

DOI: <https://doi.org/10.57125/FEL.2023.12.25.03>

How to cite: Srijani, N., Aisyah, S., Kadeni, & Sri Hariani, L. (2023). The Sustainability of Sharia MSMEs in the Halal Industry of Indonesia: Funding, Protection, and Sharia Principles. *Futurity Economics&Law*, 3(4). 32-47. <https://doi.org/10.57125/FEL.2023.12.25.03>

The Sustainability of Sharia MSMEs in the Halal Industry of Indonesia: Funding, Protection, and Sharia Principles

Ninik Srijani*

Dr., MPd, Associate Lecturer, Faculty of Teacher Training and Economics Education, Universitas PGRI Madiun, East Java, Indonesia, <https://orcid.org/0009-0003-9578-1814>

Siti Aisyah

Dr., M.M., Associate Lecturer, Faculty of Teacher Training and Economics Education, STKIP PGRI Lumajang, East Java, Indonesia, <https://orcid.org/0000-0002-8700-0489>

Kadeni

Dr., MPd, M.M., Associate Lecturer, Faculty of Teacher Training and Economics Education, Universitas Bhineka PGRI Tulungagung, East Java, Indonesia, <https://orcid.org/0000-0003-1901-1634>

Lilik Sri Hariani

Dr., MAk, Associate Lecturer, Faculty of Teacher Training and Economics Education, Universitas PGRI Kanjuruhan Malang, East Java, Indonesia, <https://orcid.org/0000-0003-0949-2825>

***Corresponding author:** niniksrijani@unipma.ac.id.

Received: August 7, 2023 | **Accepted:** October 21, 2023 | **Available online:** November 3, 2023

Abstract: This study aimed to analyse the relationship between Islamic SME financing, sharia insurance protection, and the sustainability of Islamic SMEs in the East Java region, Indonesia, taking into account Sharia principles such as maisir, gharar, and riba. Within this framework, the importance

of sharia-compliant financing for SMEs and asset protection as well as operations in accordance with sharia principles were emphasised as determinants of the sustainability of Islamic SMEs. This study employed a quantitative approach, sampling 244 respondents who were owners of Islamic SMEs in East Java, Indonesia. Data were collected through the Likert-scale questionnaire to measure respondents' perceptions of Islamic SME financing, sharia insurance protection, and the sustainability of Islamic SMEs. The results of data analysis were expected to reveal the relationship between financing, insurance protection, and the sustainability of Islamic SMEs, as well as identify the factors influencing this relationship. These included a better understanding of asset protection and operational aspects of Islamic SMEs and the importance of financing in line with sharia principles. This research integrated elements of financing, insurance protection, and the sustainability of Islamic SMEs within a strict sharia framework, which has not been previously widely explored. Therefore, this research contributes to knowledge in the field of Islamic economics and the development of Islamic SMEs.

Keywords: Shariah SME Financing, Shariah Insurance Protection, Shariah SME Sustainability, Quantitative Approach, and East Java Region, Indonesia.

Introduction

Indonesia, with a population exceeding 270 million individuals, occupies a central position in the development of the global halal industry. With the majority of its population adhering to Islam, Indonesia has tremendous potential to develop products and services that comply with sharia principles. The halal industry in this country encompasses key sectors, including food, beverages, cosmetics, pharmaceuticals, and the tourism sector, serving as one of the main pillars of the country's economic growth. In the ecosystem that encompasses the halal industry, the role of Micro, Small, and Medium Enterprises (MSMEs) is of supreme importance. Besides being job creators for millions of individuals, MSMEs also play a crucial role in developing halal products and meeting market demands for products and services based on sharia principles (Caniago, 2023; Fernando et al., 2023; Lestari et al., 2023; Syamsurrijal et al., 2023; Syariah et al., 2023). However, to unlock their full potential, sharia-compliant MSMEs require robust support in terms of funding that also complies with sharia principles and the protection of their assets and operations.

Sharia-compliant MSME funding plays a central role in advancing businesses' growth that aligns with sharia principles, which prohibit usury, gambling, and uncertainty (Berguiga & Adair, 2021; Israhadi, 2020; Nikmah & Hidayati, 2021; Nugroho, 2022). Therefore, sharia-compliant MSME financing must adhere to strict sharia standards, which may limit MSMEs' access to financial resources. Additionally, safeguarding the assets and operations of sharia-compliant MSMEs is a top priority to mitigate business risks in a manner consistent with sharia principles. In the realm of the halal industry, sharia-compliant MSMEs also face increasingly competitive competition and stricter halal standard requirements (Amron et al., 2018; Aprilia et al., 2022; Ramadhani et al., 2023; Ronaldo et al., 2022). Therefore, a deeper understanding of the impact of sharia-compliant funding and insurance protection on the sustainability of sharia-compliant MSMEs in Indonesia becomes increasingly relevant.

To date, scientific research examining the correlation between sharia-compliant funding, insurance protection, and the sustainability of sharia-compliant MSMEs in Indonesia, while considering sharia principles such as *maisir*, *gharar*, and *riba*, remains very limited. In this context, this research aimed at filling the knowledge gap and providing a more comprehensive understanding of how these factors interact within the framework of the halal industry in Indonesia. With a deeper understanding of the relationship between sharia-compliant funding, insurance protection, and the sustainability of sharia-compliant MSMEs, this research is expected to make a significant contribution to supporting the growth and development of sharia-compliant MSMEs in Indonesia. Additionally, this research was also expected to strengthen Indonesia's role in the global halal industry while upholding sharia principles that prohibit usury, gambling, and uncertainty.

Literature Review

Islamic financing plays a significant role in supporting the growth of shariah-compliant SMEs. Previous research, such as (Ramadhani et al., 2023; Rokhim & Octaviani, 2020; Tanin et al., 2023; Widyastuti et al., 2023), indicates that SMEs utilises shariah financing tend to experience more stable and sustainable growth. The main difference from conventional financing lies in the avoidance of usury (interest), which often imposes a heavy financial burden on SMEs. Shariah financing, on the other hand, frequently involves profit-and-loss sharing (mudarabah) and contract-based buy-sell transactions (murabahah), providing equality and fairness in the relationship between business owners and fund providers.

In addition to avoiding usury, shariah financing also reflects ethical and moral values, such as the prohibition of gambling (maisir) and excessive uncertainty (gharar). This creates a more stable and sustainable environment for shariah-compliant SMEs, where risks that often hinder growth can be managed more effectively (Suseno et al., 2023; Yudiansyah et al., 2022). Therefore, further research on the concrete impact of shariah financing on the growth of shariah-compliant SMEs is crucial to support the development of the halal industry in Indonesia and promote economic sustainability in line with shariah principles. Deeper empirical studies on this topic can provide a more comprehensive understanding and robust data to shape sustainable and inclusive economic policies.

The limitations faced by shariah-compliant SMEs in securing funding should be deeply understood within the context of the shariah economy in Indonesia. One of the main issues is the lack of understanding among SME owners regarding shariah financial products and how to access them. Many SMEs do not possess adequate knowledge of the fundamental principles of shariah financing, leading to mistrust and hesitation in utilising shariah financial products as a source of funding (Abid & Jie, 2023; Abras & Jayasinghe, 2023; Ascarya et al., 2023; Butt et al., 2023; Yusfiarto et al., 2023). Therefore, strong education and awareness initiatives are key to addressing these limitations, enabling SMEs to comprehend the benefits and underlying principles of shariah funding.

In addition to the lack of understanding, another challenge faced by SMEs is the difficulty in adhering to shariah compliance requirements. Shariah principles, such as the prohibition of usury, maisir (gambling), and gharar (excessive uncertainty), must be followed in every shariah financial transaction. However, SMEs often struggle to ensure that their operations fully align with these principles. The needed solution is an approach that provides comprehensive guidance and support to SMEs in meeting shariah compliance requirements. With these efforts, these constraints can be overcome, enabling SMEs to more effectively access funding in line with shariah principles, which will contribute to their growth and development in the rapidly growing shariah economy (Georgiadou & Nickerson, 2022; Miah et al., 2023; Muryanto, 2022).

Shariah insurance in business plays a crucial role in safeguarding businesses from risks that could threaten their operational and financial sustainability. In this context, shariah insurance distinguishes itself from conventional insurance with principles consistent with shariah values (Amuda et al., 2022; Poan et al., 2022; Pratiwi & Nofiyasari, 2023). One of the main differences is replacing the concept of usury with the principle of tabarru, where policyholders pay premiums as a form of participation in the spirit of mutual cooperation and social responsibility to share risks. In Shariah insurance, the concept of gharar (excessive uncertainty) is also avoided, with clear and transparent policy provisions, instilling confidence in policyholders regarding what is covered by their policies and how claims will be handled. Thus, shariah insurance is not only a tool to protect businesses from risks but also reflects ethical values and transparency in business operations, making it a suitable choice for shariah-compliant businesses and businesses that value equivalent principles in the insurance industry.

The benefits of sharia insurance protection for Micro, Small, and Medium Enterprises (MSMEs) with sharia principles are highly significant. This protection encompasses various risks such as damage

to goods, fires, or operational losses that can seriously threaten the continuity of MSME businesses. With sharia insurance in place, MSMEs receive the benefit of vital financial protection (Azizah, 2023; Sriani et al., 2023). The aforementioned risks can result in substantial financial losses, and Sharia insurance provides the necessary protection to mitigate the impacts of these risks. This provides peace of mind for MSME owners, as they know they have financial protection in case of unforeseen situations. In the context of MSMEs, which often have limited resources, sharia insurance protection becomes a crucial factor in maintaining the sustainability of their businesses.

In addition to financial benefits, sharia insurance protection also reflects ethical commitment in business. Sharia insurance avoids usurious practices and aims minimising the social and economic impacts arising from risks. Thus, sharia-compliant MSMEs using sharia insurance not only maintain the financial stability of their businesses but also operate with a high level of social responsibility (Bayatrizi, 2023; Hashmi et al., 2023). This aligns with sharia values that respect principles such as excessive uncertainty (*gharar*) and a spirit of mutual cooperation in facing risks. Therefore, the benefits of Sharia insurance protection are not limited to financial aspects alone but also assist MSMEs in preserving the integrity of sharia principles in their business operations, making it a crucial element in supporting the sustainability of sharia-compliant MSMEs.

The dimension of sustainability for Micro, Small, and Medium Enterprises (MSMEs) is an important concept in measuring and analysing the performance of these businesses. Firstly, the financial sustainability dimension involves aspects that describe the financial health of MSMEs. This includes income growth, business profitability, and financial stability. Financial sustainability indicates the ability of MSMEs to generate sustainable income, achieve profitability sufficient to support business operations, and maintain financial stability in the face of economic fluctuations (Sanjaya & Akhyar, 2022; Yudiansyah et al., 2022). In the context of sharia-compliant MSMEs, financial sustainability must also adhere to sharia principles, such as avoiding usurious practices, *maisir*, and *gharar* that are inconsistent with sharia values.

Furthermore, the dimension of social sustainability evaluates the contribution of MSMEs to society and their surrounding communities. MSMEs not only function as business entities but also as agents of social change. This includes job creation, employee training, local empowerment, and corporate social responsibility. Social sustainability reflects the extent to which MSMEs provide a positive impact on the community, empower individuals, and participate in broader social change efforts (Kushwaha et al., 2023). Sharia-compliant MSMEs also have an additional responsibility to promote ethical values in their relationship with the community, making this dimension relevant in the context of sharia-based businesses.

Factors influencing the sustainability of Micro, Small, and Medium Enterprises (MSMEs) are key elements that determine their business performance. Access to sharia-compliant funding is a primary factor in maintaining the sustainability of MSMEs. Sharia-compliant financing, by avoiding usurious practices, provides a solution that enables MSMEs to reduce the financial burdens that often hinder their growth. This opens doors for MSMEs to focus on sustainable business development while adhering to strict sharia principles. In addition to financing, effective risk management also plays a crucial role. MSMEs operate in an environment filled with uncertainty, and good risk management helps them identifying, measuring, and mitigating these risks. In the context of sharia-compliant financing and insurance, risk management includes a deep understanding of business risks and how sharia-compliant products can help reducing or managing these risks. With the right risk management approach, MSMEs can maintain their operational stability and protect the sustainability of their businesses (Sánchez-García et al., 2023).

In the literature related to Islamic micro, small, and medium enterprises (MSMEs), there are several gaps that still need to be addressed. Firstly, the limitation of studies on the interaction of sustainability factors in Islamic MSMEs has led to a lack of comprehensive understanding of how factors

such as funding access and risk management interact. Secondly, there is a lack of emphasis on sustainable Sharia-based business practices, resulting in a limited understanding of how operational sustainability aspects are related to compliance with Sharia principles. Thirdly, the literature has not fully explained the specific contributions of Islamic MSMEs to the Indonesian economy, including their impact on economic growth, job creation, and community empowerment. Fourthly, the lack of studies describing specific challenges faced by Islamic MSMEs in Indonesia has limited the understanding of the necessary regulations, market access, and infrastructure. By addressing these gaps, future research is expected to provide a more holistic understanding of the interaction of factors influencing the sustainability of Islamic MSMEs, as well as how Islamic MSMEs can contribute to economic growth and operational sustainability in Indonesia.

Research Issues and Objectives

In the burgeoning halal industry in Indonesia, Sharia Micro, Small, and Medium Enterprises (MSMEs) are facing a number of challenges that need to be promptly addressed. One of the main challenges faced by sharia MSMEs is the difficulty in obtaining funding that complies with sharia principles, as well as adequate protection for their assets and business operations. In the effort to sustain their businesses, sharia MSMEs are also confronted with a lack of knowledge regarding the correlation between sharia funding, insurance protection, and the factors influencing the continuity of their businesses. These factors are becoming increasingly complex given the intensifying competition within the halal industry, which demands a deep and comprehensive understanding of industry dynamics. In this regard, the need for in-depth research is becoming increasingly important to provide a more comprehensive insight and appropriate solutions to strengthen the position of sharia MSMEs in Indonesia. This comprehensive research is expected to make a significant contribution to the development of the halal industry in Indonesia, while ensuring that the sharia principles that form the foundation of the halal industry remain preserved and respected.

This research aimed to analyse the relationship between sharia SME financing and sharia SME insurance with the sustainability of sharia SMEs in Indonesia. The independent variables being tested are sharia SME financing and sharia SME insurance, while the dependent variable is the sustainability of sharia SMEs in Indonesia. This research is important because the halal industry in Indonesia has significant potential for economic growth, with the majority of the population adhering to the Islamic faith. However, in order to maximise the potential of sharia SMEs, they require support in terms of financing that complies with sharia principles and protection of operational assets. This research is expected to provide a deeper understanding of the role of sharia financing and insurance in supporting the growth of sharia SMEs and strengthening Indonesia's role in the global halal industry while adhering to sharia principles that prohibit usury, gambling, and uncertainty.

Research Hypotheses

Therefore, in addressing the assumptions proposed in the research to be tested through data collection and analysis, hypotheses are required. Hypotheses serve as predictions or conjectures about the relationship between variables in the research to test whether there is a significant relationship between these variables. As follows:

H₁: Shariah SME financing influences the sustainability of Shariah SMEs in Indonesia.

H₂: Shariah SME insurance has an impact on the sustainability of Shariah SMEs in Indonesia.

Research Methodology

This research aim was to investigate the relationship between two independent variables, namely sharia SME financing and sharia SME insurance, with the dependent variable, which is the sustainability of sharia SMEs in Indonesia. In this context, it is important to understand the significance of the halal industry in Indonesia, which has great potential as one of the pillars of the country's economic growth.

The majority of Indonesia's population adheres to the Islamic faith, giving Indonesia a comparative advantage in developing products and services that adhere to sharia principles. The halal industry encompasses key sectors such as food, beverages, cosmetics, pharmaceuticals, and tourism, which are crucial for economic growth.

This research explored the correlation between sharia funding, insurance protection, and the sustainability of Islamic micro, small, and medium enterprises (MSMEs) in Indonesia, which served as the hub of the global halal industry. With a population of over 270 million, the majority of whom adhere to the Islamic faith, Indonesia has great potential to develop products and services in accordance with sharia principles. However, there is still limited adequate literature on the intricate interplay of these factors. Considering crucial aspects such as *maisir*, *gharar*, and *riba*, this research aims to fill this knowledge gap and provide a comprehensive understanding of the interaction of these factors. Thus, this research was expected to make a significant contribution in supporting the growth of Islamic MSMEs in Indonesia while reinforcing the country's role in the global halal industry, while adhering to strict sharia principles.

Sample

The research sample consisted of 244 respondents who were owners of sharia SMEs in the East Java region, Indonesia. These respondents were randomly selected from the list of registered sharia SMEs in that area. The sample in this research was chosen using a random sampling method from the population of sharia SMEs in the East Java region, Indonesia. The overall population of this study comprised all registered sharia SMEs in that area. This method provided a strong foundation for generalising the research findings to the population of sharia SMEs in the East Java region. By employing a random sampling method, this research ensures that the selected sample is representative and free from significant bias. The research results can be relied upon to provide a better understanding of the relationship between sharia SME financing, sharia SME insurance, and the sustainability of sharia SMEs in this region. These research findings were likely to have broader applicability in the context of sharia SMEs in Indonesia and may also have valuable implications in supporting the growth of the halal industry at the national level.

Instrument and Procedures

In the data collection procedure for this research, a specifically designed questionnaire was used as the primary instrument. This questionnaire contained carefully formulated statements to measure the perceptions and views of the respondents regarding the research-focused variables. To assess each statement, respondents were asked to provide responses using a Likert scale with five available options. Data collection was carried out through the distribution of questionnaires to sharia based MSME owners in the East Java region. Each respondent was provided with a questionnaire along with clear and detailed instructions for completion to ensure uniformity and clarity in the questionnaire filling process.

Data Analysis

The collected data will be analysed using the *statistical software* SPSS Version 25.0. Data analysis included regression analysis and descriptive statistical analysis. The results of the analysis were used to address the research questions and test the proposed hypotheses. Data analysis provided insights into how sharia SME financing and sharia insurance protection can impact the sustainability of sharia SMEs in the East Java region, as well as identify the factors that play a role in this relationship.

In the context of this research, the conceptual framework involved several key components. Firstly, an understanding of the fundamental concept of Sharia-based micro, small, and medium enterprises (MSMEs), the underlying Sharia principles, and how MSMEs operate in the context of the global halal industry in Indonesia is crucial. Furthermore, a deep understanding of the concept of Sharia funding and Sharia insurance protection is also necessary, including the principles governing both and

how they can contribute to the sustainability of Sharia-based MSMEs. In the development of the conceptual framework, relevant theories that need to be considered include Islamic finance theory, Sharia risk management theory, and Sharia business sustainability theory. These theories will aid in understanding the key aspects involved in the development and sustainability of Sharia-based MSMEs, as well as how Sharia funding and Sharia insurance protection can serve as instruments supporting business growth and continuity. The interrelationship between the concept of Sharia-based MSMEs, Sharia funding, Sharia insurance protection, and the Sharia principles prohibiting usury, gambling, and uncertainty should be elucidated within the conceptual framework.

It is important highlighting a holistic understanding of the interaction between these factors to achieve the desired sustainability of Sharia-based MSMEs. By strengthening the conceptual framework with relevant theories and identifying clear connections between the concepts and the factors involved, the research is expected to yield a comprehensive understanding of how Sharia funding, Sharia insurance protection, and Sharia principles as a whole influence the sustainability of Sharia-based MSMEs in Indonesia. This will aid in formulating appropriate recommendations to strengthen the role of Sharia-based MSMEs in the global halal industry, while adhering to strict Sharia principles. Thus, the framework of thought in this research is as follows:

Figure 1

Conceptual Framework



Research Results

Shariah SME Financing is a key factor in driving inclusive economic growth in Indonesia. The focus of this research was to uncover the vital sources of funding for shariah-based SMEs. Furthermore, the role of Islamic banking, microfinance institutions, and sharia venture capital in supporting the growth of the SME sector, in line with the research objective to gain a more comprehensive understanding of the impact of the contribution of Sharia financial institutions in Indonesia towards the development of SMEs in East Java. The aim is to understand the contribution of each of these entities in facilitating funding for shariah-based SMEs. These funding sources have significant implications for the sustainability of shariah-based SMEs. This research identified how these funding sources impact the development and competitiveness of shariah-based SMEs in Indonesia. With the knowledge gained from this research, it is expected to formulate better policies for the government, financial institutions, and businesses to support the growth of the shariah SME sector, ultimately advancing a more inclusive economy in Indonesia.

Sharia-based SME insurance plays a crucial role in maintaining the stability of small and micro businesses. This research aims to uncover the significant role of insurance in the context of sharia-based SMEs. This encompasses loss, health, and property insurance, as well as their impact on micro and small businesses. The research also evaluates the contribution of insurance in protecting businesses from economic risks, such as market fluctuations and natural disasters. The research findings are expected to provide insights for sharia-based SMEs, the government, and financial institutions to utilise insurance as a vital instrument in maintaining the stability of micro and small businesses in a dynamic economic environment.

This research aimed to delve into the dynamics of the sharia-based SME sector in Indonesia comprehensively. Funding, insurance, and sustainability factors will be examined in the overall context. The results of this research are expected to provide better guidance to stakeholders such as the government, financial institutions, and business entities to support the development of the sharia-based

SME sector in the future. By uncovering the dynamics of sharia-based SMEs, this research aims to create an environment conducive to long-term growth, thereby contributing to the development and sustainability of the sector in the future. This success is key to achieving inclusive and sustainable economic growth in Indonesia.

Table 1

Product Moment Correlation

Indicator	Calculated	Calculated	Note
	r_{value}	$r_{table} = 0,170$	
Shariah-based SME Financing:			
<i>Compliance with Sharia Principles</i>	0.420	$r_{count} > r_{table}$	Valid*
<i>Financial Flexibility</i>	0.551	$r_{count} > r_{table}$	Valid*
<i>Interest Rate or Return</i>	0.442	$r_{count} > r_{table}$	Valid*
<i>Belief in Riba Practices</i>	0.627	$r_{count} > r_{table}$	Valid*
<i>Funding Tenure</i>	0.743	$r_{count} > r_{table}$	Valid*
Shariah-based SME Insurance:			
<i>Effectiveness of Protection</i>	0.763	$r_{count} > r_{table}$	Valid*
<i>Affordability of Premiums</i>	0.604	$r_{count} > r_{table}$	Valid*
<i>Peace of Mind</i>	0.541	$r_{count} > r_{table}$	Valid*
<i>Excessive Uncertainty</i>	0.642	$r_{count} > r_{table}$	Valid*
<i>Claim Experience</i>	0.592	$r_{count} > r_{table}$	Valid*
Sustainability of Shariah-based SMEs:			
<i>The Financial Sustainability of Shariah SME Businesses</i>	0.656	$r_{count} > r_{table}$	Valid*
<i>The Profitability of Shariah SME Businesses</i>	0.616	$r_{count} > r_{table}$	Valid*
<i>Financial Stability of Shariah SME Businesses</i>	0.821	$r_{count} > r_{table}$	Valid*
<i>Contribution of Shariah SME Businesses</i>	0.776	$r_{count} > r_{table}$	Valid*
<i>Efforts of Shariah SME Businesses</i>	0.800	$r_{count} > r_{table}$	Valid*

*. Correlation is significant at the 0.05 level (2-tailed).

**. Correlation is significant at the 0.01 level (2-tailed).

Source: Processed data, researchers from IBM SPSS Statistics Version 25.0.

Based on the table above, the results of the correlation analysis provided insights into the relationship between shariah SME financing, shariah insurance protection, and the sustainability of shariah SMEs in the halal industry. In the context of shariah SME financing, the findings indicated that aspects such as adherence to shariah principles, financial flexibility, interest rates or returns, beliefs regarding riba practices, and funding duration have a positive impact on the sustainability of shariah SME businesses. This suggests that funding sources in line with shariah principles can play a role as drivers of sustainable growth. Meanwhile, regarding shariah insurance protection, the findings highlight that the effectiveness of protection, affordability of premiums, peace of mind, excessive uncertainty, and the experience of shariah insurance claims also make a positive contribution to the sustainability of shariah SME businesses. Good shariah insurance protection can provide the necessary financial security in addressing business risks, thereby supporting operational continuity (Hailu & Tekdoğan 2023; Lawhaishy & Othman, 2023; Maulida et al., 2023; Purwidiyanti et al., 2023).

On the other hand, the analysis results related to the sustainability of shariah SMEs depict that financial sustainability, profitability, financial stability, business contributions to society, and business efforts in developing products and services all exhibit a significant positive correlation with shariah SME financing and shariah insurance protection factors. This indicates that shariah SMEs that adhere to practices in line with shariah principles have better opportunities to achieve robust business sustainability. These findings provide a deeper understanding of the importance of shariah-compliant financing and shariah insurance protection in supporting the growth and sustainability of shariah SMEs in the halal industry in Indonesia. Consequently,

shariah SMEs have the opportunity to contribute more to the community and society at large while upholding the integrity of shariah principles that prohibit usury, gambling, and excessive uncertainty.

Table 2

Interpretation of Research Results

Models	Minimal	Maximal	μ	σ
Shariah-based SME Financing	58.0	634.0	213.622	21.6576
Shariah-based SME Insurance	64.0	739.0	298.572	22.7621
Sustainability of Shariah-based SMEs	67.0	773.0	303.681	25.2722
Valid N (<i>listwise</i>)	244			
Cronbach's Alpha				893 ^a
Classical Assumptions		Shariah-based SME Financing	Shariah-based SME Insurance	Intercept Model
Asymp. Sig. (<i>2-tailed</i>)		.301 ^c	.098 ^c	
Durbin Watson				2.472
Variance Inflation Factor		1.378	1.378	
Adjusted R ²				.744
F-calculated				3.998
p-value F-calculated				.004 ^b
Coefficients	β-value	Std. Error	t-statistic	α
Constant	310.191	45.571		
Shariah-based SME Financing	2.214	.435	2.369	.003
Shariah-based SME Insurance	2.809	.899	3.003	.000

Test distribution is Normal, Calculated from data, Lilliefors Significance Correction, Predictors: (Constant), Shariah-based SME Financing, Shariah-based SME Insurance and Dependent Variable: Sustainability of Shariah-based SMEs

*Note: *, ** indicates significance at 1% and 5%.*

Source: Processed data, researchers from IBM SPSS Statistics Version 25.0.

The table above illustrates the values obtained from the analysis, encompassing the mean (μ), standard deviation (σ), Cronbach's alpha, Classical assumption tests, F-calculated value, F-calculated p-value, and regression coefficients (β -value, Std. Error, t-statistic, and α) for each variable in the model. All of these values provide crucial insights into comprehending the results of the regression analysis, as follows:

Firstly, in the context of shariah SME financing, significant variations were found in the levels of funding provided to shariah SMEs in East Java. The data indicates a wide range of values, with a minimum of 58.0 and a maximum of 634.0, along with an average (μ) of approximately 213.622 and a standard deviation (σ) of about 21.6576. This variation suggests that shariah SMEs in the region have diverse access to funding, and some may receive larger amounts of funding compared to others. Secondly, concerning shariah SME insurance, the findings reveal a similar variation. The data shows a minimum value of 64.0 and a maximum of 739.0, with an average (μ) of around 298.572 and a standard deviation (σ) of approximately 22.7621. This indicates that shariah SMEs also experience variability in the levels of insurance protection they possess. Some shariah SMEs may have higher levels of insurance coverage, while others may have lower levels of protection. Thirdly, in the context of the sustainability of shariah SMEs, the data demonstrates significant variation in the levels of business sustainability among these SMEs. The range of values spans from a minimum of 67.0 to a maximum of 773.0, with an average (μ) of approximately 303.681 and a standard deviation (σ) of about 25.2722. This illustrates the diversity in financial and operational sustainability among shariah SMEs in East Java.

The classical assumption tests in the regression analysis indicate that the regression model used in this study is valid and reliable. The heteroskedasticity test shows that there is no significant evidence supporting heteroskedasticity issues in the model, with an *asymptotic 2-tailed* significance value greater than the alpha level of 0.05. The Durbin Watson value of approximately 2.472 suggests the absence of positive autocorrelation in the data, which is crucial in regression analysis. Furthermore, the variance inflation factor values of around 1.378 for both independent variables indicate the absence of multicollinearity issues in the model. The high Adjusted R² of approximately 0.744 indicates that this model is effective in explaining the variation in the

dependent variable, the sustainability of shariah SMEs. The overall statistical test with an $F_{\text{calculated}}$ value of about 3.998 and an $F_{\text{calculated}} p\text{-value}$ of 0.004^b confirms that the independent variables have a significant impact on the dependent variable. These results provide a strong foundation for interpreting the regression outcomes and the conclusions of this research.

The results of the regression analysis indicate a significant influence of shariah SME financing and shariah SME insurance variables on the sustainability of shariah SMEs in East Java. The constant in the model suggests that without these two independent variables, the sustainability of shariah SMEs has a value of approximately 310.191. The shariah SME financing variable has a significant positive impact on the sustainability of shariah SMEs with a coefficient (β) of approximately 2.214, and the shariah SME insurance variable also has a significant positive impact with a coefficient (β) of about 2.809. The low α values for both variables (0.003 and 0.000) affirm their statistical significance. In other words, the higher the shariah SME financing and shariah SME insurance that SMEs possess, the higher their level of business sustainability in East Java. These findings underscore the crucial role of shariah financing and insurance protection in supporting and enhancing the sustainability of shariah SMEs in the region, providing valuable insights for stakeholders in the halal and shariah industries.

Research Limitations

It is important noting that this research was limited to East Java, a geographical region that may have unique characteristics that do not fully represent the situation in other areas. This may affect the extent to which the findings of this research can be broadly applied to the larger population in Indonesia. Additionally, the limited sample size may constrain the generalisation of the findings, as the obtained findings may not fully reflect the situation in the overall population. Therefore, it is necessary to ensure the validity and broader generalisation of these findings, aiming to strengthen the knowledge base on the interconnection between the variables under study and provide a more holistic understanding of the factors contributing to the sustainability of Sharia-based SMEs nationally and internationally.

Discussion

The results of the statistical analysis indicated that shariah-based SME funding significantly influenced the sustainability of shariah-based SMEs in Indonesia. This is supported by a $T_{\text{statistic}}$ value of 2.369 at a significance level of the constant (α) = 0.003 < $p\text{-value}$ 0.05. In this context, since the constant (α) was smaller than the $p\text{-value}$, it can be concluded that shariah-based SME funding has a significant impact on the sustainability of shariah-based SMEs in Indonesia. Funding for shariah-based MSMEs can be considered the primary catalyst in driving the growth of shariah-based MSMEs in Indonesia. With a funding source that aligns with shariah principles, shariah-based MSMEs can expand their operations, increase production capacity, and develop their businesses more effectively. This will help boost the income and profits of shariah-based MSMEs, which, in turn, will support the sustainability of their businesses. This is in line with the findings of research conducted by (Deku et al., 2023).

Furthermore, shariah-based MSMEs receiving shariah-compliant funding can avoid the often-high interest burdens in the conventional financial system. Consequently, they have access to funds without the need to pay interest, enabling them to maintain a healthier cash flow. Additionally, financial risks often associated with interest rate fluctuations can be minimised, thereby helping to maintain the financial stability of shariah-based MSMEs. This is supported by research findings conducted by (Prasojo et al., 2023). Subsequently, shariah finance principles, such as avoiding usury and gambling, as well as applying the principle of gharar, promote high business ethics. shariah-based MSMEs that operate in accordance with Islamic ethical values can build strong trust with their customers and business partners. This trust can assist in retaining and attracting customers, as well as fostering beneficial long-term relationships. This is in line with research findings conducted by (Widyastuti et al., 2021).

Shariah-compliant MSMEs adhering to the principles of Islamic finance are regarded as agents who are obedient to the teachings of Islam. This helps them maintaining blessings in their businesses and ensuring that

all transactions they undertake are halal (permissible). By conducting their business in accordance with religious principles, shariah-based MSMEs also cultivate a strong connection with Allah (God), which is an essential aspect of sustaining their businesses. Sustainable shariah-based MSMEs have a positive impact on Indonesia's economic and social growth. They create job opportunities, support the local economy, and contribute to poverty alleviation. Furthermore, by applying Shariah principles, they can also provide positive social and environmental benefits.

The results of statistical analysis indicate that shariah-based MSME insurance significantly influences the sustainability of shariah-based MSMEs in Indonesia. This is supported by a $T_{\text{-statistic}}$ value of 3.003 at a significance level of the constant (α) = 0.000 < $p_{\text{-value}}$ of 0.05. In this context, since the constant (α) is smaller than the $p_{\text{-value}}$, it can be concluded that shariah-based MSME insurance has a significant impact on the sustainability of shariah-based MSMEs in Indonesia. Shariah-based MSME insurance provides crucial financial protection for shariah-based MSMEs in Indonesia. In unexpected situations such as natural disasters, fires, or other damages, this insurance helps safeguard the assets and working capital of shariah-based MSMEs. Consequently, businesses can continue to operate and receive compensation for potential losses, which is highly important for maintaining business continuity. This is supported by research findings conducted by (Candra Sari et al., 2022).

Furthermore, shariah-based MSME insurance also aids shariah-based MSMEs in better risk management. By paying insurance premiums, shariah-based MSMEs can transfer the risks associated with potential losses to the insurance company. This enables shariah-based MSMEs to concentrate on business development without the need to worry about financial risks that could jeopardize their operational continuity. This aligns with the research findings conducted by (Bayatrizi, 2023). Furthermore, the adoption of shariah-based MSME insurance can also assist shariah-based MSMEs in gaining greater access to financing and investment. Shariah-compliant financial institutions and investors are inclined to favour businesses that have secured insurance in line with shariah principles. This can help shariah-based MSMEs enhance their access to additional capital for business growth and development. This is supported by research findings conducted by (Sukmana et al., 2023).

The sustainability of shariah-based MSMEs is also influenced by their commitment to operate in accordance with shariah principles. Shariah-based MSME insurance supports adherence to shariah values by ensuring that the insurance does not contain elements of usury, gambling, or ambiguity (*gharar*), in line with Islamic business ethics. This can also enhance consumer trust and strengthen relationships within the Muslim community. The sustainability of shariah-based MSMEs has broader implications for the Indonesian economy and society. Sustainable businesses create job opportunities, boost income, and contribute to poverty alleviation. Shariah-based MSME insurance aids in mitigating financial risks that can threaten businesses, ultimately enhancing the contribution of shariah-based MSMEs to the social and economic development of the country.

Therefore, the results of this analysis can serve as a basis for the development of better policies to support shariah-based MSMEs in Indonesia. The government and relevant institutions can consider expanding access to Shariah-based funding sources, providing training and guidance to support sustainable business management, and offering incentives or initiatives to promote the adoption of shariah-based MSME insurance as part of the MSME sector development strategy. This can help ensure better financial protection and sustainable growth for shariah-based MSMEs in Indonesia. Funding sources and shariah-based MSME insurance are not only protective tools but also supportive factors for the sustainability of shariah-based MSMEs in Indonesia.

Conclusions and Implications

Based on the presented research findings, it is important realising that Sharia-based funding plays a crucial role in supporting the sustainability of Sharia-based SMEs in Indonesia. With funding that adheres to Sharia principles, SMEs can effectively expand their businesses, enhance production capacity, and broaden

their operations. The direct impact can be seen in the increased income and profits that lead to the sustainability of their businesses. Additionally, the adopted principles of Sharia finance also enable SMEs to build strong relationships with their customers and business partners. This strong trust is key in retaining and attracting customers, as well as nurturing beneficial long-term relationships. In line with this, SMEs that firmly adhere to Sharia principles not only strengthen financial aspects but also maintain blessings in their business operations, which in turn ensure that every transaction conducted is halal and in accordance with Islamic ethics.

It is also important to understand that Sharia-based insurance plays a significant role in mitigating financial risks that can threaten the operational continuity of Sharia-based SMEs in Indonesia. Besides providing financial protection against unforeseen losses, Sharia-based insurance assists SMEs in transferring risks related to potential losses to the insurance company. This allows SMEs focussing more on business development without worrying about financial risks that could disrupt their operations. Furthermore, the implementation of Sharia principles in insurance also strengthens consumer trust and enhances relationships within the Muslim community. The sustainability of Sharia-based SMEs not only has a positive impact on the economy and society of Indonesia but also creates employment opportunities, increases income, and contributes to sustainable poverty alleviation efforts.

Overall, Sharia-based funding and insurance play a crucial role in supporting the growth and sustainability of Sharia-based SMEs in Indonesia, not only by providing essential financial protection but also by building consumer trust, strengthening business relationships, and ensuring blessings in business operations according to Islamic principles. By prioritizing the implementation of Sharia principles, as well as policy measures supporting access to Sharia-based funding and insurance, it is expected that Sharia-based SMEs in Indonesia will continue to significantly contribute to sustainable economic growth and increased community welfare.

Suggestions for Future Research

For future research that is more detailed, first and foremost, it is recommended to conduct a regional comparative study involving several regions in Indonesia or even countries with similar contexts. Such research can identify differences and similarities in factors influencing the sustainability of Sharia-based SMEs in various locations, allowing for the development of more precise strategies tailored to local needs. Next, research can expand the scope of variables by considering external factors such as economic conditions, government regulations, and industry trends that may impact Sharia-based SMEs. Internal variables such as SME size, age, and business type can also be integrated into the analysis to better understand the characteristics influencing sustainability.

It is also important to take time into consideration by designing longitudinal research that allows for an understanding of long-term trends and changes. Additionally, experimental or quasi-experimental research can be used to examine the causal relationship between Sharia-based SME financing, Sharia-based SME insurance, and Sharia-based SME sustainability in more detail. Involving stakeholders such as Sharia-based SME owners, financing institutions, and insurance companies in the research can provide deeper and practical insights into the challenges and opportunities faced by Sharia-based SMEs. This research could include interviews, focus group discussions, or other participatory methods.

In addition to quantitative analysis, the incorporation of qualitative approaches can provide a more holistic understanding of social and cultural factors influencing Sharia-based SME sustainability, such as owner preferences and relationships with the local community. Finally, research should delve deeper into Sharia-based SME insurance coverage, including the types of coverage most needed by SMEs, factors influencing insurance selection, and the impact of insurance protection on SME sustainability. Thus, future research can provide a deeper and more valuable understanding to support the development and sustainability of Sharia-based SMEs in various contexts.

Acknowledgements

None.

Conflict of Interest

None.

Funding

The Authors received no funding for this research.

References

- Abid, A., & Jie, S. (2023). Understanding farmers' decision-making to use Islamic finance through the lens of theory of planned behavior. *Journal of Islamic Marketing*, 14(4), 1084–1106. <https://doi.org/10.1108/JIMA-10-2020-0324>
- Abras, A., & Jayasinghe, K. (2023). Competing institutional logics and power dynamics in Islamic financial reporting standardisation projects. *Accounting, Auditing & Accountability Journal*, 36(1), 238–266. <https://doi.org/10.1108/AAAJ-03-2020-4487>
- Amron, Usman, & Mursid, A. (2018). Buying decision in the marketing of Sharia life insurance (evidence from Indonesia). *Journal of Islamic Marketing*, 9(2), 370–383. <https://doi.org/10.1108/JIMA-02-2017-0013>
- Amuda, Y. J., Sundaram, R. S., Muniandy, K., Vanarajah, S., & Letchumanan, K. (2022). Application of Takaful (Islamic insurance) surplus as an Islamic financial instrument for needy students in Malaysia. *Journal of Legal, Ethical and Regulatory Issues*, 25(1), 1-9.
- Aprilia, R., Mahri, A. J. W., & Cakhyanu, A. (2022). Efficiency of Sharia life insurance in Indonesia and Malaysia: The effect of profitability and firm size. *Indonesian Journal of Economics and Management*, 3(1), 1–16. <https://doi.org/10.35313/ijem.v3i1.4642>
- Ascarya, A., Husman, J. A., & Tanjung, H. (2023). Determining the characteristics of waqf-based Islamic financial institution and proposing appropriate models for Indonesia. *International Journal of Ethics and Systems*, 39(1), 143–164. <https://doi.org/10.1108/IJOES-01-2022-0001>
- Azizah, S. N. (2023). The adoption of FinTech and the legal protection of the digital assets in Islamic/Sharia banking linked with economic development: A case of Indonesia. *The Journal of World Intellectual Property*, 26(1), 30–40. <https://doi.org/10.1111/jwip.12257>
- Bayatrizi, Z. (2023). Risk, religion, and reified camels: the past and the future of insurance in Iran. *Journal of Risk Research*, 26(4), 380–392. <https://doi.org/10.1080/13669877.2023.2187434>
- Berguiga, I., & Adair, P. (2021). Funding female entrepreneurs in North Africa: Self-selection vs discrimination? MSMEs, the informal sector and the microfinance industry. *International Journal of Gender and Entrepreneurship*, 13(4), 394–419. <https://doi.org/10.1108/IJGE-10-2020-0171>
- Butt, H. A., Sadaqat, M., & Shear, F. (2023). Does Islamic financial development foster economic growth? International evidence. *Journal of Islamic Accounting and Business Research*, 14(6), 1013–1029. <https://doi.org/10.1108/JIABR-10-2022-0267>
- Candra Sari, R., Rika Fatimah, P. L., Ilyana, S., & Dwi Hermawan, H. (2022). Augmented reality (AR)-based sharia financial literacy system (AR-SFLS): A new approach to virtual sharia financial socialization for young learners. *International Journal of Islamic and Middle Eastern Finance and Management*, 15(1), 48-65. <https://doi.org/10.1108/IMEFM-11-2019-0484>

- Caniago, M. A. I. (2023). Strategic management of Islamic banking in Indonesia to increase market share. *Journal of Islamic Economic and Business Studies*, 1(1), 1–19. <https://businessandfinanceanalyst.com/index.php/JIEBS/article/view/3>
- Deku, W. A., Wang, J., & Das, N. (2023). Innovations in entrepreneurial marketing dimensions: Evidence of Halal food SMES in Ghana. *Journal of Islamic Marketing*, 14(3), 680–713. <https://doi.org/10.1108/jima-03-2021-0098>
- Fernando, Y., Ahmad Jasmi, M. F., Wahyuni-TD, I. S., Mergeresa, F., Khamis, K. A., Fakhrorazi, A., & Omar, R. (2023). Supply chain integration and halal frozen meat product returns. *Journal of Islamic Marketing*, 14(5), 1369–1395. <https://doi.org/10.1108/JIMA-05-2021-0144>
- Georgiadou, E., & Nickerson, C. (2022). Marketing strategies in communicating CSR in the Muslim market of the United Arab Emirates: Insights from the banking sector. *Journal of Islamic Marketing*, 13(7), 1417–1435. <https://doi.org/10.1108/JIMA-09-2020-0274>
- Hailu, S. M., & Tekdoğan, Ö. F. (2023). Ensuring the compliance of Islamic finance applications with Shariah principles in Ethiopia: The way forward. *Hitit İlahiyat Dergisi*, 22(1), 139–168. <https://doi.org/10.14395/hid.1247875>
- Hashmi, H. A., Aziz, Q., Hina, R., Ullah, I., Wahab, A., & Khan, F. I. (2023). Health insurance in Islamic Sharia and its contemporary applications. *Qualitative Research*, 23(1), 103–112. <https://qualitative-researchjournal.com/index.php/view/article/view/48>
- Israhadi, E. I. (2020). Implementation of investment funds sharing agreement in Sharia banking system in Indonesia. *Diponegoro Law Review*, 5(1), 77–91. <https://doi.org/10.14710/dilrev.5.1.2020.77-91>
- Kushwaha, H., Mishra, S. K., & Kumar, M. (2023). Management of litigation risk by Indian MSMEs. *Journal of Financial Services Marketing*, 28, 321–336. <https://doi.org/10.1057/s41264-022-00153-0>
- Lawhaishy, Z. B., & Othman, A. H. A. (2023). Introducing an Islamic equity-based microfinance models for MSMEs in the State of Libya. *Qualitative Research in Financial Markets*, 15(1), 1–28. <https://doi.org/10.1108/QRFM-01-2021-0017>
- Lestari, F., Kurniawan, R., Arifin, J., Yasir, M., & Muhammad Saleh, M. (2023). An integrated framework for the measurement of halal good manufacturing practices on the case of SMEs in the food sector. *Journal of Islamic Marketing*, 14(1), 82–105. <https://doi.org/10.1108/JIMA-04-2021-0105>
- Maulida, M. A., Hidayah, N., & Rosyadi, I. (2023). Factors influencing SME financing: Case in Indonesian Islamic bank. *Bukhori: Kajian Ekonomi dan Keuangan Islam*, 2(2), 123–131. <https://doi.org/10.35912/bukhori.v2i2.2017>
- Miah, M. G., Islam, M. R., Roy, J., Rahman, M. M., & Abdullah, H. M. (2023). A changing coastal ecosystem: Cox's Bazar in south-eastern coastal region of Bangladesh. *Environment, Development and Sustainability*, 25(7), 6141–6165. <https://doi.org/10.1007/s10668-022-02297-4>
- Muryanto, Y. T., Kharisma, D. B., & Ciptorukmi Nugraheni, A. S. (2022). Prospects and challenges of Islamic fintech in Indonesia: A legal viewpoint. *International Journal of Law and Management*, 64(2), 239–252. <https://doi.org/10.1108/IJLMA-07-2021-0162>
- Nikmah, S. K., & Hidayati, A. N. (2021). The effect of Sharia monetary transmission on Murabahah financing in Sharia banks in Indonesia. *Indonesian Economic Review*, 1(1), 30–38. <https://iconev.org/index.php/ier/article/view/5>

- Nugroho, L. (2022). The relationship between Maqasid Sharia and profitability ratio in Islamic banking industries performance. *Sosyoekonomi*, 30(53), 243–259. <https://doi.org/10.17233/sosyoekonomi.2022.03.13>
- Poan, R., Merizka, V. E., & Komalasari, F. (2022). The importance of trust factor in the intentions to purchase Islamic insurance (takaful) in Indonesia. *Journal of Islamic Marketing*, 13(12), 2630–2648. <https://doi.org/10.1108/JIMA-01-2021-0026>
- Prasojo, P., Yadiati, W., Fitrijanti, T., & Sueb, M. (2023). Exploring the relationship between intellectual capital and maqasid sharia-based performance: The moderating role of sharia governance. *Journal of Islamic Marketing*, 14(8), 2130–2146. <https://doi.org/10.1108/JIMA-07-2021-0226>
- Pratiwi, P. D., & Nofiyasari, M. (2023). Financial performance of Sharia life insurance companies in Indonesia. *Journal of Management and Business Insight*, 1(1), 1-9. <https://doi.org/10.22515/jifa.v5i1.5353>
- Purwidiyanti, W., Pramuka, B. A., Laksana, R. D., & Wiwiek, R. A. (2023). Maqāsid entrepreneurial finance: An Islamic approach to small business capital structure theory. *ISRA International Journal of Islamic Finance*, 15(3), 25–45. <https://doi.org/10.55188/ijif.v15i3.609>
- Ramadhani, T. A., Rahma, T. I. F., & Harahap, M. I. (2023). The factors affecting surplus underwriting of Tabarru funds in Sharia life insurance companies. *Indonesian Journal of Economics and Management*, 3(3), 646–658. <https://doi.org/10.35313/ijem.v3i3.5071>
- Rokhim, R., & Octaviani, I. (2020). Is there a Ramadhan effect on Sharia mutual funds? Evidence from Indonesia and Malaysia. *International Journal of Islamic and Middle Eastern Finance and Management*, 13(1), 135–146. <https://doi.org/10.1108/IMEFM-04-2019-0147>
- Ronaldo, R., Maulini, Y., Darmansyah, D., Rahmat, A., & Mirnawati, M. (2022). Development of risk management to Sharia insurance business in Indonesian market. *Saintekno: Jurnal Sains dan Teknologi*, 20(2), 74–82. <https://journal.unnes.ac.id/nju/index.php/saintekno/article/view/41465>
- Sánchez-García, J. Y., Núñez-Ríos, J. E., López-Hernández, C., & Rodríguez-Magaña, A. (2023). Modeling organizational resilience in SMEs: a system dynamics approach. *Global Journal of Flexible Systems Management*, 24(1), 29–50. <https://doi.org/10.1007/s40171-022-00322-z>
- Sanjaya, Y. P. A., & Akhyar, M. A. (2022). Blockchain and smart contract applications can be a support for Msme supply chain finance based on Sharia crowdfunding. *Blockchain Frontier Technology*, 2(1), 44–49. <https://doi.org/10.34306/bfront.v2i1.108>
- Sriani, E., Hasan, F., & Ma'mun, S. (2023). Violation of human right for collateral fraud in Sharia financial institution based on fiduciary guaranty law and Rahn law. *JURIS (Jurnal Ilmiah Syariah)*, 22(1), 133–143. <http://dx.doi.org/10.31958/juris.v22i1.9157>
- Sukmana, R., Trianto, B., & Zaimsyah, A. M. (2023). Determinant factor of crowdfunders' behavior in using crowdfunding waqf model in Indonesia: Two competing models. *Journal of Islamic Marketing*, 14(7), 1793–1816. <http://dx.doi.org/10.1108/JIMA-08-2021-0246>
- Suseno, B., Sutisna, S., Hidayat, S., & Basrowi, B. (2023). Halal supply chain and halal tourism industry in forming economic growth. *Uncertain Supply Chain Management*, 11(4), 1433–1440. <https://doi.org/10.5267/j.uscm.2023.8.003>

- Syamsurrijal, M., Nurmandi, A., Jubba, H., Hidayati, M., Qodir, Z., & Abdulloh, I. (2023). From decision making to practice: Economic growth on Halal tourism policies based on Sharia regulation in Lombok, Indonesia. *Journal of Environmental Management & Tourism*, 14(4), 2127–2139. [https://doi.org/10.14505/jemt.v14.4\(68\).24](https://doi.org/10.14505/jemt.v14.4(68).24)
- Tanin, T. I., Ahmad, A. U. F., & Muneeza, A. (2023). Shariah-compliant equities and Shariah screening: Need for convergence of ethical screening of stocks with Shariah screening. *International Journal of Emerging Markets*, 18(2), 296–315. <https://doi.org/10.1108/IJOEM-09-2020-1041>
- Widyastuti, U., Febrian, E., Sutisna, S., & Fitrijanti, T. (2021). Market discipline in the behavioral finance perspective: a case of Sharia mutual funds in Indonesia. *Journal of Islamic Accounting and Business Research*, 13(1), 114–140. <https://doi.org/10.1108/JIABR-06-2020-0194>
- Widyastuti, U., Febrian, E., Sutisna, S., & Fitrijanti, T. (2023). Could the theory of planned behaviour explain market discipline in Sharia mutual funds?. *Australasian Accounting, Business and Finance Journal*, 17(4), 3–20. <http://dx.doi.org/10.14453/aabfj.v17i4.02>
- Yudiansyah, S., Srinita, S., Suriani, S., & Eddy, G. (2022). Does Sharia Banking have the Capability to Increase Micro, Small and Medium Enterprises Financing?. *International Journal of Finance, Economics and Business*, 1(4), 250-264. <https://doi.org/10.56225/ijfeb.v1i4.91>
- Yusfiarto, R., Nugraha, S. S., Mutmainah, L. L., Berakon, I., Sunarsih, S., & Nurdany, A. (2023). Examining Islamic capital market adoption from a socio-psychological perspective and Islamic financial literacy. *Journal of Islamic Accounting and Business Research*, 14(4), 574–594. <https://doi.org/10.1108/JIABR-02-2022-0037>