

# The Role of Virtual Capital in Business Development for The Ummah

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**Role of Virtual Capital in Business Development for the Ummah**  
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**ABSTRACT**

The challenges of a very fluctuate business world today, demanding a high adaptability, creative while efficient in building a last longer excellence. Observing the success of businessmen in overcoming the limitations of physical capital ownership, proving that they have a tremendous potential power. The potential is basically derived from the noble values that were exemplified by Prophet Muhammad PBUH. For that the concept of the virtual capital that is not visible was formulated, but its presence can be felt. Virtual capital was built from members' intellectual synergy, boosted by capital based on the social and moral capital. The birth of virtual capital is determined by the embodiment of human potential business people among the ummah is able to be expressed in the spirit and ideals of a strong will (*Azam*) and also sublimity. Utilization of human potentials could double the competency of the members in building a very strong virtual capital. Virtual capital could also overcome the limitations or strengthen the physical capital that has already been held. Business excellence in this turbulent era will be largely determined by the presence of virtual capital that can be built and maintained by the ummah.

**Keywords:** *Sublime Values, Virtual Capital, Human Potentials, Competence.*

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**I. BACKGROUND**

Prophet Muhammad's life history is loaded with the noble values that are beneficial to the interests of mankind. Since a young age prophets have been faced with the challenges of poverty, and all of them were able to pass well-flower can even grow in a sustainable manner. Limitations of physical capital and material possessed were not a barrier to work and do business. Values of Honesty, Intelligence and Togetherness become exemplary even since he became a goatherd to cooperate and get successful trade. Honesty and responsibility were practiced in the business of the Prophet, were able to bring the trust of physical investors. The intelligence demonstrated through the ability (*intellectuality*) to carry out their work properly and well, to increase the trust (*mutual trust*) more for the parties. Togetherness (net-working) that was proved through mutual respect was able to produce the benefits that can be felt and also can become emotional ties to the parties. Business activities require good cooperation between the parties concerned from the very beginning. Business success is highly dependent on the quality of cooperation among the parties.

Instead, barriers even business failure, often preceded by weakness in the cooperation itself. Pre-requisites of successful business cooperation in general requires the values of honesty, intelligence and togetherness, as evidenced by responsibilities, capabilities and benefits as expected by the parties to cooperate. To promote the progress of ummah business today and for the times to come, all business activities need to be guided by the noble values. The limited resources of the financial economy, which is often perceived as the main obstacle in business development of the ummah, will be resolved through the cooperation of qualified business. It is realized that basically the various business activities of the Ummah require considerable capital resources. While financial resources are controlled by the investors, would only be offered or deposited in the party that can be trusted, capable at once can be a bonding business for the parties to cooperate. Thus, to meet the limited economic resources of the ummah during this time, then the noble values need to be re-emerged into the potential of the Ummah whose main business strength, flexibility as well economical.

Today's business environment experienced so many changes and faced a new business phenomenon that emerged during the last decade. It needs the efforts of anticipation and adaptation management using the new paradigm and more in line with these changes. Business people need to be aware that today's business environment is and will undergo continuous change, as it is said Hartanto (2009), that the Business world now was in a turbulent situation. The alterations are often basic, unpredictable, no clear pattern and continuous that cannot be faced with certain standard way, because the changes generally do not have a precedent in the past. In such circumstances, it is necessary that not only the ability to adapt a moment, but also the ability and willingness to always adjust to developments on an ongoing basis. In an effort to always adapt to business development that is so volatile, the businessman faced with a situation where they need to be well prepared to work with competence and new insights. Today experts start to realize that the success of a business development will be largely determined by the success of the businessmen in realizing and utilizing human potentials of the members of their company to the fullest and sustainable. Businessmen often do not realize the potential of their company members, in fact is a source of strength of the company's most valuable and most decisive advantages of the company. The existing management practice in various companies in Indonesia shows that the individual potential among the ummah businesses tend to be ignored, even dwarfed. Critical issue for businesses among the ummah today and for the future is how to get them to understand, raising and utilizing to the fullest individual potential to become effective business capital strength and efficient.

## **II. ACTUALIZATION OF HUMAN POTENTIAL OF THE UMMAH**

Attitudes and organizational behavior is an activator of intelligent work. Attitudes and organizational behavior is a reflection of the individual potential owned by the businessmen among the Ummah to produce the best performance. Human potential, a positive potential is "embedded" in a person and ready to be raised for the common interest (organization). Human potentials (human potential) can be actualized by everyone who wants to bring it voluntarily, and can be further developed through a conducive environment. Hartanto (2009), categorizes human potentials as: Intellectual Potential - The potential is instilled in the members of the company in the form of a belief that they are able to answer the challenges of work and effort in the future as well (Competent Sense), passion to always update their competence (Innovative Learning spirit), a spirit to work hard to meet the challenges of the job as well as possible (Ethos), aware of the meaning of work and business, and strive to always work professionally and contribute to the best work (Conscious Business), and always tried to run errands and their responsibilities with far-reaching insights into the future to exceed the demands of today (aspiration). Next is, Social Potential - Potential members of the company's demonstrated ability to build a network of cooperation among the members that allow them create valuable synergies for the company and all its bettors. This potential is tangible in the

determination and ability of the members of the company to be able to run an effective (communication eEffectiveness) and a willingness to build commitment to the organization as a mirror of awareness about their membership of a community employment (cCommitment to the organization) that they uphold and love. So this is a manifestation of social potential of the ability of members of the organization to establish a network of cooperation which have a high socio-economic. Socio-economic value was created, as this cooperation network gives members more choice, so that they can make the most of their freedom of choice to seek opportunities to cooperate and build valuable synergies. Next is the ethical potential - potential is formed of awareness and confidence of the members of the company about the economic significance of an ethical behavior. This ethical potential instilled in the members of the company who know and believe that ethical behavior is an honor, as well is the best guarantee to be able to build a better future for themselves and for the company (Insight ethical), which seeks to work in the best consistently good, despite the various obstacles and challenges in the workplace (Work Ethos) and is always responsible for all actions and decisions taken (Accountability).

The businessmen in the ummah would have a ready-actualized human potential, as long as they are willing to bring it. Human potentials ummah also including intellectual potential, the potential social and ethical potential. All three potential can be developed to the maximum to become the intellectual capital, social capital and capital trust, as well as an important element forming the virtual capital. Those who can realize all his potential (*inside-out*), will be able to increase the kinds of competence (*outside-in*) in them, as a smart businessman. Thus, the competence can be doubled so that the initial process is the embodiment of human potentials (*character development*) through the leadership role in a way stimulated the emergence of the human potential. Leaders may also encourage the human potential through the creation of a conducive-work culture for business people among the ummah. Human potentials owned businesses need first to be raised first before it can be utilized. Embodiment of the individual potential of business requires a process of socialization at the start of the belief that generates attitudes and intentions towards the realization of an intelligent behavior. By realizing and utilizing the individual potential of the business is expected to be able to develop at the same time renewing their competence to answer the challenges of the contemporary business world, as well as to build a virtual capital of the company (Bagis, 2004).

Facing the challenges of the turbulent world of business today, companies are not just merely requires competent workers each field, but also require workers who are ready to renew their competence on an ongoing basis. Thus, better reflect the competence factor se-current capability, and is usually used as a measure of the quality of one's resources (HR). While the actualization of human potential, making the ability to be adaptive, in accordance with the challenges of the changing world of work and business world. Capability built continuously shows the process of actualization of human potential that can generate new capabilities are required, as well as contextual. Embodiment of the human potential, in this case also means the embodiment of a positive character which is owned by the businessman, who has the potential power to build new competencies, and also creating smart businessmen among the ummah. Human potentials can reflect the aspirations and ethical insights, innovative learning spirit (*the spirit of change*), the spirit of self-confidence (*self-efficacy*), the spirit of hard work (*work ethos*), and the spirit of cooperation (*inclusive*). While the competence of the members include, substantial and contextual knowledge, manual skills and social, as well as the ability of professional experience. The role of transformational leadership was introduced by Bass, BM (1998), it was believed to be capable to stimulate human potentials of the members, as it is more focused on efforts to cultivate human potential, while improving their new competencies. Actualization of human potentials of businessmen among the ummah maximally, may eventually create a useful virtual capital to realize a common goal of the organization (*vision and mission*).

### **III. CAPITAL PHYSICAL STRENGTHEN THE UMMAH'S VIRTUAL CAPITAL**

Understanding the concept of the virtual capital as a form of intellect (*knowledge*), networks, and credibility, shows that the more and more utilization of the virtual capital, the more and more quality and value will be gained. Meanwhile the use of physical capital will be reduced or may be outdated. Thus, the effectiveness of the utilization of physical capital in today's business world will depend heavily on the support of virtual capital that accompanies it. The contribution of physical capital in the company, the relative becomes inadequate in the face of the turbulent dynamics of the business environment. Capital needs to be able to sustain the business in the long term (*viability*), can no longer be satisfied with the availability of physical capital in the company. Another necessary capital support is not limited, which is sourced from the high intellectual capabilities appropriate market development, the support of stakeholders are extensive and based on mutual trust which can be demonstrated. The existence of virtual capital is very powerful, can basically be appreciated financially in the capitalization of a company. The value of a company can be calculated based on the value of its assets and the value of its shares. For companies that already sell their shares (*go-public*), can follow the development of the stock market value that is capable to pass the asset value. The rising of shares be simply understood as the rise in the market price according to the law of supply and demand. Changes in a company's shares prices during this time, was more based on the achievement of corporate performance. Indeed the achievements and performance of the company not only can be judged on their ability to generate profits, but also the ability to build virtual capital on an ongoing basis. Microsoft as a successful company in the world, has a capital value of company shares far exceeds the initial value of the assets of the company. His achievement is more due to the level of trust constituents, top quality soft-ware products that can be used by the parties.

By utilizing all elements of virtual capital as has been exemplified by the Prophet Muhammad PBUH, the entrepreneurs among the Ummah should not hesitate and unencumbered by the limitations of physical capital ownership which handcuff so far. Building a virtual capital and use it as the main capital in the business at the same time it is a rational Islamic choice, amid the challenges of the global business world. Utilization of virtual capital becomes more efficient because business cooperation is established on the basis of trust and the ability to be sustainable at the same time. Virtual capital is also able to strengthen and improve the quality of the ownership of physical capital is relatively limited. Ownership of virtual capital at the same time is able to attract additional physical capital efficiently. In turn smooth flow of goods and money into increasing among the Ummah businessmen had the same virtual capital. Utilization of virtual capital better ensure the continuity of business Ummah, because the parties will participate in sustaining mutually beneficial cooperation. Thus, businesses based on virtual capital Ummah can guarantee business into business long-lived (*the living company*).

### **IV. CONCLUSION**

The challenges of the contemporary business world, especially among the business sector Ummah may not be faced only with the power of physical capital is very limited, while the dynamics of the business environment that is increasingly demanding needs of large capital and more diverse. Changes in business environment today and in the days to come, requires the support of the parties (*stakeholders*) is not limited. The company's desire to stay alive in the midst of the challenges of an increasingly volatile, requiring the availability of capital to continue to change, adapt to business needs. While physical capital and competencies (*knowledge, skills and experience*) of the Ummah would be a less than adequate, meet the high changes in the business world and the world of work. It is necessary for the ownership of virtual capital that is able to meet the expectations of the parties to be able to live in the long term. The new human potentials into a virtual capital when the potential for someone to voluntarily merged, and enriched by the potential of others and are used for mutual business interests of the ummah. Virtual capital is invisible, but its presence can be felt by the parties, as well as providing reinforcement on the existence of physical capital which has been more reliable

businesses. Virtual capital can be used to create a wealth of high-value, when a business is run intelligently. Development of a company based on virtual capital is expected to ensure business continuity according to expectations of the parties. Thus a business that is based on virtual capital can continue to create great benefits for future generations and the economic multiplier effect for the ummah.

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GENERAL COMMENTS

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