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ISLAMIC EDUCATION INVESTMENT COST MANAGEMENT

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Abstract

This study aims to examine the procedures for managing investment costs in Islamic education comprehensively, covering aspects of planning, procurement, use, reporting, to monitoring and evaluation. Islamic education does not only focus on cognitive aspects, but also on the formation of Islamic character and values, which require strategic investment in infrastructure, technological assets, and human resource development. Through a desk research approach, this study identifies the main dimensions of educational investment costs, the national legal basis that underlies them, and the practical challenges and opportunities in their implementation. The results of the study indicate that the application of Islamic principles such as maslahah, syura, amanah, hisab, and sharia accountability are very relevant to be applied in every stage of managing educational investment costs. However, limited funds, managerial capacity, and weak monitoring systems are still obstacles that require strategic solutions based on technology and collaboration. This study suggests strengthening the participatory planning system, transparency of sharia-based procurement, and the development of human resources that are balanced between competence and Islamic morals in order to achieve the goals of holistic and sustainable Islamic education.

Keywords: *Investment Costs, Financial Management, Islamic Education*

INTRODUCTION

Islamic education has a comprehensive view, not only focuses on the aspects of knowledge and skills, but also on the formation of character and Islamic values. For those to realize this view, investment is needed who are consistent and focused in various fields of education. Improving the quality of Islamic education in depth is very dependent on the availability of sufficient resources, one of which is realized through investment expenditure.

In the context of Islamic education, investment expenditure can be explained athe use of financial resources to obtain sustainable benefits that will improve the capabilities and quality of educational institutions. The scope of investment expenditure covers three main areas: first, investment in facilities and infrastructure, which includes the construction and physical maintenance of schools / madrasah, provision of learning facilities such as libraries, laboratories, representative classrooms, and technology that supports the learning process. Investment in this area creates an ideal and adequate learning atmosphere for students and learners. Second, investment in assets/capital, which not only includes physical infrastructure but also includes the procurement of non-physical assets such as educational management

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information systems, software for learning, and intellectual development through innovative and relevant curricula. Third, investment in training or development of Human Resources (HR) competencies, which involves professional development programs for teachers, education staff and school/madrasah management (Hasanah, F., & Nuraidah, 2024).

While the importance of investing in Islamic education is clear, its implementation often faces various challenges. Limited funds are a classic obstacle that requires a careful fund allocation strategy and appropriate priorities. Therefore, research that examines the procedures for managing investment costs in Islamic education is very important. This study aims to explain the procedures for planning investment costs in Islamic education that are efficient and in accordance with the principles of Islamic financial management, procedures for procuring transparent and accountable investment costs, and procedures for monitoring and evaluating investment costs in order to ensure efficiency and effectiveness in achieving educational goals.

Thus, this research will answer several questions, such as: how to plan Islamic education investment costs efficiently and in line with the principles of Islamic financial management, how to procure and use Islamic education investment costs transparently and accountably, and how to monitor and evaluate Islamic education investment costs to ensure the efficiency and effectiveness of achieving educational goals.

RESEARCH METHOD

This research uses the literature/ustaka research method to examine Islamic education investment cost management procedures. Literature research, as a research method that focuses on collecting and analyzing secondary data, involves sources such as textbooks, scientific journals, proceedings, conferences in the field management, finance and Islamic education, as well as laws and regulations and official documents related to the management of educational finance in Indonesia.

The data analysis process in this study follows steps that include formulating specific research questions, developing a literature search strategy through keyword identification and data source selection, collecting literature by downloading and managing references, selecting literature through initial screening and evaluating eligibility based on inclusion and exclusion criteria, data extraction using special instruments, data analysis through content analysis and thematic synthesis, as well as interpretation of findings and preparation of research reports.

This method was chosen because of its ability to provide a broad and in-depth picture of the research topic, identify relevant theoretical foundations, avoid repetition of research, and save time and costs compared to empirical methods. Thus, this literature research is expected to produce a comprehensive study of the procedures for managing Islamic education investment costs.

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RESULTS AND DISCUSSION

1. Explanation of the Theoretical Basis of Educational Investment Costs: Understanding the Concept,

A. Aspects and Importance in the Context of Islamic Education.

The theoretical basis of investment costs education investment costs provide an important framework for understanding how resources are distributed in the hope of generating long-term benefits in the field of education, including in the special contest of Islamic educational institutions. This section will explain the concept of investment costs in education, discuss important aspects contained therein, and emphasize their importance, especially in relation to Islamic principles.

B. Definition of Investment Costs in Education

More than just the distribution of resources that have benefits for more than one accounting period. This is a strategically planned capital placement with the hope of increasing quality, capacity, and sustainable effects for educational institutions (Nurhalimah, 2019).

In the realm of Islamic education, this concept is expanded with the intention of obtaining the pleasure of Allah SWT, through the provision of education.

quality and useful. Investment is not only assessed from the financial benefits (although efficiency remains a concern), but also from the positive influence on the intellectual, spiritual, and moral development of students and their contribution to society (maslahah).

Recent studies have shown that well-planned investment in education has a positive relationship with improvements in institutional quality and student learning outcomes (Karim, 2024). Adequate infrastructure investment, for example, has been shown to create a better learning environment and increase student enthusiasm (Bararah, 2020).

Furthermore, the cost of investing in education covers a wide range of aspects. It not only includes physical assets such as buildings and equipment, but also includes investment in intangible assets, such as the development of a modern curriculum, the implementation of an effective information management system, and increasing human resource capacity (Hasanah, F., & Nuraidah, 2024).

In the Islamic perspective, curriculum development should be in accordance with Islamic values, and human resource development should focus on the formation of educators and teaching staff who have good competence and morals. Research conducted by (Khairunnisa, 2024) revealed that investment in teacher training that focuses on Islamic values plays an important role in improving the quality of learning and character development of students in madrasas.

C. Crucial Dimensions in Education Investment Costs.

To comprehensively understand the costs of educational investment, it is

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important to identify its main dimensions:

a. Type of investment:

As has been categorized, it includes facilities and infrastructure (learning environment/physical), assets/capital (technology, equipment, intangible assets), and human resource development (competency enhancement). Each type of investment has different characteristics, life cycles, and potential impacts. In Islamic education, consideration of the type of investment also includes aspects of conformity with Islamic values.

For example, investment in technology must be utilized positively and not contrary to Islamic ethics. Research by (Fauziah & Eriherdiana, 2023) emphasizes the importance of balanced investment between physical infrastructure and digital technology in increasing the competitiveness of Islamic universities.

b. Investment Objectives:

Every investment must have a clear, measurable, achievable goal. achievable, relevant, and time-bound (SMART). The objectives could be to increase the attractiveness of the institution, improve the quality of learning, operational efficiency, or meet accreditation standards. In the context of Islamic education, investment objectives must also be in line with the vision and mission of the institution which are based on Islamic values. A study by (Hidayat et al., 2023) highlighted that investments oriented towards improving the quality of academic services have a positive impact on student satisfaction at Islamic universities.

c. Investment Time Horizon:

Educational investment is long term, with benefits which is expected to be realized in the next few periods. Understanding the investment time horizon affects funding planning, risk assessment, and measurement of investment performance. In an Islamic perspective, patience (sabr) and foresight (istiqamah) are important in evaluating the success of educational investment. Research by (Hendrizal et al., 2024) shows that long-term educational investment has a significant impact on a country's economic growth and social development.

d. Investment Funding Sources:

Sources of investment funds can come from various parties, including government, foundations, donations, loans, or the institution's own income. Each source of funding has implications for the autonomy, accountability, and financial sustainability of the institution. In Islamic education, the management of funding sources must be carried out transparently and in accordance with sharia principles, including avoiding usury (interest) in loans. Research by (Ilmiah & Dunyati, 2019) examines the potential and challenges of utilizing Islamic financial instruments such as waqf and sukuk for funding Islamic education investments in Indonesia.

e. Return on Investment (ROI):

Although ROI in education is not always financial Directly, it is important to measure the impact of investment on key indicators such as improving the quality

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of graduates, increasing the number of students, increasing stakeholder satisfaction, and achieving the institution's vision and mission. In the context of Islamic education, "return" also includes the blessing of beneficial knowledge (ilmu nafi') and the positive contribution of graduates to religion and society. A study by (Nurhalimah, 2019) developed a comprehensive ROI measurement model for educational investment that considers not only financial aspects but also social and academic impacts.

2. Analysis of the Legal Basis and its Relation to the Practice of Managing Islamic Education Investment Costs

The legal basis at the national level (Law No. 20 of 2003, PP related to SNP, Permendikbud, and Regulation of the Ministry of Religious Affairs) shows the existence of a regulatory framework that regulates education funding and management, including investment aspects. These laws and regulations set out the responsibilities, standards, and financial management mechanisms that must be adhered to by Islamic educational institutions. In particular, regulations from the Ministry of Religious Affairs (Decree of the Director General of Islamic Education and Regulation of the Minister of Religious Affairs) provide more specific guidance for madrasahs and other Islamic educational institutions. The existence of regulations at the regional and institutional levels complements this legal framework, creating a complex regulatory network that aims to ensure accountability and efficiency in the management of education funds.

3. In-depth Discussion of Islamic Education Investment Cost Management Procedures: Unraveling Opportunities and Examining Practical Challenges

The procedures in managing Islamic education investment costs, from the planning stage to evaluation, are a series of steps. Important role in the success of the institution in achieving its long-term goals. In this section, each step will be discussed in detail, discovering the unique opportunities that arise from an Islamic perspective, and identifying the practical challenges that are often encountered in its implementation.

A. Investment Cost Planning: Harmonization of Real Needs and Maslahah Principles.

Successful planning for investment costs begins with determining the right needs and involving participation (Badrudin et al., 2024). In the context of Islamic education, there is an opportunity to incorporate the principle of maslahah (benefit) in this process. Determining needs must consider not only technical and academic aspects, but also the broader benefits for students, the school community, and society at large. For example, investing in facilities that support inclusive education not only meets the needs of students with special needs, but also reflects the values of justice and equity in Islam.

However, challenges often arise when converting long-term visions and strategic needs into concrete and measurable budget plans (Mujayaroh & Rohmat, 2020). Limited resources require careful prioritization, which sometimes requires compromises between various urgent needs. In addition, the lack of internal

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capacity to prepare a comprehensive and realistic Investment Cost Budget Plan (RABI) can hinder the effectiveness of the planning process. The Islamic perspective offers a solution by encouraging deliberation (shura) when planning, involving various parties to reach wiser decisions and gain wider support.

B. Procurement of Facilities, Infrastructure and Assets: Upholding Transparency and Halalness.

The procurement process is a crucial point in the investment cycle, where the principles of transparency and fairness must be observed. In the context of Islamic education, there is a unique opportunity to ensure that the entire procurement process, from supplier selection to handover, is carried out by upholding the values of amanah (trust) and avoiding corrupt or collusive practices. In addition, the principle of halalness of the resources used for procurement is also an ethical consideration that distinguishes institutions Islamic education with other educational institutions (Mujayaroh & Rohmat, 2020).

Practical challenges that often arise in procurement related with the complexity of government regulations, the possibility of mark-up practices, and the limited effective monitoring system. Islamic educational institutions, especially those receiving public funds, must operate within a strict legal framework. In addition, ensuring the halalness of purchased products and services requires considerable care and knowledge. Opportunities to overcome these problems can be found by utilizing technology to create a more transparent procurement process (e-procurement), as well as building networks with suppliers who have a good reputation and are reliable in terms of product integrity and halalness.

C. Use of Budget for Human Resource Development: Strategic Investment Based on Competence and Morals.

Investment in human resource competency development (Jannah, 2024). It is an important aspect in improving the quality of Islamic education. The opportunity here is to integrate Islamic values into training programs, not only focusing on improving technical and pedagogical skills, but also on character building, integrity, and understanding of Islamic professional ethics. This comprehensive human resource development is in accordance with the goals of Islamic education to produce educators and education personnel who not only have high abilities but also behave well (uswah hasanah). Challenges in human resource development are often related to limited budgets, identifying appropriate training needs, and assessing the effectiveness of training programs. In besides that, keep quality source. Power human after training also become the focus of attention. Educational institutions Islam can take advantage of the opportunity to collaborate with credible Islamic training and build an internal mentoring system based on Islamic values. Islam, to support ongoing professional development.

D. Of Accountability and Documentation and Reporting: The Image Transparency in Islam.

Neatly organized documentation and clear reports (Mulford, 2010) are not

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only administrative tasks, but also a manifestation of the principle of accountability (mas'uliyah) in an Islamic perspective. The opportunity is to create a documentation and reporting system that not only meets formal requirements but also reflects a deep responsibility to Allah SWT and to stakeholders. Financial reports and investment performance reports must be presented clearly, accurately, and easily accessible to interested parties (wudhuh). Challenges in documentation and reporting are often caused by the lack of an integrated system, high administrative burdens and minimal understanding of the importance of transparency. Islamic educational institutions can utilize information technology to create effective and transparent documentation and reporting systems. . In addition, building a culture of accountability and transparency across all organizational units important for ensure smooth implementation.

E. Monitoring and Evaluation: Accounting Practices and Continuous Improvement Efforts.

Supervision, both internal and external, is an important element to ensure that investment costs are managed in accordance with applicable plans and principles. In the Islamic perspective, supervision can be seen as the application of the principle of hisab (calculation and accountability). Assessment of the effectiveness and efficiency of investment for continuous improvement. The opportunity is to create a monitoring system that focuses not only on formal compliance but also on assessing the impact of investments on the quality of education and the achievement of overall institutional goals. Challenges in monitoring and evaluation are often related to the lack of independence of internal supervisors, limited access to relevant data, and discomfort with changes that may arise from evaluation results. Islamic educational institutions can strengthen their internal monitoring function by forming an independent and competent audit committee. In addition, creating a culture of openness to criticism become the foundation is a thing and using evaluation results as a basis for improvement (islah) is the key to increasing the effectiveness of investment cost management (Nurdiyanti, 2021).

CONCLUSIONS AND SUGGESTIONS

This in-depth discussion underlines that cost management Islamic education investment offers a unique opportunity to integrate Islamic values and principles at every stage. However, practical challenges in implementation often arise and require innovative and contextual solutions. Further research can specifically explore how Islamic educational institutions address these challenges and how the integration of Islamic principles actually affects the effectiveness, accountability, and blessings of investment cost management. Comparative case studies across institutions with different management models and socio-economic contexts can provide richer and deeper insights.

To optimize educational investment in Islamic educational institutions, a holistic and value-based managerial approach is needed. Management capacity must be

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improved through training in Islamic-based budgeting and comprehensive needs analysis. The use of information technology is also important to create transparency in financial management through an integrated digital system. In addition, strategic collaboration with Islamic financial institutions, donors, and the government needs to be strengthened to ensure the sustainability of halal funding. Human resource development must also be oriented towards the integration of Islamic values through training in morals, work ethics, and pedagogical competence. Finally, the investment evaluation system should be oriented towards maslahah, covering physical, social, spiritual, and student quality aspects.

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