Jurnal Sistem Informasi, Manajemen, dan Akuntansi (SIMAK)
Volume 23 Issue 02, November 2025
P-ISSN: 1693-5047, E-ISSN: 2621-0320

Investment Feasibility Analysis in MSMEs Using Payback Period and Profitability Index Approaches (Case Study on Jalangkote Master)

Jeny Maharani Tulhayat[1], Fajriani Azis[2], Kartika Septiary Pratiwi Musa[3]
Faculty Business and Economics, Makassar State University, Indonesia

Abstract: This study aims to analyze the feasibility of investing in Jalangkote Master MSMEs using the Payback Period (PP) and Profitability Index (PI) methods, supported by Net Present Value (NPV) analysis. Research data were obtained through financial report documentation and interviews with business owners, then analyzed descriptively quantitatively. The results of the study indicate that an investment of IDR 806,150,000 can be returned within 1 year and 7 months 9 days according to the PP method, which is relatively fast. A PI value of 2 indicates that every IDR1 investment generates IDR2 in present value cash flow, so the investment is considered very profitable. Increased production and operational efficiency also strengthen these results. Thus, investing in Jalangkote Master is feasible and has the potential to provide significant benefits both financially and strategically.
Keywords: MSMEs, Payback Period, and Profitability Index

Article Info:
Received: August 27th, 2025 | Revised: October 04th, 2025 | Accepted: November 05th, 2025
DOI:

[1] E-mail: jenymaharanitulhayat@gmail.com (Correspondence Author)
[2] E-mail: fajrianiazis@unm.ac.id
[3] E-mail: Kartika.septiary@unm.ac.id

1. INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs) are productive business units that play an important role in the Indonesian economy. KADIN Indonesia (2025) notes that in 2023, the number of MSME players reached around 66 million and contributed 61% to Indonesia's Gross Domestic Product (GDP) of IDR 9,580 trillion. In addition, MSMEs also absorbed around 117 million workers or 97% of the total national workforce. Thus, the sustainability and growth of MSMEs greatly influence national economic stability.

However, amid increasingly fierce competition, MSMEs face serious challenges, particularly limited capital and a lack of understanding in investment decision-making. This situation often prevents MSMEs from making the right investment choices, which can lead to significant losses if decisions are not based on careful analysis (Magdalena & Susanti, 2015). Therefore, a good understanding of investment analysis methods is needed to assess the risks and potential profits that can be obtained.

Investment feasibility analysis is a study used to assess whether a project is feasible or not. Commonly used methods are Payback Period (PP), which measures the speed of capital return, and Profitability Index (PI), which shows the ratio of profit to investment costs. A combination of the two can provide a more accurate picture for decision making (Purwaningsih et al., 2019).

Jalangkote Master, one of the culinary MSMEs in South Sulawesi, plans to expand its business using its own capital. The investment will focus on purchasing assets in the form of land and buildings to support increased efficiency and market expansion. The following is the net profit data for the last three years:

Table 1. Jalangkote Master MSME Net Profit for 2022-2024

Year	Net Profit	
2022	IDR	92,308,750
2023	IDR	1,161,715,775
2024	IDR	1,092,391,000

Source: Data Processed (2025)

There was a significant increase in profit from 2022 to 2023, more than tenfold, despite a slight decline in 2024. This condition indicates potential growth as well as fluctuations in profitability that need to be analyzed further to ensure investment feasibility.

Based on this, this study was conducted to analyze: (1) how quickly the investment in Jalangkote Master can be recovered using the Payback Period method, (2) how the relative profit obtained compares to the cost using the Profitability Index method, and (3) whether the investment is feasible based on the results of the analysis of the two methods.

2. LITERATURE REVIEW

Investment

Investment is essentially the expenditure of funds today to obtain profits in the future (Suharti et al., 2023), which means postponing consumption in order to allocate funds to productive assets for a certain period of time. The three main components of investment are funds, assets, and time period (Hartono, 2022). Investments generally take the form of long-term assets with the expectation that the returns will cover the initial costs. The concept of time value of money is an important basis, because the sooner the funds are received, the greater the opportunity for profit (Halim, 2018).

Investment analysis typically uses methods such as discounted net cash flow and discounted terminal cash flow. Based on their form, investments are divided into real (land, buildings, vehicles) and non-real (deposits, bonds, stocks, foreign exchange). In terms of cash flow, investments consist of initial cash flow, operational cash flow, and terminal cash flow (Hidayat, 2019), while in terms of investment methods, they can be direct investments in money markets, capital markets, and derivatives, or indirect investments through investment companies such as closed-end investments and mutual funds (Hartono, 2017).

Investment decisions are essentially aimed at maximizing profits with a certain level of risk (Faridah, 2016). The main considerations in these decisions are expected return and realized return (Hartono, 2022), where risk arises from the difference between the two. Investors' attitudes can be classified as risk averse (risk avoiders) and risk seekers (risk takers). Factors that influence investment decisions include internal factors, such as financial goals, financial conditions, risk tolerance, time horizon, and investment policy, as well as external factors such as macroeconomic conditions, markets, and industries (Nagari et al., 2024)

Basic Concept of Investment Feasibility

Investment feasibility is closely related to business feasibility studies, which serve to assess whether a business idea is feasible (Purwana & Hidayat, 2020). Capital used is divided into primary capital (pre-investment, licensing, feasibility studies) and working capital (fixed assets and operational costs). According to (Hidayat, 2019), there are several criteria for assessing investments, namely the Average Rate of Return (ARR) based on financial reports (Harmadji et al., 2024), and the cash flow approach which includes Payback Period (PP), Net Present Value (NPV), Profitability Index (PI), and Internal Rate of Return (IRR).

Investment Feasibility Analysis Method

Investment feasibility analysis is conducted by comparing the evaluation results with applicable standards or specific targets. According to Purwana & Hidayat (2020), the criteria used include Payback Period (PP), which calculates the time required to recover the capital; Net Present Value (NPV), which measures the difference between the investment value and discounted net cash receipts; and Profitability Index (PI), which shows the ratio between the present value of net receipts and the present value of the investment. By using these methods, the feasibility of a project can be determined more objectively.

Factors Influencing Investment Decision Making in MSMEs

In the context of MSMEs, investment decisions are influenced by several important factors. Accounting knowledge is one of the main factors because it is related to understanding transaction recording and financial statement preparation (Elmassri et al., 2016). In addition, knowledge of financial feasibility analysis helps MSME players in predicting the potential success of a business (Krisnananda & Kartika, 2021). The use of computer-based financial management systems can also improve the ability to identify business feasibility indicators (Sofia & Septiani, 2017). The indicators commonly used by MSMEs in assessing investments are Net Present Value (NPV), Payback Period (PP), Profitability Index (PI), and Internal Rate of Return (IRR)

3. RESEARCH METHOD

Variables and Research Design

According to Rahim et al. (2021), research variables are attributes, characteristics, or values of people, factors, or behaviors towards objects or activities that have certain variations and are determined by researchers to be studied so that conclusions can be drawn. This study uses one variable (single variable), namely investment feasibility. The research focused on Jalangkote Master MSMEs to evaluate investment potential in the culinary field. Data was collected through financial reports, sales records, administrative documents, and interviews with the owner. Furthermore, investment feasibility analysis was carried out using the Profitability Index (PI) and Payback Period (PP) indicators through a quantitative descriptive method based on numerical data. The results of the analysis were then summarized in conclusions regarding the feasibility of investing in Jalangkote Master MSMEs.

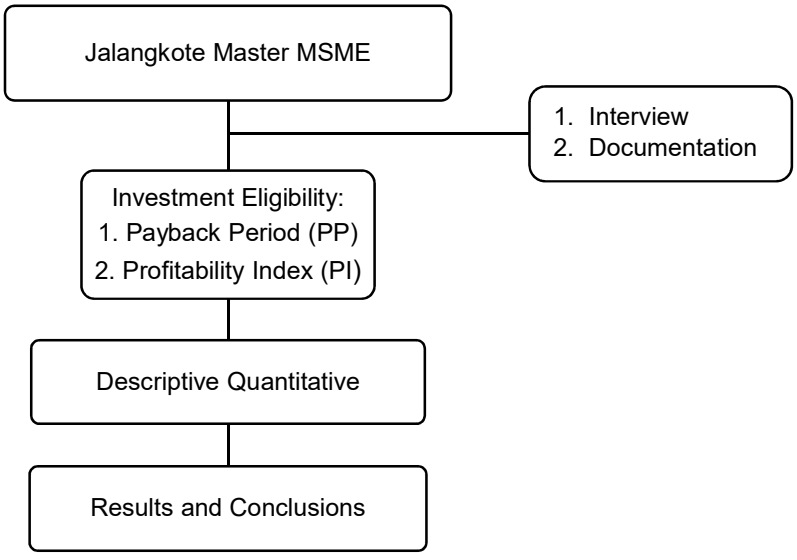

Figure 1
Research Design

Operational Definition and Measurement of Variables

The operational definition of this study focuses on investment feasibility variables measured through two indicators, namely Payback Period (PP) and Profitability Index (PI). The Payback Period (PP) indicates the time required to recover the initial investment, while the Profitability Index (PI) provides an overview of the added value of each investment unit. With these two indicators, Jalangkote Master MSMEs can manage capital more efficiently, accelerate the financial cycle, and support business growth and sustainability. The following are the variables used in this study:

a. *Payback Period* (PP)

$$Payback\ Period\ (PP) = \frac{Investasi}{Kas\ Bersih/tahun} \text{.....(1)}$$

b. *Net Present Value* (NPV)

$$NPV = -A_0 + \sum_{r-1}^{n} \frac{A_t}{(1+r)^t} \text{ .....(2)}$$

Keterangan:

A_0 = Investment expenditure in year-0
A_t = Net cash inflow in year-t
r = Rate of return required by capital owners, taking into account business risk
n = Number of years/economic life of the project (or study period)

c. *Profitability Index* (PI)

$$Profitability\ Index\ (PI) = \frac{\sum PV\ Kas\ Bersih}{\sum PV\ Investasi} \times 100\% \text{.....(3)}$$

Research Subjects and Focus

The subject of this study is the owner of the Jalangkote Master business. The focus of this study is the analysis of investment feasibility using the Payback Period (PP) and Profitability Index (PI) for the Jalangkote Master business.

Data Collection Technique

According to Iba & Wardhana (2023), data collection techniques in research are methods used to gather information needed in a particular study. Data collection techniques in this study include documentation and interviews.

Documentation was carried out by collecting data from books, journals, and previous studies with quality analysis of investment feasibility using the Payback Period (PP) and Profitability Index (PI). Meanwhile, interviews were conducted with the owner or manager of Jalangkote Master to obtain additional information regarding investment strategies, cash flow projections, and factors that affect investment results.

Data Analysis Techniques

The analysis techniques used in this study include several methods, namely Payback Period (PP) and Profitability Index (PI). Payback Period (PP) is used to calculate the cash flow of MSME operations. This is done to determine how quickly the investment will return based on the annual net cash flow.

Profitability Index (PI), the ratio of the total profit generated to the total investment. After that, the results of the Payback Period (PP) and Profitability Index (PI) are

used to interpret the feasibility of the investment. If both indicators show positive results, the investment in Jalangkote Master is considered feasible to be carried out.

4. RESULTS AND DISCUSSION

Data Presentation

This data presentation provides a comprehensive overview of the cost structure and annual production of Jalangkote Master's business over the last three years (2022–2024).

Variable Costs

Table 1. Average Annual Variable Costs for Jalangkote Master in 2022

No	Cost Type	Amount/month	Price	Value (IDR)
1	Flour (Kg)	30	10,500	315,000
2	Eggs	900	1,500	1,350,000
3	Milk (Liters)	6	18,000	108,000
4	Sweet Potatoes (Kg)	10	8,000	80,000
5	Carrots (Kg)	10	7,000	70,000
6	Vermicelli (Pack)	15	7,500	112,500
7	Garlic (Kg)	3,5	27,000	94,500
8	Shallots (Kg)	4	40,000	160,000
9	Chili	4	70,000	280,000
10	Celery (Kg)	0,5	32,500	16,250
11	Scallions (Kg)	0,5	13,000	6,500
12	Masako (Sachet)	72	500	36,000
13	Margarine (Kg)	2,5	42,500	106,250
14	Oil (Liters)	12	24,500	294,000
15	Gas	21	18,000	378,000
Total/month				**3,407,000**
Total/year				**40,884,000**

Source: Data Processed (2025)

Table 2 shows that the variable costs for Jalangkote Master in 2022 were IDR 3,407,000 per month or IDR 40,884,000 per year. The raw material requirements were still relatively small, such as 900 eggs and 30 kg of flour per month, reflecting the low production scale in that year.

Table 2. Average Annual Variable Costs for Jalangkote Master in 2023

No	Cost Type	Amount/month	Price	Value (IDR)
1	Flour (Kg)	314	12,500	3,925,000
2	Eggs	9,417	2,000	18,834,000
3	Milk (Liters)	63	20,000	1,260,000
4	Sweet Potatoes (Kg)	105	8,000	840,000
5	Carrots (Kg)	105	10,000	1,050,000
6	Vermicelli (Pack)	157	7,500	1,177,500
7	Garlic (Kg)	37	40,000	480,000
8	Shallots (Kg)	42	45,000	1,890,000
9	Chili	40	90,000	3,600,000
10	Celery (Kg)	5	32,500	162,500
11	Scallions (Kg)	5	13,000	65,000
12	Masako (Sachet)	754	500	377,000
13	Margarine (Kg)	25	49,500	1,237,500
14	Oil (Liters)	126	18,500	2,331,000
15	Gas	220	20,000	4,400,000
Total/month				**42,629,500**
Total/year				**511,554,000**

Source: Data Processed (2025)

Table 3 shows that in 2023 there will be a surge in variable costs to IDR 511,554,000 per year, in line with the increased demand for raw materials such as 9,417 eggs and 314 kg of flour per month. This increase reflects business expansion with a much higher production volume than the previous year.

Table 3. Average Annual Variable Costs for Jalangkote Master in 2024

No	Cost Type	Amount/month	Price	Value (IDR)
1	Flour (Kg)	300	15,000	4,500,000
2	Eggs	9,000	2,000	18,000,000
3	Milk (Liters)	60	22,000	1,320,000
4	Sweet Potatoes (Kg)	100	8,000	800,000
5	Carrots (Kg)	100	12,000	1,200,000
6	Vermicelli (Pack)	150	7,500	1,125,000
7	Garlic (Kg)	35	35,000	1,225,000
8	Shallots (Kg)	40	40,000	1,600,000
9	Chili	40	90,000	3,600,000
10	Celery (Kg)	5	16,250	81,250
11	Scallions (Kg)	5	13,000	65,000
12	Masako (Sachet)	720	500	360,000
13	Margarine (Kg)	24	47,500	1,140,000
14	Oil (Liters)	120	20,000	2,400,000
15	Gas	210	22,000	4,620,000
Total/month				**42,036,250**
Total/year				**504,435,000**

Source: Data Processed (2025)

Table 4 shows that in 2024, variable costs will remain high at IDR 504,435,000 per year. Although production will decline slightly compared to 2023, the demand for raw materials such as 9,000 eggs and 300 kg of flour per month will remain high, with some raw material prices increasing. This indicates that production will remain stable on a large scale despite a slight decrease in output.

Depreciation Expense

Table 5. Accumulated Depreciation of Jalangkote Master Year 2022-2024

Year	Accumulated Depreciation	
2022	IDR	3,576,250
2023	IDR	5,728,125
2024	IDR	7,880,000

Source: Data Processed (2025)

Accumulated depreciation of fixed assets of Jalangkote Master MSME for the 2022–2024 period is calculated using the straight-line method in accordance with PMK No. 96/PMK.03/2009. In 2022, it was recorded at IDR 3,576,250, increasing to IDR 5,728,125 in 2023 (an increase of IDR 2,151,875), then increasing again to IDR 7,880,000 in 2024, reflecting the addition of new assets.

Equipment Costs

Table 6. Jalangkote Master Equipment Costs Year 2022-2024

Year	Types of Equipment	Total Cost	
2022	Notebook and pen	IDR	95,000
2023	Basin, cutting board, spoon, paintbrush, notebook and pen	IDR	1,662,000
2024	Whiteboard, notebook, pen and marker	IDR	741,000

Source: Data Processed (2025)

The table above shows the development of MSME equipment costs from 2022 to 2024. In 2022, the costs were still low at IDR 95,000 for notebooks and pens. In 2023, there was a surge to IDR 1,662,000 due to the addition of production equipment such as basins, cutting boards, spoons, and brushes. In 2024, costs decreased to IDR 741,000, with a focus on administrative and business support supplies such as whiteboards, notebooks, pens, and markers. This illustrates the adjustment of supply needs in line with the development of the business each year.

Fixed Costs

Table 7. Jalangkote Master Fixed Fees for 2022-2024

Types of Fees	2022	2023	2024
Electricity and Water	IDR 6,000,000	IDR 62,400,000	IDR 60,000,000
Equipment Depreciation	IDR 3,576,250	IDR 5,728,125	IDR 7,880,000
Employee Salaries	IDR 9,600,000	IDR 28,500,000	IDR 28,500,000
Transportation Costs	IDR 4,750,000	IDR 20,650,000	IDR 20,650,000
Building Rent	IDR 20,000,000	IDR 20,000,000	IDR 10,000,000
Miscellaneous Expenses	IDR -	IDR -	IDR 7,920,000

Source: Data Processed (2025)

Table 7 shows a significant increase in fixed costs from 2022 to 2023, particularly in electricity and water, which rose from IDR 6,000,000 to IDR

62,400,000 due to increased production. Employee salaries and transportation costs also increased in line with business expansion, while equipment depreciation continued to increase each year. In 2024, electricity and water costs decreased slightly, building rent was reduced by half, but other costs of IDR 7,920,000 emerged, reflecting additional operational needs.

Type and Quantity of Production

Table 8. Types and Annual Production Quantities of Jalangkote Master 2022-2024

Type	Year	Production Quantity (Pcs)	Price (IDR)	Value (IDR)
Jalangkote	2022	26,500	7,000	185,500,000
	2023	271,000	7,000	1,897,000,000
	2024	259,000	7,000	1,813,000,000

Source: Data Processed (2025)

Table 8 shows the production volume and total revenue based on a selling price of IDR 7,000 per piece. In 2022, production was recorded at 26,500 pieces with revenue of IDR 185,500,000. In 2023, production jumped to 271,000 pieces with revenue of IDR 1,897,000,000. In 2024, production decreased slightly by 12,000 pieces, but revenue remained high at IDR 1,813,000,000. This confirms significant and stable business growth over the past three years.

Data Analysis

Calculating Investment Needs for Expansion

Jalangkote Master plans to expand by increasing investment in the capital goods and fixed assets sectors. This investment includes the purchase of new production equipment, facility expansion, and infrastructure improvements to make operations more efficient with greater production capacity. The surge in demand has made the current space and equipment capacity insufficient, making production expansion essential to maintain smooth processes. The addition of equipment is also expected to speed up the production cycle, reduce waiting times, and increase output.

1.	Building/Warehouse		
	Acquisition Cost		IDR 600,000,000
2.	Vehicle		
	Acquisition Cost		IDR 200,000,000
3.	Equipment		
	Doughing equipment	IDR 800,000	
	Ladder rack	IDR 400,000	
	Angle rack	IDR 2,000,000	
	Table set	IDR 1,500,000	
	Cashier desk	IDR 1,000,000	
	Cashier chair	IDR 450,000	
	Total		IDR 6,150,000
	Total Initial Investment		IDR 806,150,000

The funds allocated to support the purchase of capital goods, also known as fixed investment, amounted to IDR 806,150,000. Based on the above funding requirements, Jalangkote Master used funds from only one source, namely its own capital.

Investment Proceed Pattern

Proceeds are the basis for calculating net cash flow obtained from the sum of Earnings After Tax (EAT) and annual depreciation. In this study, the analysis was conducted over three years (2022–2024).

Table 9. Jalangkote Master Investment Proceed Pattern

Year	EAT	Depreciation	Proceed
2022	92,308,750	3,576,250	95,885,000
2023	1,161,715,775	5,728,125	1,167,443,900
2024	1,092,391,000	7,880,000	1,100,271,000

Source: Data Processed (2025)

The table above shows a significant increase in proceeds from year to year. The first year still generated relatively small values due to the early stages of operations, but the large jump in the second and third years confirms the future profitability potential of the business.

Payback Period (PP) Method

The Payback Period (PP) method is used to assess the length of time required for the initial investment of IDR806,150,000 to be recovered through the net cash generated by the business. The calculation results are as follows:

Investment = IDR 806,150,000
Net cash year 1 (2022) = IDR 95,885,000
IDR 710,265,000

Since the remaining proceeds cannot be deducted in the second year, the remaining proceeds from the first year are divided by the net cash in the second year.

$$\text{Payback Period (PP)} = \frac{\text{Investment}}{\text{Net Cash/Year}} \times 1 \text{ Year}$$

$$\text{Payback Period (PP)} = \frac{710{,}265{,}000}{1{,}167{,}443{,}900} \times 12 \text{ Month}$$

Payback Period (PP) = 7.3
Payback Period (PP) = 7 Month
Payback Period (PP) = 0.3 × 30 Day
Payback Period (PP) = 9 Day

Based on calculations, the return on investment period is recorded as 1 year, 7 months, and 9 days.

Net Present Value (NPV) Method

The Net Present Value (NPV) method is applied with the aim of measuring whether the present value of anticipated future cash flows is greater than the initial investment. In this study, a discount rate of 15% is used, which reflects the minimum rate of return while taking into account risk and the time value of money.

Table 10. Net Present Value (NPV) Jalangkote Master

Year	EAT	Depreciation	Proceed	DF 15%	PV Net Cash
2022	92,308,750	3,576,250	95,885,000	0.8696	83,381,596
2023	1,161,715,775	5,728,125	1,167,443,900	0.7561	882,704,333
2024	1,092,391,000	7,880,000	1,100,271,000	0.6575	723,428,183
Total PV Net Cash					1,689,514,112
PV Initian Investment					806,150,000
NPV					**883,364,112**

Source: Data Processed (2025)

The results show that the total net cash PV (IDR 1,689,514,112) is greater than the initial investment (IDR 806,150,000), resulting in a positive NPV.

***Profitability Index* (PI) Method**

The Profitability Index (PI) method is applied to determine the amount of profit earned per unit of investment. The calculation results are as follows:

$$\text{Profitability Index (PI)} = \frac{\sum \text{PV Net Cash}}{\sum \text{PV Investment}} \times 100\%$$

$$\text{Profitability Index (PI)} = \frac{1.689.514.112}{806.150.000} \times 100\%$$

$$\text{Profitability Index (PI)} = 2$$

Based on calculations, the Profitability Index (PI) value obtained is 2.

Discussion

Investment Return Speed Based on Payback Period (PP) Method

Payback Period (PP) is an investment analysis method used to determine the time required to repay the initial capital from annual net cash flow. In the case of Jalangkote Master, an initial investment of IDR 806,150,000 was allocated for production houses, operational vehicles, and production equipment. From the first year's (2022) net cash flow of IDR 95,885,000, the remaining investment that has not been covered is IDR 710,265,000. In 2023, the net cash flow reached IDR 1,167,443,900, which was able to cover the remaining investment, resulting in a PP of 1 year, 7 months, and 9 days. This timeframe is considered very fast, especially for MSMEs, which generally face capital constraints and high risks.

The rapid return on investment is supported by improved business performance, high market demand, promotional strategies through social media, and effective cooperation with resellers. In addition, efficient cost management, despite an increase in variable costs, still allows for the creation of a significant cash surplus. Thus, the PP analysis shows that investing in Jalangkote Master is very feasible, as the short payback period reduces risk while accelerating the achievement of profits.

The Relative Profit of Investing in Jalangkote Master is Compared to the Costs Incurred Based on the Profitability Index (PI)

The Profitability Index (PI) is an analytical tool that describes the value of a project's benefits compared to the amount of investment spent. In this case, Jalangkote Master shows a Profitability Index (PI) of 2. This means that for every IDR 1 invested, this business generates IDR 2 as the present value of the net cash flow projected to be received in the future.

This figure shows that the project is highly feasible and profitable, as it not only covers the initial capital but also provides significant added value. This achievement was driven by an increase in production volume, from 26,500 units in 2022 to 271,000 units in 2023. Although there was a slight decline to 259,000 units in 2024, revenue remained high, reflecting stable market demand.

In addition, consistent operating cash flow that exceeds initial investment each year strengthens business sustainability while opening up opportunities for expansion. These PI results are also in line with a positive Net Present Value (NPV) of IDR 883,364,112, confirming that the Jalangkote Master investment is not only feasible but also highly profitable. Therefore, this investment decision is rational and efficient, as it is capable of providing multiple returns and supporting future business growth strategies.

Investment Feasibility Based on the Results of Payback Period (PP) and Profitability Index (PI) Analysis

Investment in Jalangkote Master is considered very feasible based on two approaches, Payback Period (PP) and Profitability Index (PI). With a Payback Period (PP) of 1 year, 7 months, and 9 days, the initial capital can be quickly repaid long before the project is completed. This provides certainty about the return on investment while reducing the risk of loss. Meanwhile, a Profitability Index (PI) value of 2 indicates that this project provides benefits more than double the initial investment. This proves that the expansion of the Jalangkote Master business is not only able to cover investment costs, but also generates significant profits for business owners.

In addition to quantitative aspects, qualitative factors also strengthen the feasibility of investment. The business strategies implemented, such as expansion through a reseller system and the use of social media, demonstrate careful planning. The business owner uses their own capital, so they are not burdened by interest or debt obligations, and all profits can be allocated for business development. Financial data over the past three years shows a stable growth trend in revenue, net profit, and production volume. This consistency, coupled with the traditional nature of the product, which has cultural value and high market loyalty, further strengthens the long-term prospects of the business. Therefore, investing in Jalangkote Master is highly feasible because it not only promises a quick return on investment and high profits, but is also supported by an adaptive and sustainable business strategy.

5. CONCLUSION

Based on the analysis results, Jalangkote Master's initial investment of IDR 806,150,000 can be recovered within 1 year, 7 months, and 9 days according to the Payback Period (PP) method. This relatively fast payback period is considered very good for MSMEs, reflecting cash flow efficiency and low risk associated with the investment.

In addition, the Profitability Index (PI) analysis produced a value of 2, meaning that every IDR 1 invested is capable of generating IDR 2 in present value of net cash flow. This investment is highly profitable if the Profitability Index (PI) value is greater than 1. Thus, investing in Jalangkote Master is considered very feasible, both financially and operationally, supported by stable business growth, cost efficiency, and the implementation of appropriate marketing strategies.

REFERENCES

Book:

Halim, A. (2018). *Analisis Investasi dan Aplikasinya dalam Aset Keuntungan dan Aset Riil.* Jakarta: Salemba Empat.

Harmadji, D. E., Abdillah, P., Kurniawan, R., Mialasmaya, S., Yuniawati, R. I., Harahap, L. R., & Satar, M. (2024). *Pasar Modal dan Manajemen Keuangan.* Makassar: CV. Tohar Media.

Hartono, J. (2017). *Teori Portofolio dan Analisis Investasi (Edisi ke 11).* Yogyakarta: BPFE-Yogyakarta.

Hartono, J. (2022). *Portofolio dan Analisis Investasi: Pendekatan Modul (Edisi 2).* Yogyakarta: Penerbit ANDI.

Hidayat, W. W. (2019). *Konsep Dasar Investasi dan Pasar Modal.* Jawa Timur: Uwais Inspirasi Indonesia.

Iba, Z., & Wardhana, A. (2023). *Metode Penelitian.* Kabupaten Purbalingga: CV. Eureka Media Aksara.

Nagari, A., Pekerti, R. D., Dewi, S. R., Ihsan, A. M., Khodijah, A. S., Irawan, J. L., & Anggraini, D. T. (2024). *Manajemen Investasi: Teori dan Praktik.* Banten: Sada Kurnia Pustaka.

Purwana, D., & Hidayat, N. (2020). *Studi Kelayakan Bisnis Edisi 1.* Depok: Rajawali Pers.

Rahim, R., Sa'odah, Tiring, S. S., Asman, Fitriyah, L. A., Dewi, M. S., & Wicaksono, A. B. (2021). *Metodologi Penelitian: Teori dan Praktik.* Tasikmalaya: Perkumpulan Rumah Cemerlang Indonesia.

Suharti, E., Edawati, L., Zatira, D., & Setiawan, T. (2023). *Manajemen Investasi dan Teori Portofolio.* Purbalingga: CV. Eureka Media Aksara.

Journal Article:

Elmassri, M. M., Harris, E. P., & Carter, D. B. (2016). Accounting for Strategic Investment Decision-Making Under Extreme Uncertainty. *The British Accounting Review, 48(2)*, 151-168. https://doi.org/10.1016/j.bar.2015.12.002

Faridah, N. (2016). *Pengaruh Keputusan Investasi, Pendanaan, Kebijakan Dividen, Tingkat Suku Bunga terhadap Nilai Perusahaan*. *Jurnal Ilmu dan Riset Akuntansi, 5(2)*, 1-15. https://jurnalmahasiswa.stiesia.ac.id/index.php/jira/article/view/273

Krisnananda, J., & Kartika, A. A. (2021). *Analisis Kelayakan Ekonomi dan Finansial Pembangunan Jalan Tol Mengwi-Gilimanuk*. *Jurnal Teknik ITS, 10(2)*, 253-258. https://doi.org/10.12962/j23373539.v10i2.69868

Magdalena, B., & Susanti, S. (2015). *Perilaku Wanita dalam Berinvestasi di Bandar Lampung*. *Jurnal Manajemen dan Bisnis Universitas Bandar Lampung*, 217-241. https://doi.org/10.36448/jmb.v5i2.933

Purwaningsih, R., Maypemi, N. P., Putri, A. A., Fahira, A., Gunawan, M., & Pangestu, W. W. (2019). Product Engineering *dan Analisis Kelayakan Investasi Pengembangan Produk Cairan Pelapis Permukaan Air pada Kloset. J@ti Undip : Jurnal Teknik Industri*, 102-110. https://ejournal.undip.ac.id/index.php/jgti/article/view/25021

Sofiah, E., & Septiana, Y. (2017). *Sistem Pendukung Keputusan Feasibility Study untuk Menilai Kelayakan Sebuah Bisnis*. *Jurnal Wawasan Ilmiah, 8(1)*, 1-7. https://www.researchgate.net/publication/317231356

Website:
https://kadin.id/data-dan-statistik/umkm-indonesia/