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SMEs Halal Operators and Islamic Financial Planning

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ABSTRACT

Small medium-sized enterprises (SMEs) in Malaysia are expected to contribute more than 40% to country's gross domestic product (GDP) by 2020. High demand for halal products and services further increases the role of SMEs in the economy. Thus, SMEs are urged to get halal certification to seize lucrative opportunities in the global halal sectors. To ensure that the whole production process is halal, SMEs halal operators are to apply Islamic financial planning not only in production process but also in the source of financing and investing activity. This study explores the knowledge, acceptance and application of Islamic financial planning among SMEs halal operators in Selangor. The findings suggest that there are significant relationship between knowledge, acceptance and application of Islamic financial planning among SMEs halal operators in Selangor. This relationship recognizes the importance of knowledge and practice of Islamic financial planning among SMEs halal operators to promote halal products and services and to boost demand for Malaysian halal products image at the international level.

Keywords: *Halal products and services, Islamic financial planning, SMEs*