

Article

Analysis of Spending, Funding and Investment Decision in Sharia Finance

Intan Saina*

Sunan Kalijaga State Islamic University, Yogyakarta, Indonesia

* safinaintan754@gmail.com

Abstract: Monetary decisions important in company For advance riches or pay and upgrade mark organization . Motivation income back study This is For analyze decision investment , funding and policy dividend nor spending on sharia finance . Study This analyze the decisions made to Islamic finance . Research methods This nature qualitative with approach descriptive.. Management effective financing of institutions Islamic finance is important For guard health finances and reduce risk detrimental financing. Conclusion, research This emphasize importance good working capital and financing management in context institution Islamic finance for optimizing liquidity and performance finance , as well manage risk in a way effective .

Keywords: Funding Decision, Financing Decision, Investment Decision

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1. Introduction

business . Leaders opinion that indicator performance important can concluded fromscore company . Enhancement mark company show performance effective management . This matter impact No direct to investor welfare . Increase mark holder share is something profitable thing from corner look an investor. Sentiment investors can be positive interesting investor interest and raise mark share company . Funding decisions are very important for existence company .Business need source Power finance For maintain and develop the operation .

Policy dividend is technique is a must considered For maximizing holdervalue share Because allows investors to increase his welfare with expect dividend or profit on the investment . Dividend paid For fulfil request holder shares.Decision investment according to Islamic perspective is very important thing For preparation yourself in the day tomorrow , that all something must be taken into account with kind and careful . The reason behind decision investment in eye company money according to Sudana (2011) is For increase abundance of investors or owner business (shareholder wealth). Goals of regulation This can achieved through expansion market value of the organization . A organization can achieve its goal For expand investors' wealth and prices with make determination exact income . Wachowicz and Horne (2013) characterize objective monetary as three fundamental factors that must be achieved Organization : optional speculation , choice monetary , and regulatory profit.Because decision investment can made If adequate funds are available , third decision this each other related . However , decision appropriate funding and appropriate with standard business required For production cash this , which is influenced by the schema dividend or purchase return share . Fusion best from third variable this will maximizing mark company .

Maximizing decision finance requires executives business For always realize influence third action the to enhancement the value of the company. (Dekrijanti et al. 2023) .

Investation decision is decision internal and external investment company . Time effort this , term medium , and term long is three classes speculation. However , duration specified time is wisdom company . Speculation is one of the management strategy perspective monetary Because type capital designation must be produce income or benefit start now. From corner Another view , benefits invest in the future obscured by uncertainty , which perpetuates series management finance , or consequence investment . Therefore that , something investment must through a deliberation process that includes profit margins and predicted results (Harmono , 2009). Funding decisions , sharia decisions funding is the decisions therein based on principles and provisions of the Islamic religion as base . Investment decisions or capital asset formats , are important for business Because impact capital format level directly to the conditions finances and values results company . Subsidy organization can appear from source in , for example , profits held and sources outside like credit or publishing offer new. Mix the ideal is also decisive appropriate financing Because can jack mark business (Fenandar & Raharja , 2012).

Failure in choose the capital format have far- reaching consequences , esp when company use leverage excessive , so increase cost constant that must be covered company . Provision This have impact financial Because give rise to possibility corporation No capable pay flower or debt. You can build optimal capital reduce Subsidized capital budget organization can appear from source in , for example , profits held and sources outside like credit or publishing offer new . overall (normal cost of capital) while expand mark organization (Brigham & Houston, 2014). Policy dividend according to Islamic perspective is part from profit business Where in sharia p This allowed , because man will get what has he did . Profit strategy is very important for association , regardless from speculation and choice finance , because can increase mark business and many investors. One of objective organization is guard or grow mark holder shares (Nurwani , 2018). Choice For share Profit is Another frequent problem seen by the business world. Profit is reason The main thing investors invest , and dividends is profit on investment in something company. ability something company For pay dividend can used For determine value (Nurvianda et al, 2018). main goal of investors is increase his wealth with hope obtain return results form dividend or capital gains, however expansion company must still maintain profitability at a time give riches to holder shares (Ardatiya et al., 2022). Dividend more liked than capital gains by investors who are hesitant to speculate . The size payment This Possible influence price share. Stock price and value the company went up when results dividend tall. According to results study Faridah and Kurnia (2016) selection speculation impact on value organization . In accordance research by Utami & Masjkuri (2018) and Wijaya & Wibawa (2010), selected financing impact on value organization. According to research by Faridah and Kurnia (2016), policy dividend have negative and small impact . The purpose of study This is For know including speculation and options financing impact on value organization , but profit strategy own impact negative and small. Temporary that 's policy investment , finance , and dividends everything have impact positive and big to mark something company

2. Results

Research is Suite activity scientific in frame solution something problem . Research result No Once intended as something direct solution for problems faced Because study is part just from business solution more problems big . Function study is find it explanations and answers to problem as well as give alternative for possible possibilities used For solution problem. Research methods is method scientific For get data with objective from utility certain . Term way scientific shows the meaning that activity study based on characteristics science , that is rational , empirical , and systematic . Study This including type study library (library research), namely object research the study using library data form books as source the data . Study This done with read , study , and analyze various existing literature .

3. Result and Discussion

Spending Decision

Financing is giving facility providing funds for fulfil need parties experiencing a deficit from side finance. According to use , financing differentiated into two First , financing productive, that is targeted financing For fulfil need production in the broadest sense , ie For enhancement effort , good business production , trade , etc investment . Financing productive This differentiated again into two , namely working capital financing and financing investment . Second, financing consumer, that is financing used For fulfil need consumption , which will finished used For fulfil needs (Ichsan & Akhiroh, 2018; Sudrajat & Sodik, 2018). From the Sharia side, sharia working capital financing is financing period given short to company For finance working capital requirements his business based on sharia

principles . Period time working capital financing maximum 1 (one) year and can be extended in accordance need . Sharia Bank can help fulfil all over working capital requirements the No with lend money, but rather with intertwine partnership relationship with customers, where the bank acts as funder, whereas customers as entrepreneur (Mudharib). Financing scheme sort of This called with Mudharabah . (Iryas and Astuti 2023).

Knowledge analysis appropriate financing must based with theory and method clear measurements . By general, analysis financing divided become two aspects important. First aspect is aspect quantitative and aspect second is aspect qualitative . In taking decision For fulfil needs and achieve satisfaction, consumer expected own several alternative choices before determine choice . In deciding choice the will influenced by several factor (Kurniati , 2012).

Financing or financing, namely funding provided by a party to the other party for support investment that has been made planned , fine done Alone or institution . In other words, financing is funding issued For support investment that has been made planned. Whereas in Constitution number 21 of 2008 is mentioned that financing is provision of funds or equalized bills with That transaction for results in form mudharabah and musyarakah. Transaction rent rent in form of ijarah or rent buy in form of Ijarah Muntahiyah bin Tamlik. Transaction sell buy in form receivables murabahah, greetings , san istisna . Transaction borrow borrow in form receivables qard and, transactions rent rent service in form of ijarah for transaction multiservice based on agreement or agreement between sharia banks and /or UUS and other parties who require it the party being financed and or given funding facilities for return the funds after period time certain with ijarah reward, without reward , or for results . Financing is one of task bank principal, ie giving funding facilities for fulfil need party party who is unit deficit . According to characteristic its use financing can shared into two things following:

1. Financing productive, that is targeted financing for fulfil need productive in the broadest sense, ie For enhancement effort, good business productive, trade nor investment.
2. Financing consumerism, that is financing used for fulfil need consumption, which will finished used for fulfil need.

Funding Decisions

Funding decisions is decision about How obtain funds for finance investment . Funding decisions indicate how company fund operational activities or how company fund its assets . In decision funding This related with structure finance company,wherestructure finance company is composition from decision funding that includes debt period short , debt period length and equity . (Hana, Ridwan, and Chodlir 2021) . Funding decisions is decision finance about where do the funds come from? buy asset the originate . Utami and Darmayanti (2018) stated that decision funding is one of most critical decisions and challenging work For manager finance , p That caused Because decision This own impact directly on performance finance and capital structure of company . (Tanto, Simanjuntak, and Pangayow 2020) . Funding decisions can interpreted as related decisions structure finance (financial structure). Structure finance company is composition from decision funding that includes debt period short , debt period length and own capital . (Tanto, Simanjuntak, and Pangayow 2020)

Whereas according to Pirstina and Khairunnisa (2019) decision funding is decision regarding source of funds that will be used by companies . This Ratio will project results of total debt supported company using the total equity owned by the company . This ratio measure how much Far company financed by debt , where the more tall mark ratio This describe less symptoms Good for company . Use Debt to Equity Ratio (DER) is one of them because DER is ratio more finances often used by investors know level debt company . Besides that selection of DER as proxy policy debt in study This is also based on usage partial proxy big done study previous For project policy debt company . (Hana, Ridwan, and Chodlir 2021)

Actually something company can operate more efficient with supported by stable finances and has sufficient capital sufficient need company . company will capable fulfil all needs and obligations with appropriate time if supported by capital enough . As for some function fromworking capital, among others , are moment happen crisis , company will protected if happen decline mark from treasure fluent If company have sufficient capital . With the company's working capital can serve customer with more smooth and fast if company own supply in large amount . Using capital, company can pay off all obligation like bank loans and debts owned in the right time.With exists capital, company more freely give credit for the consumer with easy and profitable. All activity company both internal and external can walk with fluent Because influenced by conditions finance company.With available capital ensure smoothness operational company. Sufficient capital can conclude losses incurred in company without influence condition finance company. In operate something business not free from role member.

Investation decision

Investment is one of part from function management something company For create mark good company. Investation decision is related decisions with current capital investment This For obtain results or profits in the future come. Decision investments made by the company influenced by ability company in generate cash, so can fulfil need period long and term short or normal called liquidity company . (Jamil, Yulyanti, and Andriani 2023) .

Investment in terminology finance conventional is capital investment or money management with use various device (instrument) . In Language accountancy Investment interpreted as assets used company For growth wealth (accretion of wealth) through distribution results investment (eg interest , royalties, dividends and rent) . For appreciation mark investment , or For other benefits for investing company like benefits obtained through connection trade . (Tanto, Simanjuntak, and Pangayow 2020).

Understanding investment give various information about usage part existing resources For get profit in the long term long . Data obtained through something education and education from a number of reading or literature that the brain can digest man.

Principle Islamic investment in essence use profit sharing, prohibit usury, maysir , and gharar (El Gamal, 2000). Huda and Nasution (2007) explain investment as one of the teachings Islamic concepts that fulfill the tadrijdan process trichotomyknowledge . Although disagreement Keep going happen between supporters and observers outside about difference between what is permitted or what is required (halal) and what is prohibited (haram) below different interpretations of Islamic Law. Draft investment besides as knowledge also has a spiritual nuance because using sharia norms, all at once is essence from A knowledge and charity , therefore very investment recommended for every Muslim. (Jamil, Yulyanti, and Andriani 2023) .

Type of investment in products finance Lots kind of, among them is product Islamic finance . In this Muslim-majority country No in a way overall Muslim investors decide For invest in products Islamic finance, and not all non-Muslim investors invest in products finance conventional . This matter become attention in our research , what happens ? consideration from investors to decide invest in products Islamic finance as well conventional .

Failure in choose the capital format have far- reaching consequences , esp when company use leverage yang excessive , so increase cost constant that must be covered company . This provision have impact financial Because give rise to possibility corporation No capable pay flower or debt. You can build optimal capital reduce Subsidized capital budget organization can appear from source in , for example , profits held and sources outside like credit or publishing offer new . overall (normal cost of capital) while expand mark organization (Brigham & Houston, 2014). Policy dividend according to perspective Islam is part from profit business Where in sharia p This allowed , because man will get what has he did . Profit strategy is very important for association , regardless from speculation and choice finance , because can increase mark business and many investors. One of objective organization is guard or grow mark holder shares (Nurwani , 2018).

Choice For share Profit is Another frequent problem seen by the business world. Profit is reason The main thing investors invest , and dividends is profit on investing in something company . Ability something company For pay dividend can used For determine value (Nurvianda et al, 2018). The main goal of investors is increase his wealth with hope obtain return results form dividend or capital gains, however expansion company must still maintain profitability at a time give riches to holder shares (Ardatiya et al., 2022). Dividend more liked than capital gains by investors who hesitate to speculate . The size payment This Possible influence price share. Stock price and value the company went up when results dividend tall. policy dividend have negative and small impact. The purpose of study This is For know including speculation and options financing impact on value organization , but profit strategy own impact negative and small. Temporary that's policy investment , finance , and dividends everything have impact positive and big to mark something this company (Dessy Boegiyati, Segaf, and Parmujianto 2024).

4. Conclusion

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