



Implementation of the halal assurance system and MSME business development strategy: The case of a coffee shop

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ABSTRACT

This study aimed to assist Micro, Small, and Medium Enterprises (MSMEs), specifically Dakara Coffee in meeting the requirements of the Halal Assurance System (HAS) 23000. Primary and secondary identification methods were used to implement the HAS Manual in this analysis. The HAS Manual which was designed for the specific conditions of Dakara Coffee comprised 11 criteria. The results showed that several identified food and beverage ingredients did not meet the HAS 23000 criteria and lacked supporting documents. Furthermore, several improvements were recommended such as replacing materials that did not comply with HAS 23000 and completing documentation for food and beverage ingredients. By using the Analytical Hierarchy Process (AHP) method, the primary priority for the business development of Dakara Coffee was identified as location, followed by other aspects including halal management, branding strategy, product innovation, and organizational management.

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1 Introduction

The State of Global Islamic Economy Report (SGIE) stated that in 2019, the number of Muslim communities worldwide reached around 1.9 billion individuals with total spending on halal products amounting to USD 2.02 trillion. This figure is projected to continue to increase correlating with the increasing number of Muslim communities worldwide which is estimated to reach USD 2.4 trillion in 2024. Based on the SGIE report, the Islamic economic indicators of Indonesia in 2020 ranked 4th in the world behind Malaysia, Saudi Arabia, and the United Arab Emirates. Based on these Sharia economic indicators, Indonesia consistently ranks in the top 10 globally. In this study, six halal industry clusters are examined including food and beverages, Muslim fashion, pharmaceutical and cosmetic products, media and recreation, tourism, as well as the Islamic economy. Significantly, the halal food and beverage as well as the Muslim fashion sectors are ranked in the top five worldwide.

Based on this evidence, the Indonesian government is determined to position Indonesia as the center of the world's Sharia economy by 2024. Therefore, the Master Plan for the Indonesian Sharia Economy (MEKSI) was established in 2019 as a roadmap for developing the Sharia economy aimed at strengthening the national economy. In 2020, the master plan evolved into the Implementation and Work Plans for 2020-2024, emphasizing solid coordination among stakeholders including the National Sharia Economic and Finance Committee (KNEKS) from the government, academia, industry players, Non-Governmental Organizations (NGOs), and the community. This plan further comprises 30 strategic programs focusing on developing and strengthening the halal industry, Islamic finance and social finance, as well as Sharia business and entrepreneurship.

The target of becoming the center of the world's Sharia economy by 2024 is driven by the development of the halal industry, spurred by Law Number 33 of 2014 (UU 2013) concerning Halal Product Assurance and Government Regulation Number 39 of 2021 concerning the Implementation of the Halal Product Assurance Sector. This regulation requires that all food and beverage products in Indonesia should be halal certified except for those declared haram by religion. The certification phase for food and beverages started on October 17, 2019, and will end on October 17, 2024. Non-compliance with this regulation may lead to the prohibition of marketing

food and beverage products in Indonesia.

Micro, Small, and Medium Enterprises (MSMEs) also face various obstacles in meeting the halal certification obligations including low awareness of regulations, insufficient knowledge, limited human resources, and financial constraints. Despite these obstacles, MSMEs play an essential role in supporting the country's economy and providing employment opportunities for the community. Data from the Ministry of Cooperatives, Small, and Medium Enterprises (Kemenkop UKM) in March 2021 showed that Indonesia had 64.2 million MSMEs contributing 61.07% to the Gross Domestic Product (GDP). MSMEs also absorb 97% of the total workforce and attract 60.42% of total investment in Indonesia with approximately 70% engaged in food and beverages production (Tambunan 2021).

Mentoring programs are essential to ensure MSMEs meet halal certification obligations within the stipulated timeframe as stipulated by Government Regulation No. 39 of 2021. These programs can include technical guidance for preparing human resources, documentation, and permits. Additionally, funding for the halal certification registration processes should be facilitated by the mentoring programs. This includes managing the Business Identification Number (NIB) at BKPM/Ministry of Investment, processing the Document Receipt Letter (STTD) from the Halal Product Assurance Organizing Agency (BPJPH) of the Ministry of Religion, and certification registration with the Halal Inspection Agency (LPH). Although various government agencies and private companies provide mentoring programs, the scope is minimal compared to the number of MSMEs requiring these programs. In 2021, BPJPH facilitated certification for only 2,553 MSMEs through the Sehat21 Program and 1,253 through the self-declared route. In 2022, BPJPH aimed to provide free halal certification for 10 million MSMEs' products. Therefore, efforts to assist MSMEs' should be improved to meet the needs of over 40 million engaged in food and beverage production.

Based on the discussion, Dakara Coffee which is located at Dramaga-Laladon New Ring Road Number 9, Dramaga, Bogor is a coffee shop offering a variety of food and beverage products. Besides the location and affordable menu prices, Dakara Coffee provides facilities generally favored by students or the younger generation such as free internet access, attractive decorations for photo shoots, outdoor seating, and workspace

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availability. As a small business serving food and beverages, Dakara Coffee was selected as the study subject focusing on preparing for halal certification following government mandates. Additionally, the Coffee shop offers a diverse menu requiring various ingredients with different specifications, creating complexity in collecting supporting documents for halal certification criteria. The government mandates that food and beverage products circulated in Indonesia should be halal-certified by October 17, 2024 in accordance with Law No. 33/2014 and PP No. 39/2021. The products not certified by this date will not be allowed on the market. Therefore, Dakara Coffee needs to immediately prepare for halal certification to meet regulatory requirements and continue operations.

Regarding halal certification, Dakara Coffee owners and employees need to understand the applicable certification procedures and criteria as well as prepare the necessary documents. Therefore, technical guidance is needed to meet all the requirements for a halal certificate. Referring to the procedures and criteria of HAS 23 000, the Halal Assurance System (HAS) Manual needs to be prepared. The HAS Manual provides an overview of how to fulfill the HAS 23000 criteria including a halal policy statement, a determination of the Halal Management Team, and explanations of written procedures for handling critical activities such as personnel training, material procurement, production methods, product storage, transportation, washing facilities, and product presentation. It also includes evaluating HAS implementation through internal audits and management reviews. Developing a clear and user-friendly HAS Manual is crucial as it serves as a technical guide for implementing the HAS at Dakara Coffee. Additionally, the Coffee shop should conduct a business analysis to formulate a strategic development plan based on internal strengths and weaknesses, as well as external opportunities and challenges.

Based on these stated problems, the objectives of the study are as follows. First, compile and implement the guidelines in the HAS manual for MSMEs as well as identify the parts that have not been appropriately implemented. Second, formulate recommendations for improvements that need to be created by MSME to fully implement the HAS manual and be ready to carry out halal certification. Third, formulate a halal certification-based MSME business development strategy using the Analytical Hierarchy Process (AHP) method.

The scope of this study is to prepare all the requirements Dakara Coffee needs to register the products and business entities through BPJPH to be certified by the Institute for the Study of Food, Drugs, and Cosmetics of the Indonesian Ulema Council (LPPOM MUI). Furthermore, the HAS Manual which contains many components serves as an instruction document and part of the registration process. This manual allows business owners to obtain other documents such as the STTD, Halal Decree (KH), and Halal Certificate. The certificate proves that the product and the business entity have been certified. Additionally, primary data obtained from observations and interviews are used in this study with the management team and employees of Dakara Coffee.

2 Literature review

Consuming halal products was crucial for Muslims as a simple form of fulfilling religious obligations. Therefore, maintaining halal products and consumption was essential as halal was an Arabic term implying allowed, permitted, or not prohibited. It could also be interpreted as being free from worldly and hereafter dangers. In this context, the term "halal" was often used in the form of food and drink according to Islamic provisions. Furthermore, the definition of halal included several provisions such as being allowed for consumption according to Islam, not containing prohibited elements or materials, not containing najis, and not being contaminated with unclean materials in the manufacturing and storage processes.

In Islamic teaching, numerous verses in the Quran emphasized the command to consume halal food which signified a clear statement for Muslims to obey the command. The consumption of halal food also represented a sense of submission and obedience to Allah's commands, especially when based on faith and sincerity. Besides being a form of submission, consuming halal food benefitted human life. The food and drink consumed could affect mental growth and intelligence, nature and behavior, the development of children and offspring, the acceptance or rejection of prayer and charity, as well as the determinants of human safety status in the afterlife (Effendi 2013).

Halal certification for products circulating in Indonesia was based on several government regulations to protect consumer safety. In this context, three principal regulations served as references for the formation of halal certification on products. These regulations included Law Number 33 of 2014 (Halal Product Guarantee), Law Number 11 of 2020 (Cipta Kerja), and PP Number 39 of 2021 (Organization of Halal Product Assurance).

2.1 Certification standard

In the certification process, certain standards needed to be applied. As the LPH, the Indonesian Ulema Council (MUI) possessed a HAS 23000 which was used as a standard required in the preparation of the HAS Manual. It served as part of the requirements that business actors needed when registering the products and business entities with BPJPH to be

certified by LPPOM MUI (2013). HAS 23000 possesses the following 11 criteria.

- a. Halal Policy. A written commitment to consistently producing halal products, prepared by top management and disseminated to lower management, halal management team, employees, and material suppliers.
- b. Halal Management Team. A group responsible for planning, implementing, evaluating, and improving the HAS in the company. This team was appointed by top management and required written evidence. The members had to be permanent employees of the relevant business entity possessing competence to develop, implement, and evaluate a halal assurance system under HAS 23000.
- c. Training. Activities to increase knowledge, skills, and attitudes to achieve the targeted level of competence. Relevant business entities were required to have a written Standard Operating Procedure (SOP).
- d. Materials. The list of required materials included raw materials, additives, auxiliary materials, primary packaging, lubricants, sanitizers in direct contact with the product, washing materials, and media in validating the results. Raw materials and additives were used in manufacturing products and became part of the composition (ingredients). Auxiliary materials were used for production but not part of the product composition.
- e. Production Facilities. These included buildings, rooms, machinery, as well as the main and auxiliary equipment used in the production process.
- f. Products. Registered products had to include all menus sold at the outlet. Part of the registered product such as name, shape, and packaging should meet specific requirements.
- g. Written Procedure for Critical Activities. These were activities that could affect the halal status of the product including using new materials for certified products, inspection of incoming materials, production, washing production facilities, developing and selling new products, storing materials, as well as transporting used materials.
- h. Traceability. Certified products had to trace materials approved by LPPOM MUI and produced in facilities free from pork and derivatives.
- i. Handling of Non-Compliant Products. These were products certified but produced from materials that did not meet the criteria for materials criteria or were produced in facilities not meeting facility criteria.
- j. Internal Audit. Verified the fulfillment of the HAS 23000 criteria by the company's internal auditors. The audit was carried out with several provisions and was objective.
- k. Management Review. This showed the effectiveness of implementing the HAS carried out by management.

2.2 Certification stage

Halal certification for a product and a business entity included three institutions namely the BPJPH, the LPPOM MUI, and the MUI. BPJPH acted as an institution that provided halal product guarantees while LPPOM MUI was tasked with checking the adequacy of documents, scheduling and conducting audits, holding auditor meetings, issuing audit memorandums, and submitting minutes of audit results at MUI Fatwa Commission meetings. Through the Fatwa Commission, MUI determined the halal status of the product based on the audit results and issued the KH. Generally, the owner of a business entity would face several stages in the product registration process.

2.3 Business entity registration through OSS

Business owners were required to register the products and business entities with the Investment Coordinating Board (BKPM). Registration was done online through the Online Single Submission (OSS). After registering, the business owner received NIB as the document needed for the following stage.

2.3.1 Registration through the halal product guarantee agency (BPJPH)

After obtaining NIB, business owners could register the products and entities with the BPJPH. Business owners registered through the SiHalal platform provided by BPJPH. Additionally, data entry and the download of required documents were necessary. Application letters, registration forms, legal aspects, halal supervisor documents, product and material name lists, product management processes, as well as halal assurance systems were uploaded on the platform. When all data and documents were completed, the business owner would receive an STTD from BPJPH which was part of the requirements in the certification process.

2.3.2 Registration at the halal inspection board

The next stage was for business owners to register the products and entities with the LPH. Business owners should further fill in the required data through the CEROL LPPOM MUI. Once the data and documents were sent through the CEROL platform, LPPOM MUI would start the audit process. After LPPOM MUI had completed the duties as LPH, the results of the audit series would be forwarded to the Fatwa Commission of the Indonesian Ulema Council (KFMUI). Based on the audit and the data received, the

KFMUI would release halal provisions for registered products and business entities. These halal provisions would be required in the subsequent process.

2.3.3 Request for halal certificate issuance

The last part of the certification process was a request to issue a halal certificate at BPJPH. At this stage, business owners required a Document Receipt and Halal Determination obtained through various stated processes. After making the request, a halal certificate will be issued by BPJPH.

2.4 Previous study

Hartoyo's publication (2016) aimed to design the HAS Manual for implementation by the Pak Min Klaten Chicken Soup Restaurant. The results showed that the criteria were not fully applied to the restaurant due to the absence of participation in the LPPOM MUI education program. Additionally, there was a lack of supporting documents for critical materials such as chicken meat, a key ingredient in business operations.

Priyoga (2018) focused on maximizing the implementation of HAS which was compiled in the manual and tested in Terminal O's business processes. The manual served as a technical guide to meet food safety and halal product requirements. The publication showed that certain materials used in the production process lacked supporting documents, particularly critical materials such as chicken and beef. The supplier further provided the critical material to the auditor carrying out audits to ensure halal status.

The publication conducted by Assyfa (2018) compiled a simple and easy-to-implement HAS Manual for business actors as a halal requirement for restaurants. The results showed obstacles in the supporting documents of the material. Furthermore, a supplier audit for critical ingredients such as chicken meat was required.

Arief's article (2021) aimed to assist the Angkringan Typical Jogja restaurant Mas Bowo fulfil the requirements for the halal certification registration process to BPJPH. The publication found that the traceability aspect was partially applied as certain critical materials such as pieces of chicken meat lacked supporting documents and required auditing on the supplier side.

Publication by Qushai (2021) focused on helping Kapuas Restaurant to meet the requirements for the halal certification registration process to BPJPH. The article found that the traceability aspect had not been fully implemented. Additionally, critical materials such as chicken and beef were not equipped with supporting documents and needed to be audited on the supplier side.

3 Methodology

The study was conducted from September to December 2021 at Dakara Coffee which was located at Dramaga – Laladon New Ring Road Number 9 IPB, Dramaga, Bogor. Furthermore, data collection methods included direct observation and interviews with the person in charge and employees at the Coffee shop to obtain primary data. In this study, the primary data included the state of the restaurant, ingredients, menu list, layout, management structure, types of products, work procedures, as well as opinions from the Coffee shop and other respondents regarding business development. The collected data was further used to compile the HAS manual. Additionally, business process identification was also conducted to obtain the data needed to prepare the HAS manual. This identification included observing the activities that took place during business operations and was divided into production preparation, process, and post-production.

The HAS Manual was prepared according to MUI halal requirements (HAS 23000). The preparation of the HAS manual aimed to produce guidelines needed by business owners to register the products and entities with BPJPH for halal certification. Debriefing and training were also needed to compile the manual as a basis for processing and collecting data comprehensively with training held on September 21, 2021.

The implementation of the HAS Manual was carried out by applying the design for routine business activities at the Coffee shop. The fulfillment of the requirements was formed in a written document to be used as a reference for restaurants in the production process. All activities carried out by Dakara Coffee referred to the written document of the HAS manual. After concluding the implementation, analysis, and evaluation were carried out.

3.1 Analytical hierarchy process

The Analytical Hierarchy Process (AHP) was used as a decision support model to describe a complex multi-factor or multi-criteria problem into a hierarchy. It was also defined as a representation of a complex problem in a multi-level structure, starting with the objective, followed by factors, criteria, sub-criteria, and finally, alternatives (Saaty 1993). Through this hierarchy, a complex problem could be broken down into groups and arranged in a hierarchical form to appear more structured and systematic. The AHP method was further based on three main principles and axioms namely (Suryadi & Dharmayanti, 2017):

a. Decomposition. This principle divided the structure of a complex problem into parts hierarchically, from general to specific. Objectives,

criteria, and alternatives were compared at the respective levels. Each alternative set could be divided into more detailed levels, covering other criteria. The top level was an objective consisting of an element.

b. Comparative Judgments. Pairwise comparisons of all existing elements produced a scale of relative importance. The comparison further produced a rating scale in the form of numbers. When combined, pairwise comparisons in the form of a matrix would produce priority.

c. Decomposition. Similar to the first principle, this included dividing the complex problem into hierarchical parts, defining objectives from general to specific, and making comparisons at objectives, criteria, and alternative levels.

Based on this evidence, there were three stages in the AHP (Analytical Hierarchy Process) analysis method which included the following.

a. Creating a Hierarchical Structure. From an overall managerial perspective, this stage included making a pairwise comparison between factors essential for Dakara Coffee's business development. Furthermore, the hierarchy was arranged based on a literature review.

b. Making a Pairwise Comparison Matrix. This stage described the relative contribution of each element to each objective at the stated level. The comparison was determined based on the choice of the Coffee shop management and the parties in the food and beverage business. Furthermore, the comparison assessed the importance of an element compared to others using a scale of 1 to produce weights and priorities until all qualitative and quantitative criteria were adopted. Expert sources would further conduct the weighting of the pairwise comparison method.

c. Evaluate Logical Consistency: Expert respondents' opinions were analyzed with a Consistency Ratio (CR) and a maximum value of 10%. The CR was an indicator parameter to observe when pairwise comparisons were consistent. When the CR value was below 10%, then the priority scale could be implemented by the organization as a work program to achieve performance targets.

d. Determine the Priority Between Factors. All weightings carried out by respondents through the AHP questionnaire were processed using Microsoft Excel 2019 software. Additionally, combining the weights between respondents showed the importance of factors ranked from highest to lowest priority.



Figure 1: Hierarchy in analytical hierarchy process analysis

3.2 Sampling design

The respondents were selected using the purposive sampling method which was based on specific criteria in the study (Sekaran & Bougie 2016). The criteria for respondents used included decision-makers or management of Dakara Coffee and those in the food and beverage business. These groups have participated in training and education programs for halal certification to ensure business continuity.

Table 1: Respondents

Name Initial	Title
AN	Director of PT. Ardena Artha Mulia and Chairman of the Autonomous Agency for Food and Beverage, HIPMI Jaya
AR	Dakara Coffee Halal Management Team Member for Material Purchasing
FD	Dakara Coffee Halal Management Team Member Cooking Section
WL	Director of PT. Nusantara Catering Success & Liliwetan Restaurant Business Owner
SJP	Head of Quality Assurance/Quality Control Flash Coffee Indonesia (PT. Ninety Six Degrees)

4 Results

This case study focused on Dakara Coffee which offers various menus comprising processed chicken, beef, and fish. Dakara Coffee also provided a variety of beverages such as coffee, juice, and traditional spice blends. The Coffee shop located at Dramaga-Laladon New Ring Road No.9 IPB, Dramaga, Bogor was led by Kiman Siregar, who also owned the cafe with 15 employees working as cooks, waiters, and baristas.

The HAS was implemented using the HAS Manual which was a written guide compiled for restaurants to produce halal products following the requirements of the MUI halal certificate (HAS 23000) issued by the MUI. Furthermore, essential factors in Dakara Coffee's business development were identified, focusing on the role of halal management as a crucial element. The Analytical Hierarchy Process (AHP) method was further used to determine the weight of each critical factor to establish a priority ranking. The critical factors were evaluated using the pairwise comparison method to assess the importance of each factor relative to the others with the weights detailed in Table 2.

Table 2: Results of the pairwise comparison of the main factor groups

Factor	Weight	Priority	Consistency ratio
Organisational Management	0.128	5	0.097
Halal Management	0.167	2	
Branding Strategy	0.161	3	
Location	0.389	1	
Product Innovation	0.155	4	

Source: Primary data (2022)

In this study, factors in halal management were compiled based on the HAS manual. These factors included menu and materials, commitment, training, as well as education. The weight of each factor could be further observed in Table 3.

Table 3: Results of pairwise comparisons of halal management

Factor	Weight	Priority	Consistency ratio
Menu and Ingredients	0.725	1	0.254
Commitment	0.200	2	
Training and Education	0.074	3	

Source: Primary data (2022)

In this context, factors in product innovation included price, uniqueness, and taste. The weight of each factor can be observed in Table 4.

Table 4: Results of pairwise comparisons of product innovation factor groups

Factor	Weight	Priority	Consistency ratio
Price	0.597	1	0.0002
Uniqueness	0.143	3	
Taste	0.259	2	

Source: Primary data (2022)

5 Discussion

Dakara Coffee is a popular choice among students and urban professionals because it offers various variants of food and drinks menus, desirable facilities such as WiFi, attractive decorations for photoshoots, outdoor facilities, and workspace, as well as affordable prices. In practice, the Coffee shop carries out business activities such as purchasing raw materials, storing and checking ingredients, washing, menu preparation, production, cleaning facilities, as well as creating food and beverages. Purchases of raw materials are generally carried out every week and most are stored in refrigerators as well as freezers to prevent spoilage.

5.1 Halal assurance system manual and its implementation

The HAS is designed, applied, and maintained to ensure that materials, production processes, products, human resources, and procedures comply with the criteria in the MUI halal certification requirements (HAS 23000) (LPPOM MUI 2008). The first step in preparing the HAS manual at Dakara Coffee includes identifying several requirements for the HAS that the cafe has not fully implemented. These requirements include 11 criteria namely

halal policy, management team, training, materials, products, facilities, critical activities, traceability, handling non-compliant products, internal audits, and management reviews. After completing the identification, the manual is prepared and then implemented, with improvements made following the provisions of the guide.

Based on this evidence, the halal policies of Dakara Coffee include the commitment to consistently producing and offering halal as well as safe products for consumption following the MUI halal certificate (HAS 23000) requirements and Government Regulation No. 28 of 2004 concerning Food Safety for Restaurants. This commitment is achieved by using only materials that meet the criteria, ensuring facilities are free from pig and unclean substances, and providing training for all employees. The training activity was conducted on September 21, 2021.

The owner of the Coffee shop would appoint the halal management team through a letter of appointment. This team consists of a leader and employees from various sections including purchasing and receiving materials, cooking, compounding, and serving, as well as washing. Each team member's duties related to HAS implementation are clearly described and connected to the daily tasks.

Implementation of internal and external training will be further prepared according to the HAS Manual. Internal training is to be scheduled once annually while external is biennial. The material from the training will focus on halal regulations and the 11 HAS criteria with the latest session held on September 21, 2021, and evidence provided by training certificate.

All ingredients used in Dakara Coffee have been identified and supporting documents collected. Previously, the Coffee shop has not requested supporting material documents from suppliers. These documents are sourced from the LPPOM MUI website (www.halalmui.org). Based on this search, halal certificate documents are obtained from most of the ingredients used by Dakara Coffee. The search is also carried out by examining the list of non-critical materials (positive list) published by LPPOM MUI that have been verified as halal sources.

After identifying the ingredients used by Dakara Coffee and tracing the supporting documents, the study found that several food ingredients were not equipped with documents. Furthermore, the suppliers are unable to provide information on the ingredients used including meatballs, vermicelli, chicken and beef, dim sum, wet noodles, nuggets, sausage, and processed suki-suki. In beverage products, ingredients that are not accompanied by supporting documents include boba. The study also found that materials not equipped with a halal certificate did not meet the product criteria for certification including King and Ngoro Coffee Beers. These beverage products are carbonated (soda) coffee drinks but the two products do not meet the requirements to be certified halal because the word "beer" is contained in the name. In the HAS 23000 criteria, all materials to be certified should not contain haram and unclean elements.

Based on observations of all the facilities, the study concluded that the Coffee shop met the SJH criteria because no use of pork-derived materials was found. Additionally, washing is consistently performed with water and halal-certified liquid soap. The adequacy of the washing results is measured by the loss of odors and the cleanliness of the equipment from residual products and materials.

In this context, written procedures for purchasing materials are developed to ensure that only specified materials are purchased. The purchase reference will also become a brief ingredient list when the Coffee shop is in the preparation stage for certification. When the shop is certified, this ingredient list can be downloaded from the CEROL online system. The list of ingredients will further be approved by LPPOM MUI and become a reference for purchasing and cooking. Furthermore, the available materials are the outcome of observations and study data collection.

Internal audit implementation procedures will further be developed. This procedure regulates the implementation of internal audits which are scheduled annually. A checklist for implementing the internal audit will be prepared following Dakara Coffee's business activities with 11 HAS criteria which was conducted on November 8, 2021. There are several weaknesses in implementing the HAS namely materials lacking supporting documents and two beverage products using the term "beer". Based on the explanation from the halal management team, all audit findings will be resolved immediately before registering for halal certification.

Management review procedures are finally developed and scheduled annually. The review is always carried out on the same day as the internal audit. This review discussed audit results and planned corrective actions to resolve the identified weaknesses.

5.2 Essential factors in dakara coffee business development

5.2.1 Main factor comparison

The compiled critical factors in developing the Dakara Coffee business include organizational management, halal management, branding strategy, location, and product innovation. Additionally, the weighting is measured using the pairwise comparison method between one factor and another to obtain the level of importance. The weight of each factor can be further observed in Table 2.

Table 2 shows that respondents selected the location factor as the top priority with a weight of 0.389. Subsequently, the halal management factor is

the second priority with a weight of 0.167, followed by the branding strategy showing 0.161, product innovation suggesting 0.155, and organizational management denoting 0.128. Furthermore, the CR is 0.097 or below 0.1, suggesting that respondents' weighting meets the requirements for pairwise comparisons. Halal management as a second priority further shows that the role is essential in developing a better business.

5.2.2 Comparison of halal management factors

Several important factors are considered criteria or essential to the implementation of the sub-factors. In halal management, respondents prioritize menu and ingredients as the top priority factor with a weight of 0.725, followed by commitment as the second priority showcasing 0.200, and finally training and education suggesting 0.074. The CR in this analysis is 0.254 which implies that the weighting by the respondents does not meet the pairwise comparison requirements because it is above 0.1. Furthermore, the HAS cannot be observed from one element alone as each factor in the Manual is equally essential to decide whether a product is halal or not.

5.2.3 Product innovation factor comparison

Product innovation is often an essential factor in the development of a business. However, this study only occupies the fourth position of the level of importance or priority factor. The essential element in the product innovation factor remains interesting. In product innovation, respondents selected price as the top priority factor with a weight of 0.597, uniqueness as the second showing a weight of 0.259, and taste with a weight of 0.143. The CR in this analysis is 0.0002 or below 0.1, showing that the respondent's weighting meets the pairwise comparison requirements. Therefore, the management can implement this priority scale as a basis for product development.

5.2.4 Suggestions for improvement of HAS implementation

Referring to the results of the identification and implementation of the HAS Manual at Dakara Coffee, several aspects do not follow the requirements of the MUI halal certificate (HAS 23000). The discrepancy is found in supporting documents for materials and product names. Materials used in business processes should be accompanied by supporting documents, especially critical materials such as chicken, beef, and processed derivatives. Holding an audit of producers and suppliers to ensure halal status is necessary because there are materials that are not equipped with supporting documents. Several supporting and auxiliary materials were also found to have a halal certificate but were almost entering the expiration date.

The names as well as products used and offered to consumers should be free from haram and unclean elements. Based on the identification carried out, product names come from brands with haram and unclean elements (beer/khamr). Although the product has the consumer scope in the process, implementation, and application of halal certification, it is not allowed for business actors to sell, distribute, and offer products both in terms of name and ingredients with elements containing haram and unclean substances. Consequently, the experts propose several alternatives for Dakara Coffee to implement the HAS manual properly. These alternatives include changing names and materials used in business processes and recommending materials in the form of a list that is certified halal by MUI as an option in the Dakara Coffee business process.

6 Conclusion

In conclusion, the HAS Manual was designed to be a written guide for restaurants on the requirements of the MUI halal certificate (HAS 23000). The preparation of the HAS Manual aimed to facilitate restaurants in meeting the standards set by LPPOM MUI. At the implementation stage, Dakara Coffee had not fully implemented a HAS into the business activities.

Two of the 11 criteria contained in the HAS manual have not been fully met including the criteria for materials and products. Certain brands of materials and products did not comply with the halal provisions of LPPOM MUI (HAS 23000), which prohibits selling products containing haram and unclean substances in various forms including name, taste, and aroma. This discrepancy prompted Dakara Coffee to consider several options including stopping the sales of the non-compliant products and recommending products with similar flavors that possess halal certificates. Additionally, some materials, including critical ones, lacked complete documentation, necessitating further audits of suppliers. The study recommended using similar materials accompanied by MUI halal certificate as an alternative. However, all business decisions eventually rested with the team and owners of Dakara Coffee.

The AHP analysis identified the main priority factors for Dakara Coffee's business development with location as the top priority, followed by halal management, branding strategy, product innovation, and organizational management. The second priority of halal management emphasized the essential role of the HAS in business development. There was also a priority scale for essential elements within several factors. In halal management, the importance of each factor was sequentially menu and ingredients, commitment, and training and education. However, the CR value in halal management did not meet the requirements, preventing absolute conclusions. In product innovation, the factors were prioritized as price, uniqueness, and taste.

This study suggested that MSMEs including Dakara Coffee should promptly address the unmet criteria by following the provided proposals and recommendations to ensure full compliance with the HAS Manual and proceed to the halal certification stage. Adhering to official regulations and safeguarding consumers' trust in the halal status of products was crucial. The study recommended that business actors, particularly the owners and the halal management team of Dakara Coffee, fulfill the responsibilities in the business operations and as suppliers of raw materials.

Conflict of Interest

The authors declare no conflict of interest.

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