

Book Review 'Cara Mudah dapat Pinjaman Bisnes' (Malay Version)

Iqbal U*

Department of Social Sciences and Humanities, National University of Malaysia, Malaysia

Entrepreneurs who lack the knowledge will feel fear and distrust toward the institutional financiers. The situation gets worse when they hear stories from other fellow entrepreneurs who fail to obtain business financing. They consider the full funding institutions with a boring bureaucracy. This book aims to inform entrepreneurs who wish to get financing from financial institutions related things they need to do to make an application, understanding the operations of financial institutions and alternative measures that may be taken in the event of a problem in the application. It also gave an additional tip in dealing with financial institutions and entrepreneur's story that can develop their business as a result of funding from financial institutions. It is hoped that the knowledge can be shared and used as a guide by all, especially entrepreneurs conducting business and dealing with financial institutions.

Part 1 discussed the financing of small and medium businesses. There are four reasons for entrepreneurs to borrow. First is because they do not have enough savings to finance business expansion plans, while there are also savings needed to finance daily business operations. Second are by borrowing, entrepreneurs get the desired amount at once. Third are the loans at affordable rates to help businesses improve their cash flow. Fourth are the time factors when entrepreneurs would need huge amounts of money in a short time. There are five problems for small businesses obtain financing, namely volatile and inconsistent business performance, skills and experience that are not expertise enough in the field of business, less knowledge of the procedure to apply for a loan, the collateral is not enough and more stringent evaluation criteria to the Small and Medium Enterprises. Part 1 also discusses the definition of Small and Medium Enterprises entrepreneur, the interests of the legitimate financing channels, the danger of borrowing from illegal money lenders and the government's role.

Part 2 discusses the lenders, including the importance for entrepreneurs to recognize financial institutions, categories of financial institutions, 6C principles namely character, cash flow, capability, capital, condition and collateral in evaluating loan applications, types of financing and lending products, the Islamic banking system, grants, credit checks, interest rates, collateral, guarantee facilities, the power to approve

loans, advisory support and customer charter. Part 3 discusses the process of applying for a loan. In making a loan, there are three aspects that need to be addressed by us, namely the purpose of the loan, how much you need and the type of financing required. We also need to identify the suitable financial institutions for our needs before making an application. Successful and visionary entrepreneur view financial institutions as partners and not just the lender only. Loan letter applications accompanied by a letter from a politician did not bring any advantage in the application. There are 13 reasons in this book that explains why the loan application is rejected, the steps that need to be done if the loan application is rejected, if the loan application is approved, incidental costs incurred by the borrower from financial institutions for approved facility and business advisory services.

Part 4 discussed the preparation of a business plan. A business plan is a brief note describing the background of entrepreneurs and business planning. There are many benefits and advantages of a Business Plan. As a general guideline, the skeletons of headlines that should be contained in a business plan are shown in this book. Part 5 discusses business development agency. Under the Ministry of Entrepreneur and Co-operative Development (MECD), there are a number of entrepreneurs development agencies namely Bank Perusahaan Kecil dan Sederhana Malaysia Berhad (SME Bank), Majlis Amanah Rakyat (MARA), Bank Kerjasama Rakyat Malaysia Berhad (Bank Rakyat), Perbadanan Nasional Berhad (PNB) and Yayasan TEKUN Nasional (TEKUN). In addition there is also Credit Guarantee Corporation agency.

Part 6 discusses other options to get a business loan. It involves refinancing a home, takaful or insurance policies, loans from cooperatives, partnerships, ar-Rahnu scheme lease, the method of factoring, venture capital companies, and borrowing from suppliers and help from family members. Part 7 discusses ethics as a borrower. Part 8 discusses the stories of entrepreneurs involving several companies. Sipro Plastics Industries Sdn. Bhd. involved in the field of plastic injection molding, Syarikat Salmi Haji Tamin Sdn. Bhd. produces soy sauce bottles, Rio de Futsal indoor soccer centre, Noor Arfa Batik Sdn. Bhd. involved in the production of batik and Rasniaga Sdn. Bhd. involved in sales of used luxury cars.

*Corresponding author: Iqbal U, Department of Social Sciences and Humanities, National University of Malaysia, Malaysia, Tel: +60389215555; E-mail: uqbah@siswa.ukm.edu.my

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