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Strategy to Optimize Sharia Financial Management as an Instrument to Improve the Performance of Halal MSMEs in West Sumatra

Erizal Candra Efendi*, Ruri Mustika
Sharia Economics, Imam Bonjol State Islamic University Padang
*Email: efendierizalcandra@gmail.com

ABSTRACT

This study analyzes strategies for optimizing sharia financial management as an instrument to improve the performance of halal small and medium enterprises (SMEs) in West Sumatra. The research is descriptive in nature and based entirely on a synthesis of secondary data drawn from institutional reports, government publications, and existing scholarly literature. The analysis focuses on three key dimensions of sharia financial management financial literacy, utilization of sharia-compliant financing, and transparency in financial reporting and how these elements contribute to enhancing SME performance. The study finds that low levels of sharia financial literacy, limited adoption of formal sharia financing, and inadequate financial transparency remain major challenges for halal SMEs in the region. Strengthening these three areas through education, facilitation of access to financing, and implementation of standardized reporting systems can significantly improve operational efficiency, compliance with sharia principles, and long-term sustainability. The study contributes by integrating and synthesizing existing findings to provide a comprehensive overview of the current state of sharia financial management among halal SMEs in West Sumatra and offering practical recommendations for policymakers and supporting institutions.

Keywords: *Financial Literacy; Halal SMEs; Sharia Financial Management; Sharia Financing; Transparency*

INTRODUCTION

Halal tourism and Islamic lifestyle trends are driving the growth of halal MSMEs in Indonesia, including in West Sumatra. Halal MSMEs play a significant role in providing products and services in accordance with Sharia principles while supporting regional economic growth. Data from the Ministry of Cooperatives and SMEs indicates that MSMEs will contribute more than 60% to Indonesia's GDP by 2023, with approximately 3.7 million MSMEs certified halal (UKM, 2023). However, of this number, only a small proportion are truly capable of managing their finances according to Sharia principles, thus limiting their productivity and competitiveness ((OJK), 2023).

Sharia-compliant financial management is a crucial foundation for ensuring the sustainability of halal MSMEs. Sharia-compliant financial management emphasizes not only efficiency and transparency but also incorporates Islamic principles such as the prohibition of riba (*usury*), gharar (*gharar*), and *maisir* (gambling) (Antonio, 2021). Previous research has shown that implementing Islamic financial management can improve small business performance, particularly in terms of capital efficiency and asset optimization (Rahmawati, 2022a). However, most halal MSMEs in West Sumatra still face limited understanding of Islamic financial concepts, creating a gap between expectations and reality (Putri, 2023).

This gap is evident in the limited access of West Sumatran halal MSMEs to Islamic financing. According to a Bank Indonesia report, only 20% of MSMEs in West Sumatra have utilized Islamic financing facilities, while the remainder still rely on personal capital or conventional loans (Indonesia, 2023b). This situation contrasts with the province's significant potential as a hub for halal culinary and tourism in Indonesia. Lack of Islamic financial literacy and suboptimal financial management strategies make it difficult for most MSMEs to compete nationally and globally (Iskandar, 2022).

In addition to limited access, financial record-keeping is also a major challenge. Many halal MSMEs still use manual and traditional methods for recording cash flow, making it prone to errors and difficult to account for (Wulandari, 2021). This fact contradicts the expectation that halal MSMEs should be able to exemplify professional and accountable Islamic business practices. Recent research confirms that a digital-based financial recording system with a sharia approach has been proven to increase efficiency by up to 30% (Sari, 2023).

From a policy perspective, the West Sumatra regional government has promoted a halal ecosystem, one example of which is through the Halal Entrepreneurship program launched in 2022. However, this program has not fully addressed the fundamental aspects of sharia financial management, instead focusing more on production and marketing training (Pemerintah Provinsi Sumatera Barat, 2022). This creates a gap between the actual needs of MSMEs and existing policy support. Therefore, this research aims to fill the gap in the gap for a more in-depth study of strategies for optimizing sharia financial management in halal MSMEs in West Sumatra.

The novelty of this article lies in its focus on integrating Islamic financial management with improving the performance of halal MSMEs in the regional context of West Sumatra. Previous research has tended to focus on financing or financial literacy in general, without emphasizing Islamic financial integration strategies as an instrument for halal MSME performance (Nasution, 2022). Therefore, this study offers a new perspective that not only supports but also expands the discussion within the Islamic financial management literature.

Rather than presenting new empirical evidence, this research contributes by offering an integrated synthesis of the existing knowledge and data on sharia financial management in a specific, under-researched regional context. The study highlights key gaps, policy implications, and strategic recommendations to enhance financial literacy, improve access to Islamic financing, and promote transparent reporting practices among halal MSMEs. This synthesis is expected to inform policymakers, practitioners, and scholars in developing more effective strategies to strengthen the halal economic ecosystem in West Sumatra and beyond.

METHOD

This study adopts a qualitative descriptive approach through a structured literature review and secondary data analysis. Rather than collecting primary data, the research synthesizes findings from existing institutional reports, government publications, and peer-reviewed academic literature related to sharia financial management and halal MSMEs in West Sumatra. This design allows for a comprehensive understanding of how existing data and studies reflect the current condition and challenges of halal MSMEs in implementing sharia-compliant financial management (Creswell, 2018).

The study is positioned as a descriptive-analytical synthesis of secondary data with the purpose of compiling, comparing, and interpreting information from various credible sources to formulate strategic insights. By using secondary data rather than field observations or interviews, the study ensures methodological consistency with available institutional statistics and prior academic findings(Sugiyono, 2018).

The data analysed in this research were obtained through a systematic search of both institutional reports and academic publications. Institutional sources included the Ministry of Cooperatives and SMEs, the Financial Services Authority (OJK), Bank Indonesia, and the West Sumatra Provincial Government. Academic literature was collected from indexed databases such as Google Scholar, DOAJ, and the Garuda Portal using keywords including "Islamic financial management," "halal MSMEs," "*sharia financing*," "*financial literacy*," and "West Sumatra." The literature selection covered materials published between 2020 and 2024 to ensure relevance to current conditions. The inclusion criteria consisted of studies or reports directly related to halal MSMEs and sharia financial management, the availability of complete data and methodological transparency, and publications written in either Indonesian or English. Conversely, materials excluded from the review were those published before 2020, papers without clear methodological explanation, and duplicate studies found across databases.

All identified sources were screened for relevance and credibility, and data were extracted into a recording matrix summarizing key aspects such as author, year, focus area, research methods, and main findings. The extracted data were then organized into three thematic categories: (1) financial literacy among halal MSMEs, (2) utilization of sharia-compliant financing, and (3) transparency and standardization of financial reporting. The synthesis process involved comparing and integrating findings across various studies and institutional reports to identify recurring patterns, inconsistencies, and knowledge gaps. Through this procedure, the research produced a coherent understanding of the state of sharia financial management practices in West Sumatra.

Data were analyzed using qualitative content analysis following Krippendorff's (2018) framework. Each piece of information was coded and grouped according to the main themes of the study, emphasizing the relationship between financial literacy, financing utilization, and reporting transparency, as well as their implications for SME performance and compliance with sharia principles. The analysis also included a cross-validation process among different institutional data sources to ensure reliability and credibility (Matthew B & A Michael, 1994). The results of the synthesis are presented descriptively through analytical explanations and summary tables that highlight key quantitative indicators reported by institutions. This approach ensures transparency, replicability, and methodological rigor in analyzing secondary data related to halal MSMEs and sharia financial management in West Sumatra.

RESULT AND DISCUSSION

Result

This research results section presents key findings related to strategies for optimizing Islamic financial management in halal MSMEs in West Sumatra. All findings are compiled using a library research approach, reviewing various official reports, statistical data, and relevant recent academic studies. The results focus on four key aspects that serve as indicators of successful Islamic financial management implementation: Islamic financial recording, Islamic financial literacy, utilization of Islamic financing products, and transparency and standardization of financial reporting.

Sharia Financial Recording in Halal MSMEs

Financial record-keeping is a fundamental aspect of Sharia financial management because it serves as the basis for decision-making and a measure of business success. However, conditions in West Sumatra demonstrate a low level of awareness among halal MSMEs regarding the need to prepare financial reports in accordance with Sharia principles. According to data from the Ministry of Cooperatives and SMEs (2023), only around 35% of halal MSMEs maintain simple financial records in accordance with Sharia principles, while another 65% lack an adequate record-keeping system. This fact demonstrates a gap between the ideal principles emphasizing transparency and accountability and the reality of practice on the ground (Ismail, 2020).

Poor financial record-keeping directly impacts the difficulties MSMEs face in accessing financing. Sharia financial institutions generally require financial reports from at least the past year to assess business feasibility. Due to limited documentation, the majority of halal MSMEs cannot meet administrative requirements, significantly reducing their chances of obtaining financing (Zainuddin, 2021). This aligns with research by Rahmawati (2022b), which found that regular financial records are directly proportional to the smooth access of MSMEs to Islamic banking financing.

Most halal MSMEs in West Sumatra use only daily manual records or even rely on memory to record transactions. This situation is prone to errors, including duplicate entries or lost transaction data. According to research by Fauziah (2020), the use of manual records creates cash flow uncertainty and risks reducing the accuracy of financial information. This fact emphasizes the importance of a simple yet standardized Islamic accounting system for adoption by MSMEs with limited capacity.

The inability to prepare financial reports also impacts business performance evaluations. Many halal MSMEs in West Sumatra do not know the exact net profit of their businesses because they lack structured records. As a result, business development decisions are based more on intuition than concrete data. Research by Alim (2020) shows that MSMEs with structured financial reports can increase efficiency by up to 22% compared to MSMEs without bookkeeping.

From a sharia perspective, recording transactions is not merely a technical aspect, but a religious commandment. Verse 282 of the Quran, Surah Al-Baqarah, emphasizes the importance of recording every debt transaction to maintain justice and avoid disputes. The relevance of this verse to the situation of halal MSMEs in West Sumatra demonstrates the gap between ideal Sharia norms and daily practices, which are still far from standard. As stated by Karim (2019), Sharia financial recording embodies the implementation of the principle of trustworthiness in transactions.

The low quality of financial recording is also influenced by the education level of MSMEs. According to BPS data (2022), the majority of micro-MSMEs in West Sumatra have lower-middle school education, so Sharia accounting skills are not yet a priority. This situation is exacerbated by limited access to financial management training relevant to the needs of halal MSMEs (Suryani, 2021). Therefore, poor financial recording is a result of a combination of factors such as literacy, education, and lack of mentoring. The following table provides a concrete overview of the state of financial recording of halal MSMEs in West Sumatra:

Table 1. Level of Sharia Financial Recording in Halal MSMEs in West Sumatra (2023)

Financial Recording Status	Number of MSMEs (%)	Description
Sharia-compliant	35%	Make simple bookkeeping
Not yet Sharia-compliant	65%	No formal reports / only manual records

Source : Kemenkop UKM (2023)

The above conditions indicate that the majority of halal MSMEs still lack Sharia-compliant financial records. This aligns with research by Azmi (Azmi, 2022), which states that one of the main weaknesses of halal MSMEs in Indonesia is limited financial accountability. Poor financial record-keeping not only hinders business development but also undermines the trust of business partners and Islamic financial institutions. Therefore, improving the quality of record-keeping must be a primary focus in strategies to optimize Sharia-compliant financial management for halal MSMEs in West Sumatra.

Sharia Financial Literacy Level

The level of Islamic financial literacy among halal MSMEs in West Sumatra remains a fundamental issue affecting their business performance. A 2022 survey by the Financial Services Authority (OJK) showed that the national Islamic financial literacy index was only 9.1%, far behind the conventional financial literacy rate of 49.7% ((OJK), 2022). In West Sumatra, despite the majority being Muslim, MSMEs' understanding of Islamic financial principles, such as *murabahah, mudharabah*, and *musyarakah* contracts, remains limited. This has resulted in the under-optimization of Islamic financing products that could significantly boost the growth of halal MSMEs.

Facts on the ground show that most halal MSMEs still rely on manual record-keeping, and some even do not keep any records at all. Data from the West Sumatra Cooperatives and MSMEs Office (2023) revealed that approximately 62% of halal MSMEs in the region do not maintain simple financial reports. This limited literacy makes it difficult to access Sharia financing from financial institutions, as Sharia banks typically require financial statements as a key document when applying for financing. This situation further widens the gap between expectations of improved performance for halal MSMEs and the reality on the ground.

Furthermore, low Sharia financial literacy is also evident in MSMEs' preferences for financing sources. According to Bank Indonesia research (2023a), 70% of MSMEs in West Sumatra prefer informal financing through family loans or loan sharks, while only 15% access Sharia financing. This is due to a lack of understanding of the procedures and benefits of Sharia financing. As a result, many halal MSMEs are trapped by high interest rates on informal loans, which erode business profits.

Table 2. Level of Sharia Financial Literacy of Halal MSMEs in West Sumatra (2023)

Sharia Financial Literacy Category	Percentage of MSMEs	Description
High understanding	7%	Able to access sharia financing and prepare financial reports
Intermediate understanding	15%	Can make simple records according to sharia
Basic understanding	28%	Know the sharia terms, but not yet able to record finances
Don't understand at all	50%	Not understanding the concept or practice of Islamic finance

Source : Kemenkop UKM (2023)

The data above shows that most halal MSMEs have low to no literacy levels. This poses a major obstacle to optimizing Islamic financial management. Without adequate literacy, halal MSMEs struggle to grow and compete in an increasingly competitive market.

This low level of Islamic financial literacy also highlights a research gap in previous studies. For example, research by Rahmawati and Anwar (2021) emphasizes that Islamic financial literacy is a determining factor in the sustainability of MSMEs, but few studies specifically examine the conditions of halal MSMEs in West Sumatra. Therefore, this study aims to provide a new contribution to the related literature.

Furthermore, cultural and customary factors also influence literacy levels. Many halal MSMEs remain oriented toward traditional values and kinship, making them less open to modern financial record-keeping practices. Research by Nisa (2021) found that MSMEs in regions with strong traditional roots, such as the

Minangkabau region, prioritize trust in transactions over formal record-keeping. This phenomenon demonstrates the structural challenges in improving Islamic financial literacy.

Considering the above facts, it can be concluded that improving Islamic financial literacy is key to strengthening the performance of halal MSMEs in West Sumatra. Without serious efforts to improve literacy, whether through formal education, mentoring, or digital innovation in Islamic finance, halal MSMEs will struggle to compete sustainably.

Utilization of Sharia Financing Products by Halal SMEs in West Sumatra

The utilization of sharia-compliant financing products among halal SMEs in West Sumatra remains relatively low, despite the availability of various instruments such as *murabahah, musyarakah*, and *mudharabah*. According to Bank Nagari Syariah (2023), only 12% of halal SMEs have accessed sharia financing, indicating a substantial gap between the availability of products and their actual use. This low utilization limits the SMEs' ability to expand their operations and optimize their financial management under sharia principles.

One of the primary factors contributing to low utilization is the limited awareness of sharia financing mechanisms among SME owners. A survey conducted by the Indonesian Islamic Banking Association (2022) revealed that around 65% of SME entrepreneurs reported insufficient knowledge about the types, benefits, and procedures of sharia financing. Consequently, many businesses still rely on informal loans from family or local moneylenders, which often carry high interest rates, reducing overall profitability.

Furthermore, bureaucratic requirements and documentation procedures remain a barrier. Many SMEs find it challenging to fulfil collateral or reporting requirements demanded by financial institutions, even for relatively small loans. Research by Harahap (2021) highlights that SMEs without proper bookkeeping or business documentation face significant hurdles when applying for sharia financing. This finding complements previous observations regarding the lack of proper financial recording in these businesses.

Cultural and behavioural factors also play a role in financing choices. SMEs in West Sumatra tend to prioritize trust-based relationships and informal lending over formal financial instruments, as noted by Lubis (2020). This preference is rooted in the Minangkabau social and business culture, which values familial and community trust over institutional processes. Such behavioural tendencies partially explain the low uptake of formal sharia financing products.

The limited use of sharia financing affects not only growth potential but also resilience. SMEs without access to structured financing find it difficult to invest in inventory, technology, or human resources, which can constrain their competitive advantage. According to Syafri (2022), SMEs that actively utilize sharia financing are more likely to achieve higher revenue growth and maintain sustainability during economic fluctuations.

To provide a clearer perspective, the following table summarizes the utilization of sharia financing products among halal SMEs in West Sumatra:

Table 3. Utilization of Sharia Financing Products by Halal SMEs in West Sumatra (2023)

Type of Financing Product	Percentage of SMEs Using Product	Remarks
Murabahah	5%	Purchase of raw materials or equipment
Musyarakah	3%	Partnership investment in business ventures
Mudharabah	4%	Profit-sharing financing for expansion
Total SMEs using any product	12%	Only a small fraction of total SMEs

Sources: (Association, 2022; Syariah, 2023)

Despite the low utilization, there is significant potential to increase adoption if SMEs receive proper education, simplified procedures, and targeted promotional campaigns from sharia financial institutions. Strategic interventions could bridge the gap between availability and actual use, enabling halal SMEs to leverage financing for growth, compliance, and competitiveness.

In summary, the low utilization of sharia financing products underscores the importance of raising financial literacy, improving access mechanisms, and tailoring financial products to SME needs. Enhanced utilization not only contributes to better financial management but also strengthens the overall performance and sustainability of halal SMEs in West Sumatra, supporting regional economic development.

Transparency and Standardization of Financial Reports

Financial transparency and standardized reporting are essential elements of effective financial management for halal SMEs. In West Sumatra, most halal SMEs have irregular financial reporting, with reports often prepared inconsistently or only informally. According to a survey by the West Sumatra SME Development Agency (2023), only 22% of halal SMEs maintain standardized financial reports following basic accounting and sharia principles. This low transparency affects investor confidence and hampers access to institutional financing.

The lack of standardized reporting also creates difficulties for internal management. SME owners without proper financial reports cannot effectively monitor cash flow, costs, or profits. Research by Putra (2021) demonstrates that SMEs with standardized financial statements have 30% higher operational efficiency compared to those without proper records. This indicates a direct correlation between transparency, reporting, and business performance.

Cultural practices influence the adoption of formal reporting. Many SMEs in West Sumatra rely on informal agreements, verbal transactions, and trust-based bookkeeping. A study by Sari (2020) notes that in Minangkabau communities, family-based business operations often prioritize relational trust over formal accounting, which inadvertently reduces accountability and financial discipline.

Standardized financial reporting also enables compliance with sharia principles, such as the correct recognition of profit-sharing (*mudharabah*) or cost-plus (*murabahah*) transactions. Misreporting or informal record-keeping can lead to miscalculations in zakat obligations, which are important for halal certification and ethical compliance. According to Nurhadi (2022), SMEs with clear financial reporting are more likely to maintain consistent compliance with sharia regulations.

To visualize the current state of reporting, the following table presents the level of financial report standardization among halal SMEs:

Table 4. Level of Financial Report Standardization of Halal SMEs in West Sumatra (2023)

Level of Standardization	Percentage of SMEs	Description
Fully standardized	22%	Reports prepared regularly, following accounting and sharia principles
Partially standardized	28%	Reports prepared occasionally, missing key elements
Not standardized	50%	Informal or no financial reporting

Sources: West Sumatra SME Development Agency (2023)

The lack of transparency also affects relationships with external stakeholders, including banks, investors, and certification bodies. SMEs with unclear financial records face difficulties in securing sharia-compliant financing or halal certification, which are crucial for market expansion (Rahman, 2021). Therefore, standardized reporting contributes not only to internal management efficiency but also to external credibility.

Digital tools offer potential solutions. Adoption of simple accounting software or mobile applications designed for halal SMEs can improve reporting accuracy and timeliness. Research by Fauzi and Hidayat (2023) indicates that SMEs using digital financial tools increased reporting compliance by 40% and reduced errors in financial statements. This demonstrates the importance of integrating technology to support standardization.

In conclusion, promoting transparency and standardization in financial reports is vital for the growth, compliance, and sustainability of halal SMEs in West Sumatra. Strategies should include training programs, adoption of digital tools, and guidance for sharia-compliant reporting, ultimately enhancing access to financing and fostering stakeholder trust.

Discussion

The synthesis of existing literature and institutional reports highlights that optimizing sharia financial management among halal MSMEs in West Sumatra requires a multidimensional and systemic approach. Rather than viewing financial literacy, financing access, and reporting transparency as separate issues, these dimensions operate interdependently within the broader institutional and behavioral ecosystem (Rahmawati, 2022a). Weakness in one dimension particularly in financial literacy undermines progress in others. This interdependence implies that isolated interventions, such as literacy training without improvements in access to financing or reporting systems, will have limited impact (Putri, 2023). Therefore, policies and programs must be designed holistically, integrating education, financing facilitation, and accountability mechanisms to ensure sustainable improvements in SME performance (Creswell, 2018).

From a policy standpoint, the findings underscore the need for an evidence-based regional framework that aligns the efforts of local government, financial institutions, and halal certification agencies. The current policy direction in West Sumatra remains focused on production and marketing assistance, while the fundamental challenge financial management capability receives insufficient attention (Pemerintah Provinsi Sumatera Barat, 2022). Institutional collaboration should therefore shift toward building integrated support systems that combine literacy programs with simplified access to micro-sharia financing and standardized digital reporting tools (Sari, 2023). These measures would directly address the structural barriers identified in institutional reports, including low literacy rates and the absence of unified reporting standards (OJK, 2022).

The synthesized evidence also carries strong implications for the design of sharia-compliant financial products. The limited adoption of Islamic financing among halal MSMEs is not merely an issue of awareness but also of product suitability and procedural complexity (Harahap, 2021). Sharia financial institutions need to simplify application procedures, reduce collateral requirements, and align financing schemes with the cash flow characteristics of microenterprises (Syafri, 2022). Integrating financial literacy and advisory services within financing packages can enhance both accessibility and accountability, improving trust between MSMEs and financial institutions (Lubis, 2020). This is particularly relevant in culturally rooted business environments like West Sumatra, where informal, trust-based transactions are prevalent (Sari, 2020).

In a broader theoretical sense, this synthesis reinforces the argument that financial literacy, institutional access, and transparency form a mutually reinforcing cycle that underpins the sustainability of halal MSMEs (Putra, 2021). The reviewed studies collectively indicate that improving one aspect without addressing the others results in only temporary progress. Therefore, an effective optimization strategy must move beyond individual enterprises to encompass systemic policy reform and ecosystem alignment (Antonio, 2021). This finding contributes to the conceptual development of Islamic microfinance theory by framing sharia financial management not only as a technical skill but also as a multidimensional process involving cognitive, institutional, and cultural transformation (Karim, 2019).

Nevertheless, as a structured literature review based on secondary data, this study is constrained by the quality and consistency of available data sources. Institutional reports vary in methodology, scope, and publication timelines, which may produce discrepancies in the summarized findings (Krippendorff, 2018). The synthesized results should therefore be interpreted as descriptive and policy-relevant insights rather than causal inferences. Future empirical studies should test these synthesized relationships through field-based data collection, experimental policy evaluations, and cross-regional comparisons (Sugiyono, 2018).

In summary, the synthesized findings emphasize that strengthening sharia financial management among halal MSMEs requires integrated and collaborative strategies. Policymakers should prioritize comprehensive literacy initiatives, simplify financing mechanisms, and enforce standardized reporting systems supported by digital innovation (Fauzi, 2023). Financial institutions, in turn, must adapt their products and outreach strategies to the socio-cultural realities of MSMEs in West Sumatra. Together, these efforts will enhance operational efficiency, compliance with sharia principles, and the long-term resilience of the halal MSME sector (Rahman, 2021).

CONCLUSIONS

This study concludes that optimizing sharia financial management plays a vital role in enhancing the performance and sustainability of halal MSMEs in West Sumatra. Based on the synthesis of secondary data from institutional reports and existing literature, three interrelated components are identified as the pillars of effective sharia financial management: financial literacy, access to sharia-compliant financing, and transparency in financial reporting. Financial literacy serves as the foundation that enables MSME owners to understand and apply sharia principles in managing their resources. Access to appropriate financing instruments such as *murabahah*, *musyarakah*, and *mudharabah* facilitates business growth and strengthens adherence to Islamic values. Meanwhile, transparent and standardized financial reporting improves operational efficiency, compliance, and stakeholder confidence.

These three dimensions function synergistically, forming a comprehensive framework for optimizing sharia financial management. The synthesis indicates that progress in one area—such as literacy—cannot be sustained without parallel improvements in financing access and reporting systems. This integrated approach provides practical implications for policymakers, financial institutions, and support agencies to design targeted interventions that combine literacy education, financing facilitation, and digital-based reporting guidance. Such efforts are essential to promote sustainable growth and strengthen the halal economic ecosystem in the region.

However, this study has several limitations that must be acknowledged for transparency. The primary limitation lies not in its regional scope but in its reliance on secondary data sources. The institutional reports and studies analyzed may vary in methodology, coverage, and publication timelines, potentially leading to inconsistencies in aggregated findings. Moreover, the time lag between data collection and publication may affect the precision of certain statistics. As a result, the conclusions drawn from this synthesis should be interpreted as descriptive insights rather than causal relationships.

Future research should therefore complement this synthesis with primary data collection through surveys, interviews, or case studies to validate and expand upon the identified patterns. Comparative analyses across regions or longitudinal designs would also provide deeper understanding of how sharia financial management evolves over time. Additionally, exploring the integration of digital financial tools and fintech innovations could offer practical pathways to enhance transparency, accessibility, and compliance with sharia principles.

Strengthening sharia financial management through improved literacy, inclusive financing access, and standardized reporting is essential for the long-term growth, compliance, and resilience of halal MSMEs. While this study provides a comprehensive overview based on secondary sources, continued empirical research and data harmonization are needed to support evidence-based policymaking and sustainable development of the halal economy in Indonesia.

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