Implementation of Financial Management at PT Mahkota Abadi Bogor (Sharia Financial Management Analysis)

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Abstract

The purpose of this research is to determine the management functions at PT Mahkota Abadi in Bogor, and to analyze the functions of sharia financial management at PT Mahkota Abadi in Bogor. This research method is descriptive qualitative with a phenomenological approach, research data is obtained from primary data, namely sources in the company which include managers, department heads and company employees, secondary data comes from company data or financial reports. The data analysis techniques used are data reduction techniques, data presentation, and drawing conclusions. The results of this research are that PT Mahkota Abadi implements management functions well in the company, as seen in the performance of its employees who already understand their duties and responsibilities, as well as financial planning made by the heads of each division in detail and thoroughly in accordance with operational needs. company. And have social responsibility in the form of providing assistance to the surrounding community, while running the company, do not do anything that is contrary to the rules and principles of sharia, for example actions that can harm other parties or usury in financial transactions but are carried out fairly and honestly, so that in transactions both parties gain benefits.

I. Keywords: Application, Financial Management, Sharia Management

Introduction

Planning or management, to carry out all daily activities in order to achieve a goal. By making a good plan, all activities can run according to the goals you want to achieve, and you will get maximum results. If individuals need planning or management in carrying out their activities, of course a company will also have the same effect and really need effective and efficient planning, to be able to help organize everything within the company.

PT Andika Agribisnis Abadi began developing the plantation industry in Indonesia more than 32 years ago. Starting from cassava plantations, then developing rubber plants, until in
1987, the cultivation of oil palm plants began in Riau Province. Now, the company continues to grow and is currently one of the palm oil plantation companies with the best governance with a managed area of 277,075 hectares spread across the islands of Sumatra, Kalimantan and Java. In managing oil palm plantations, since its inception, the Company has built cooperation with the community in the form of core plasma partnerships and Income Generating Activities or activities to improve the community's economy both through oil palm and non-oil palm cultivation. As of 2017, the Company has collaborated with 51,710 oil palm farmers who have joined 2,400 farmer groups. This collaboration ensures that the presence of oil palm plantations managed by the Company also provides great benefits for the surrounding community. With the growth of the Company's business, in 1997 the Company conducted an Initial Public Offering on the Indonesian Stock Exchange. In 2017, the Company also conducted a Limited Public Offering worth approximately IDR 5 trillion. With the corporate steps that have been taken by the Company, currently the Company's public share ownership has reached 20.30% of the total 1.90 billion shares in circulation. High investor confidence in the Company is reflected in the strong share price position. In trading ending December 30 2017, the Company's share price with trading code closed at Rp. 22,780. -.

To maintain business continuity, apart from managing oil palm plantation land, the Company also develops related downstream industries. The company has operated palm oil processing factories (refineries) in North Bogor Regency, West Java Province, and in Dumai, Riau Province. Processed palm oil products in the form of olein and stearin are to meet export market demand, including from China and the Philippines. Starting in 2017, the Company has also operated a blending plant or fertilizer mixing factory in Cianjur Regency, Central Java Province. Apart from that, the Company is also starting to develop palm oil integration businesses. Facing future challenges, the Company focuses its business strategy on increasing productivity, increasing efficiency in all lines, as well as diversifying its business in prospective sectors related to its core business in the field of oil palm plantations.

2. Research methods

This research uses descriptive qualitative, the reason researchers use this type of research is to make it easier to describe research results in the form of a story line or narrative text so that it is easier to understand and is able to dig up as much data and information as possible and in as much depth as possible for the researcher's needs. Then the researcher also hopes to build familiarity with the research subjects or informants when they participate in this research activity, so that the researcher can present data in the form of facts that occur in the field. And the researcher hopes that this research will be able to provide answers to the problem formulation that has been proposed, using the phenomenological approach method.

2.1. Data source

Data sources are information obtained from interviews, observations or from documents and company data for research purposes. The data sources in this research are divided into two parts, namely, primary data sources and secondary data sources.

a. Primary data is also called data obtained from activities or events that occur at the PT Mahkota Abadi company through interviews, observations and documentation. This data can be obtained by visiting

b. Secondary data is referred to as a data source that does not directly provide data to data collectors, for example through other people or through documents. Secondary
data sources used to support information include: library materials, literature, research journals, books, and reports of previously held activities.

2.2. Data collection technique

Data collection is a very important step that must be carried out systematically in order to obtain the necessary data. Data is information about a research object obtained at the research location. So data collection can be done in various rules, various sources, and various ways.

a. Interviews are a process that can connect researchers with informants, namely parties within the PT Mahkota Abadi company which include: heads or leaders, cashiers, and employees at the PT Mahkota Abadi company. Through face-to-face, it is easy to obtain information, you can also communicate well, and you can ask several questions that are appropriate to the object you want to research.

b. Observation is collecting data that you want to research by coming directly to the scene of the incident, namely the PT Mahkota Letari company to see the company's activities. The data observed can be in the form of a description of attitudes, actions and behavior, of the entire relationship between individuals within the company. PT Mahkota Abadi.

c. Documentation or documents which means written items, this documentation is a method of collecting data that can produce important information related to the problem being researched, so that complete, valid data will be obtained, and not based solely on estimates. In this case, the researcher will collect documents such as the financial reports of the PT Mahkota Abadi company and take pictures of activities and recordings related to the problem in the research.

2.3. Data analysis

In data analysis there are several activities, namely working on data, compiling it, dividing it into manageable units, looking for patterns, finding what is important and what will be studied and deciding what to report. By analyzing this data, the data can be arranged very well and orderly so that the meaning of the findings can be known in accordance with the research focus.

3. Results and Discussion

3.1. Management Functions of PT Mahkota Abadi Bogor

A person's ability to understand a meaning or concept, situations and facts that he knows, what is meant in this case is that a person not only memorizes or remembers something, but he understands the concept of a problem or fact in question, can also explain, differentiate, change, prepare, present, give examples, estimate, determine and make decisions.

Comprehension is the ability that a person has to be able to understand, conclude and be able to express things that he wants to convey or hear and that will be taught to him. With knowledge, a person does not necessarily understand something in depth, he just knows without being able to grasp the meaning, someone who has understanding can not only memorize something he has learned, but is also able to grasp the meaning of something he has studied and has the ability to understand the concept of it, lessons given.

It is very important for a company to know and understand good and correct management functions, to help the company achieve its goals. The success of a company lies in the ability of the leadership and management team to manage all aspects of the company. PT Mahkota
Abadi is a subsidiary of PT Andika Agribisnis Abadi which is engaged in the production of crude palm oil (CPO), and has implemented management functions effectively and efficiently in achieving targets and objectives in the company's operational activities. Researchers conducted interviews with several PT Mahkota Abadi employees and asked questions related to effective and efficient management functions, to measure the understanding of PT Mahkota Abadi employees.

3.2. Planning for PT Mahkota Abadi Bogor

The planning function is generally carried out by the manager of a company. Based on the results of an interview with the Head of Administration of PT Mahkota Abadi 1, as the person who leads the support team in the field of financial administration and company operations. Also with employees in the partnership sector as people who know about the cooperative relationship between the company and farmer groups or communities around PT Mahkota Abadi.

Head of Administration of PT Mahkota Abadi, that the company's financial planning is made by the heads of each division, then adjusted to the targets and objectives of the company. Budget planning The budget prepared by each division varies in the amount of funds needed because the needs of each division are different in carrying out the company's operational and production activities. That the company has goals and targets that it wants to achieve, with these goals and targets the company will have clearer direction in carrying out the company's operational activities and can produce quality CPO production.

That employees in the partnership sector of PT Mahkota Abadi, that effective and efficient planning is to establish a cooperative relationship between the company and farmer groups, then develop work programs as a form of empowerment from the company to farmer groups so that the targets the company wants to achieve can be achieved. And companies can increase quality CPO production so that the company will make a profit.

3.3. Organizing PT Mahkota Abadi Bogor

The organizing function is the activity of forming a work team for employees to be able to complete the work that has been set to achieve the company's targets and goals effectively and efficiently. Factory employees, that they have basic duties and are responsible for other factory employees in terms of employee administration such as making summary reports on absences, overtime and factory employee salaries. One of the plant employees, that he has the main duties and responsibilities in the plant employee administration section, namely recapping employee absences, making daily performance recaps of employees, and making company minutes reports.

Warehouse employees have the main duties and responsibilities for supplies and needs in the company's production operational activities and ensuring that the amount of material is sufficient for production operational activities so that there are no obstacles in achieving the company's targets. Employees of PT Mahkota Abadi above that the company has created an organizational structure that is in accordance with the company's management functions, and explains the main duties and responsibilities of employees well. And the existing organizational structure at PT Mahkota Abadi fulfills the functions of the position in its implementation, and is carried out optimally in accordance with the main duties of each employee. With several PT Mahkota Abadi employees above, the main duties and responsibilities of each employee in their field are understood very clearly. Because there is transparency or openness in their work, where employees prepare employee data and make employee salary reports accurately, completely and on time.
3.4. Direction of PT Mahkota Abadi Bogor

The directing function is an activity that provides instructions or commands and directions to employees so that they can carry out previously determined tasks. The directing process at PT Mahkota Abadi is carrying out all the plans that have been prepared, so that they can be realized in the form of real actions. This real implementation can be seen in the implementation of all company activities that have been determined to achieve success from the plans that have been prepared previously. That PT Mahkota Abadi above, that the company has a work program that has been planned and has been implemented as a real form of community empowerment in the PT Mahkota Abadi area, this work program is CSR and providing fish seeds.

The employees of PT Mahkota Abadi above, that the company really appreciates farmer groups who are consistent and loyal to the company and can achieve targets well, the company provides prizes as a form of motivation to farmer groups so that cooperative relations can continue to run harmoniously.

The conclusion is that PT Mahkota Abadi has carried out the function of direction and leadership in company management to achieve goals and targets through work programs and motivation. This of course makes PT Mahkota Abadi have good work quality because every morning employees receive motivation and enthusiasm from the leadership so that at work employees become more aware of their duties and responsibilities at work. Activities carried out by employees consistently will have an impact on the income received, such as providing bonuses and other benefits as a form of motivation in working, and to maintain the company's survival so that financial expenditure is maintained, the company makes a budget according to the company's operational needs received.

3.5. Coordination of PT Mahkota Abadi Bogor

Coordinating is an action taken to prevent various things from happening, such as chaos, quarrels and vacancies in activities, so this is done by connecting, integrating and aligning employee work so that there is a cooperative relationship that is in line with the company's goals.

That PT Mahkota Abadi, that the coordination implemented by the company is employee discipline. This system is implemented very strictly, so that employees do not dare to commit violations because they will receive sanctions or warnings from the leadership. And it will have an impact on the income or salary received. If employees frequently commit violations, the company will provide a letter of warning or sanctions in accordance with the actions committed.

PT Mahkota Abadi employees above, that the company has implemented the coordinating function very well and optimally, especially in disciplinary matters, whether through employee attendance or absenteeism as well as participation in briefings every morning. So that employees who often do not come in, arrive late and also leave early have greatly reduced.

3.6. Supervision of PT Mahkota Abadi Bogor

Supervision is implemented to see whether the work carried out has been carried out in accordance with the goals and targets, as well as plans that have been previously determined. That the employees of PT Mahkota Abadi above, that supervision of employee work results has been implemented well. Where this system is implemented with great discipline, so that
employees do not dare to commit violations because they will receive sanctions or warnings from the leadership. And it will have an impact on the income or salary received.

This is of course very good for the performance of the employees themselves, because their work will always be evaluated using a standardized assessment system so that it can be measured optimally. This supervisory function certainly really helps PT Mahkota Abadi in good financial management and the objectives of financial planning can be achieved optimally.

3.7. Financial Management Functions of PT Mahkota Abadi Bogor in the Sharia Financial Management Aspect

Financial management is defined as an activity to manage company finances with efforts to obtain funds and use funds effectively and efficiently to achieve company targets. Based on this understanding, there are three main functions of financial management, namely investment decisions, funding decisions and asset management decisions. The use of funds at PT Mahkota Abadi is based on the results of interviews, namely:

a. The funding function includes, determining the purpose of allocating funds or determining the amount of funds to be withdrawn in accordance with the budget for funding needs to fund the company's operational activities, determining the source of funds, determining the time period, and estimating the level of profit that will be obtained from the funds to be withdrawn by considering the comparison between level of profit, cost of capital, and level of risk. That the source of funds from PT Mahkota Abadi is its own capital category, meaning that the source of funds comes from the company owner or in other words the funds come from the central company, namely PT Andika Agribisnis Abadi. And do not take other sources of funds that come from loans to creditors.

b. Asset management function, the implementation of this function includes managing current assets consisting of cash, trade receivables, inventory, equipment, prepaid expenses, and managing current debts which include trade payables, rent payables, tax payables, salaries payable, and others. This operational function is also related to financial management activities for purchasing raw materials and auxiliary materials, as well as paying direct worker wages and paying employee monthly salaries, asset maintenance costs, sales expenses, general administration expenses, and other operational expenses. The conclusion is that from the results of the interview above it is known that the financial management of PT Mahkota Abadi 1 has been running effectively and efficiently, seen in the actions of employees who have the obligation to explain decisions taken in using funds, transparency in preparing the required financial data and in accordance with existing in the field. Have good integrity in financial reports and financial recording. Ensure that the funds received are used to achieve the goals set by the company.

c. The investment function includes the activity of allocating short-term or long-term funds to physical investments in the form of fixed assets or financial investments in securities, such as shares, bonds, time deposits, mutual funds and various other financial investment instruments. Implementation of this investment function includes cash flow management, selecting alternative investment assets, and assessing the feasibility of investment in generating returns and potential risks by taking into account the time value of money (the influence of time on the value of money). The fund control function is also important as a form of support for previous functions, especially the function of using company funds.
The control aspect in this function takes the form of efforts to equalize or adjust the company's realized financial performance and the plan or budget that has been previously determined as a guide. This control is carried out to identify and analyze and evaluate any deviations in fund management from actual standards or provisions, such as:

a. Calculating company income tax by calculating your own taxes is appropriate, not too small or too large compared to what it should be.

b. Salary payments for workers are not too small compared to the Regional Minimum Wage standard or too large compared to the budget made.

c. Analyzing investments in assets made by central companies is appropriate from the aspects of liquidity, solvency and profitability.

d. Analyze the use of operational funds for inventory, not too large or too small based on the budget and market research results.

Financial management is one of the determining factors for a company to run well or not, by looking at whether the company has sufficient capital sources to finance the company's operational activities. Regarding capital, company capital is divided into two, namely own capital and foreign capital.

PT Mahkota Abadi is a company that obtains capital from its own capital and does not use foreign capital. This capital comes from the central company, namely PT Andika Agribisnis Abadi. PT Mahkota Abadi has run the company very well and will continue to grow, so this company does not need loans from banking institutions or other institutions to meet capital sources for the company's operational activities.

To meet a sufficient amount of capital, PT Mahkota Abadi makes a request for capital to the central company, this is done because the central company has the responsibility or authority to meet the needs and costs of the branch subsidiary companies. While running the company, PT Mahkota Abadi has implemented effective and efficient financial management functions. And in line with sharia principles, namely:

a. Pleasure to Allah SWT is to truly believe that what is given, both joy and sorrow, is the best according to Allah SWT. As felt by all employees of PT Mahkota Abadi, every action taken must involve Allah SWT in it. The involvement of Allah SWT in every action carried out in carrying out the company's operational activities is realized through concrete actions, namely by carrying out all his orders and staying away from prohibitions.

b. Fair or balanced means one of the main measuring tools for determining whether everything is in accordance with or contrary to the commands of Allah SWT. That the determination of employee positions and duties and responsibilities has been adjusted to the abilities and competencies possessed by employees in achieving targets, in this case in accordance with the principle of fairness in Islam, namely that every Muslim will receive the same rights and obligations. Based on nature, humans have the same level between one believer and another believer. The difference is the level of piety of each believer.

c. Please Help, in sharia principles, every contract carried out must be mutually beneficial to all parties to the contract. PT Mahkota Abadi understands that some of the profits obtained by the company are also the rights of other people, more than what is given. Apart from that, the parties who are given will pray for goodness for the giver. On this basis, PT Mahkota Abadi 1 is not worried about reduced income, in fact, after sharing, income will double.

d. Halal Products, the law on consuming halal and haram food or drinks is very clearly contained in the Koran. One example of a halal product is crude palm oil (CPO), which is crude palm oil. This product is obtained from the pressing of palm oil fruit flesh,
and has not undergone refining. Crude palm oil is different from palm kernel oil even though both are produced from the same fruit. This difference is very clear, because of the content of each type of oil. more than what is given. Apart from that, the parties who are given will pray for goodness for the giver. On this basis, PT Mahkota Abadi is not worried about reduced income, in fact, after sharing, income will double.

e. Prohibition of Usury, economic activities based on sharia principles will strictly prohibit usury, because usury is haram. As we know, before Islamic principles emerged, usury had become an activity that was considered normal among society. And this can be dangerous and detrimental to small communities. That's why Islam prohibits usury, freedom and responsibility are two things that cannot be separated. The norms and ethics contained in the Al-Qur'an, Sunnah and law must be adhered to in order to avoid prohibited or forbidden business activities, prohibited or forbidden production activities, usury and other activities.

f. Worshiping Allah SWT, humans have basic needs to live, worship and work. Because the purpose of human existence is none other than to worship Allah SWT, human life must be protected and used for worship. This has been stated in Q.S. Az-Zariat/51: 56. Working to earn a living to make oneself useful is an obligatory act because this goal allows us to fulfill other obligations. Every person has the right to work and in any conditions as long as he is able, but if that is no longer possible he Still, he can work in his own way. Everyone has the desire to be free from interference.

Based on a statement from the Manager of PT Mahkota Abadi, that the freedom inherent in PT Mahkota Abadi 1 is authority that follows religious and legal guidance, so that the authority created has limits that cannot be violated, this is a form of effort to achieve the targets it wants to achieve. achieve for the company, for example carrying out practices that lead to usury (exploitation) which can be detrimental.

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