

ABSTRAK

Gresi Ayu Marselina. 2015, Thesis. Title: "The Role of *Mudharabah* Budgeting for Business Development and BMT Member Income (A Study Case at BMT UGT Sidogiri branch Dampit)".

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Keyterms : *Mudharabah*, Business Development, Member Income

In the development of UMKM, it faces a problem about the lack of society's capital. BMT UGT Sidogiri branch Dampit offers solution preventing from moneylender hands and using Islamic law or *syariah*. *Mudharabah* budgeting which is paid by BMT is a cooperation between *shahibul mall* and *mudharibby* using profit-sharing system. This study, therefore, is purposed to know the process of *mudharabah* budgeting and its role on the business development and member income.

This study is conducted using descriptive qualitative design which is aimed to describe the process of *mudhabarah*, the role of business development and member income as well. In addition, the data is collected through observation, interview, and documentation while triangulation is used to verify the data.

The result of the study showed that the process of *mudharabah* budgeting is done in two ways: they are proposing then continued in realizing, and controlling. The profit-sharing system is implemented according to the arrangement of either 50:50 or 40:60. By *mudharabah* budgeting, the development of business runs quickly, it can be seen from the number of sales, business extension, and human resources which caused to the increase of member income.