#### **CHAPTER FOUR**

#### FINDING AND ANALYSIS

# A. The application of sharia principles on product, service, and management in Namira Hotel Syariah Yogyakarta

The implementation of sharia system in hoteling business requires the application of Islamic regulations and law (sharia) in the business operational activities. The implementation of this system should refer to the predetermined criteria of Sharia-Based Hotel that includes product, service and management criteria.<sup>28</sup> The application of sharia principles in Namira Hotel Syariah Yogyakarta namely:

# 1. The Implementation of Sharia Principles to product at Namira Hotel Syariah Yogyakarta

Namira Hotel Syariah Yogyakarta offers the following products:

#### a. Guest Room

Namira Hotel Syariah Yogyakarta has 29 guest rooms consisting of 3 types of rooms namely Family Room for four people, Family Room for 3 people, and Standard Room for 2 people. Namira Hotel Syariah Yogyakarta provides facilities based

<sup>&</sup>lt;sup>28</sup> Fatwa of National Sharia Council-Indonesia Ulema Council (DSN-MUI), *Op. Cit*, General Provision.

on sharia principles starting from the facilities in the guest rooms. Prayer mat and *Qibla* sign are provided in every guest room to facilitate guests when doing prayers. Unfortunately, there is no such thing as *mukena* or *Al-Qur'an* in the guest room. To answer the guest complaint, if there is a guest at the Namira Hotel Syariah Yogyakarta who cannot perform prayers in congregation in the mushalla, visitors can ask to be taken prayer equipment to employees or employees. The hotel also lacks of religious pictures, calligraphy or pictures of Islamic leaders in the rooms. Instead, ordinary paintings are displayed. Guest visitors who are not guests' relatives (*muhrim*) are only allowed to meet the guests in the lobby and they are not allowed to enter the guest rooms.

#### b. Guests' Bathroom

Namira Hotel Syariah Yogyakarta provides toiletries for guests to clean their bodies in guests' bathroom. Every bathroom has toilet seat, shower, sink, and fragrant soap. The toilet seat also has a small shower for after-urination cleaning. In addition, a mirror is placed above the sink that allows guests to clean their hands and faces. Water tap is also provided for guests to take *wudlu* before they can pray in their rooms. The bathroom is completely private which protects guests' *aurat* or private parts from being seen from the outside.

## c. Praying Room

A clean and well-maintained praying room or *musalla* is available for guests to pray in Namira Hotel Syariah Yogyakarta. There is one praying room on the first floor. The praying room also provides water taps for *wudlu* with proper sanitation. Besides the ablution place, there is the Namira Hotel Syariah Yogyakarta public toilet which is in the form of a closed bathroom for one person, not a large toilet that can be entered by several people and inside the toilet general there are bathtubs, soaps etc. The *wudlu* room also separates the women from men.

## d. Meeting Rooms

The meeting room becomes one of the needs of companies or communities or for people who want to hold a meeting. The meeting rooms at Namira Hotel Syariah Yogyakarta are located on the first and second floor. They are provided for office or agency association activities as well as Islamic entertainment activities.

# 2. The Implementation of Sharia Principles to Services at Namira Hotel Syariah Yogyakarta

To maintain the concept of sharia, Namira Hotel Syariah Yogyakarta also implements the principles of sharia in every service it provides.

#### a. Front Office

Employees who are in charge of being the hotel receptionists are required to do data confirmation for every guest. Every couple who wants to stay in the hotel should show their ID and should have single address to show that they are married couple. The employees should also inform the guests about regulations that apply in the hotel.

## b. Housekeeping

Namira Hotel Syariah Yogyakarta applies sharia-based housekeeping as explained below.

## 1) Provision of clean and proper praying necessities

Namira Hotel Syariah Yogyakarta provides clean praying necessities such as praying mat in every room to allow guests to do their prayers.

#### 2) Provision of AlQur'an

Namira Hotel Syariah Yogyakarta also provides *Al-Qur'an* in the praying room (*musala*), allowing the guests to read and recite Al-Qur'an (*tadarus*).

#### 3) Food and Beverage

Namira Hotel Syariah Yogyakarta also provides free breakfast and mineral water in every room. The hotel does not provide shared-kitchen nor does it produce the food it servers. Instead, the hotel cooperates with the third party to provide the guests with breakfast such as *Gudeg Bujoyo* and *Restaurant Padang Tanjung*.

# 3. The Implementation of Sharia Principles to Management at Namira Hotel Syariah Yogyakarta

These followings are the sharia principles applied by Namira Hotel Syariah Yogyakarta management.

# a. Business Management

The management of Namira Hotel Syariah Yogyakarta gives the halal-guarantee. This can be seen from the restriction that applies for unmarried or non-relatives couple to stay in this hotel. Guests are also forbidden to bring alcohol and illegal drugs. Every room is completed with praying necessities; even the guests can also go to the praying room which has more complete facilities.

#### b. Human Resource

Namira Hotel Syariah Yogyakarta also requires all of its staffs to wear polite costumes based on the principles of Sharia. Staffs are not allowed to wear tight outfit and female staffs are required to wear hijab/veil. All of the employees are also encouraged to smile, greet and say greetings when they see each other and when they happen to meet hotel guests. Namira Hotel Syariah Yogyakarta requires employees to be Muslim. So far, employees at Namira Hotel Syariah Yogyakarta are Muslim and none are non-Muslim, because of the hotel management, it is indeed obligatory for employees to be Muslim.

# B. The product, service and management of Namira Hotel Syariah Yogyakarta complaint with sharia principles

Currently, there is no regulation which regulates the implementation of Sharia hotel business guidelines in Indonesia after the revocation of regulations concerning Guidelines for Implementing Sharia Hotel Business specifically both in the form of Laws and Ministerial Regulations. There is no government regulations which regulates the implementation of Sharia hotel business guidelines in Indonesia after the revocation of regulations concerning Guidelines for Implementing Sharia Hotel Business Number 2 of 2014 issued by the Minister Number 11 of 2016 concerning revocation of Minister of Tourism and Creative Economy Number 2 of 2014 regulation the revocation was based on the consideration that the arrangements contained in the Minister of Tourism and Creative Economy Regulations Number 2 of 2014 were not in accordance with the existing developments. In addition, the Minister of Tourism had issued Regulation No. 1 of 2016 on the Implementation of Tourism Business Certification. This regulation regulates the certification of halal tourism businesses. However, the Article concerning halal tourism business certification in that regulation was revoked by the issuance of Ministerial Regulation Number 12 of 2016 on Amendment to the Ministerial Regulation Number 1 of 2016 on the Implementation of Tourism Business Certification. With the removal of several Ministerial regulations above, there are practically no regulations governing halal tourism.

Therefore, the implementation of the Islamic tourism business (halal tourism) in Indonesia still refers to the National Sharia Council-Indonesia Ulema Council (DSN-MUI) Number 108/DSN-MUI/X/2016 concerning guidelines for the implementation of tourism based on Sharia principles. This fatwa regulates the whole of Sharia tourism activities such as the terms of the contract (agreement) carried out, the provision of Sharia hotels, tourist destinations, SPA, sauna massage, travel agency, as well as provisions regarding tour guides.

Dewan Syariah Nasional (DSN) or the National Board of Sharia through the regulation of Majelis Ulama Indonesia Number 108/DSN-MUI/X/2016 on the guideline to the implementation of sharia-based tourism mentioned that "sharia-based hotels provide accommodation necessities in the forms of rooms in one building that is completed with daily services such as food and beverage service, entertainment or other facilities that are intended to obtain profit based on the principles of sharia".<sup>29</sup>

Hence, this regulation should be used by sharia-based hotels in applying their hoteling management process based on DSN-MUI Number 108/DSN-MUI/X/2016, namely:<sup>30</sup>

<sup>29</sup> *Ibid.* General Provision.

<sup>&</sup>lt;sup>30</sup> *Ibid*, provisions regarding sharia hotels.

 Sharia hotels are forbidden to provide access to pornographic content and any amoral action

The provision of hoteling products and services in sharia-based hotels should conform with the principles of sharia as offered by Namira Hotel Syariah Yogyakarta. Any information, advertisement, product or service promotions that have been published in printed media, online media, website, and others should match the reality offered by Namira Hotel Syariah Yogyakarta. Therefore, guests would receive only accurate and valid information. Namira Hotel Syariah Yogyakarta with Islamic concept gives ease of access for Muslim families and other community to stay in a hotel that provides *halal* facilities and service. Guests are selected, and only official married couple are allowed to stay in the hotel as they are required to fill in the registration forms and show their ID card, family card or marriage book. The screening is an effort to prevent Namira Hotel Syariah Yogyakarta from getting involved in problems related to access to pornographic content or amoral actions.

2. Sharia hotels must not provide entertainment facilities that lead to polytheism, immoralities, pornographic content and other amoral action

One application of Sharia principles in sharia hotel is that the hotel is not allowed to provide entertainment facilities that give negative impacts to ones' faith as Muslims (*musyrik*) such as displaying statues, animate paintings and other furniture or decorations that associate Allah SWT to

other creations. In Namira Hotel Syariah Yogyakarta, those stuffs were not available. An ideal sharia-based hotel should display calligraphy about the names of Allah (asmaul husna). Unfortunately, Namira Hotel Syariah Yogyakarta had not yet provided those elements. Namira Hotel Syariah Yogyakarta does not facilitate night life entertainment (night club), karaoke, or bar that sells alcohol. Since Namira Hotel Syariah Yogyakarta object to the consumption of alcoholic drinks, the hotel forbids any alcoholic drinks to be sold in the hotel, and the hotel also bans the guests from bringing alcoholic drinks from outside.

# Food and beverage provided by sharia hotel must possess halal-certificate given by MUI

Namira Hotel Syariah Yogyakarta has neither restaurant nor shared-kitchen. The food provided by the hotel is supplied by other parties such as from *Padang* or *Gudeg* restaurants. Every morning, the guests of Namira Hotel Syariah Yogyakarta enjoy their *halal* breakfast provided by the hotel for free. However, Namira Hotel Syariah Yogyakarta do not pay attention to food that has halal certificates or not. After being traced it turned out that the Padang and Gudeg restaurants also did not have a halal certificate from LPPOM MUI. Supposedly, processed food and beverages taken from outside should be food must have a halal certificate. Indeed, Padang food stalls and warm-hearted meals are generally halal, but it is better if eaten by a warm-up that has

been approved by the MUI. Hopefully, the halal is not a claim, but it has has been approved carefully.

4. Provides facilities, necessities and equipment needed for praying and cleaning

Namira Hotel Syariah Yogyakarta provides the facilities for praying activities including *musala* as the praying room completed with other praying necessities such as *sajadah*, *sarong*, and *mukena* or women's praying dress. *Al-Qur'an* is also available in the *musala*, and the *wudlu* room separates women from men. However, the facilities for praying in each room are not complete. There is only *sajadah* and qibla sign in every room. Neither *mukena* nor *Al-Qur'an* is provided in the guest room. However, if there are guests of the Namira Hotel Syariah Yogyakarta who cannot carry out prayers in congregation in the mosque, they can ask to be taken to prayer equipment to employees or employees. Unfortunately, there is no *adzan* during the prayer time.

Managers and staffs are required to wear outfit that conforms with the principle of sharia

It is required for the staffs of Namira Hotel Syariah Yogyakarta to dress accordingly. They have to wear official outfit from the hotel. Men wear short-sleeved shirt and long trousers, while female employees wear loose outfit with long sleeves, long skirt and *hijab* or veil that covers their

chest. Some sharia hotels that joined in recruiting non-Muslim staff, asked these staff to work in unsolicited divisions to appear in front of guests such as the front office, so it was okay to support wearing a headscarf / veil because it was not needed. However, non-Muslim staff who are placed in a place that is directly related to the guests, he must also wear other Muslim staff uniforms by using hijab / headscarves. Based on the results of interviews with the MUI secretary, Mr. Mukhsin Kamaludiningra,

"For non-Muslim employees who work in sharia hotels, they are not required to use a headscarf, because the hijab for non-Muslims asks for one that is needed. What is clear is that the employee uses approved and polite clothes"

 Sharia hotel must fulfill the guidelines and procedure of hotel service to apply the sharia-based hotel concept

Namira Hotel Syariah Yogyakarta only applied the standard operating system within its management in general. The hotel has not yet employed specific standard procedure guidelines regarding its service in order to guarantee that every service offered is based on the principles of sharia. Unfortunately, Namira Hotel Syariah Yogyakarta limitedly integrated the general principles of Islam. This standard procedure is separately offered in several parts of its service such as receptionist, room service, and others.

The principles of sharia applied by Namira Hotel Syariah Yogyakarta are in the form of selection of guests who wish to stay in the hotel, easiness to do the cleaning before praying and the ban or night entertainment, alcoholic drinks, drugs, and so on.

#### 7. Sharia hotels should use the services of sharia financial institution

The financial management of Namira Hotel Syariah Yogyakarta has not yet been facilitated by sharia-based banks as the hotel is not yet able to manage its own fund. The financial management of the hotel is exclusively done by the internal board of managers. Supposedly, sharia hotels use Sharia Financial Institutions in carrying out their services, in order to avoid things that are in principle prohibited in Islam such as usury, gharar, and maysir.

According to the regulation of DSN-MUI Number 108/DSN-MUI/X/2016, the rules and regulations regarding the related parties and initial agreement should be done based on *ijarah* agreement.

The term *ijarah* means "wage" or "compensation" or "reward. <sup>31</sup> Therefore, it generally covers wages that arise from the use of certain product or activities. Epistemologically, wages refer to the reward or compensation, while terminologically, wage refers to the action of making use of others'

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<sup>&</sup>lt;sup>31</sup> Imam Mustofa, 2016, Fikih Muamalah Kontemporer, Jakarta: PT. Raja Grafindo Persada, Page 101.

services to be exchanged with reward or certain conditions.<sup>32</sup> Therefore, wages are given for ones who have been instructed to do certain jobs and the wages should be paid as agreed. In this case, wages can be paid before ones complete their jobs. However, it is recommended that wages are given after jobs are finished.

Transactions in the hotel are made based on *ijarah* contract, through which guests can stay in the rooms provided by the hotel. With the lease agreement, guests have to pay all the bills including the cost of room rent based on the number of days they stay at Namira Hotel Syariah Yogyakarta. There are several types of rooms in the hotel; family room 4 people for a maximum of 4 people, family room 3 people for a maximum of 3 people, and standard room 2 people a maximum of 2 people. In case the guests bring friends that exceed the maximum number, they will be charged. In a lease transaction, an agreement must be made by both parties, in which the guest agrees with the regulations in Namira Hotel Syariah Yogyakarta, including willing to have their data checked, agree not to bring non-relative friends, and checking out as schedule, etc. Likewise, hotel staffs will give the guests their best service by patiently give services and being polite to all of the guests.

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<sup>&</sup>lt;sup>32</sup> Muhammad Ridwan, 2007, *Konstruksi Bank Syariah Indonesia*, Yogyakarta: Pustaka SM, Page 95.

Sharia hotels are one of the pillars of the development of the halal tourism industry. However, such hotels are still difficult to find in Yogyakarta. Many hotels call themselves sharia hotels but have not obtained halal certificates. Deputy Chairperson of PHRI DIY Herman Tony said through an interview,

"Until now, there are no 10 percent of the total star hotels in DIY that apply the sharia system or are halal certified. In addition, there is no awareness of hotel managers to order certificates and also the minimum results as assessors of Business Certification Institutions (LSU) that have specifications in the field of sharia. Things that need to be considered in hospitality in Yogyakarta are just just completing food and drinks". 33

So, in Yogyakarta today, there is no hotel that has obtained the Shariah conformity certification obtained from DSN-MUI. The halal certification obtained by a hotel in Yogyakarta is currently only a halal certificate that includes food and beverages issued by LPPOM MUI. In fact, every hotel that provides sharia principles or call it a sharia hotel should have certification of the hotel management provided by the DSN-MUI. Hotels that wish to apply for Shariah conformity certification and / or DPS recommendations are required to submit a request letter by including supporting documents. To get sharia certification, DSN-MUI has made a guideline for sharia compliance certification.

<sup>&</sup>lt;sup>33</sup> Herman Tony (Deputy Chairperson of PHRI DIY), Interview result, February 15<sup>th</sup>, 2019

Figures 4.2

Sharia Certification Requirements Checklists

No	Types of Requirements	Documents		Documents		Descriptions
110	Types of Requirements	A	NA	Descriptions		
<b>A.</b>	General Requirements					
1	Letter of application for sharia certification					
2	Filling in the Checklist of Sharia Certification Requirements					
3	Statement of commitment from the company to carry out business according to sharia					
4	Paying for sharia certification fees					
5	Attaching a copy of the company's legal document:					
	a. The Company's Deed of Establishment approved by the Ministry of Law and Human Rights along with its amendments (if it has been changed)					
	b. Business Permit (SIUP)					

	c. Other licenses from related authorities;
	d. Company Registry Insignia (TDP)
	e. Domicile Certificate of Company;
	f. Company Taxpayer Identification Number
	g. GMS Decision/Notification Results Board of Commissioners and Board of Directors Meetings or authoritative decisions on LKS, LBS, and LPS concerning plans to conduct business activities based on sharia principles in accordance with applicable laws and regulations;
6	Attaching the institution's profile ( <i>LKS</i> , <i>LBS</i> , and <i>LPS</i> ) which states a description of:
	a. History of the institution
	b. The legal basis of the institution
	c. Vision, mission, and objectives of the institution
	d. The existing organizational structure

e. Ma	anagement profile	
f. Ca	pital structure	
g. Fir	nancial statement	
h. Pro	ofile of sharia business plan	
1)	Vision, mission, objectives	
2)	Prospective organizational structure	
	(involving DPS)	
3)	Preparation stages for opening sharia	
	finance/business	
4)	Sharia business model that will be	
	implemented (contract schemes used	
	and the draft agreement	
	document/contract)	
5)	Marketing systems and targets;	
6)	Cooperation partners (Islamic	
	Financial Institutions/Business	
	Institutions)	
7)	Sharia business development strategy	
	plan	

	8) Sharia business management profile		
	9) Profile/CV of prospective DPS (if		
	any)		
7	Having an account at a Sharia Financial		
	Institution		
В.	Specific Requirements		
1	A copy of the business sector association		
	membership certificate		
2	Halal certificate from LPPOM-MUI		

Source: <a href="https://dsnmui.or.id/produk/sertifikasi/">https://dsnmui.or.id/produk/sertifikasi/</a>

Based on this sharia certification checklist, there are 2 types of requirements, namely general requirements and special requirements. Based on the Shariah certification checklist above, there are still many aspects that have not completed by Namira Hotel Syariah Yogyakarta. The following is an overview of Namira Hotel Syariah Yogyakarta regarding the Islamic certification checklist:

# **a.** General requirements

Figures 4.3

Namira Hotel Syariah Yogyakarta based on General Requirements

Sharia Certification Requirements Checklists

No	Types of Requirements		Documents	
_,,			NA	
1	Letter of application for sharia certification		√	
2	Filling in the Checklist of Sharia Certification Requirements		V	
3	Statement of commitment from the company to carry out business according to sharia	V		
4	Paying for sharia certification fees		V	
5	Attaching a copy of the company's legal document:		V	
	a. The Company's Deed of Establishment approved by the Ministry of Law and Human Rights along with its amendments (if it has been changed)		√	
	b. Business Permit (SIUP)		V	
	c. Other licenses from related authorities;	V		

No	Types of Requirements		Documents	
110			NA	
	d. Company Registry Insignia (TDP)		√	
	e. Domicile Certificate of Company;	V		
	f. Company Taxpayer Identification Number		V	
	g. GMS Decision/Notification Results Board of Commissioners and Board of Directors Meetings or authoritative decisions on LKS, LBS, and LPS concerning plans to conduct business activities based on sharia principles in accordance with applicable laws and regulations;		<b>V</b>	
6	Attaching the institution's profile ( <i>LKS</i> , <i>LBS</i> , and <i>LPS</i> ) which states a description of:		√	
7	Having an account at a Sharia Financial Institution		V	

Source: https://dsnmui.or.id/produk/sertifikasi/

Based on the table, it can be said that the Namira Hotel Syariah Yogyakarta cannot yet be considered a sharia hotel because it has not completed the sharia certification requirements made by the MUI. Namira Hotel Syariah Yogyakarta is a very simple hotel because there are still minimal facilities available, so that the hotel is still in the process of applying Islamic principles to Namira Hotel Syariah Yogyakarta. Namira Hotel Syariah Yogyakarta has been operating for several years. It tries to implement guidelines for business travel namely sharia as a filter, sharia as da'wah, sharia as Islamic identity, sharia as a community, sharia in good service, sharia in good operational.

#### 1) Sharia as a filter

Sharia labeling is expected to eliminate bad goals for prospective guests who want to visit, for example, guests who are not with their *mahram* Those who still insist on staying together even though they are not *mahram* will get the consequences of rejection. It is because that kind of services is contrary to Islamic teachings and responsibility to Allah SWT.

#### 2) Sharia as da'wah

Namira Hotel Syariah Yogyakarta management intends to introduce sharia-based business to the public. The management also intends to spread the spirit of economics in accordance with the

rules of sharia to other business people as outlined in the hotel business and as a manifestation of da'wah in grounding the Shari'i business.

## 3) Sharia as identity

In order to realize a hotel business that does not conflict with the rules used as the basis, it is necessary to have signs namely sharia as the basis. Besides, sharia conveys the indication that the hotel is an Islamic hotel as its identity.

## 4) Sharia as community

Due to the establishment of a sharia-based hotel, entrepreneurs try to create an Islamic business environment by cooperating with entrepreneurs committed to business in an Islamic way.

## 5) Sharia in good service

Since the mission of Namira Hotel Syariah Yogyakarta is to sincerely serve, then the employees are expected to provide maximum service sincerely and respecting guests.

## 6) sharia in good operational

Namira Hotel Syariah Yogyakarta partners with Islamic banking in its operations and treats employees as partners.

Therefore, employees feel comfortable and valued the company.

Salaries are paid on time and praying is carried out on time.

## b. Special requirements

Figures 4.4

Namira Hotel Syariah Yogyakarta based on Special Requirements Sharia

Certification Requirements Checklists

No	Types of Requirements	Documents	
1	A copy of the business sector association membership certificate		V
2	Halal certificate from LPPOM-MUI		1

Source: <a href="https://dsnmui.or.id/produk/sertifikasi/">https://dsnmui.or.id/produk/sertifikasi/</a>

Based on these specific requirements, the hotel has not yet joined a hotel business association in Yogyakarta, namely PHRI (Association of Indonesian Hotels and Restaurants). and for halal certificates from LPPOM-MUI, the hotel does not provide shared-kitchen nor does it produce the food it servers. Instead, the hotel cooperates with the third party to provide the guests with breakfast.

At present, all positive regulations regarding sharia hotels have been revoked, and sharia hotel standards are regulated in Fatwa Number 108/DSN-MUI/X/2016 concerning Sharia-Based Tourism Implementation Guidelines. However, the fatwa will not be effective if it is not positively translated into a tourism minister regulation. Therefore, a legal formulation is needed that is able to guarantee legal certainty, justice, equality, professionalism, and security for the involved parties. Based on the results of interviews with the MUI General Secretary, Mr. Mukhsin Kamaludiningrat he said that,

"Hotels that have named their hotels as sharia hotels but do not yet have sharia certificates, are legitimate. Even though the hotel has not implemented sharia principles in its entirety, there are no legal consequences". 34

So for hotels that have named sharia hotels, there is no problem if the hotel does not yet have a sharia compliance certificate. And the Islamic conformity checklist is not yet valid in DI Yogyakarta because sharia conformity certification is not an obligation for hotels that want to make the hotel a sharia hotel.

<sup>&</sup>lt;sup>34</sup> Mukhsin Kamaludiningrat (General Secretary of MUI DIY), Interview result, February 18<sup>th</sup>, 2019