

Between Halal Logistics And Halal Policies

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Abstract

As a pioneer of one of the supply chain companies that have the Halal Assurance Certificate, PT YCH Indonesia must be able to maintain halal during the supply chain process and ensure the distributed products do not contaminate halal products with non-halal products. The aim of the study is to find out the effectiveness of the implementation of Halal logistics and how to implement the Halal Policy at PT YCH Indonesia. This research was carried out with a qualitative method that provides an overview of the implementation of Halal Logistics. This data collection was carried out through direct observation to the field, interviews with 5 informants and literature studies and then analyzed with exploratory descriptive techniques. The results show that PT YCH has effectively carried out halal logistics activities consisting of the process of managing the procurement, movement, storage, and handling of materials and supplies of semi-finished goods both food and non-food along with related information and documentation flow through company organizations and supply chains

Keywords: Halal Logistics, Halal Policy, Implementation

Introduction

Today the awareness of halal is very large, not only about products, but also the way of distributing products from downstream to upstream is important. According to (Maheran & Muhammad, 2009) (Bakar, Hamid, Syazwan, & Talib, 2014) (Mohamed Syazwan, 2014) Halal is not only for Muslim consumers, but also has become a new benchmark for security, cleanliness and quality assurance even by non-Muslim consumers.

The role of logistics in distribution activities ranging from transportation, storage and warehousing, inventory management, material management, product scheduling and customer service. The purpose of logistics is to ensure that customers can consume the product at the right time, the right quantity and in good condition. (Tieman, 2008) (Ahmad^a & Mohd, 2016).

Halal Logistics is required to maintain its halal from the source to the hands of consumers such as those on the surface, (Christopher, 2016). And (Syazwan et al., 2017). In guaranteeing the logistics process so that it is always lawful, a Halal Assurance System (SJH) is needed which is fulfilled by the logistics service provider company, then (Tieman, 2012) and (Tieman, Che, Jack, Tieman, & Ghazali, 2013), said that transportation, warehousing and terminal operations are important areas for halal logistics. In line with research (Syazwan, Talib, Rubin, & Khor, 2013) that many logistics service providers invest in special Halal facilities. Such as warehousing and transportation fleet specifically for the storage and distribution of halal products. Furthermore, to meet strict Halal requirements and meet customer demand, logistics service providers have traveled extra distances to ensure halal logistics success.

The Halal Guarantee System must be carried out by the producer or company to ensure that the products produced are halal. This system is governed by the concept of three zeros, namely, the zero limit (no illicit material used in production), zero defects (no illicit products produced) and zero risk (no adverse risks that must be taken by the manufacturer or company) .

Method

The approach of this research was carried out with qualitative methods that provide an overview of the implementation of Halal Logistics. This data collection was done through direct observation to the field, interviews with informants (leaders, employees and logistics experts) and literature studies and then analyzing them with exploratory descriptive analysis techniques. (Suharsimi Arikunto, 2005) (Sitanggang & Saribanon, 2018). The informants in the study amounted to 5 (five) people consisting of the leaders of the logistics halal team from PT YCH Indonesia and Logistics Experts.

Discussion and Result

A. Implementation of Halal Logistics at PT YCH

In line with research (Syazwan et al., 2013) that political factors are the most influential on the halal logistics industry, the government must exploit by encouraging small-medium logistics companies to adopt a halal approach in their operations. Political conditions in Indonesia also have a huge influence on the existence of halal logistics service providers, because with a sara issue it will be very easy to destroy a business in any field.

In addition to the increasing need for halal products, halal logistics will also meet the free market, cross-border trade, and increase halal economy throughout the world. This has made PT YCH Indonesia decide to implement Halal Logistics in the activities of its logistics provider. The company must be able to maintain halal during the supply chain process and ensure the distributed products not contaminate between halal products and non-halal products as disclosed (Tieman, 2012).

In order to prove the commitment and seriousness of the products received by the community, halal guarantee is required. The Halal Assurance System (SJH) from LPPOM MUI is not easily obtained by PT YCH Indonesia, which takes 3 months started from the process of understanding halal certification requirements, training, doing pre audit monitoring, audit implementation, post audit monitoring until finally obtaining halal certification. PT YCH has received SJH twice with the A title.

Guaranteed Halal Certificate is important for a logistics company, because this is one form of logistics company support for halal product that becomes a client and maintains consumer confidence that the product is truly guaranteed to be 100% halal (Mohamed, Faridah, Mahmood, Hafizah, & Mansor, 2014). Not only from raw materials but also including the logistics

process which includes the transportation and distribution processes throughout the Indonesian community.

The halal certificate owned by PT YCH Indonesia is expected to provide comfort to all customers and ensure that the products handled are safe and lawful to use. PT YCH Indonesia can ensure that products that are stored and transported safely so that contamination of harmful and unclean substances will not occur.

The implementation of halal logistics at PT YCH has followed the 11 criteria of the Halal Guarantee System, namely 1) Halal Policy, 2) Halal Management Team, 3) Training / Education, 4) Material (not producing), 5) Product (no production process) , 6) warehouse facilities, 7) critical activity procedures, 8) traceability, 9) unclean product handling, 10) internal audit, 11) review management.

B. Implementation of Halal Policy

Halal policy is the first criterion in a halal guarantee system to be met by companies that want to obtain a SJH certificate. This halal policy is a written policy in an effort to demonstrate a commitment to implement halal logistics consistently.

As for the Halal Policy made by the management of PT YCH Indonesia, as follows:

PT YCH Indonesia is determined to maintain and ensure the halal status of all final products and raw materials stored and managed by YCH Indonesia in Gudabg MDC Cibitung in order to fulfill all the requirements required by LPPOM MUI. PT YCH Indonesia always fulfill all the requirements required by LPPOM MUI through the following steps:

1. Guarantee all raw materials and final products received and stored in the MDC Cibitung Warehouse certified halal or approved by LPPOM MUI.

2. Ensure that all storage facilities and equipment in the MDC Cibitung Warehouse free from nutrients and other unclean ingredients.
3. Train, develop and involve all stakeholders of the Company to understand and adhere to the Halal Assurance System.
4. Provide the resources needed to develop, implement and carry out continuous improvements to the Halal Guarantee System.

Halal policy is issued in the form of a certificate and signed by Country Head. This halal policy needs to be socialized to all company stakeholders, all employees, Vendors, Visitors, including apprentices / street vendors.

The implementation of halal policies that have been determined as having a cycle that starts from 1) Planning which makes the company, 2) Application where the company implements all that has been determined as a policy, 3) Monitoring and evaluation, the company monitors and evaluates the extent of the implementation of halal policies has been determined, and 4) Corrective Action, the company improves and learns from mistakes not to be repeated. Halal system cycle implemented at PT YCH as shown in Figure 1.



Figure 1. Halal System Cycle

Conclusion

PT YCH Indonesia, as one of the pioneers of supply chain service providers that has obtained the Halal Assurance System Certificate, has proven that the company has consistently received SJH twice with the A title from the Indonesian Institute of Food, Drug and Cosmetics Research Institute (LPPOM MUI).

Halal logistics is carried out to provide convenience to customers and is a trend and need, because it can make added value from a product and can increase business value. This has become a special concern and has been implemented effectively. The implementation of the Halal Policy is the most important thing for halal logistics activities to be consistent and sustainable.

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