to health protocols (wearing masks, being at least 1 meter apart from the source, and not touching). Due to the Covid-19 pandemic, it is necessary to follow health protocols to maintain health. In this case, researchers collected data on violations of Islamic business ethics committed by employers and employees in the termination of employment amid the COVID-19 pandemic. The

following is a table of personal data information from the two sources.

Table 1: List of entrepreneur speakers1

No	Initials	Gender	Business Type	Business name	Address
1.	Nrl	Woman	Fashion	Mask	Wotgaleh
2.	RSO	Woman	Convection services	Reso Mattress	Sukoharjo
3.	SJK	Man	Culinary	Rambak GWN	Gawanan
4.	NBL	Woman	Fashion	Hijab nabil	Madyorejo
5.	Ina	Woman	Culinary	Ice Airport	Gilding

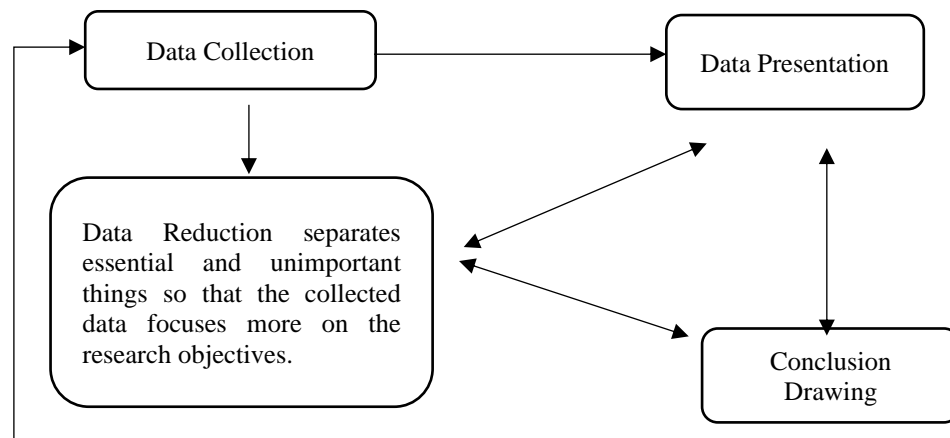
From these speakers, data was obtained to provide experience for their production business to decline during the COVID-19 pandemic, which then overcomes problems, namely the form of ethical violations committed by employees, causing termination of employment for employees. Therefore, this research can educate things that have a positive impact by always instilling good ethics in writing and not committing violations that can harm yourself or others. The speakers are entrepreneurs in various fields, as business owners in the MSME business sector in Sukoharjo.

Table 2: List of Sources for Layoff Victims

No	Initials	Gender	Types of work	Work	Address
1.	KK	Man	Culinary	Rambak Factory	Mojosongo
2.	Sd	Woman	Fashion	Mask factory	Gawanan
3.	RHM	Woman	Convection services	Reso Mattress	Mandan
4.	Nia	Woman	Fashion	Hijab nabil	Kijilan
5.	Amd	Man	Culinary	Ice Airport	Combongan

The two speakers benefit from this study by learning about their experiences working during the Covid-19 pandemic. According to Irma (2019), phenomenology is a method of understanding the experiences of others. So, understanding from the resource person is one of the vital pieces of information to be used as research data by conducting data analysis. The study uses descriptive qualitative analysis methods. This research uses research techniques that describe and explain the data that has been collected by paying attention to the answers of the resource persons to get a comprehensive picture of the actual condition. (John W. Creswell, 2016). The steps of qualitative data analysis in this study are as follows.

Figure 1: Data analysis steps



The figure above is sourced to explain that, in this view, there are three types of data analysis and collection activities. Miles & Huberman (2012) Three types of activities are Data Reduction, Data Presentation (Data Display), and Verification / Conclusion Drawing (Verification). Thus, the role of resource persons in this research process can be determined based on conditions, namely research problems. Heryana (2018) Peran resource person based on research problems aims to provide information following the indicators of the problem to be explored in this study.

RESULTS AND DISCUSSION

The data collected then reduced to which one should be submitted, is presented to be easy to understand so that conclusions can be drawn that are processed on thorough observation from interviews with sources. During the research process, data was obtained from business actors in the termination of employment, namely victims of layoffs and entrepreneurs. In the data analysis process, information is found that is relevant to previous research related to it.

The results of direct interviews with speakers show that some business actors in Sukoharjo still need to understand the importance of instilling Islamic ethics in business. In addition, researchers obtained data that employers and employees still violate ethics at work. From the violations of Islamic ethics that employers and employees have committed to terminating employment, here is the perception of the victims of layoffs and employers.

Table 3. Violation of Islamic Business Ethics in The Perception of Layoff Victims and Entrepreneurs

Category	Perception	
	Layoff victims	Businessman
Ethics violations	Entrepreneurs are more concerned with their business (AMD)	Employees do not provide good service at work (INA) (NRL)
	Late employers give salaries to employees (KK) (RHM)	Lack of expertise possessed (NBL) (SJK)
	Entrepreneurs unable to develop a business (NIA)	Non-work discipline employees (RSO)
	Employers do not instill honesty (S.D.)	

From the interview results, researchers obtained data that, according to the perception of layoff victims to entrepreneurs, namely INA, SJK, RSO, NBL, and NRL, committed business ethics violations. The violations include providing information related to sudden termination of work to employees, not providing severance pay to employees, being late in providing salaries for previously established agreements, not being able to develop their business, and not instilling the principle of honesty. Likewise, the perception of employers to victims of layoffs, namely AMD, K.K., RHM, NIA, and S.D., committing violations of business ethics causes termination of employment. The violation was found to be not providing exemplary customer service, lack of employee expertise, and needing to be more disciplined at work.

Ethical Violations by Employers Based on The Perception of Layoff Victims

Unfair entrepreneurs (INA) think more about their businesses to not lose money and plummet amid a pandemic. Employers (INA) also need to pay more attention to the conditions and positions of employees. According to AMD (victim of layoffs), this entrepreneur (INA) selfishly desires to advance his business. The actions taken by employers could be better by suddenly laying off AMD's work and not providing severance pay to their employees. The reason is that INA did not notify him to terminate his work in advance. Therefore, AMD also gets the injustice of not getting any severance pay. This condition is a form of violation of business ethics.

Not a few companies produce the same type of product. As a result of producing the same product, business competition is getting more challenging during a pandemic. One of the entrepreneurs' speakers, SJK and RSO, said several other entrepreneurs imitated their businesses. The pandemic grows business competition, so SJK and RSO experience losses to their companies, which is detrimental to employees. According to K.K. and RHM (layoff victims), this provides information that business owners are late in providing salaries to employees. According to the RSO (entrepreneur), the level of demand for production decreases, resulting in decreased profits. RSO and SJK committed an ethical violation, namely not providing timely salaries to employees, to cause a bad relationship between the two parties. Ethically, it is a form of violation.

The mistake in hijab entrepreneurs (NBL) is due to the lack of business knowledge

owned by the NBL. According to the NIA (layoff victims) not being able to develop their business correctly, namely the lack of creativity that the NBL has in developing its company. The action taken by the NBL (employer) violates business ethics, which harms employees, namely unproductive due to the absence of innovation in developing the business by the NBL, and losses incurred in owned businesses. (NBL) have decreased product demand and suffered losses to their companies. Ethics in doing business is essential for actors to innovate in business activities to develop a more developed business (Harahap, 2019).

According to S.D. (layoff victims), the NRL (businessman) did not provide accurate information and was not open by providing high and exceeding market prices. In terms of mask materials, according to S.D., NRL (entrepreneurs) provide materials at low prices, and the quality of materials is thin. However, there needs to be more openness in providing information. As a result, there is a decrease in product demand and customer trust due to poor actions taken by NRL. NRL (employers) suffered losses to their companies in the pandemic for their actions and the impact on employees, namely unproductive due to lack of product demand. The NRL (businessman) committed the case of ethics violation because it did not instill the principle of honesty in doing business.

Ethical Violations by Layoff Victims Based on Employers' Perceptions

Ethical violations committed by AMD and S.D. (victims of layoffs) are not providing exemplary service to customers. AMD and S.D. (victims of layoffs) often take unethical actions, namely being less friendly to customers. According to INA (employers), they get information from their customers that the service provided by their employees could be better and more friendly to customers. The actions taken by AMD and S.D. brought a negative name to the INA and NRL-owned businesses. Furthermore, the lack of employer supervision of employee performance impacted the company, namely, decreased product demand due to reduced customers. One of the efforts of INA and NRL (entrepreneurs) to maintain their business is terminating AMD and S.D. (victims of layoffs).

NIA and K.K. (victims of layoffs) commit ethical violations: lack of expertise, dexterity, and lack of honing their skills. Even though at the beginning of work, they have been equipped with training (*training*), in reality, NIA and K.K. need to apply better. In such cases, applying for a job could be better and under pressure from NBL-owned companies and SJK (employers). They negatively affect businesses owned by NBL and SJK (entrepreneurs), hindering progress in their factory businesses so that termination occurs. Business actors, including employees, are essential to develop knowledge and skills (skills) because they are a benchmark for success for companies, so they need to master the field of work equipped with training.

Ethical violations committed by RHM (victims of layoffs) include not complying with work regulations by doing work not optimally and not completing their duties correctly according to the target. The problem of undisciplined RHM gives rise to its unproductive nature, thus hindering the progress of RSO's business. Therefore, the RSO (entrepreneur) moves to maintain its business by terminating the RHM for its actions. Islam commands diligent labor in the sense of being diligent and earnest.

(Walian, 2012)

Discussion of Ethical Violations Committed by Employers

The philosophy of ethics critically analyzes the existence of how a person should act in any situation or how they should think it is right or wrong. It can be given responsibility by considering the deeds made in various interests, rights, and responsibilities and choosing what can or cannot be implemented (Wardiono et al., 2021).

Based on workplace ethical violations, namely injustices that employees should not accept. Actions that employers make to employees with sudden termination of work do not give severance pay to employees and are late in providing salaries to employees. Government Regulation of the Republic of Indonesia No. 35 of 2021 article 37, paragraph 4 stated that a warning period must be carried out in the event of termination of employment. A notification letter must be delivered no later than 7 (seven) working days before termination (Government Regulation Number 35 of 2021 concerning Certain Time Work Agreements, Outsourcing, Work Time and Rest Time, and Termination of Employment [Government Regulation Number 35 of 2021 Concerning Work Agreements for Certain Time, Outsourcing, W, 2021). Employers should carry out the process according to the stages of dismissal for employees, not necessarily take actions not based on deliberation and agreement with both parties, namely the need for justice. This principle is an ethical foundation that will bring peace, prosperity, and social justice to humankind (Nugroho et al., 2021).

In the Job Creation Law, Article 81 Number 44 of the amendment to Article 156 concerning Manpower stipulates that in the event of termination of employment, employers are obliged to pay severance pay and employment award money and reimbursement money that should have been received (Syaiful, 2021). Victims of layoffs are entitled to receive severance pay in the event of termination of work with the problematic conditions of finding a new job plus the difficulty of fulfilling the survival for victims of termination of employment.

In the Islamic view that dismissing suddenly, not giving severance pay late to give salaries is a violation of ethics in a hadith that the Messenger of Allah SAW said: "*Give to a worker his wages before his sweat is dry*" (H.R Ibn Majah) (Fauzi, 2018). Employers are supposed to provide salaries at the right time according to the agreement of both parties.

In addition, entrepreneurs commit ethical violations where they need to develop their business correctly, namely, lack of creativity and innovation in developing a business and need to instill honesty in the business activities. Therefore, in Islam, ethics in business is critical to innovate to develop a more advanced business that does not violate Islamic law by committing fraud and prioritizing ethics by instilling the principle of honesty.

It is not arbitrary that all means are done regardless of the bad in business development by committing fraudulent acts. As the hadith, the Prophet said: "*Whoever deceives us, then he is not our group*" (H.R. Muslim) (Darmawati, 2013). The hadith confirms that the Messenger of Allah always applies an honest attitude in doing business and forbids every business actor to cheat to obtain desires and goals in business. The main

thing that needs to be considered in business is instilling the principle of honesty. It is necessary to realize that applying honesty in business is the key to blessings and success, where every step in carrying out its business activities to get joy in Allah SWT. Islam forbids giving information that is not true and not open. The purpose of holding the principle of ethical honesty in business is one of the ways to maintain the business that is carried out during the COVID-19 pandemic.

Before being laid off, an employee needs guidance from the employer as a human resource. Human resource performance can be enhanced by cultivating a sense of self-efficacy through exposure to and practice of social competence and reinforcing strong work ethics (Ardyanto & Widodo, 2017). An entrepreneur or employer must be a leader who keeps his promises in the workplace and will inspire his employees to work well because of spiritual leadership (Pangestika, 2018). In the termination process, building relationships between workers is another method for fostering a productive work environment.

Business owners also need to consider the impact of layoffs that violate Islamic business ethics. An unfair layoff process will worsen a family's economic situation, especially if the layoff victim is the sole backbone of the economy (Shodiq & Kasumawati, 2023). The obligation to pay wages for an employee's work must be a concern in the layoff process (Insani et al., 2022).

Discussion of Ethical Violations Committed by Victims of Layoffs

Based on violations of Islamic business ethics committed by victims of layoffs in the termination of employment (layoffs) of employees, namely poor service, lack of expertise, and undisciplined. The Islamic view of good ethics in service is that one always serves humbly, with friendly, courteous, and generous smiles.

Islam teaches us always to be humble to anyone in the best service. In business ethics, the importance of providing the best service to customers can be achieved by reprimanding greetings with courtesy and a friendly smile (Toriquddin, 2015). Rasulullah SAW taught the importance of a friendly smile, which can give a good welcome, and the interaction of both parties is intimate.

Not only on the prioritized service side, but qualified skills and abilities in business need to be considered to support a more developed company. Rasulullah SAW advocated always having expertise and being hardworking. For example, the profession of Prophet Muhammad SAW is a tenacious and shiddiq merchant. Siddiq means to speak the truth and be transparent about every action done, trust, and justice with all decisions and decisions taken (Shobastian & Aini, 2020). Allah Almighty likes his servant who has expertise. As the hadith says, "*Indeed, Allah likes servants who work and are skilled (experts)*" (H.R. Ahmad). Rasulullah taught enthusiasm and discipline in work, in the hadith narrated by Muslims about the spirit in work, "*Be zealous to do (actions) that are beneficial to you and ask Allah Almighty for help, and you shall not be lazy*" (H.R. Muslim). The hadith explains that a person, to do his work, must be enthusiastic not to fall into laziness.

In Islamic business ethics, Prophet Muhammad SAW instructed on having ethical values

in good ethics. There are three things in carrying out the concept of ethics it is needed in doing business. First, justice, namely Islam, teaches the ethics of doing business with anyone who must be trusted and responsible under any circumstances. That is the principle that Muslim actors, business people, and employees must follow. Second, to say honestly is to tell the truth because the Messenger of Allah SAW guarantees that always being honest must go to heaven; on the contrary, hell is a place that deserves to be occupied. Third, being treated with full service, as in Islam must serve customers with kindness, is one principle that maintains customer comfort.

Undeniably, some victims of layoffs and entrepreneurs in the MSME (Micro, small, and medium Enterprises) sector Sukoharjo do not understand the application of this business ethic. The discovery of a violation of Islamic business ethics in employees' termination of employment (LAYOFFS) can be found during the COVID-19 pandemic.

Before termination of employment, an employee must actively participate and contribute to his work, which is guided by Islamic work principles (Wibowo & Wuryanti, 2017). One of the main elements of Islamic business ethics is balance (Iqbar et al., 2023). Before claiming rights as an employee, a balance is needed in fulfilling work obligations. The decision to lay off may not be made if all of an employee's obligations can be adequately fulfilled.

A worker amid a layoff issue must maintain trust as part of their Islamic business ethics. Employees who can be relied on to accomplish their jobs honestly and to the letter of the law, who will not engage in dishonest or fraudulent practices, and who can provide evidence of strong performance are considered trustworthy (Jumardi et al., 2022).

CONCLUSION

Victims of layoffs and employers give perceptions from different points of view. There is still a violation of Islamic ethics committed by employers and victims of layoffs in the termination of employment (layoffs) for employees in a pandemic. Employers commit ethical violations, namely attaching more importance to their business by suddenly dismissing employees, not providing severance pay, being late in providing salaries to employees, not developing their business correctly, and not instilling honesty. Ethical violations that have been carried out have a detrimental impact on employees in the termination of employment. In addition, ethical violations have been committed by victims of layoffs in the termination of employee employment, namely poor service, lack of expertise possessed by employees, and undisciplined. These violations violation of Islamic ethics as a result of which has an impact on company losses experienced by employers. The discovery of violations of Islamic business ethics that are not good and do not implement the principles of Islamic business ethics causes company losses experienced by employers. The implications of this study show the importance of understanding Islamic business ethics during the COVID-19 pandemic by both business owners and employees. This research advises business actors to apply good Islamic business ethics to survive any situation, such as a pandemic. With Islamic business ethics, no one is harmed, and it does not end in layoffs. We can maintain business during the pandemic so that business continues to improve. This research can also provide a reference for the widespread application of

good ethics in future research. This study is limited in the amount of qualitative data from several MSME entrepreneurs and MSME employees, but it provides a good picture for further research. Further research will reveal solutions and prevention of violations of Islamic business ethics, mainly when layoffs occur amid a pandemic.

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