

## Internalization of *Muamalah* Contracts in Sharia-Based Business Models: Analysis of Business Model Canvas in Micro and Small Enterprises

Arya Nirwansyah Dwi Putra<sup>1</sup>, Ahmad Yamany Arsyad<sup>2</sup>, Hamzah Haeiriyah<sup>3</sup>, Abdi Wijaya<sup>4</sup>

Alauddin State Islamic University Makassar, Indonesia

Email: nirwansyaharya@gmail.com

---

KEYWORD	ABSTRACT
muamalah agreement, micro and small enterprises, business model canvas, sharia business model, financial literacy,	This research aims to analyze the integration of muamalah contracts in sharia-based business models for micro and small enterprises (MSEs) using the Business Model Canvas (BMC) framework. Literature studies indicate that MSE actors' understanding of contracts such as mudharabah, musyarakah, murabahah, and rahn still varies, so their implementation requires an in-depth conceptual and operational understanding. This study employs a library research method with a descriptive-analytical approach to map the relationship between muamalah contracts within each BMC block, ranging from value propositions and key partnerships to revenue streams and key activities. The results show that the integration of muamalah contracts functions as a financing instrument while also shaping cost structures, revenue streams, and sharia-based partnerships. These findings confirm that the success of MSEs' sharia business models is highly dependent on contract literacy, value innovation, sharia compliance, and adaptation to digitalization. The implications of this research include an educational BMC design for MSE actors and the development of sustainable business strategies aligned with the principles of maqâsid al-syarī'ah.

---

### INTRODUCTION

In the context of an inclusive economy, micro and small enterprises (MSEs) in Indonesia play a strategic role in the national economy, both through employment absorption and contribution to Gross Domestic Product (GDP). However, various studies show that limited access to financing is a significant barrier for MSEs in implementing business models consistent with Sharia principles (Akbar et al., 2024). This challenge becomes even more complex as MSEs strive to fully internalize Sharia-compliant muamalah contracts into their business models, both as a financing mechanism and as an integral element in business design and operation.

Empirical conditions indicate that the implementation of muamalah contracts such as mudharabah, musyarakah, and murabahah has been carried out in MSEs but remains limited to the financing aspect and has not been internalized in the overall Sharia-based business model (Chateradi & Hidayah, 2017; Meutya, Eriska, Olivia, & Adriananda, 2024). A study in Sigli City found that although there is awareness of Sharia contracts, overall understanding and implementation still vary and are lacking in risk management and fair profit sharing (Safwan, 2024). This indicates that the fiqh al-muamalah and the ongoing practice of Sharia micro and small businesses still face dilemmas.

The main problem that arises is the misalignment between the practice of Sharia-compliant transactions and the design of MSE business models, which have tended to be conventional or internalized within ad hoc Sharia contracts. While a Sharia-compliant business model, when properly implemented, should elevate the values of justice, transparency, equal

partnership, and the public good (*maqâṣid al-syarī'ah*), empirical reality shows that these values have not been optimally realized in MSE business designs.

Based on the reviewed literature, this study provides a framework for internalizing muamalah contracts into each element of the Business Model Canvas (BMC) for MSEs, thus viewing contracts as both a financial instrument and a strategic component of a Sharia-based business model. Previous studies have generally focused on the financing aspect or the practice of single contracts in Sharia financial institutions (Hasanah, Irvani, & Nurdin, 2024; Pasaribu & Anggraini, 2024) and have not systematically discussed how muamalah contracts can be embedded within the structure of MSEs' business models through the BMC.

The urgency of this research arises from the fact that Sharia-based MSEs play a strategic role in promoting Sharia financial inclusion, local economic empowerment, and sustainable economic development. By internalizing muamalah contracts into their business models, MSEs not only gain access to financing but also conduct business operations consistent with Sharia principles. This has implications for strengthening business legitimacy, increasing competitiveness, and ensuring long-term sustainability. The purpose of this study is to analyze the extent to which muamalah contracts have been implemented in Sharia-based MSE business models and to design a framework for internalizing muamalah contracts into the elements of the Business Model Canvas for MSEs.

The benefits of this research are threefold. Firstly, it provides a practical and structured framework—through the BMC lens—for MSEs to systematically internalize Sharia contracts into their business operations, thereby enhancing compliance and operational clarity. Secondly, it contributes academically by bridging the gap between Sharia contract theory and contemporary business model design, enriching the literature on Islamic entrepreneurship and MSE management. Lastly, it offers policy and educational implications by highlighting the need for targeted literacy programs and supportive regulations that can foster the growth of Sharia-based MSEs, ultimately promoting a more inclusive, ethical, and resilient Indonesian economy.

## **METHOD**

This study employed a qualitative library research approach. This approach was chosen because the focus of the study was to understand and analyze the integration of muamalah contracts into the business model of Islamic MSEs through a review of relevant literature. This approach enabled researchers to explore theories, concepts, and empirical findings from various scientific sources, including journals, books, and official documents related to Islamic finance, Islamic business, and MSE management (Bowen, 2009; Creswell, 2014).

Library data collection techniques were carried out through the identification and selection of credible and relevant literature. Data sources included scientific articles from national and international databases and journals discussing muamalah contracts, Islamic financial inclusion, and the development of MSE business models. Data were collected by documenting relevant information concerning the concepts, practices, and strategies for integrating Islamic values into business models, thereby establishing a systematic basis for analysis (Neuman, 2014).

The data analysis technique employed qualitative content analysis, which interprets and synthesizes findings from the collected literature to build conceptual understanding. This process includes categorizing information based on key themes, such as the understanding of muamalah contracts, their implementation in business models, and implications for the sustainability of

MSEs. The analysis results are then integrated to formulate a Sharia-based MSE business model that is adaptive, ethical, and sustainable (Elo & Kyngäs, 2008; Miles, Huberman, & Saldaña, 2014).

## RESULT AND DISCUSSION

The results of this study present a mapping of the internalization of muamalah contracts within the framework of *the Business Model Canvas* (BMC) in sharia-based micro and small enterprises (MSEs). Based on a literature review, it was found that MSE actors still have diverse understandings regarding *mudharabah*, *musyarakah*, *murabahah*, and *rahn* contracts, so that their implementation requires operational adjustments and appropriate documentation.

This study emphasizes how each BMC block, starting from *the value proposition*, *key partnerships*, *key activities*, to *revenue streams* and *cost structure*, can be designed to align with the principles of muamalah contracts, maintain sharia compliance, and support business sustainability and innovation. These findings provide a systematic overview of the strategic role of muamalah contracts as a financing instrument, as well as a foundation for developing a holistic and competitive sharia business model.

### 1. Understanding and Implementation of Muamalah Contracts in MSEs

Based on a literature review, MSMEs' understanding of *mudharabah*, *musyarakah*, *murabahah*, and *rahn contracts* varies. Alfiah, Rifaz, and Muslim (2024) emphasized that the practice of *rahn contracts* at Pegadaian Sumedang complies with sharia principles and has been proven to be non-detrimental to any party. Meanwhile, Putra and Fajri (2024) demonstrated that *mudharabah contracts* help MSMEs in Samarinda access capital, but obstacles such as market fluctuations and business governance remain obstacles.

Syakir (2021) found that implementing *murabahah* in micro-enterprise financing requires an additional contract, namely *a wakalah*, to ensure operations are Sharia-compliant. The problem lies in MSEs' limited literacy regarding muamalah contracts. Akbar (2024) added that low contract literacy requires a deeper understanding of muamalah principles.

Pangestu (2025) found that the digitalization trend and demands for compliance with sharia principles present unique challenges for Islamic MSEs, particularly in terms of operational management and access to financing. These challenges relate to technology adoption and the MSEs' ability to consistently apply sharia principles in every aspect of their business. Based on these findings, it can be concluded that internalizing muamalah contracts in MSEs requires a deep conceptual and operational understanding so that muamalah contracts can function as financing instruments while simultaneously becoming an integral part of the business structure, strategy, and design.

### 2. Sharia-Based Business Model and BMC Framework

Several studies have emphasized the importance of using the Business Model Canvas (BMC) as a framework for designing sharia-compliant businesses. Rinawati (2025) explains that the BMC can map *value proposition* elements, *key partnerships*, and *revenue streams* aligned with sharia principles. With it, sharia-compliant MSMEs can design a structured business model to ensure the integration of ethical values and sharia compliance in every business unit, including operations, distribution, and revenue strategies. This enables MSMEs to manage their businesses transparently, efficiently, and sustainably, while increasing their competitiveness in the era of a digital and inclusive economy.

Nugraha (2023) demonstrated that combining BMC with the *Blue Ocean strategy* can generate value innovation and new revenue streams in MSMEs. Sholihah, Parmono, and Siwi

(2025) found that implementing BMC helps Islamic BMTs strengthen their competitiveness, while Idarotuna (2022) emphasized the need to link BMC with *the maqâsid al-syarī'ah* ( *Islamic principles* ) for an economical and equitable business model.

Other literature (Akbar, 2024; Pangestu, 2025; Salsabila, 2023) emphasizes that a Sharia-based Business Model Canvas (BMC) must carefully consider ethical aspects, partnerships, and adherence to Sharia principles, so that the business can operate consistently and sustainably. This finding underscores the need to modify the conventional BMC so that each block, from *value propositions* , *key activities* , *customer segments* , to *revenue streams* , can comprehensively incorporate and internalize the principles of muamalah contracts. This will enable Sharia-compliant MSEs to obtain a systematic business planning framework integrated with Sharia principles, operational transparency, and business sustainability amidst the dynamics of the modern economy.

### **3. Internalization of Muamalah Contracts in BMC Blocks**

Previous research has shown that internalizing muamalah contracts within the Business Model Canvas (BMC) impacts all business model blocks. Putra and Fajri (2024) emphasize that *mudharabah contracts* serve as a financing instrument and serve as a *key partnership* , forming the basis for *revenue stream schemes* through profit-sharing mechanisms. Furthermore, Akbar (2024) emphasized that the design of revenue streams *and* cost structures *must* reflect the principles of profit-sharing and fair risk sharing. These findings demonstrate that the comprehensive implementation of muamalah contracts enables Islamic MSEs to build business models consistent with ethical principles, sharia compliance, and operational sustainability.

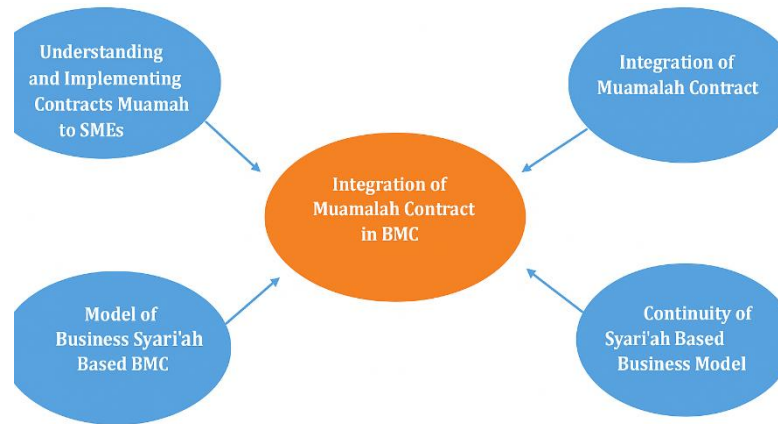
Alfiah, Rifaz, and Muslim (2024) highlight that contract documentation plays a crucial role in ensuring that *muamalah contracts* comply with sharia principles. This documentation is directly linked to the *key resources* and *key activities blocks* in the Business Model Canvas (BMC), as it ensures that the MSE's primary resources and activities are executed in accordance with the contract's provisions. With adequate documentation, every transaction, profit-sharing mechanism, and risk allocation can be monitored, verified, and accounted for, thereby reducing the potential for disputes or sharia violations. Furthermore, contract documentation also strengthens internal accountability and operational transparency, which have implications for the MSE's legitimacy in the eyes of customers, business partners, and Islamic financial institutions. Therefore, documentation practices are both an administrative obligation and an integral part of the business strategy of Islamic MSEs to build trust and business sustainability .

Sholihah et al. (2025) stated that a sharia-based partnership *value proposition* increases customer and partner loyalty. Salsabila (2023) found that although MSMEs have implemented BMC, the internalization of muamalah contracts is still limited to only a few blocks. Therefore, internalization of muamalah contracts must be carried out systematically to reach all BMC blocks as an added formal value.

### **4. Sustainability of the MSME Sharia Business Model**

In implementing a sustainable sharia business model , Akbar (2024) and Pangestu (2025) identified several key obstacles, including low contract literacy among MSEs, limited risk management skills, a lack of adequate contract documentation practices, and difficulties in adapting to digital technology. These obstacles then impact sharia compliance and have implications for operational efficiency, transparency, and overall business sustainability. Nosratabadi et al. (2019) emphasize that a successful business model must be able to create, deliver, and capture economic, social, and cultural value.

Idarotuna (2022) added that sharia business models must align with *the maqâsid al-syarī'ah* (Islamic principles) to ensure sustainability. Sholihah et al. (2025) demonstrated that strategic implementation of BMC increases the competitiveness of sharia institutions, but Salsabila (2023) found limitations in value innovation and differentiation in sharia MSMEs. Therefore, the internalization of muamalah contracts in MSME business models must be supported by literacy, innovation, and sustainability mechanisms for long-term effectiveness.



**Figure 1.** Internalization of *muamalah* contracts in the *Business Model Canvas* (BMC) framework for Sharia-based MSEs.  
Source: Authors' analysis (2025)

Based on the research findings above, micro and small business owners' understanding of muamalah contracts still shows significant variation. Some entrepreneurs understand basic principles such as profit sharing, Sharia financing, and asset security, but others still struggle to apply them conceptually and practically. This situation creates differences in how contracts are executed, for example, in selecting the type of contract that best suits the business needs and capacity of the MSME. This lack of in-depth understanding can impact the effectiveness of the contract and the trust between the parties in the transaction.

The implementation of muamalah contracts, such as *mudharabah* and *musyarakah*, provides a fairer financing alternative for MSEs. This system allows for proportional risk sharing between capital owners and business actors, thereby minimizing the potential for concentrated losses. However, practical applications show that obstacles such as market fluctuations, business management, and limited capital often arise. This requires MSEs to understand the contract mechanisms operationally, not just theoretically.

*Murabahah* contracts are also a popular financing option among MSEs. This margin-based buying and selling system allows businesses to obtain capital or merchandise at clear and transparent prices. To comply with Sharia principles, additional contracts, such as a *wakalah* (agency) agreement or operational agreement, are sometimes required, outlining the rights and obligations of each party. Documentation and adherence to the contract requirements are crucial for valid and secure transactions, both legally and in accordance with Sharia.

On the other hand, the *rahn* contract offers a financing solution secured by movable assets. This system makes it easier for MSEs to obtain capital with measurable risk, especially for businesses requiring quick liquidity. Proper practice makes *rahn* a fair and non-detrimental

instrument, while also fostering trust between capital owners and service recipients. Thus, the existence of various contracts provides flexibility for MSEs in managing their business strategies.

Although various contracts are available, MSMEs' literacy regarding muamalah still needs to be improved. Many business owners do not fully understand their rights and obligations under each type of contract, resulting in a high potential for conflict or operational errors. Education and mentoring are key to effectively and consistently implementing muamalah contracts, thus making them a formal component of businesses that adhere to Sharia principles.

Internalizing muamalah contracts into modern business models, particularly through the Business Model Canvas framework, shows significant potential for improving business efficiency and sustainability. Every block within the BMC, from value propositions to revenue streams, can be aligned with Sharia principles. This enables MSEs to remain competitive while remaining grounded in ethics and fairness, thus making their business models more robust and sustainable.

Muamalah contracts have a dialectical influence on products or services and shape partnership relationships and revenue streams. A profit-sharing system encourages active investor involvement in the success of the business, creating a shared interest. The design of revenue streams and fee structures must also be tailored to reflect the principles of shared risk and fairness for all parties involved. This approach promotes transparency and increases trust between partners and customers.

On the operational side, internalizing contracts requires clear documentation and procedures. Legally valid and Sharia-compliant contracts help minimize misunderstandings and disputes. Furthermore, core business activities and resources must be managed to support contract principles. With proper management, each BMC block becomes logically interconnected and aligned with muamalah values.

The main challenges in implementing a Sharia-based business model are contract literacy, risk management, and adaptation to technological developments. Digitalization offers opportunities for efficiency and innovation, but also requires MSEs to understand Sharia regulations within the context of digital platforms. With value innovation, product differentiation, and sound management, MSEs can maintain business sustainability while adhering to Sharia principles.

Overall, internalizing muamalah contracts in MSEs is a complex yet strategic process. Business actors need to understand the concepts, operational implementation, and inter-block relationships within the business model to ensure effective contract execution. Mentoring, education, and innovation are key to ensuring that Sharia-compliant MSEs can grow, compete, and provide sustainable economic and social benefits.

## **CONCLUSION**

Understanding and implementing muamalah contracts in MSEs plays a strategic role in building fair, transparent, and sustainable business models. Internalizing contracts such as *mudharabah*, *musyarakah*, *murabahah*, and *rahn* into each block of the Business Model Canvas enables MSEs to manage risks, share profits proportionally, and strengthen partnerships with investors and customers. Consequently, MSEs need to improve their contract literacy, strengthen documentation, and adopt innovation and digitalization to ensure that Sharia-based business

models are implemented in accordance with law and Sharia, thereby creating sustainable economic and social value.

## REFERENCE

- Akbar, F. M. A., Rosidta, A., & Lazuardi, A. (2024). Pengembangan model pembiayaan syariah untuk usaha mikro, kecil, dan menengah (UMKM). *Ar Rasyiid: Journal of Islamic Studies*, 2(1), 29–38.
- Abdurrohman Akbar, Rosidta, & Lazuardi, F. (2023). Hambatan pembiayaan syariah bagi UMK di Indonesia: Studi literatur. *Jurnal Ekonomi dan Bisnis Islam*, 10(2), 45–60.
- Akbar, F. M. A. (2024). Pengembangan model pembiayaan syariah untuk UMKM. *Ar Rasyiid: Journal of Islamic Studies*, 2(1).
- Alfiah, N. S., Rifaz, M., & Muslim, E. (2024). Tinjauan muamalah terhadap praktik pemberian kredit bagi UMKM di Pegadaian Sumedang. *Persya: Jurnal Perbankan Syariah*, 2(2), 57-60.
- Arifin, Asriadi. “Fatwa DSN-MUI No. 04/DSN-MUI/IV/2000 tentang Murabahah: Refleksi Kritis terhadap Implementasi BSI Dimensi Ekonomi Islam.” *Balanca: Jurnal Ekonomi dan Bisnis Islam [ONLINE]*, Volume 6 Issue 1 (June, 2023): 1–2.
- Bowen, G. A. (2009). Document analysis as a qualitative research method. *Qualitative Research Journal*, 9(2), 27–40. <https://doi.org/10.3316/QRJ0902027>
- Chateradi, B. C., & Hidayah, N. (2017). Pengembangan usaha mikro, kecil, menengah (UMKM) melalui akad mudharabah. *Jurnal Ilmiah Edunomika*, 1(02). <https://doi.org/10.29040/jie.v1i02.151>
- Creswell, J. W. (2014). *Research design: Qualitative, quantitative, and mixed methods approaches* (4th ed.). Sage Publications.
- Elo, S., & Kyngäs, H. (2008). The qualitative content analysis process. *Journal of Advanced Nursing*, 62(1), 107–115. <https://doi.org/10.1111/j.1365-2648.2007.04569.x>
- Fatikah, B. H., & Fathurohman SW, O. (2024). IMPLEMENTASI AKAD MUSYARAKAH DALAM PENDANAAN CROWDFUNDING SYARIAH UNTUK Mendukung Pengembangan UMKM. *Jurnal Masharif Al-Syariah: Jurnal Ekonomi Dan Perbankan Syariah*, 9(5). <https://doi.org/10.30651/jms.v9i5.24792>
- Hasanah, A., Irvani, A., & Nurdin, M. (2024). Implementasi akad murabahah pada pembiayaan mikro (Studi Bank Syariah Indonesia Kantor Cabang Pangkalpinang). *JYRS: Journal of Youth Research and Studies*, 5(2), 350-376. <https://doi.org/10.32923/jyrs.v5i2.5041>
- Idarotuna. (2022). Kerangka bisnis model canvas pada industri halal: Perspektif maqashid syariah. *Idarotuna Journal*.
- Meutya, R., Eriska, C., Olivia, D. S., & Adriananda, T. R. F. (2024). Peran akad mudharabah dalam pengumpulan dana dan pembiayaan usaha mikro kecil menengah. *Jurnal El Rayyan: Jurnal Perbankan Syariah*, 3(2). <https://doi.org/10.59342/jer.v3i2.709>
- Miles, M. B., Huberman, A. M., & Saldaña, J. (2014). *Qualitative data analysis: A methods sourcebook* (3rd ed.). Sage Publications.
- Neuman, W. L. (2014). *Social research methods: Qualitative and quantitative approaches* (7th ed.). Pearson.
- Nosratabadi, S., Mosavi, A., Shamshirband, S., Zavadskas, E. K., Rakotonirainy, A., & Chau, K. W. (2019). Sustainable business models: A review. *arXiv*.
- Nugraha, R. (2023). Analisis business model canvas pada UMKM tikar mendong Purbaratu menggunakan Blue Ocean Strategy. *Acitya*, 2(1).

- Pangestu, D. R. (2025). Evaluasi implementasi akad syariah dalam pembiayaan UMKM: Tantangan dan tren terkini. *Journal of Islamic Finance and Economics*, 2(02), 151-164.
- Pasaribu, R. A., & Anggraini, T. (2024). Pelaksanaan akad musyarakah dalam perbankan syariah. *Jurnal Bisnis, Ekonomi Syariah, dan Pajak*, 1(3). <https://doi.org/10.61132/jbep.v1i3.454>
- Permatasari, P. I., & Masruchin. (2022). Analisa proses bisnis dan model bisnis pada platform e-commerce syariah Salamin.id. *Syarikat: Jurnal Rumpun Ekonomi Syariah*, 5(1). [https://doi.org/10.25299/syarikat.2022.vol5\(1\).9030](https://doi.org/10.25299/syarikat.2022.vol5(1).9030)
- Putra, M. R. A., & Fajri, M. S. (2024). Peran akad mudharabah pada permodalan usaha mikro kecil dan menengah di Kota Samarinda. *Sanskara Ekonomi dan Kewirausahaan*, 3(01), 1-6.
- Rinawati, I. (2025). Business Model Canvas in Islamic Economic Review. *Dialektika*.
- Safwan, S. (2024). Analisis implementasi akad-akad syariah dalam transaksi bisnis UMKM terhadap keberlanjutan usaha: Studi kasus UMKM Kota Sigli. *HEI EMA: Jurnal Riset Hukum, Ekonomi Islam, Ekonomi, Manajemen dan Akuntansi*, 4(2). <https://doi.org/10.61393/heiema.v4i2.347>
- Salsabila, N. F. (2023). Analisa model bisnis berbasis syariah pada UMKM Tiga Putra dengan pendekatan business model canvas. Repository UIN Jakarta.
- Sholihah, N. A., Parmono, A. D., & Siwi, S. R. (2025). Analisis penggunaan Business Model Canvas terhadap persaingan bisnis pada BMT El-Mentari Purwokerto. *JAEM*, 2(2).
- Syakir, M. A., Sauqi, M., Candrakusuma, M. (2021). Analisis implementasi akad murabahah pada pembiayaan usaha mikro. *Musyarakah: Journal of Sharia Economic (MJSE)*, 1(2), <https://doi.org/10.24269/mjse.v1i2.4693>
- Widyaningsih, R. (2022). Implementasi etika bisnis syariah dalam perusahaan mikro dan kecil di Indonesia: Tinjauan hukum dan praktik. *Al Itmamiy Jurnal Hukum Ekonomi Syariah (Muamalah)*, 7(1). <https://doi.org/10.55606/ai.v7i1.1514>